SENATE—*Tuesday, July 12, 1994*

(Legislative day of Monday, July 11, 1994)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable PATTY MURRAY, a Senator from the State of Washington.

PRAYER

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

Let us pray:

In a period of silent prayer, let us remember the flood victims in Georgia, the thousands who have been affected, and let us remember those who respond in love to their needs.

"Blessed is the nation whose God is the Lord * * *."—Psalm 33:12.

Almighty God, we have come a long way since our birth as a Republic, but we have wandered somehow. Our Founding Fathers held freedom of religion to be fundamental. We have reduced their deep conviction into freedom from religion.

We have become technological giants—spiritual and moral dwarfs. We are sophisticated in scientific progress—primitive in spiritual development. We are knowledgeable in the ways of the world—ignorant in the way God. We live as though man is the center of the universe, and God a peripheral invention of pious enthusiasts. We are abundantly rich in material resources—abysmally poor in spiritual and moral capital.

Dear God, help us to get our act together before it is too late.

In the name of Him who is the Way, the Truth, and the Life. 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, July 12, 1994.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable PATTY MURRAY, a Senator from the State of Washington, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mrs. MURRAY thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

NATIONAL LABOR RELATIONS ACT AND RAILWAY LABOR ACT AMENDMENTS

MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the motion to proceed to S. 55, which the clerk will report.

The legislative clerk read as follows:

Motion to proceed to the consideration of S. 55, a bill to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes.

The Senate resumed consideration of the motion to proceed.

The ACTING PRESIDENT pro tempore. The majority leader.

ORDER OF PROCEDURE

Mr. MITCHELL. Madam President, the Senate will now resume consideration of the motion to proceed to S. 55, the striker replacement bill. At 2:30 p.m. today, there will be a vote on a motion to invoke cloture on the motion to proceed to that bill.

If cloture is not invoked, that is to say if fewer than 60 Senators vote to end the filibuster and permit a vote on the bill, then debate will continue on that motion for the remainder of today, and another cloture vote will be held at 10 a.m. tomorrow. So the only vote today will be at 2:30, on cloture on the motion to proceed to S. 55. And another such vote will occur at 10 a.m. tomorrow if cloture is not invoked this afternoon.

Following disposition of S. 55, the Senate will resume consideration of the foreign operations appropriations bill. Under a unanimous-consent agreement previously reached on that bill, to be in order any amendment to the bill must be offered by 6 p.m. on Thursday. It is my intention and expectation that we will complete action on that bill on Thursday, remaining in session for however long it takes to do so.

Following consideration of that bill, the Senate will take up other appropriations bills, including the agriculture and interior appropriations bills.

During this legislative period, which is now scheduled to be completed at the close of business on August 12, we will have a very busy schedule. We have to act on as many appropriations bills as necessary. As I previously stated, it is my intention to proceed to and complete action on the elementary and secondary education reauthorization bill, health care reform, several nominations including the nomination of Judge Breyer to the Supreme Court, and conference reports on several measures including the crime bill, campaign finance reform, lobbying reform, procurement reform, and airport and airways improvement. Several of these matters I anticipate will be relatively noncontroversial and will not take a long period of time. But many of them will.

Last week, indeed a week ago today, I wrote to all Senators, as is my practice, setting forth the voting schedule for this legislative period. So there can be no misunderstanding, I ask unanimous consent that my letter and a nonexclusive list be printed in the RECORD.

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

(See exhibit 1.)

Mr. MITCHELL. I want to reemphasize what I stated in the letter and what I had previously stated publicly on several occasions prior to the time the letter was sent. And I quote from the letter:

During that period, the Senate will be in session 5 days a week—Monday through Friday. There will be no rollcall votes on the first two Mondays of this legislative period—July 11 and July 18. On every other day, Senators should be prepared for rollcall votes, including numerous procedural votes, unless an announcement to the contrary is made on the floor.

Further quoting from the letter:

During this coming legislative period, the Senate will have to complete action on several important measures prior to breaking for the August recess.

I then listed several which I have just stated this morning and then went on to say in the letter:

With cooperation, we can complete these measures by August 12. But if we fail to do so, then this legislative period will be extended for as long as is necessary. * * *

As is the current practice, Senators should be available to arrive on the Senate floor to vote within 20 minutes. An announcement will be made from the floor whenever a decision is made to end rollcall votes for the day.

Madam President, I thank all Senators for the cooperation we have had so far this year. I have attempted to accommodate as many Senators as possible in their individual schedules by setting the opening and closing of the

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

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Senate and the voting schedule in a manner that did accommodate the largest number of Senators, but it clearly will not be possible to do so during this legislative period.

So Senators should be prepared for lengthy sessions, 5 days a week, votes at any time beginning early Monday morning and continuing through late Friday evening. The letter explicitly did not include the closing time of 3 p.m. on Friday—unless agreement to the contrary is reached and announced from the floor.

So I thank my colleagues for their past cooperation and for what I hope and anticipate will be their cooperation during this legislative period. We have a lot to do but there is no reason why we cannot get it done if Senators will cooperate, come to the floor to offer their amendments, not engage in dilatory tactics, and cooperate in being present in the Capitol at any time so that we can proceed to vote as the opportunity arises during the consideration of various bills.

EXHIBIT 1

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, DC, July 5, 1994.

DEAR COLLEAGUE: I am writing to set forth the voting schedule for the legislative period from Monday, July 11 through Friday, August 12.

During that period, the Senate will be in session five days a week—Monday through Friday. There will be no rollcall votes on the first two Mondays of this legislative period—July 11 and July 18. On every other day, Senators should be prepared for rollcall votes, including numerous procedural votes, unless an announcement to the contrary is made on the Floor.

On Monday, July 11, the Senate will convene at 1:00 p.m. On that day there will be debate only on a Motion to Proceed to S. 55, the Striker Replacement bill. A cloture vote on that Motion to Proceed will occur at 2:30 p.m. on Tuesday, July 12.

During this coming legislative period, the Senate will have to complete action on several important measures prior to breaking for the August recess. These measures include, but are not limited to, the following: Striker Replacement; the Elementary and Secondary Education Act; Health Care Reform; the Crime Bill Conference Report; available appropriations bills, nominations and other conference reports. With cooperation, we can complete these measures by August 12. But if we fail to do so, then this legislative period will be extended for as long as is necessary. If any other changes in this schedule are necessary, I will provide as much notice as is possible under the circumstances.

As is the current practice, Senators should be available to arrive on the Senate Floor to vote within 20 minutes. An announcement will be made from the Floor whenever a decision is made to end rollcall votes for the day.

I will contact you by August 12 regarding the voting schedule for the next legislative period.

Sincerely,

GEORGE J. MITCHELL.

NONEXCLUSIVE LIST FOR PRIOR TO AUGUST RECESS

Ten remaining appropriations bills.

Elementary and secondary education reauthorization, S. 1513, (Cal. No. 495).

Health care reform.

Export administration improvement bill, S. 2203, (Cal. No. 474).

Federal crop insurance reform bill, S. 2095, (Cal. No. 507).

Child Nutrition and School Lunch Act reauthorization, S. 1614 (Cal. No. 506).

Intelligence reauthorization, S. 2082, (Cal. No. 501).

EXECUTIVE CALENDAR

Judge Breyer's nomination.

Other nominations.

Possible treaties.

CONFERENCE REPORTS INCLUDING, BUT NOT LIMITED TO THE FOLLOWING

Crime bill, H.R. 3355.

Campaign reform, S. 3.

Lobbying reform, S. 349.

Procurement reform, S. 1587.

Mr. MITCHELL. Madam President, I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DURENBERGER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. DURENBERGER. Madam President, in the legislative process in which we all engage, we too often find ourselves distracted from some of the human realities by sloganeering and political posturing. I know how difficult it is when I go home and somebody says, "Where do you stand on S. 9996," or H.R. blah, blah, blah, whatever the case may be. Somehow or another, people come to associate their problems with a Senate file number or some name easily pronounceable, probably one or two syllables, one or two words, something like that. We tend to lose sight of the realities that exist behind the personal needs that are expressed by each of these constituents.

The bill on the floor now is either known as S. 55 or the Workplace Fairness Act, or the striker replacement bill. We have been at this now, Madam President, for quite a number of years. On the recess, I thought I would go home and do a little reality check on S. 55, workplace fairness and striker replacement. So I met with a group of workers who were going through a real life labor-management crisis. They told me this is what S. 55 is all about. What I learned from them is just exactly how far the whole S. 55 debate really is from their personal concerns.

The workers I met with in this case were members of the Oil, Chemical and Atomic Workers International Union, Local 6-662. These workers were permanently replaced in April of this year within days—not weeks or months—within days of going on strike against their employer, CF Industries in Rosemount, MN.

CF Industries is a fairly large company originated through a number of large agricultural co-ops, and it is largely in the fertilizer business. It has operations around America, with 1,500 employees. Only 28 of those 1,500 employees are union members. They are all in Rosemount, MN—or they were all in Rosemount, MN. After more than 30 years of relatively good labor/management relations, after more than 20 years of service by some of these employees, they were put on the block within days of going on strike. CF Industries had been advertising for permanent replacements since January before the strike was even called. This, Madam President, is the real face of labor relations today. These are people who, to borrow a phrase from President Clinton, worked hard, played by the rules.

What solutions does the system have for them? Over the last year, and as recently as last Thursday, I have been meeting with working men and women who are members of labor unions. What I am hearing from them is a great deal of frustration. Some of the national labor leaders and some of the proponents of this bill have had a simple answer for 4 years. They say all of this frustration and all of this suffering will go away if Senators like me will just shut up and pass S. 55.

Madam President, would that it were so. I would like nothing more than to pass a bill that would accomplish all that the supporters claim for their bill, but it just is not so. We have a very broad problem in this country for laboring men and women. The frustration of union members and nonunion members alike is the very same source of frustration of the middle class in general: Loss of job security, disorientation caused by business restructuring, loss of benefits, failure to keep pace with the cost of living, tougher global competition, reductions in defense contracts, inflation that is going down across the board except for the vital services that workers need for their families, like education and health care.

This has given America's workers a lot with which to cope and adjust. Are we in Congress being genuinely helpful? They do not think so, and neither do I. We are talking a lot about the Workplace Fairness Act, but we are not talking much about workplace fairness, how we intend to cushion the real blows suffered by real people in a real workplace.

Just take a look at the 28 workers at CF Industries. They brought a claim of unfair labor practices under the National Labor Relations Act. In fact, they brought their first one last September, I think. The company, within 2 months, conceded, signed an agreement with the National Labor Relations Board, posted a la—well, I will not say that—posted a recognition of 94 things that they would not do anymore, knowing that in 60 days they can take the

thing down, and it is business as usual, if that is what they want to do.

In connection with the strike in April of this year, the union brought another claim of unfair labor practice, under the NLRA, against the company. This week—that is, the second week in July—they get their very first hearing. So this week for these people the process begins. When will they get justice?

Well, the General Accounting Office has provided some statistics that are not very encouraging. In 1988, 30 percent of the unfair labor practice cases decided had been at the Board for more than 2 years; 15 percent had been at the Board for over 4 years. In 1989, 21 percent of the unfair labor practice cases decided had been before the Board for more than 2 years and 10 percent had been there for over 10 years—clearly, moving in the wrong direction.

I think that anybody who looks at the length of time it takes for working men and women to receive justice from our system would recognize that the system has to change. The National Labor Relations Board has to be more responsive. The alternative is a complete collapse of faith in the system on the part of both workers and management.

That, Madam President, is the problem we are trying to solve. Make the system responsive; make the system work. This is a problem that must be addressed by changes in America's labor laws, but the changes embodied in S. 55 are not the changes we need. In fact, this bill has become an impediment to the very changes that will help resolve the frustration of organized workers. With all due respect to the authors of the bill before us and their supporters and organized labor, by bringing the bill up one more time and by failing to work constructively on the kind of reform that can pass and ought to pass, working Americans have lost another year in their pursuit of real fairness in the workplace.

Let me illustrate for you just how this delay in enacting genuine reforms has hurt our workers. Last year, I introduced a bill that is known as S. 598. That bill would require the NLRB to expedite review of unfair labor practice charges in cases where striking workers have been permanently replaced. If that bill had passed last year, the striking workers of CFI would have already had their hearing before an administrative law judge. They would have been entitled to a ruling by the middle of August, a month from now, by the latest, and any appeal to the NLRB would be expedited.

Under S. 598, the entire process would have taken at the most 8 months and 15 days—at the most—not the 4 years, the 3 years, the 2 years that GAO tells us is now prevalent. But instead of moving forward with this kind of necessary reform, we continue this symbolic struggle over S. 55. The result for the 28 people in Rosemount, MN, and others around the country? Justice delayed. Justice delayed is justice denied.

Madam President, O.J. Simpson is getting his day in court before the workers at CFI do. And that is current law. Make no mistake, their lives are at stake, too. They need their jobs.

Every labor leader I have spoken with about my bill has said it would address the problems in the current system—not all of them, not go as far as a lot of them would want, but it would address the heart of the problems illustrated by what these workers at CFI are going through.

When I met with William Gould, President Clinton's nominee to the NLRB chairmanship, he said it was a good reform. He said it ought to be passed. The chairman of our committee said we ought to have a hearing on it. And that was what? A year ago.

My colleague from Vermont, Senator JEFFORDS, my colleague from Oregon, Senator PACKWOOD, and others have tried to work on reasonable solutions to the kinds of problems that are actually being encountered by people like those 28 workers at CFI. And yet at the Labor Committee we have had no hearings on my bill. We have had no hearings on any other alternatives to S. 55. In spite of the expressed willingness of other members of the committee and myself to work on real solutions to this problem, opponents have made no effort to break the deadlock, so here we are again, back to S. 55, the all-or-nothing labor law reform that is not going to pass this week, this year, or for years to come.

I have explained my opposition to S. 55 many times during Senate debate on this identical bill, and I will state it once again just for the record.

The problem with current labor law, as shown clearly by the situation at CFI in Minnesota, is that management in some cases can take extreme positions in labor negotiations even at the point of forcing a strike because the ability to hire permanent replacements has taken much of the risk for management out of strikes, if that is what they desire to do. I oppose S. 55 because it takes this very heavy club, the risk-free strike, out of the hands of management and hands it right over to labor.

As angry as I get at management like at CFI for pushing good people out of good jobs, I know from experience in Minnesota it can happen on the other side, too. It was not that many years ago that local P-9 called a strike against Hormel at its meatpacking plant in Austin, MN. It did not permanently replace workers when the strike was called. They took a 6-month strike in a town that is totally dependent on this packing house. And then they began to have to reopen the plant just to keep the community alive by replacing the workers. In that case, the union, under questionable leadership, simply refused to consider reasonable attempts to settle.

The Hormel situation was eventually solved, and today all of the striking workers who wanted to come back to the Hormel plant are back. Their wages are higher than they ever were before, and this company has one of the highest productivity records in the Nation. Without the right to permanently replace the workers after all reasonable attempts to settle had failed, Hormel could have been driven out of business, the community could have been driven out, and the loss to my State and communities in and around Austin, MN, could have been enormous.

Let me talk briefly on another example in an industry I know very well, the health care industry. While every industry will be affected by this legislation, the impact on the health care industry is of particular concern at a time when Congress is seeking solutions to skyrocketing health care costs. The Supreme Court's decision in American Hospital Association versus the NLRB cleared the way for NLRB regulations which most in the health care industry believe will result in increased unionization and the potential for strikes against the Nation's 4,000 acute care hospitals.

The regulations provide that in most hospitals unions can organize as many as eight different units of employees. As an article in the March 2, 1992, AFL-CIO News pointed out, the effect of these regulations already is being felt. According to the article, one union alone has won 20 of 28 elections involving skilled maintenance workers.

If we were to give the unions in the health care industry the ability to call strikes without risk, I fear the result would be severe disruption of health care services. Moreover, to avoid catastrophe, hospitals would be forced to agree to possibly excessive union demands. These in turn would be passed on to the health care consumer.

The potential effects of S. 55 on the industry were highlighted by a 1991 strike against Canonsburg General Hospital in Pennsylvania after management had offered employees a 9.1 percent wage increase. At first, the hospital tried to operate using temporary workers and management staff. But the resulting burnout threatened the health of the patients, and permanent replacements had to be hired.

Several months later, the union agreed to submit the dispute to arbitration in return for the hospital's reinstating the striking workers. Ultimately, the arbitrator adopted the original 9.1 percent wage increase that management had offered the employees prior to the strike.

These examples, Madam President, convince me it is shortsighted for us to consider S. 55 a solution to the problems that exist in labor-management relations today. It will only exchange

one set of problems for another and bring no real fairness to the workplace, and that is why I oppose S. 55.

I understand my friend, the Senator from Ohio, yesterday inveighed against what he called the antilabor Republicans. Madam President, I will remind my colleague that I was there with labor on the civil rights bill. I was there with labor on Hatch Act reform. I was there with labor on the minimum wage. I have been there 70 times, as my colleague from Texas knows, on Davis-Bacon, and a variety of issues like that.

I will continue to be there with labor as we in Congress grapple with the rapidly changing problems of the work force. But I will not vote for a bad and a counterproductive bill. I will support the working people of Minnesota as they try to make a difference, not labor leaders with a letterhead trying to make a point. That is why I think we should revisit some of the reforms contained in S. 598. Let us get these unfair labor practice charges decided quickly.

Let us give workers the right to automatic reinstatement if unfair labor practices are found. That is real reform.

Last year I learned that a commission appointed by Labor Secretary Reich to conduct the so-called comprehensive review of labor management relations would not be studying this issue, but that Congress would have to address this broad revision without the benefit of the commission's recommendations. I thought at the time that this represented a lost opportunity in the history of labor relations.

So my hope is that when S. 55 again fails because it did not receive the required votes, that Congress will look at a solution to the permanent replacement issue against the full panoply of labor law changes recommended by the commission, and with the benefit of the commission's comprehensive recommendations on labor law reform. This issue is too important for posturing. The issue is no longer S. 55. The issue is; are we serious about a level playing field to protect the rights of all in the economy? Madam President, I say back to the drawing board.

Before I yield the floor, I want to simply address a special word of thanks to the Minnesota labor people who have challenged me and who have helped me understand this issue on a personal level—Bernie Brommer of the Minnesota AFL-CIO and members of the Minnesota AFL-CIO, who have been as persistent as any that I could imagine. I see my colleague from Minnesota smiling. These people do not let up. I think the first day I ever heard about S. 55 was from a member of a waiter staff in a bar where I happened to be attending for somebody's farewell party, or something like that. She said, "Where do you stand on S. 55?"

Our people in Minnesota who represent labor are without parallel anywhere in the country. There is Rick Johnson, who is President of the OCAW Local 662; Doug Greene, John Paulpick, and some of the other members of the unit that was at CF Industries.

Then, probably the organization in Minnesota that has been the most persistent—although they all have on this particular issue—the most informative, the most helpful, and I think, Madam President, in the long run the organization that will be the most frustrated by the inability of the Congress to deal realistically with these problems, will be Harold Yates, Wes Lane and a variety of business agents and others at the Teamsters in Minnesota.

So I thank them. I know my conclusion on this bill doesn't agree with theirs. But I must say that it is not because they did not try. If they were the national labor leaders of this country, they would have found a solution by now. We would not be down here on the floor without that kind of a resolution.

So if we can continue to work together on the issues with an open mind on all sides, I trust that day will not be far off when American workers get the justice they deserve. S. 55 is not it. I intend to vote for cloture.

Mr. WELLSTONE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

Mr. WELLSTONE. Thank you, Madam President.

Madam President, there are a couple of points that I would like to make that I think are important in this debate.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Madam President, first, let me ask unanimous consent that Mark Wellstone, who is an intern with me this summer, be allowed to be on the floor today.

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

Mr. WELLSTONE. Madam President, let me ask unanimous consent that this letter from Arthur Potthoff from the OCAW, Oil, Chemical and Atomic Workers, in relation to the CF Industries strike and permanent replacement of workers, which Senator DURENBERGER has spoken about, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OIL, CHEMICAL AND ATOMIC WORKERS
INTERNATIONAL UNION, AFL-CIO,
June 6, 1994.

Senator PAUL WELLSTONE,
Hart Office Building, Washington, DC.

DEAR SENATOR WELLSTONE: I am writing to express my appreciation for your appearance and remarks to the strikers and their families and supporters in Rosemount Sunday June 5, 1994.

The strikers at CF Industries have been through a lot in the last two years. I won't go into the history of the entire situation but the fight these people have taken on is not one motivated by the typical interests in bettering one's lot in life by improving wages and benefits. This conflict was brought about by the employers insistence on removing the Union security clause from their contract. As was told to you by the strikers, they were replaced before they went on strike. The company had advertised for and hired help as much as three weeks prior to the work stoppage commencing. They had brought supervisory personnel in from other locations two to three weeks prior to the strike and had trailers set up to provide housing and dining accommodations. This company knew they had pushed the people as far as they could and were prepared for the inevitable. So much for bargaining in good faith.

In a time when catch phrases like "becoming more competitive" seems to be so popular in American business we find it incredible that a company would choose their most productive facility to start this kind of a fight. Could it be that getting rid of the Union takes precedence over productivity? At CF apparently fear and intimidation take precedence over basic human dignity.

We want to thank you for taking time out of an already busy schedule to visit with these people. The OCAW is proud of them for their commitment and dedication and we're proud of you for recognizing the seriousness of their struggle and helping to add to the visibility of the situation. It has been frustrating for the strikers to get the message across that what they are fighting the good fight over is the right to bargain. The right to be guaranteed by virtue of contract language that they may have a say in their own destiny. Thanks again.

In Solidarity,

ARTHUR G. POTTHOFF,
Int'l. Rep. OCAW.

Mr. DURENBERGER. Madam President, will my colleague yield for 10 seconds for a correction?

Mr. WELLSTONE. Yes.

Mr. DURENBERGER. In the close of my statement, I indicated that I was going to vote for cloture on the particular bill. If you could not tell by the tenor of my comments, that was a mistake.

Mr. WELLSTONE. I do not know if I want to yield to the Senator for that.

[Laughter.]

Mr. DURENBERGER. I intend to vote against cloture, and I will not urge this on my colleague from Minnesota. We have strongly held different views on this subject. But I will certainly encourage it on the rest of my colleagues and ask for their support in voting against cloture on the bill.

Mr. WELLSTONE. Madam President, I want to just simply follow up on the remarks of my colleague from Minnesota about a level playing field. You can probably learn a lot more by just kind of being with people than you can in some of the debates we have on the floor, which is not a put down on my part about our debates. I think the words are important, but you just get a feel for people sometimes when you are just there with them.

I spoke yesterday about this particular strike at CF Industries. I could talk

about a lot of others as well. But Madam President, I will not forget a visit out there Sunday morning about 3 or 4 weeks ago. It was about 10 in the morning. I went out there with Bernie Brommer, who is the president of the Minnesota AFL-CIO. But I think Bernie Brommer will agree. He is not the person supporting this equation, nor am I. It is the people. Here you have the workers and their spouses. I think that there were 27 of them. Actually what happened, this really fits into what this piece of legislation is all about. I quote from this letter from Mr. Potthoff.

I won't go into the history of the entire situation but the fight these people have taken on is not one motivated by the typical interests in bettering one's lot in life by improving wages and benefits. This conflict was brought about by the employers insistence on removing the Union security clause from their contract. As was told to you by the strikers, they were replaced before they went on strike.

Literally, the day they went on strike they were all replaced. So here you have these workers and their family members, spouses and children. It is raining, there is kind of a fence outside of the plant, and security guards. I felt in some ways like it was the 1930's before there were any unions. These are people who want to work and want to support their families. But it just got to the point where, from the point of view of their own dignity, just in terms of the treatment at the workplace, and what this company was offering them, they had no other choice. And this is the same old kind of strategy.

By the way, it has been going on with a vengeance. Essentially what you do is require major and unreasonable concessions by a union, and then you force people out on strike. You replace them with workers unsympathetic to the union, and then you decertify the union. That is union busting. It is only turning the clock back a half a century.

My colleague is not on the floor now. So it is not a question of what kind of debate with my colleague, because I would want him to have the opportunity to respond in kind.

But I have to say that these workers would be the first to say it is a very bad idea. In fact, it is sort of a compelling proposal to really expedite the whole NLRB machinery. Justice delayed is clearly justice denied. Too often when it comes to the whole area of labor unfair practice, what happens is there is such a backlog, inadequate resources, people wait for years, in which case from a bottom line point of view, too often for companies it actually makes good sense to just basically violate the labor law. Then, by the time it comes to compensation, companies are ahead 4 or 5 years later, whatever the case might be.

I think Senator DURENBERGER's idea about expediting the process and his efforts to do so should be applauded. The point is that is not what we are debating right now. Actually, when I think about what these workers said to me at CF Industries—Senator DURENBERGER talked about that—or what Bernie Brommer and the other union people and nonunion people say, it is a little bit different.

This is the principle: When people go out on strike, they should not be permanently replaced. It just does not make any sense for us to be saying it is illegal for a company to fire someone because they go out on strike, but it is perfectly legal for them to permanently replace them. When we talk about a level playing field—just another quick Minnesota reference, and then let me broaden the scope of this discussion because this piece of legislation is so important in trying to in fact bring about some balance.

Senator DURENBERGER talked about the strike down at Austin. I was there during a good part of that. I saw with my own eyes kind of what happened. I do not know that it is true that all of the workers who want to come back to work have been able to do so. Nor do I think the wages and benefits are high for the people working there.

Part of what happened is not the question of people who were permanently replaced, but of people who really do not have the ability any longer to bargain for decent wages and decent working conditions, because they know what happens if a company says no and they should go out on strike—which is, of course, one of the rights of people, economic strikes included—they will be permanently replaced. We have seen a whole decade plus of depressed wages and health and safety conditions and working conditions. I think that is part of the disappearing middle class, Madam President.

I have to say that what happened in the P-9 Hormel strike in Austin, MN, is that the community was indeed torn apart. When people went out on strike, they were permanently replaced. And it was and still is very painful. It was painful to people in the community and it is painful for people in the community. That is why I think, if you look at the religious community, there is so much ecumenical support for S. 55. You have so many of the clergy, so many in the religious community—Christian, Moslem, Jewish, you name it—essentially saying, look, this is a matter of economic justice. This is a matter of how we build a partnership.

It is certainly pretty difficult to have high levels of morale and productivity and employees working with employers and workers with management, when people know that all too often—and this has been the pattern—what happens is that some of these companies, not all, but some of these companies, all too many of these companies, make sure that these workers are essentially presented with proposals they cannot accept. People are forced out on strike and then permanently replaced.

By the way, when we talk about people that are permanently replaced, we are not talking about people with great amounts of capital and wealth. That is why I think such a strong part of the religious community has been so supportive of this.

When we talk about a level playing field—here is a little bit of evidence for the RECORD. Let me talk about the trend. Before 1980, employers consciously avoided the use of permanent replacements. According to a 1982 study by the Wharton Business School, University of Pennsylvania, instead, they valued their workers and looked forward to their return after the strike. But since 1980, employers have increasingly resorted to hiring permanent replacements. Let me go through some kind of evidence that supports the Wharton School's position.

General Accounting Office study. The General Accounting Office issued a study of the use of permanent replacements in 1991 covering a sampling of strikes between 1985 and 1989. The great majority of participants in that study, both union and employer representatives, believed that "Permanent replacements were used far more often"—I am quoting—"in the late 1980's than the late 1970's." More specifically, the GAO found that employers hired permanent replacements, or threatened to hire them, in one out of every three strikes.

When I hear my colleagues talk about balance, a level playing field, that is what this piece of legislation attempts to do.

Anderson-Little study. "A recent survey of 632 permanent replacement strikes by Theresa Anderson-Little of Notre Dame confirms the GAO conclusions. She found that the average number of reported permanent replacement strikes quadrupled from 1974 to 1991." Quadrupled. "She also found that where the employer hired permanent replacements, strikes lasted seven times longer than the average strike duration for that period."

Graham study. Not Senator GRAMM from Texas, but another Graham study. The Economic Policy Institute reported recently on a study conducted in 1989 by University of Alabama Professor Cynthia Graham. The study focused on two samples during the time period 1984 to 1988. One involved 35 strikes across the country, and the other included 21 strikes in New York State. Graham found that employers hired permanent replacements in about 16 percent of the U.S. strike samples and about 24 percent of the New York strike samples. Temporary replacements were used less frequently. Significantly, Graham also found that strikes lasted substantially longer when permanent replacements were

hired—an average of 363 days—than when temporary replacements were hired, an average of 72 days; or when no replacements were hired, an average of 64 days.

So much for the argument that, as a matter of fact, this somehow leads to better labor-management relations or less bitter strikes, and less costly strikes to the country.

AFL-CIO study. The AFL-CIO issued a study in 1991 on eight strikes during 1990 which involved 1,000 or more workers in which permanent replacements were hired. Strike data was compiled based on statistics obtained from the Bureau of Labor Statistics of 243,000 workers participating in these large strikes in 1990. Approximately 11 percent, over 25,000 workers, were permanently replaced. Notably, 69 percent of the strikers who were permanently replaced were trying to protect their existing health care benefits. That is worth repeating: 69 percent of the strikers who were permanently replaced were trying to protect their existing health care benefits, but they ended up losing their jobs. They ended up losing their jobs.

Again, when Senator DURENBERGER talked about the importance of streamlining and expediting, and I would assume adding resources to the whole NLRB machinery, great. I know Bill Gould, Chair of the Board now, is very committed to that. But we are talking about the reality of what all too often happens to workers in this particular case, many of whom really went out on strike, had no other choice but to try and fight for health care benefits for themselves and their families, and then were permanently replaced. That is the reality we are dealing with. That is the imbalance that we now have. That is the balance that we are trying to restore.

UAW study. In 1991, United Auto Workers surveyed their field offices and found 35 cases in which a strike occurred and replacements were hired since the mid-1980's. Permanent replacements were hired in 80 percent of these strikes.

Well, Madam President, I could go on, but I will conclude. The overwhelming weight of the evidence demonstrates that the hiring of permanent replacements is a pervasive problem in this country, and that it is tearing at the fabric of our society. Employers hire, or threaten to hire, permanent replacements in roughly one out of every three strikes. And where an employer does hire permanent replacements, the labor dispute is likely to last substantially longer, and the union is likely to suffer a substantial, if not fatal, defeat.

Unless we pass this piece of legislation, Madam President, the Workplace Fairness Act, the right to strike will remain a hollow promise. In fact, the right to strike has become the right to be fired. That is really what it has become. And the American labor unions will be irreparably damaged, the labor unions in this country.

I do not think that is the issue. The issue, as long as we are talking about a balance, is whether or not we are going to have a balance between those who have so much of the economic resources, so much of the wealth, who make the large contributions and have so much of the political power, and average citizens, working people, whether they are in unions or not.

This is all about fair labor practices. But that is another issue. In the case of unfair labor practices, at least in theory, nobody should be permanently replaced.

What this piece of legislation is about is decent wages, decent working conditions, the right to bargain collectively, and the whole question of whether or not average people, working people, will be able to get a fair shake. That is what this piece of legislation attempts to address.

Madam President, I just simply have to say one more time that I hope we will be able to proceed. I hope that this piece of legislation will not be filibustered.

Obviously, it is going to be a very difficult struggle, and there are those who say that the votes are not going to be here. I think it is extremely important that the people in the country understand how each and every one of us votes and then hold us accountable. I guess each one will vote what we honestly believe. I have no quarrel with that.

I have to say on the basis of what I have seen in my State of Minnesota, much less around the country, a lot of people who really desperately want to have decent wages and be able to give their children and families a decent life. All too often they have been forced on strike and permanently replaced.

I think we have to restore some balance. I think we have to restore some fairness. I think we have to make sure that working people, average families, have a fair chance. This piece of legislation goes to the most important set of issues for families in this country, bread-and-butter economic issues, bread-and-butter economic issues. That is what this piece of legislation is about, how we provide some protection to families.

Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mr. GRAMM. Madam President, I guess there are a lot of people who look at this issue and see it as a labor-management issue. Very few of us know all the intricate facets of the labor laws that have been passed in the country. Many people are confused by labor rights and management rights. Obviously, there have been a thousand and one studies on all the issues.

But today I want to address the fundamental issue that is involved in the so-called striker replacement bill.

Every once in a while you have an issue come along in the Senate that, while you can cloak it in very confusing terms, while you can debate it in the frame of reference of other issues that are also cloudy and confusing, stands on its own, and it appeals to our very basic philosophies in determining where we stand on that issue. The issue before us is one of those issues. In fact, this is as clear an issue as has ever been dealt with in the 9 years I have been in the Senate because the issue here is freedom. The issue here is the basic right of people to work and the basic right of people to employ.

Now, if I want to take a job, I have a right to go out and submit my resume, to submit an evaluation of my skills, and to apply for that job. If the employer believes that I am going to be productive enough, I will end up getting that job.

Once I am working in that job, I have a right to quit. I have a right to quit because I do not like the people I work for; I have a right to quit because I do not like the working conditions; I have a right to quit because I do not like the benefits; I have a right to quit because I do not believe that my full talents are being used or that I am being treated respectfully; or I have the right to quit because someone down the block or across the Nation offers me a better job with better working conditions and higher wages.

Those are the rights I have as a free American. And since there are a lot of people who are workers in America, those rights are almost never challenged.

But while I have a right to quit working for you, I do not believe that, in a free country, I have the right to prevent you from hiring someone else. You either believe in freedom or you do not. And I do. I believe freedom extends not just to people who happen to exist in large numbers in America, but it extends to people who exist in smaller numbers. I believe people who create jobs have rights. I believe the people who save their money, who accumulate capital, who take risks, who create jobs, who basically build the coop and the pond and put out the corn for the goose that lays the golden egg in America have rights.

So the fundamental issue here is this—no one disputes that if I want to quit my job, I have that right. This dispute is about whether, after having decided that I am going to withhold my labor and stop working for you because of my unhappiness on my job and because of a dispute, I have the right to effectively prevent you from hiring someone else.

I say I do not have that right. I believe that my freedom ends where your freedom begins and, while I can quit, while I can withhold my labor, while I can negotiate, I should not have, in a free society, the right to say to you

that if I leave my job, you cannot hire someone else to take my place.

If we adopt this bill, that, in essence, is what we are doing because if I am able to come back at any moment and force you to fire whomever you hired to take my job, that person has no job security, that person has no rights, and as a result, in all probability, the company is not going to be able to find anyone to take that job since they know it is a temporary one.

So at issue here is not some complicated issue of labor law. It is not even a complicated issue of trying to balance the playing surface in competition, though I want to talk a little bit about that. What is at issue here is the basic freedom of people in the freest country in the history of the world.

I have a right to quit working for you. I have a right to withhold my labor, but I do not have a right to tell you that, after having withheld my labor, you cannot go out and hire someone else. I have no right to make the person you hire a second-class citizen and say that their claim to the right to work for this company is a lesser claim than my right to work for this company, when in fact I am the person individually or collectively who chose to leave.

Now, that is the real issue here, and all the other issues are unimportant. But I am going to talk about one of them, unimportant though it be, relative to freedom, and that is the whole issue of what the passage of this bill would really do to the American economy.

The passage of this bill would basically change the fundamental relationship between labor and management in America. It would basically give labor a tremendous increase in its powers. That is what this whole debate is about. This debate is a power grab by organized labor to infringe on the freedom of people to expand their power. And the negative side of it economically is that if this bill is passed, if organized labor knew that by striking they could prevent a company from hiring people to take their place, then the employer stands to lose everything and the employee, who at any moment can come back and demand the job back, stands to lose relatively little.

What we would have in America is a raft of labor disputes. We would have numerous strikes. We would have a tremendous labor blockage. We would have a disruption of the economy. We would have wage growth without relation to productivity. The net result would be a declining competitiveness for American industry on the world market and declining living standards.

So I think you can make a strong argument against this bill based on the economic well-being of the American people. You can make a strong argument against it based on the competitiveness of American products on the world market. You can make a strong argument against it in terms of what it will mean to our living standard.

For all those reasons it ought to be rejected. But they are relatively insignificant as compared to the big issue, and the big issue is freedom.

I believe in freedom. And I, like the Senator from Minnesota, am delighted that we are holding this vote today. I am delighted we are holding this vote today because as a result, all America will know where we stand on this issue. The essence of democracy is accountability, and today we take a stand, and the stand is either for or against freedom.

It is for the right of a free people to withhold their labor. It is also for the right of a free employer to hire someone to work if the person who had the job has chosen voluntarily not to extend that right to work. That is a basic freedom. It is a freedom that I believe we in this Congress and in this Government are sworn to preserve. As a result, I am happy that all the world will know where we stand on this issue.

I yield the floor

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Mr. MATHEWS). The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, just a couple of quick points. I know the Senator from North Carolina wants to speak.

Listening to the Senator from Texas, it sounds to me, Mr. President, that the Senator's view is that if you should—it could be an economic issue, it could be an unfair labor practice—that if you leave work, somebody is physically forcing you to leave work, that you will never have an opportunity to get your job back.

I would just say to the Senator that could be his position but that is at odds with Federal labor policy that we have had in this country for 59 years. I mean, if we were to sort of take that definition of freedom, you could literally, because of an unfair labor practice, say, "I just simply can't accept this," and you leave work and we have this right to bargain collectively. That has been the very heart of it.

Under the Senator's standard, if you leave work, if you are on strike because of this, there is no way you could even go back to work. That is my first point.

And, I mean, if we want to turn the clock back 60 years, we can do so. Maybe that is what is at issue here. I certainly hope not.

That is why in the 1930's, with the Wagner Act, we moved forward with what I think was really something quite important. We talked about the right to organize and bargain collectively, so that there was some alternative to the terror of unemployment or unsafe working conditions or essentially being fired willfully and arbitrarily. That is what we tried to do.

My second point, Mr. President, is that we have some, I guess, different definitions of freedom. It is interesting, there was a poll conducted last month by Fingerhut-Powers. Respondents were asked whether employers should be permitted to hire permanent replacements for striking workers. Sixty-four percent responded that an employer should not, while 35 percent said they should. At least four previous polls produced similar results. In a 1992 Roper Poll, 72 percent of the respondents supported a ban on the hiring of permanent replacements. Only 14 percent said workers should not have the right to strike without fear of losing their jobs.

So the Senator has his own definition of freedom. But I think the vast majority of people in the country understand sort of who has huge amounts of capital and the wealth and power versus the position of regular working people and understand that there is another kind of freedom which is the freedom not to be exploited; freedom from hunger, the freedom to have a decent job, decent wages, decent working conditions; freedom not to work in unhealthy, unsafe conditions. That is what this piece of legislation is all about.

And, as far as the vote today, and so people in the country will know where each of us stands, yes, that is accountability. I agree with the Senator on that point. It is the only point I agree with him on.

But sometimes there is a disconnect between a filibuster effort, the 60-vote requirement, versus sentiment around the country. It could be, as a matter of fact is the case, just looking at the polling data, that most people, the vast majority of people think this is an issue of fairness. The Senate vote may go a different way. We may not have the 60 votes, given the filibuster. Thus, we will be accountable.

But let us not assume that because there is a successful filibuster, if that is what happens, that somehow this filibuster represents the position that most of the people in the country have about freedom as defined so narrowly. That is not the case.

I yield the floor

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I will be brief.

First of all, I just want to clarify a point. The point I made was not that you are guaranteed of losing your job permanently if you deny your labor.

Let me respond to this on the economic plane and then the freedom plane.

The point is that you stand a risk once you have said to your employer, "I will not work." You stand the risk

that the employer, in exercising his freedom, will hire somebody else. And, as a result, we have a balance in the relationship between the employee and the employer which has made this country the richest, freest and happiest country in the history of the world.

What this bill would do is change that fundamental relationship by denying the employer the basic freedom to employ the capital that the employer has accumulated, to put that capital to work on his behalf and on behalf of the country.

In terms of freedom, I cannot believe that there would be a single Founding Father who would accept the argument, no matter how you couch it in labor law and in the rhetoric of the collectivization of the rights and opportunity, that if an employee withheld his labor and refused to work, that an employer should be denied the right, if that employer chose, to hire someone else to take that job and that the person who took that job should not have exactly the same rights and privileges as the person who refused to work in that job.

I think, when you state it in those terms, that it is a very, very simple and very straightforward principle.

Mr. WELLSTONE. Mr. President, just a quick, quick response and that will be it.

I am glad to hear the slight amendment of the original formulation because I thought I heard the Senator originally say that the point really was freedom and if you left your job and you went out on strike for whatever the reasons were, then there is no particular reason for you to believe you will be able to come back. In fact, it is up to the employer to decide whether he or she wants you back, period, whether it be unfair labor practice or anything else.

Now, on the second point, which has to do with the whole question of the richest, freest, greatest country in the world, I assume that each and every one of us loves this country. I do not think we would be in the Senate if this were not so. And certainly, given a different definition, and I would like to have another definition of freedom for a moment. I mean, my father left persecution in Russia and I am a first-generation American and I dearly love this country for the freedom and all that it is.

The question is not who loves the country. The question is what has, in fact, happened over the last decade and a half. And when we look at what has happened is we see increasing disparities of wealth and income, declining middle class. We see all too often people forced to go out on strike and then permanently replaced. That is really the reality. Let us get away from the theories.

Finally, on the Founding Fathers, I do not know what to say. As a former political science teacher, this sort of becomes an endless debate as to what were the real intentions of the Founding Fathers. I guess there really were not any Founding Mothers, which is a whole other issue.

But I would say, it sort of depends. But I have to believe that, given the views of some of the real greats like a Thomas Jefferson, who cared so much about yeomen farmers, and cared so much about making sure there was some real equality of opportunity, given all the trends that are taking place in the United States of America, I would be willing to argue we would get a lot of support. But that is sort of a debate that goes on and on.

But let me focus back again. This is all about the right to bargain collectively. It is all about workplace fairness. It all about restoring some balance. It is all about economic justice. It is all about making sure that we have some kind of partnership between business and labor. And, frankly, I think it is extremely important that we come down voting on behalf of working families. They deserve representation in the U.S. Senate. All too often they do not get the representation they deserve.

Mr. FAIRCLOTH addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. FAIRCLOTH. Mr. President, I focus on this from a little bit different perspective. We have heard the freedom aspect of it discussed.

Mr. President, I have spent the last 46 years of my life in the private sector. I have met a payroll every Friday of every week of those years, and will meet one this Friday. It is unfortunate for the American people that there are not more people in the Congress who know what it means to run a business. If there were, we would not even consider union-inspired Government power grabs like the strike bill before us.

Prohibiting employers from replacing striking workers is simply a bad idea, and it does not make common sense for American business or the working people. I have run businesses and hired people, as well as let them go. I know first hand how important it is to have flexibility in relations with employees.

And sometimes that means the flexibility to let someone go, if you cannot agree with them, and hire someone else who needs the job and with whom you can agree. By prohibiting replacement of striking workers, Congress would take away a basic and fundamental element of the free market and insert in its place an unnecessary and unwelcome third-party negotiator—big labor.

Mr. President, if we pass this bill, the entire balance of the U.S. labor market would be thrown into chaos. The U.S. Government would hand the keys to the American economy over to big labor. Union bosses would have a choke hold on the U.S. economy—and they will use it. Do not ever forget that. Union bosses would call strikes at will and force men and women off their jobs and onto the picket lines.

And make no mistake about it, big labor bosses do not have the economic health of the United States or the American worker at heart. They have a single goal—forcing more people to join the now dying unions in order to enrich their now depleted treasuries. The very same treasuries which give millions of dollars to fund the leftwing friends of labor who are in the Congress.

Mr. President, this country has come too far to return now to the days of forced unionism and widespread strikes, and widespread they would be if this were to become law. The United States is competitive and productive internationally today precisely because the drag of big labor is not as strong in this country as it is in other nations. While countries like Italy suffer endless strikes, our labor disputes are generally handled through bargaining and good-faith negotiation. That is the way they should be.

The American worker today is better paid, better trained, and more productive than any time in this country's history. All this has been achieved while the role of unions over the years has steadily declined. The private sector does not need big Government and big labor holding the hands of its employees. It is doing just fine without any more help from Washington. We have come too far to sacrifice the independence of the American worker to greedy union bosses hungry for additional dues, and that is what we are talking about doing.

Mr. President, it is obvious what the goal of this legislation is to anyone who has spent time in the private sector. The goal is to effectively create a system of compulsory unionism in the United States.

We talk about freedom. No longer would there be freedom. You would be forced into a union if you were going to work.

By giving the awesome power to the unions to totally shutdown American business and commerce we automatically give them the leverage to blackmail employers into closed-shop contracts. What this means is that millions of workers in right-to-work States like North Carolina will be forced against their will to join unions and pay union dues. They will be compelled against their will to financially support distant union hacks and their leftwing political causes, the very same men who are right now sitting across the street in their plush offices pulling every last string to get this bill passed. They will fail. If unions do not get this shot in the arm from big Government, they will continue to become

even more irrelevant and marginalized in the modern economy. The bill is the unions' last dying gasp. Unions are dying—and good riddance.

Mr. President, the single best argument against this bill is the commonsense argument. The way things stand now, employees can strike, and when it becomes necessary, management can replace workers.

Management is extremely reluctant to replace workers and labor is generally reluctant to strike. That is what we are talking about, a balance, and we need to maintain this balance. It works and it makes common sense. But common sense is an uncommon thing in Washington, and nowhere is that better illustrated than in the debate over striker replacement.

Mr. President, this law would destroy the natural balance of the labor market and give all the bargaining power to unions. Every business in this country from auto factories to hospitals—no matter how big or how small—would immediately be subject to totally devastating and unnecessary strikes—all because the U.S. Congress did the unions' bidding. All because the Congress put in the fix and named the winners and the losers. Industry and commerce of this country will be the losers. The winners will be union bosses and labor-financed politicians. And as I say, the losers will be American workers and American ability to be competitive.

I thank the Chair and yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I will speak ever so briefly because I know our colleague from Colorado is anxious to speak. I do not know if the Senator from Kansas may want to respond as well.

I must say, without responding point by point to what the junior Senator from North Carolina had to say, I find his comments very revealing, which is to say, "Good riddance to unions, we'll just end the country of the cursed unions." I mean, that is the Senator's framework, and if it is the Senator's position that we should go back about half a century plus and have no unions and have working people not have representation and be able to bargain collectively, then so be it, that is his position.

That is where we were once upon a time, Mr. President. And as a matter of fact, what happened with unions in the 1930's—I guess it is all our own backgrounds.

Let me try not to use any labels—rightwing, leftwing or all the rest of it. Let me simply say, given my own background, what I know from my own parents and my own family is that before unions, as during the 1920's which then gave way to the decade of the 1930's, slave wages, unsafe working conditions—we have unsafe working conditions in a lot of our plants today, do we not, Mr. President? Unsafe working conditions. And what happened was, through unions and through the development of the labor movement of the thirties, the minimum wage—it is a difference of opinion we have—Social Security, the right to bargain collectively, the right to join a union, some alternative to the terror of being unemployed, some alternative to being summarily dismissed, some basic protections for those people who did not own these companies and did not have the wealth and the power, that is what labor was about. And by the way, it was more bread and more justice for people. I think it made the United States of America a better country.

Now, if the agenda in a filibuster of this piece of legislation is—and I paraphrase the Senator from North Carolina—good riddance, get rid of unions, great, let us know what the agenda is. Not great that that is the agenda, but I think it is great that people who follow this debate know what the agenda is. If that is the Senator's agenda, so be it. I do not know that there is much more to say.

Mr. FAIRCLOTH. I would like to respond to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. FAIRCLOTH. I do not want to move the Nation backward. I wish to move it forward. And I spent my life doing that, a major portion of it. This is not the thirties; I was here during the thirties. It is not the forties; I was here then. We have seen a constant decline in the power of the unions in this Nation for the very simple reason that they have imposed themselves upon the American worker and they have lost favor with the American worker. That is the reason for the decline in unionized workers today.

But the Senator makes a very appealing case, and I have one question, if I may ask. Has the Senator himself ever run a business or been responsible for a payroll?

Mr. WELLSTONE. No; I have not run a business. I have worked for businesses. I have not run a business.

Mr. FAIRCLOTH. The Senator has never been responsible for a payroll?

Mr. WELLSTONE. That is correct.

Mr. FAIRCLOTH. I yield the floor.

Mr. WELLSTONE. Mr. President, let me just respond by asking the Senator whether or not he has ever been a teacher?

Mr. FAIRCLOTH. No; I have never been a teacher. But I have taught.

Mr. WELLSTONE. Well, I have never run a small business, but I am very interested in small businesses.

Mr. President, just to finish this, let me give the Senator a slightly different interpretation about the decline of unions. No. 1, we have as a matter of record good riddance to unions, so we sort of know what the agenda is here.

But second of all, Mr. President, I think that is what this debate is all about. First of all, we saw mergers, leveraged buyouts, we saw different management, we see the rise of union-busting consultants, and all the rest of it.

The other problem, Mr. President, is that employers, if they want to, have an atomic bomb; that is permanent replacement. That is really what is going on here. I keep hearing my colleagues talk about balance. If an employer cannot fire someone for going out on strike but can permanently replace them—I have seen that in Minnesota, over and over again—they have an atomic bomb. Thus, it is very difficult for people to have the same kind of leverage and say that they had before.

Yes, people are worried about joining unions, they are worried about going out on strike, unions are busted, wages are depressed, working conditions are not good, and you have a declining middle class—this is not just about unions—but it is not because people have just decided that they are not interested in better wages or they do not want to work in unsafe workplaces, I would say to the Senator from North Carolina. It has something to do with this huge imbalance of power that has developed with a vengeance over the last decade plus. One side has an atomic bomb: Go out on strike; we permanently replace you. What is the incentive for that side to negotiate? Why would you negotiate when you know you can just permanently replace the people? Would it not be better to have some fairness, some balance? That is what we are trying to restore.

I yield the floor.

Mr. BROWN. Mr. President, I rise out of concern regarding S. 55, and I will try to make my remarks concise.

Some Members may approach this issue as advocates for unions. Others may approach it as advocates for management. Still others may think of the issue in terms of how it will affect U.S. competitiveness around the world. But I think most Americans think about this issue in terms of fairness—what is reasonable, what is fair, what makes sense, what kind of rights should workers have versus management.

We, as Americans, have good common sense in these matters. We have not thought of dividing power in this area strictly in terms of helping one side or the other. We have often thought about power in terms of making sure no one, either management or labor, has too much, just as we have thought about governments in those same respects. We Americans are suspicious of concentrations of power. It is part of what makes us so unique, and I believe it is part of what makes us so successful.

The dramatic changes in the labor laws in the 1930's were a simple effort

to reduce and limit the power of management and to divide the power evenly. Some would say they went too far. Some would say they did not go far enough. But it was out of a sense of fairness and evenhandedness, and the conviction of most Americans, that reasonable differences in labor disputes can be resolved when both sides have significant bargaining power, when no one side has all the strength or the power, when both sides have to listen to each other.

In effect, what Americans tried to do was design the system in a way so that each side had input, each side had to be listened to. Most Americans have the conviction that we get better answers if both sides not only have strength and power, but also have an ability to make their point. That is really what this is all about.

In 1935, the National Labor Relations Act passed, and it did not guarantee economic strikers a return to their positions. This was made clear in 1938—as all Members are aware—when the Supreme Court held that, indeed, employers were prohibited from firing strikers. But they also made it clear in strikes that were of a nature that dealt with economic issues solely, strikers could be replaced. That is different than firing them. But ultimately over a long period of time it may have a similar impact.

I guess one would ask, if the division line of where you are allowed to replace a striker is whether it is over economic matters or unfair labor practices, what divides the two?

Well, it is not a clear line. A lot of things that are thought to be economic issues end up being unfair labor practices. Basically, what we are talking about is a strike can start off dealing with economic matters and be turned into one that deals with unfair labor practices. In other words, the ability to replace a striker is limited. In the first instance, it is limited because it can only apply to economic strikes. Second, it is even more limited because even with an economic strike, if the employer misbehaves and it is turned into an unfair labor practice strike, then that right to replace workers is lost as well.

There is a long list of activities an employer can engage in which will change it away from an economic strike to an unfair labor practice strike. I will not go into details on all of them, but some of them may surprise Members. It is not difficult to change a strike from an economic strike to an unfair labor practices strike.

The bottom line and the point of all of this is simply this: You cannot now replace strikers if they are striking over unfair labor practices. And if they are striking over economic matters, if the employer does not follow the rules clearly and specifically, you may well be barred from hiring permanent replacements as well.

So what we are talking about here is not firing someone. What we are talking about here is replacing them. We are not talking about replacing them in unfair labor practices strikes. We are only talking about them being allowed to be replaced in economic strikes that stay economic strikes, where there is no misbehavior.

The GAO did a study in 1990. The study estimated that permanent replacements were hired in only about 17 percent of the strikes for the period 1985–89. It is not a lot of years. It is only a couple. But the GAO study I think gives us some feel for what the issue is. In the strikes that dealt with economic matters, replacements were hired only 17 percent of the time. However, the GAO estimated that only 4 percent of all striking workers were permanently replaced in 1985 and only 3 percent in 1989. Why the difference? It is because when the union and the management got back together again, one of the things they negotiated about and talked about was the replacement workers. So the scope of the problem out of economic strikes that stay economic strikes is roughly 3 percent in 1989 and 4 percent in 1985.

There is a balancing here. The balancing is between the rights of the worker that went on strike and the rights of the worker that went to work in that job, that may have worked in that job a year, 2 years, or longer, and may have worked under difficult conditions. The way we now do it, and have done it since 1938 under the Supreme Court decision, was to say that the workers that were hired in the economic strike have the ability to keep their job.

Let me suggest that what we ought to be looking at here is a question of fairness and of balance. The Washington Post, not known for taking up conservative causes, describes this bill, and I quote from their April 27, 1993, editorial describing S. 55 as: "* * * ill-advised legislation whose likely long-term effect would be to hurt the U.S. economy far more than it would help."

I suspect the reason they take such a stand may be out of concern over what would happen in labor disputes if this were part of the law. At least my concern is what happens if one side has too much power and the other not enough. The Washington Post concludes:

> The ambiguity that has endured in the law for 55 years may be less of a defect than a virtue. * * * [N]either side in a labor dispute can expect to behave with impunity; the truth may be that the more risk both sides face in such disputes, the better.

Mr. President, my concerns come down to this. What is fair and what makes sense in getting people to work together in the long run? Let me ask some Members a question phrased the other way. What if we had before us a law that says it will be illegal for a striking worker to get a new job? How would Members feel about that? Would that be fair? Would it put pressure on settlement? Yes. Would it help one side? Yes. But how would you feel about it if we said working men and women who have felt the necessity to go on strike were prohibited from taking another job?

Mr. President, I can tell you how I feel on that. I would vote against that law. I think the essence of America and American labor law should be to be evenhanded—to create fairness and to leave the working men and women of this country with options, just as we ought to leave employers with options. To prohibit one side from seeking alternatives and not the other is neither evenhanded nor fair. To say that it would be illegal for someone to look for a new job when they went on strike, but not for an employer to seek new employees would be unfair.

Likewise, Mr. President, to say that the employee can go seek and find and take a new job but the employer may not find new workers would be unreasonable and unfair. My guess is long-term changes in the labor laws that lead to an imbalance of power and an unfairness in treating one side or the other are not going to last. The American people's sense of fairness wants working men and women to have the right to strike and the right to organize, and the employers' right to continue their business.

I have been a member of management, and I have been a member of a union; an active member of a union and an active member of management. It is helpful in understanding both sides. We should not come here as advocates of one side or the other. We ought to come here with a sense of fairness, of evenhandedness, and of willingness to make the rules apply to everybody.

If you are going to make it illegal for employers to hire replacements, do you want to apply that same philosophy to the workers? I hope not. I hope what we will say is that where the strike does not have anything to do with unfair labor practices by management, that management ought to have the same rights to seek alternatives as the workers do.

Ultimately, I think that is fairness, Mr. President. Ultimately, I think it is balanced. Ultimately, I think it blends the kind of framework to labor-management disputes that gives each side an incentive to reach a settlement, get back together, and work together again. That ought to be our purpose. Our purpose ought to be to make sure that they come out with a settlement, with an ability to work together again.

So I am going to vote against this measure. I am going to vote to continue the debate. But it is going to be a vote for fairness and for commitment to evenhandedness.

I want to commend the leadership of this body for having scheduled this vote, having deliberated on the bill. It is an important bill. It passed the House of Representatives. There appear to be a substantial number of Senators who favor it. It merits a hearing, and it merits a vote.

Mr. President, it is not good legislation because it is neither fair nor is it evenhanded.

I yield the floor, Mr. President.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Mr. President, I rise in favor of the vote to invoke cloture and to move ahead and pass S. 55 because it restores a fair balance between labor and management by putting an end to the practice of hiring workers through permanent replacement during union strikes.

It is interesting. We are here talking about strikes. In effect, we have today a legislative strike going on here. We have a procedural strike. It is called a filibuster, where certain Members have decided that this issue should not come to a vote. The reason that they are in effect striking and they do not want it to come to a vote is they know if it comes to a vote, it will pass the Senate, because there is a clear majority of Senators who are prepared to vote for S. 55 and pass it as it has already passed the House of Representatives.

But a determined minority, in order to prevent the majority from being able to pass the striker replacement bill, are invoking a tactic of using a filibuster which means then that we have to have 60 votes out of 100 Senators in order to stop the extended debate, the filibuster, and then bring it to a final vote where a majority in fact can rule and decide this issue.

So it is somewhat ironic that we are seeing the use of a filibuster as an effort to prevent a decision from being made on this issue. As I say, in its own way, it is kind of a procedural strike that is being imposed here upon us by some Members who, at the same time, are arguing against the right of workers to be able to withhold their work and strike in a situation where they feel that the wages or the working conditions are not satisfactory in a situation where they are presently employed.

It is ironic when you look around the world at the other advanced industrial countries that have already settled this issue. They have settled it the way that I am advocating we settle it, with S. 55. In the country of Japan today, if a worker goes out on strike, when the strike is over, that worker comes back and takes his job. They are not permanently replaced by a replacement worker. In Germany today—one of our major industrial competitors—their laws do not permit the permanent replacement of a worker who goes out on strike to try to get a fair shake with working conditions or with wages in that given situation. France, as well, is another country that has already solved this issue. So the main competitors we are dealing with around the world have already addressed and solved this problem for their workers in their country. And we ought to do it here.

In fact, for many years, it was a practice that was not engaged in. When a lawful strike would take place and workers would withhold their work for a period of time, at the end of that period of time, once the agreement was worked out, then those workers went back to work in the normal course of events. Of course, today, our practice allows a company during a strike to hire temporary replacement workers to come in and replace the striking workers in order to keep the operation going but with the understanding that at the end of that period of time, once the labor issues have been settled with the normal established work force of that company, the replacement workers who had been hired on a temporary basis would leave, and the permanent workers would come back and take their jobs on the basis of the revised contract.

Why is this important? Working people in this country do not have very much power. In fact, the most important power they have is the power of their ability to work, the talent they bring to the worksite, their seniority, their investment in a company, and the investment in the work skills they bring to the job assignment they hold. Therefore, their ability to have some degree of leverage and bargaining power in negotiating for wages and benefits and working conditions relates to whether or not they have the right to withhold their work. And it is fundamental, I think, in this country to understand that people have a right, in fact, to be able to withhold their work in a situation where there is a grievance or a bargaining process underway, until a bargain is struck between the workers, in a collection of workers, in a union, and the employer on the other side. It is a long-established practice in this country. It goes on all the time. It is a normal act of collective bargaining where this is done.

But, fundamentally, it comes down to the power of that individual worker, and the one final and major power that worker has is the work they can do and their ability to withhold that work when the conditions in the workplace are not as they should be, or where there is a bargaining process underway, where wages and benefits and working conditions are going to be decided. In those cases, it is entirely proper and within the law for the workers to withhold their work for a period of time, to have a strike that might last a few hours, maybe days, sometimes longer than that, but not often, until a bargain is struck between management on the one side and workers on the other side that really constitutes a fair working arrangement.

Why is that important? It has become more important because we are now in a world economy. So we are having to face off against workers not just in the other industrialized countries like in the case of Japan, Germany, and France, but we are having to deal with now workers in the underdeveloped world competing against our workers. In Mexico, I think it was a mistake for us to enact NAFTA, to create a common market with the Mexican workers with their low working standards and low wage levels. I am convinced that we are and will continue to lose jobs from here to there. But it plays back into this debate, because what we are seeing in Mexico, we are finding when workers down there try to take and bargain for better wages and working conditions, to get their wages up so there is not the temptation to move jobs down there from the United States, unless they are part of the Government-controlled union down there, they are fired, and permanent replacements are brought in to replace them, to take away that kind of pressure to get the wage levels up to a living level in Mexico.

We do not want that happening here in the United States. No Senator wants that for themselves. The problem is that we are so removed from the basic realities of so many people in this country that we have forgotten, I think, institutionally, what is involved for somebody who has to go out and make a living each day in a situation where they have to bargain for a wage and for working conditions with an employer.

In most cases, things work out pretty well. But where there is a difference of opinion and a dispute and it has to be worked out, then the right of a worker to withhold their work for a period of time and a proper and legal strike is an absolute right, as I see it, and a necessity for workers to be able to have and to know at the end of the day or at the end of the negotiating period, when they have worked out their agreement, that they will be able to take their jobs back and not have somebody else move in on a permanent replacement basis.

We have seen that problem in my own State of Michigan. We have seen it in the case of the Kroger grocery store situation, where a group of permanent replacement workers were brought in in order to break the union and sidestep the legitimate demands on the table by the work force at that time.

I think it is time to stop the work stoppage here in the Senate. Let us vote on it. Let us not hide behind a filibuster. Let us vote on it. Let us have an up-or-down vote. Let us have the workers have a chance to win or lose

on the basis of a real vote on the real issue, not on the basis of a filibuster. Do not come in here and say workers cannot do a work stoppage when in fact Senators on the other side of this issue are engaging in a work stoppage themselves. A filibuster is a work stoppage. You cannot come in here and use that tactic and turn around and condemn the workers of the country because they use the work stoppage. You cannot do that. It is inconsistent and hypocritical.

The comparable situation would be if we could bring in a replacement Senator and put them in place of the Senators who are voting to maintain the filibuster and let the replacement Senator vote for cloture so we can get to a final vote on this issue, and after we have settled it, say to the Senator that has been replaced, sorry, you are out of here for good. We not only just replaced you for a period of time so we can settle this issue, but now you are out of a job, and we are going to keep the replacement Senator.

No, there is a double standard here. There is a double standard here, and you see it all the time on other issues, as well, when it comes down to economic justice and equity issues, where Senators will stand up and say it is alright to have a work stoppage in here and a filibuster and prevent a final vote, but we are not going to allow workers the same rights we want to have for ourselves here. That is not fair. That is not fair. We ought not to allow it to happen. We ought to vote for cloture.

I do not know, frankly, why the votes are not there. I realize we need 60 votes, and we ought to have 60. When the votes were not there on NAFTA, I saw an awful lot of work done to produce the votes, and the votes were produced by one means or another: arm twisting, persuasion, and a lot of favors were done; contracts were directed to different areas around the country, and so forth. Lo and behold, the votes were stacked up one by one until there were the votes to pass NAFTA.

Well, there ought to be the votes to stop a filibuster on striker replacement, on S. 55, and bring it to a vote. There ought to be the votes here to get that done. We ought to hang in there and force this issue until we have a chance for a majority rule. But the opponents of this bill are not willing to settle for majority rule. They are not willing to settle for majority rule. The reason they are filibustering is they know if we settle this on the basis of majority rule, they will lose and the workers will win.

If you talk about what erodes the faith of people in this country, in the system, in the Government, it is the question of whether they are going to get a fair shake, whether or not on an issue that is fundamental which relates to their job and their standard of living and their ability to support their family, the very essence of themselves in terms of their own work effort, to be told, sorry, even though you are in the majority, we are not going to give you the chance for an up-or-down vote.

We are not going to give you a chance to win. We are going to have a strike here in the Senate called a filibuster. We are going to keep it going, and we are going to prevent even a chance for a vote where you can win.

That to me is hypocrisy, to use the very tactic that you are condemning, to use the very tactic that you are condemning.

So let us do away with this filibuster strike here in the Senate. Let us have a vote. Let us have an up-or-down vote. Let us see where the votes are. Let us have an up-or-down vote.

I would say that there will be at least 55 votes for this measure to put an end to this replacement of striking workers on a permanent basis. I think there will be at least 55 votes, maybe more than that. That is a majority in this country. It ought to be enough to settle the issue. It has already passed the House of Representatives.

But, no, the opponents on this issue are not willing to let it be settled by majority vote because they want to hold out for themselves the very tactic they are condemning. They want to be able to take and engage in a legislative strike to keep this issue from coming to a vote.

I wish here we could at least have some temporary replacements, which the companies in America can do today. A company in America that is facing a strike can hire temporary workers to come in and take those jobs until the strike is settled. If we could do that here in the Senate, we could take some of those Senators that are refusing to let this come to a final vote, and we could have a replacement Senator come in here long enough to get the work done, long enough to stop the filibuster and at least get to a final passage vote. Then we could take the replacement Senator out of here and let the elected Senator come in and cast the final vote. And they can vote "yes" or "no" the way they want.

Mr. WARNER. Mr. President, will the Senator yield?

Mr. RIEGLE. Of course, I yield to my friend from Virginia.

Mr. WARNER. I thank the distinguished Senator.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Virginia.

Mr. WARNER. Mr. President, I think in fairness to those who are watching his excellent presentation of his side of the case and asserting that this side of the aisle is invoking its right to filibuster, the Senator himself on June 29 of this year voted against cloture on product liability. Am I not correct on that?

Mr. RIEGLE. The Senator is partly correct. I might say, there were two votes on cloture. The first vote on cloture the Senator voted for cloture on that very issue. So the fact is that on one occasion I voted for cloture, and then I was prepared to vote for cloture the second time based on some changes that I sought in the legislation. I went to the managers of the bill. I asked for the changes. They were unwilling or unable to make them. So I was not willing to vote for it on the second occasion.

But, in fact, the first vote on cloture which is the one we are going to have here today I voted for cloture.

Mr. WARNER. I thank the Senator.

If I might raise the second question, the concern that I have is that the American people show in accurate polling data that a bare 29 percent of them desire the outcome that would be brought about by the bill that we are filibustering, only 29 percent.

We are using this filibuster to represent under the rules of the U.S. Senate the majority, the vast majority of the interest of the American people. Why, Mr. President? Because for nearly 60 years this balance between labor and management has worked in the interest of this country so that we are now today and have been through that period the largest industrial Nation in the world.

I ask the Senator why would he want to change 60 years of practice that has enabled us to become the largest industrial Nation in the world?

Mr. RIEGLE. The answer to that question is simply this. The practice for many years in this country up until essentially the firing of the air traffic controllers was to not engage in the permanent replacement of strikers. The general practice throughout the country was well-established. If a work force went out on strike, and once those issues were settled, those workers would come back, be rehired, the temporary workers who had taken their jobs in the meantime would then leave. That was the established practice.

It has only been in recent years, really in the last decade or so, that we have seen a real outbreak of situations where workers have been hired to come in and replace during a strike a striking work force but then to be kept on after the strike is over, to keep the replacement workers on a permanent basis and not allow the striking workers, even if they had 20 or 30 years of seniority in that particular job and company, to come back on the job.

So there really has been a change. What this attempts to do is restore what was the common practice just a few years ago in this country and what in fact is the common practice throughout the industrialized world.

Let me ask the Senator this question. Is there any serious doubt in the Senator's mind that if cloture is invoked and we stop the filibuster there

are at least a majority of votes in here to pass this measure today?

Mr. WARNER. Mr. President, I would have to ask the managers of the bill to respond to that question. I do recognize that the votes are firm on this issue. But I am not prepared at this time to say that there is a simple majority here in the U.S. Senate for this proposition. But I would suggest the Senator place that question to the managers of the bill.

Mr. RIEGLE. Let me just say to the Senator you have enough Senators who declared publicly in support of the bill. You have over 51 Senators who have taken public positions that they favor the bill and will vote for the bill on final passage. So it is not a mystery.

The only thing that is a mystery is whether we are going to get to a final passage vote because we have to jump this strike here, this procedural strike called the filibuster, in the meantime.

Now, that is not fair. The workers should have a chance for an up-or-down vote here on the basis of a majority as opposed to having to have 60 out of 100.

Mr. WARNER. Mr. President, I say to the good friend, and he has been here several years longer than I, are there not times certain Senators recognizing that cloture cannot be obtained sometimes take the position of stating a public position which if faced with it they might have to resolve it in different way?

Mr. RIEGLE. The Senator says that there are some Senators who have said publicly they are for this measure and they think they are not going to have to vote up or down on it; in fact, when an up-or-down vote comes they are going to jump the fence and they will go the other way.

I hate to see there is such a Senator here. If so, we probably ought to find out who he or she is, would the Senator from Virginia not say?

Mr. WARNER. Mr. President, let us proceed with what we are doing at the present time. I thank my colleague for responding to my questions.

Mr. RIEGLE. Mr. President, I will finish here. There are other speakers on the floor wanting to speak.

Mr. HARKIN. Mr. President, will the Senator yield?

Mr. RIEGLE. I yield to the Senator from Iowa.

Mr. HARKIN. Mr. President, I listened to the Senator's eloquent comments and arguments on behalf of this bill and listened to the colloquy of my good friend from Virginia who cited poll studies. I cannot remember the figures he threw out. But it was indicative that perhaps the majority of the American people perhaps did not support this bill.

I rather doubt that the majority out there really understands what is involved in this bill, and that is why we ought to debate it and amend it so they do understand what is in it.

But I would point out to the Senator from Virginia that all recent polls, the Newsweek poll, the New York Times poll, the ABC poll, and the Washington Post poll show over 70 percent of the people of this country want universal health care coverage. I am wondering if the Senator from Virginia has signed on to that. A majority, over 53 percent, say that we ought to have employer mandates, including small businesses. Yet I wonder if the Senator from Virginia is prepared to support that.

So there is overwhelming support in the country for universal coverage and for employer mandates. I am sorry, employer mandates was 72 percent. I made a mistake on that.

So again, I think on an issue in which the American people inherently understand, that is health care—I do not mean to get off on a tangent here; I want to make the point. If someone is going to start arguing poll data let us keep it in mind when health care comes on for debate on this floor in a couple or 3 weeks, the overwhelming majority support universal coverage and they support employer mandates. I think we ought to keep that in mind. That was a little aside.

I thank the Senator from Michigan for his eloquent remarks on striker replacements. Again, I have more comments I would like to make on it. But the Senator from Michigan has been one of the great leaders in this Senate for many years on behalf of working people and in the interest of working people. What he is fighting for here today I think is a bill that is a pro-productivity, pro-competitiveness bill, one that is going to make us more competitive in the world markets.

Mr. RIEGLE. It is a national teamwork bill. You have to have teamwork in the workplaces. You cannot have a legitimate strike over differences of opinions and then settle it and not bring the existing work force back in. You just cannot throw all those people out on the street and bring in a replacement work force.

There is a public opinion poll that is only a month old on this very subject conducted by the Fingerhut/Powers organization, and they asked on this very question as to whether a company should be permitted to hire permanent replacement for striking workers. And 64 percent of the American people in the poll said "no."

The majority of the people clearly understand this issue because if you work for a living and you have to go into a work situation and what you take in the door each day are your talents, your experience, your seniority, your know-how, and you can be fired and have your job taken away from you and given to someone else simply on the basis of exercising your legal right in certain circumstances to strike over benefits or working conditions or unsafe working conditions or wages or whatever it happens to be, shipping your work out of the country, shipping your work to Mexico, shipping your work to Singapore, shipping your work to some other country if you have a strike over that issue which is legal and proper under the law and you know that you are going to lose your job and somebody else is going to be given your job, you are taking away the very essence of what a worker in America has to bring to the market place to earn a living to support his family.

We do not want to take that away from somebody. We ought to respect it. We ought to understand it. We should not be so remote from it as to understand its central meaning to an individual, a man or a woman worker, in their ability to support themselves and support their family. You do not come in and rip that away from somebody. You ought to be bending over backwards to protect it.

We talk about saying that we value work and we want to encourage work. Well, then you better understand the need to provide the kinds of understanding and support for people in the process of work, so that they can go in and they can bargain for a fair wage and fair working conditions and civilized circumstances, which is now the norm all around the world and which had been the norm in this country up until about a dozen years ago.

You have to respect work and you have to respect workers. That is what this bill is all about.

But for the Senate to take a strike here in the form of a filibuster and say, "Well, we are going to strike on this issue and we are not going to permit a vote on it; we are not going to let majority rule here," you are saying something to the workers of this country that I think is unfair. It is unfair to them, and I think, frankly, it is arrogant, because, in a sense, it says we are going to have a double standard. We can strike here in the form of a filibuster, but you cannot strike out there. You can lose your job, somebody else can take it, but nobody can touch us. That is a double standard. And it is just about as clear as you are ever going to see it right now on this issue right here, because a filibuster is a legislative strike by the Senate and it ought not to be permitted.

Let us vote cloture and let us vote S. 55.

I yield the floor.

Mr. WARNER. Mr. President, I rise today in strong opposition to S. 55, the so-called Anti-Striker Replacement Act now pending before the Senate.

The Cesar Chavez Workplace Fairness Act is anything but fair. If enacted and signed into law, American employers would be prohibited from defending their businesses by offering

permanent jobs to replacement workers during a strike over economic issues, such as wages and health care. Instead, the employers of this great Nation would be forced to accede to unreasonable economic demands of unions or plainly go out of business.

According to Websters Dictionary, to be fair is to be "just to all parties in a proper and legal way." Tilting the delicate balance of labor relations in this country in favor of either management or labor is plainly unfair to the American people.

This delicate balance in labor relations dates back to 1935 when Congress enacted the National Labor Relations Act. It is my understanding that this legislation was passed with two central purposes: To assure that all employees have the right to engage in, or refrain from engaging in, collective bargaining; and, to reduce industrial conflict through a system of voluntary collective bargaining where both parties share a balance of gains and risks.

The right to engage in an economic strike has never been absolute, risk-free or guaranteed to succeed. This is only fair since economic strikes put both employers and employees at risk of financial ruin. Under our current system, this mutual risk enables management and labor to come to the bargaining table and work under equal pressure toward an agreement.

The proponents of S. 55 want to unnecessarily tilt the current balance in labor-management negotiations by changing a core principle of labor relations which has worked for over 50 years. The unions simply want the right to a risk-free strike, in effect guaranteeing the right to win every strike.

The question before the Senate today is quite simple. Does our Nation need more strikes or more jobs, more picket lines or more assembly lines? In the competitive global marketplace in which American companies must compete, the last thing we need is more strikes.

Banning the use of so-called permanent replacement workers would, in my view, impede job growth in the United States, facilitate numerous work stoppages, impose higher costs on U.S. industry, reduce incentives for capital investment, and finally, result in inflationary wages throughout our economy. Such legislation has no place on a national agenda aimed at improving the economy and creating jobs for all Americans.

To quote a June 13, 1993, editorial of the Richmond Times-Dispatch, "No State has been more diligent in protecting society from the excesses of unionism than Virginia." The Commonwealth of Virginia is a right-to-work State which guarantees every man and woman the freedom to choose whether or not they wish to join a union. Virginians do not have to pay union dues as a condition to earn a day's pay for a day's work.

While passage of S. 55 would not change the Virginia right-to-work laws, it would certainly make union organizing much easier in the Commonwealth. Nonunion companies in Virginia face the possibility of unions organizing their facilities by gathering a simple majority of employee signatures to stage a recognition strike. Since employers would be barred from hiring permanent replacement workers, the effect would be to lower the threshold for organizers, enabling them to unionize workers who would never choose to do so themselves under the secret ballot procedure now required by Federal law.

Finally, companies in Virginia want to remain open, to compete in the national and international marketplace. Industries from all over the Commonwealth have registered their opposition to S. 55: wholesale bakers, printers, general contractors, builders, grocers, roofers, retailers, manufacturers, florists, ship builders, and thousands more.

Mr. President, I stand in firm opposition to S. 55, to any compromise legislation and to any effort to invoke cloture on this measure.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I thank you.

Mr. President, I rise today to just issue some remarks on the issue at hand, the striker replacement bill. I have heard both sides of this issue ever since I came to the U.S. Senate. I have talked with both sides, both here and in the State of Montana.

I have tried to look at it from the perspective of just exactly what the Senator from Michigan alluded to, and that is fairness. But it has to be fair not only for my State but the Nation as a whole.

I would agree that labor has a right to strike or to withhold their labor. I would fight for those rights in this body. But an individual also has the right to market his talents, and he is prevented from doing so under this legislation if he is a member of that particular organization.

This is not a jobs bill, as much as some would like to portray it that way. It is an antijobs bill. And I firmly believe that.

Yes, labor unions have a right to strike. I will not dispute that. I am all for protecting those rights. But somebody has to stand up and say, "Wait a minute. The employers have a right, too. It is their investment. It is their market share that they lose."

Nobody likes to get caught up in a fracas between management and labor. It is the most antiproductive thing that we do here in our economy.

I think this bill will not only encourage unions to strike before negotiating, but I think that, by not allowing the operations to continue, businesses will close.

I have seen that happen in my State. Jobs are lost forever for everybody, not temporarily, but permanently. Companies hit with bitter strikes usually lose market share and with it goes that economic opportunity, not only with management but also in the labor market.

This is a bill that is the hammer that will strike the death blow to that delicate relationship between labor and management. In the 5½ years I have been here, I have worked to create jobs. And I am proud of the opportunities that I have helped to open up for the folks in my State. But this bill would threaten jobs, and I just cannot support that.

Think about this. The union leadership claim that they want to create a level playing field. I understand that, but I believe you have to be on the same field to begin with. Removing yourself from the negotiating table is removing yourself from the field of play. Even the AFL–CIO leadership recognizes this. In fact, in a report issued by their executive council last February, they say the time has come, and I quote:

> The time has come for labor and management to surmount past animosities and to forge the kind of partnership which can generate more productive, humane, and democratic systems of work organization.

Now, you think about this a little bit.

And even the Secretary of Labor has said this, that the leadership in unions needs this legislation to strap their membership to the mats. So this piece of legislation takes away some rights of the workers. That is the guy who has to pay the bills. He is the man who is providing the talent and the labor for American industry. He has a definite talent to market, and he is limited to do so in a period of strike by this bill.

A while ago, my good friend from Colorado alluded to the Washington Post editorial of April of 1993. And you would have to say the Post is not representing the great bastion of conservatism. The Post said this is ill-conceived and this bill should not ever see the light of day. And I just would have to agree with that.

It is an issue of rights. There must be a balance, no matter what side you are on. The employer has rights and the employee has rights. And in order to keep that balance, to ensure that we must keep people working and to ensure that our country keeps growing, we need to be fair and encourage both sides to communicate. That is something that is overlooked here.

By prohibiting employers from hiring permanent replacements—which is the worst case scenario; nobody likes to do that; nobody likes to replace the work force that they are comfortable with, that they like—you are tilting the

table. There no longer exists a level playing field.

So I think the goal of this bill is power. It is not in the best interest of the working people of this country, which is the backbone of this country. Plain and simple, it is a power play. It is designed to make calling a strike and winning it as easy for the union leadership as flipping a switch. And if, heaven forbid, one of their members decides to go on working during the strike, if one of the members who has the talent to market goes on working, that is very bad according to this legislation.

So in the interest of jobs in Montana and this country—and, yes, we are the most competitive country in the world; let us face it, if it had not been for the labor movement, we would never have had this standard of living in America that we enjoy today; but this really tilts the table—so in the interest of jobs and economic stability in this great Nation, I will oppose the striker replacement bill. We simply cannot afford to let this bill become law.

Mr. President, I ask unanimous consent that the editorial from the Washington Post of Tuesday, April 27, 1993, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 27, 1993]

THE STRIKER REPLACEMENT BILL

George Bush made heavy use of the veto threat in his years in office, and not all the results were bad. The striker replacement bill he helped to block in the last Congress is an example. This is ill-advised legislation whose likely long-term effect would be to hurt the U.S. economy far more than it would help. Bill Clinton has promised organized labor to sign the bill if it is sent to him. It's a promise we wish he hadn't made and hope he doesn't get the chance to keep.

The legislation would take away the right of employers to hire permanent replacements for workers who strike over economic issues (as distinct from those who strike over allegedly unfair labor practices, to whom the law gives greater protection). Proponents say the legislation is necessary to protect the right to strike and recreate a level playing field in labor-management relations that was lost in recent years. Our contrary sense is that in the name of protecting labor's rights the bill would go too far and strip management of a right that it, too, must have if the system is to function fairly.

The law now is contradictory. The National Labor Relations Act of 1935 said strikers could not be fired. The Supreme Court said nonetheless in 1938 that employers were free to hire permanent replacements, and in subsequent court decisions that interpretation has survived. Mostly, labor and management have dealt with the contradiction by looking the other way. Management hasn't much used the permanent replacement power, and labor hasn't much contested it. But in recent years the power has been used in a number of high-visibility cases and has become a political symbol for both sides. The use occurred at a time when, for all kinds of reasons, labor was losing ground anyway, and it is asking the Democratic Congress and now the Clinton administration to help it recoup.

That isn't the job of either party. It's one thing to try to keep the collective bargaining system functioning fairly, quite another to get into the business of trying to ordain results. If the law is out of kilter in that the power to hire permanent replacements has been abused (as on occasion it has) to bust unions, then Congress should fix the abuse if it can, but not toss out the entire power. Occasions arise—one did in this newspaper's dealings with one of its unions in the 1970s—when strikers forfeit the right of return and a company ought to be able to hire permanent replacements.

The ambiguity that has endured in the law for 55 years may be less a defect than a virtue. It suggests that neither side in a labor dispute can expect to behave with impunity; the truth may be that the more risks both sides face in such disputes, the better. The House passed the bill by a largely party-line vote last year, and is expected to do so again. The Senate is the best hope for deflecting it. Here's an instance where the president really does need Republican help, and we hope he get it.

Mr. BURNS. I yield the floor.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I am pleased to join in support of S. 55. This bill simply tries to restore a measure of equality to Federal labor law. It just guarantees workers the right to strike without the fear of being permanently replaced.

I think a vote on the merits on this measure is long overdue. Even now that this legislation has at least been brought to the Senate floor for debate, the opposition is using parliamentary tools to prevent a vote on S. 55. They know and recognize that this bill would pass the Senate and be signed into law by President Clinton without the use of these filibuster tactics. I believe it does a great disservice to the working men and women of America to not allow cloture in this instance.

In my home State of Wisconsin, the abusive use of replacement workers by employers during strikes has a troubling history, and it is an issue with which I have been concerned for several years. In fact, I had the opportunity to be the author of Wisconsin's striker replacement bill and testified a few years ago before the House of Representatives on this issue. I am proud now to continue my support of that effort to pass a national striker protection law.

Of course, as the speakers today have indicated, the use of permanent replacement workers is a many-faceted issue. At the core, however, is this question: Should workers have the right to use the strike as an economic voice during times when negotiations with their employers break down?

The National Labor Relations Act of 1935 clearly guarantees the right of workers to organize and engage in concerted activities, and included in this is the essential right of the right to strike. If this is eliminated either directly or indirectly through the use of the tactic of using permanent replacement workers, the right to strike becomes essentially meaningless.

When I was growing up in Janesville, WI, a very proud town with a history going way back with the United Auto Workers, this country was enjoying a long period of prosperity. There seemed to be a balance then between labor and management. However, the economic declines of the 1970's and increased competition from abroad laid the groundwork for a dramatic shift from a rather cooperative environment to a somewhat hostile era of management-labor relations.

Back in 1938, the Supreme Court, in the Mackay decision, did allow the hiring of permanent replacement workers. That is true from a technical point of view under the law. However, the use of permanent replacement workers was never put into widespread practice until the 1980's when President Ronald Reagan led by example in firing 12,000 striking air traffic controllers. Until that time, workers and management had shared relatively equally in the risk and hardships of a strike. Workers lost income. Their families, and often whole communities, did face economic insecurity and, of course, the threat of losing their homes and their savings. At the same time, there was an incentive for management to come to agreement, as they struggled to maintain production, productivity, and market share with a limited work force.

So in those days, strikes were to be avoided by both sides, if possible, and that was the force that drove collective bargaining and peaceful negotiation for many, many years. For many years, even during strikes, labor and management were able to cooperate and come to an agreement. Now it should be no surprise that in the merger and acquisition frenzy of the 1980's, management found it had a new tool and, unfortunately, they used it quite frequently. Today, management now often advertises for permanent replacements the moment a strike begins, and the threat of permanently lost jobs casts a pall over that entire bargaining process which used to work pretty well.

So I have to take strong issue with the language on the floor suggesting, as did the junior Senator from North Carolina, that somehow what we are going to change here is some kind of a natural balance. What exists today is no natural balance. That is a myth. In fact, in my view, it is a serious distortion of the facts.

It is also not the case, as the senior Senator from Virginia suggested, that we are upsetting 60 years of labor-management tradition. It is just the opposite. For most of those years, employers usually did not use this unfortunate tactic, even though they technically could under the law.

So the truth is we had a better period of labor peace. I would say the central

falsehood of the entire opposition to this bill is this myth that this has always been done, this is the way it has always been and we are somehow upsetting a natural balance. This is a very recent occurrence, a tragic occurrence that has caused many, many working families in this country to face economic destruction, or worse.

The power behind the use of permanent replacements is quite clear. Whether used as they were in Wisconsin prior to the passage of the National Labor Relations Act during the Northern Paper Co. strike of 1921, or more recently during the tragic International Paper Co. strike of 1987, permanent replacements produced the same result, and it was an intended result. And that result is the overwhelming defeat of organized labor. If that was the goal, in many cases that has been achieved.

As the power of the strike becomes more and more tenuous, the voice of the laborer in negotiations over his or her employment weakens considerably. Knowing that workers are unlikely to strike, Mr. President, employers are free to make greater, sometimes excessive demands.

I return to my hometown of Janesville, for a moment. Some of my first experiences in politics were at something called the Walter Reuther Hall in Janesville. There used to be some pretty happy events there—political events, back slapping and all that—in the sixties and seventies. But when I returned to Walter Reuther Hall in the late 1980's for what I thought would be a similar event, to campaign, I found what I can really only describe as a wake, a lot of sad, desperate faces who had what they thought was their part of the American dream being ripped away from them by the use of this new, excessive practice.

If the use of permanent replacements is allowed to continue, it is very possible that the voice of the working sector of this country will be silenced forever. My efforts and those of other States to pass legislation to correct this enormous flaw in Federal labor law has been thwarted by court interpretations such as the ruling on the Illinois Strike Breakers Act. The Federal court held that the general subject of conditions for replacement strikers or locked-out employees in an industry affecting interstate commerce is a matter which has been delegated to the National Labor Relations Board by Federal law.

So many State laws that have tried to deal with this have been struck down or vetoed due to this interpretation, making Federal action, the action we can take in this Chamber, far more critical.

During disputes between employer and employee, Government should act to ensure that both sides are playing on a level playing field. At such times, those actions have taken the form of police protection for strikers and nonstrikers, and other times they have taken the form of court proceedings. Today, Mr. President, the time has come for that action to take yet another form, and that form is an amendment to the National Labor Relations Act to prohibit the use of permanent replacements.

I might add that even if we pass S. 55, employers still have many options overcoming or surviving a strike. They can hire temporary employees, stockpile inventory in advance of a potential strike, or assign supervisors to take over some aspects of production. These options have always been available to employers, and they are in no way limited or taken away by this bill.

Finally, I would like to make an additional comment. Many times employers or individuals who dislike S. 55 use the term "organized labor" a little disparagingly in describing the moving force behind this legislation. But organized labor is merely the organized voice for middle-class families, single moms, individuals struggling to pay rent and young couples who hope to buy that first home. These are truly the people who seek protection under S. 55.

I would like to conclude, Mr. President, by just citing briefly from a recent article in the Washington Post entitled "Women and the Right to Strike," which pointed out that as a class, women and minorities are the ones most in need of S. 55's protection. They are overrepresented in low-skill, low-wage jobs where it is easy to find and train replacements, while they are also the most in need of those jobs simply to meet basic necessities.

The article told the story of the Jersey Shore Medical Center in Neptune, NJ, where they entered into the final phase of negotiations for their 680 registered nurses last November. They made an offer they could refuse, and they wanted to refuse it.

The hospital wanted to replace a wage system that included guaranteed, across-the-board step increases based on experience and seniority with a system of merit pay to be determined by the nurses' direct supervisor. There was no guarantee of the merit increases. The people in the union felt this would be harmful. The nurses felt it would create a competitive type of atmosphere in an institution where competition does not belong, and in a health care system where the President said you need a team.

> Our fear was also if someone made a mistake they might not reveal their mistake for fear it would impact their evaluation. We felt this type of system promotes a cutthroat type of relationship among nurses.

So what was the response of the hospital? The hospital promptly began hiring temporary and permanent replacements, offering plum shifts as incentives to about 125 new nurses.

The strike did not end until March 11. A compromise was finally reached, but the hospital was able to replace the striking workers because of the reactivation of that 1938 decision during the Reagan years.

The article concluded by saying the following:

> The issue is one of power, and in the next couple of weeks, we are going to see labor and business exercise all the power they have to win this fight.
>
> At stake is a woman's ability to strike over economic issues without putting her job at risk. It is labor's ultimate weapon, and it is not used lightly. Workers never recover the lost wages from a long strike. There are plenty of built-in incentives to keep both management and unions at the bargaining table. But we have seen enough situations in recent years to know that the playing field in labor negotiations isn't level these days. Ask the flight attendants. Ask the Diamond Walnut workers. Ask the 75 nurses still waiting to be called back to work at Jersey Shore. Chances are you'll be talking to a woman who is trying to support her family, and who needs more leverage in labor disputes than she has now.

Mr. President, I know there are others who wish to speak, but I feel very strongly on this particular issue, having followed it for several years and knowing that many people in Wisconsin and across the country, people in Leipsig, De Pere, Milwaukee, Madison, Eau Claire, and La Crosse have suffered a great deal by this recent practice, not the national law, not the natural order of things, but something that really only started to be used a great deal about 14 years ago.

I thank the Chair.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. I thank the Chair.

Mr. President, in Texas there is a saying that has become so accepted it is almost a cliche now: "If it is not broke, don't fix it."

The wisdom behind that remark should dispose of this controversy immediately. What is astounding to me is that a good number of my colleagues want to change the tenet of labor law that has not only served us well for the past half century, but it is working even better today than it ever has. We are truly trying to fix something in this bill that is not the least bit broken.

For well over 50 years, U.S. labor law has permitted employers to hire replacement workers during an economic strike on the same terms as last offered to the strikers, including permanent employment. The U.S. Supreme Court has recognized the right to replace economic strikers for more than half a century. The National Labor Relations Board and the Supreme Court have together created a stabilizing balance of power in which both sides in a labor dispute have a great deal at risk. They both incur significant incentives

to settle labor disputes. A strike does not just occur. There are many negotiations that must occur before you get to the strike.

The replacement rule has worked well over its lifetime, and it is working today. Incidents of labor dispute are at a historic low. The number of strikes is down. Inflation is relatively under control. That benefits all segments of our society, especially the poor who are trying to make ends meet, especially those on fixed incomes, and especially those members of labor unions who have good jobs. In short, nothing is broken.

The historic balance between labor and management has never been better.

Mr. President, this strike bill would upset that balance by giving labor the unfettered power to shut down operations of any employer who failed to meet their terms. It would directly lead to several adverse consequences—more strikes, more labor disputes, greater inflation, costlier goods and services, and a reduction in the ability of American workers to compete in the world economy. It would cost American jobs and it would reduce our overall standard of living. In short, it would do exactly the opposite of what its proponents say it will do.

Mr. President, the strike bill would not only give unions unprecedented power over business, but it would overturn these 50 years of precedent—well settled law governing labor disputes.

One aspect of this unfair labor practice is to change existing law and require employers to allow striking employees to bump less senior, nonstriking employees at the end of a strike.

Mr. President, this bill requires employers in many instances to give favoritism against the very people that stayed and worked and helped make sure the business did not go under. This striker replacement bill is a radical departure from the clearly defined congressional intent and the consistently applied judicial precedent. In fact, through the years until now, every single President, every Republican and every Democrat, has supported the right of employers to offer jobs to replacement workers. Until now, the employer's right to defend against strikes and other concerted actions through hiring of permanent replacements has not been seriously challenged.

The Senator from Montana mentioned that the labor movement really has in the past provided for a higher standard of living in this country. I appreciate that. I think our labor unions in recent years have been very responsible. We have had some bad economic times in this country. And our labor unions have, by and large, stepped up to the line and worked with management. That is why relations are good right now. And that is good for all American workers. If you are for the working people of this country, you are against this bill because it is going to cause the loss of good jobs. It is going to cost more to do business in America. There will be companies shut down, and they can move to other countries to provide these jobs, to get labor more cheaply.

We do not want that. We do not want our jobs to move overseas. We want our good jobs, with our good benefits, to stay right here. But if we enact this bill today, we are going to take away that balance, which is going to cost more strikes. It is going to cause our businesses to have to leave this country. They will not be as competitive in the international marketplace. The bottom line is we are going to lose jobs, those good jobs that are quality jobs, that provide people the chance to do better for their children than they were able perhaps to have done in the past.

So this special interest legislation proposes a wholesale shift in the economic balance of power in labor disputes in our country. This will lead to more strikes, weaker businesses, diminished competitiveness, and loss of jobs. It will stifle the rights of current workers and stifle the ability to have freedom of choice by both employer and employee.

Mr. President, this bill is not good for America. It should be defeated. I hope my colleagues will do the responsible thing today and defeat this piece of legislation so that we will get this economy back on track, with labor and management working together in the spirit that has made this country strong.

I thank the Chair. I yield the floor.

Mr. SARBANES. Mr. President, I rise in very strong support of the cloture motion on which we will be voting shortly. I think it is important that the Senate be able to proceed to the substantive consideration of S. 55, the Workplace Fairness Act. This is a very important piece of legislation which ought to be considered by this Chamber on its merits. It would amend the National Labor Relations Act and the Railway Labor Act to prevent employers from hiring permanent striker replacements.

I am very frank to tell you that unless we can move toward enacting this legislation, I believe the whole principle of collective bargaining in this country will continue to be eroded and workers exercising their lawful right to strike will be confronted with permanently losing their jobs.

Mr. President, the National Labor Relations Act, enacted in 1935, expressly prohibits actions by employers that would undermine a worker's right to strike. It is true that in 1938, the Supreme Court decision in Mackay Radio authorized employers in some situations to hire permanent replacements for striking workers.

That ruling created an anomaly in our labor law that prohibits striking workers from being fired but allows them to be permanently replaced.

If one stops and thinks about that for a moment, there is obviously a basic contradiction, an inconsistency with respect to that dual approach.

The PRESIDING OFFICER. The Chair will observe that under the previous order, we are supposed to recess at 12:30.

ORDER OF PROCEDURE

Mr. SARBANES. Mr. President, I ask unanimous consent that the debate be allowed to continue for another 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SARBANES. Mr. President, for more than 40 years subsequent to the Mackay doctrine this contradiction in our labor law had little practical effect because most employers recognized the value of a stable and experienced work force and sought to avoid the heightened confrontation resulting from the hiring of permanent replacements. Therefore, while the Court made this ruling in 1938 about permanent replacements, no one seized upon it or sought to utilize it in an aggressive fashion in order to erode or undermine the principle of collective bargaining. However, in the 1980's many employers adopted a much more aggressive and hostile strategy toward employees participating in a lawful strike.

Furthermore, the Court in the Trans World Airlines decision in 1989 extended Mackay to employees under the Railway Labor Act and also allowed employers to give seniority and additional benefits to junior employees who crossed picket lines. Together, this more aggressive approach by employers and the expansion of the Mackay decision has resulted in a significant increase in the hiring of permanent replacements over the last decade with tens of thousands of striking workers permanently replaced and hundreds of thousands of others faced with this possibility.

So what has changed is the practical workings of our labor relations system because of the willingness now of many employers to aggressively use replacement workers. In effect, for some employers breaking the union has replaced negotiation as the primary strategy. This has dealt a severe blow to collective bargaining which over the years has been the driving force behind the improvements in working conditions, wages, and benefits for American workers.

It is interesting to note that the United States is one of the few industrialized nations that permits the permanent replacement of striking workers. In fact, I want to quote from a letter from the Director of the Federal Mediation and Conciliation Service to Chairmen KENNEDY and METZENBAUM dated May 27, 1994.

I ask unanimous consent that letter be printed in the RECORD at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1).

Mr. SARBANES. Director Wells states:

I might add that we are one of the few industrialized nations which still permits permanent striker replacements without any limitations. I am often hard put to explain to our foreign labor, management, and government visitors that while unionized employees have the right to strike, if they do so, and the strike is economic, they can be permanently replaced by their employer.

Obviously, one would have a difficult time explaining this policy because it runs directly contrary to the protection of the right to strike which is provided for in the National Labor Relations Act.

It is obvious that the political and business leadership in these other countries understands that cooperative labor-management relations contribute greatly to both productivity and competitiveness.

This was borne out in a study by the MIT Commission on Industrial Productivity which found that competitiveness may hinge less on costs than on the speed at which a company is able to adapt to new technology and changing market conditions. Many analysts view this flexibility as the product of a labor-management relationship which encourages employee decisionmaking at the lines of production. What our competitors abroad have understood, and what American business understood in earlier decades, is that the use or threat of permanent replacements destroys the cooperation and trust that form the very basis for the effective working relationship between management and labor necessary to address important productivity and competitiveness issues.

Director Wells in this letter pointed out:

Hiring permanent replacements, or threats to do so, clearly makes bargaining far more difficult and contentious, significantly increasing the hostility between the parties. Resolution of the fundamental issues between them become even more problematic.

As I have mentioned, the threat of permanent replacements can also severely damage the parties' relationship. Such threats occur more often, of course, than do actual replacements of strikers. These threats serve to destroy bargaining parity and create antagonisms for years to come.

Mr. President, finally, let me just make this observation. I think it is important to recognize that what is at issue here with a cloture vote is the necessity of producing 60 out of 100 Members in order to consider the legislation on its merits. I am prepared to predict here today that this constant use of the filibuster to frustrate the Senate from conducting its business will increasingly bring the Senate into disrepute because it effectively prevents the Senate from coming to grips with very important matters. A 60–40 vote is an incredible margin. You do not get those kinds of margins on any issue that has any degree of controversy to it.

I would remind Members that a contested election, if won 60–40, is considered as an overwhelming outcome. Yet now we have escalated the stakes to that level here in the Senate. In order to even consider important legislation, there is a constant engaging in a filibuster and the requirement to produce that kind of majority.

The recent exploitation of workers which has been going on in the recent decade under the anomaly provided for in the Mackay decision, is a possibility that was not exploited in the 40 years subsequent to the decision. I want to underscore this. What has changed in the labor-management relationship is this aggressive exploitation of the possible use of replacement workers, something that had not been done through the forties, fifties, sixties, and seventies. That is what changed the balance in labor-management negotiations. That is what is undermining collective bargaining. That is what I think threatens the ability to develop peaceful and cooperative labor-management relationships in this country.

I very much hope the body will vote to invoke cloture so we may get to S. 55 and consider this very important and desirable legislation on its merits.

I yield the floor.

EXHIBIT 1

FEDERAL MEDIATION AND CONCILIATION SERVICE,
Washington, DC, May 27, 1994.

Hon. EDWARD M. KENNEDY,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC

Hon. HOWARD M. METZENBAUM,
Chairman, Subcommittee on Labor, U.S. Senate, Washington, DC.

DEAR SENATORS KENNEDY AND METZENBAUM: This is in response to your letter of May 9, 1994, requesting my views on the impact of S.55, the Workplace Fairness Act. In particular, you posed three questions: (1) what is my assessment of the impact of the practice of hiring permanent striker replacements on the collective bargaining process; (2) with what frequency have employers engaged in this practice; and (3) what are my views regarding the likely impact of this legislation on strike occurrence?

Last year, the Federal Mediation and Conciliation Service (FMCS) assigned for possible mediation about 30,000 contract disputes and our mediators were actively involved in mediating nearly 7,000. Based upon this experience of involvement in thousands of collective bargaining disputes, I feel that we are in a position to form and present an informed opinion on the questions you have posed.

First, it is our experience that the use of striker replacements is destructive to the collective bargaining process. It chills meaningful bargaining. The threat to use striker replacements is likewise destructive. This is because the right to replace strikers really emasculates the right to strike expressly granted by section 13 of the National Labor Relations Act.

Simple common sense dictates that the right to replace workers exercising their lawful right to strike over economic issues of wages, hours, and working conditions destroys any semblance of equality in bargaining power. Since a principle goal of bargaining is for employers and employees to jointly address and resolve problems, the threat or actual replacement of striking employees is clearly counter-productive. Further, it often serves to prolong strikes and reduce the probability of settlement. Even when the parties reach agreement on wages and benefits, the issue of permanent replacements often remains on the table. It is very difficult to resolve because the employer risks civil law suits from replacement employees if he brings back all the strikers. It is equally difficult to get rank and file members to ratify an agreement if they do not have assurances of returning to work.

Hiring permanent replacements, or threats to do so, clearly makes bargaining far more difficult and contentious, significantly increasing the hostility between the parties. Resolution of the fundamental issues between them become even more problematic. A recent example is the long standing dispute between Diamond Walnut Growers, Inc. and the International Brotherhood of Teamsters. In this case, in which I have been personally involved, replacements were hired in 1991. The company is committed to keeping its replacements, the union is committed to returning its members to work, and the impact of what has happened and the bitterness generated remains with both sides as well as the local community.

As I have mentioned, the threat of permanent replacements can also severely damage the parties' relationships. Such threats occur more often, of course, than do actual replacements of strikers. These threats serve to destroy bargaining parity and create antagonisms for years to come.

Second, concerning the frequency of use of striker replacements, while FMCS does not maintain data on this point, I understand that other sources of information are available from the General Accounting Office as well as a recent study of Professor Michael H. LeRoy of the University of Illinois. Using National Labor Relations Board cases reporting hiring of striker replacements, Professor LeRoy provided an analysis of 165 strikes from 1935 to 1990. He noted that strikes since 1981 most closely resembled strikes occurring during the contentious 1938–47 period: they lasted longer, involved more strikers and more replacements than strikes in the 1950s, 1960s and 1970s. These data would suggest an increased use of replacements since 1981 along with longer lasting strikes than in the previous three decades.

Third, while there is no way to comment with certainty about any future event, it is our professional judgment that S. 55, if enacted, would not trigger a flood of strikes. The strike, as a tool, is not as effective as it once was. There is nothing to prevent an employer from assigning supervisors to perform the work, hiring temporary employees or volunteers, or stockpiling inventory so a strike has little or no effect. In addition, there is a significant trend in our nation toward labor-management cooperation and partnerships and increased use of collaborative processes, as demonstrated by such unions and employers as the Communications Workers of America and AT&T; the United Auto Workers and Ford, General Motors, and Chrysler; the Amalgamated Clothing and Textile Workers Union and Xerox, to

name only a few. This trend toward union-management partnerships is growing and should continue to do so.

I might add that we are one of the few industrialized nations which still permits permanent striker replacements without any limitations. I am often hard put to explain to our foreign labor, management and government visitors that while unionized employees have the right to strike, if they do so, and the strike is economic, they can be permanently replaced by their employer.

Finally, I believe it is very significant to cite for the record that my predecessor, Bernard E. DeLury, a Republican appointed by President Bush and holding the position of Director of FMCS from 1990 to 1993, expressed a public opinion very similar to mine. He was quoted in a Daily Labor Report interview (October 21, 1991) as saying that the use of permanent replacements "exacerbates the collective bargaining process" by making it more "difficult" for the parties in collective bargaining to settle their differences over a new contract. Nor did he believe that a ban on permanent replacement of strikers would open the floodgates to more strikes in this country, adding that the relationship between management and labor has reached a more "mature" level.

Sincerely,

JOHN CALHOUN WELLS,
Director.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

ORDER OF PROCEDURE

Mr. GRASSLEY. Mr. President, since there are three Members that are waiting to speak, I ask unanimous consent that the time be extended for one-half hour.

The PRESIDING OFFICER. Is there objection to the unanimous consent request to extend the time an additional 30 minutes?

Without objection, it is so ordered.

Mrs. BOXER. Reserving the right to object.

The PRESIDING OFFICER. The Senator from California reserves the right to object.

Mrs. BOXER. Mr. President, how much time will the Senator from Iowa use?

Mr. GRASSLEY. I assume I will use about 12 minutes.

Mrs. BOXER. I would ask, if I might, through the Chair, how much time the Senator from Pennsylvania will use?

Mr. WOFFORD. Five, maximum six minutes.

Mrs. BOXER. I would ask unanimous consent that I be allowed to have 10 minutes at the conclusion of the remarks of the two Senators.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I would like to respond to the argument that was just made by our distinguished colleague, the senior Senator from Maryland, in regard to our current situation on cloture. Cloture is a very important legislative tool used to ensure that minority views are upheld and adequate attention is given to those views. Every Senator exercises cloture. The distinguished Senator from Maryland had an opportunity to exercise that right the last time we had a cloture vote on the issue of product liability.

So I think that cloture is something that we all legitimately use and, is within the traditions of the Senate.

Mr. SARBANES. Will the Senator yield on that point?

Mr. GRASSLEY. I will.

Mr. SARBANES. I simply say what is sauce for the goose is sauce for the gander. Obviously, Members use the cloture rule. My own view on the underlying proposition is that the cloture rule is being abused in this body, that it needs to be limited and restrained from its current position. Otherwise, the Senate is not going to be able to function as a responsible and responsive body dealing with issues that are of importance to the American people. I think we ought to be able to get at those issues and address them without requiring this supermajority of 60 people, which is actually frustrating the Senate—and, I think, the American public—from doing its business. Like the Senator, I have used it on occasion, too, but if I step back from it and take an objective look at it, I do not think it is good for the institution or for the country. I think we need to bring it under some restraint and control.

Mr. GRASSLEY. Mr. President, I thank my colleague for his rebuttal. I suppose it is illustrative of how we do business in this body.

Regarding S. 55, I rise in opposition to this legislation. Once again, we are challenging labor laws that have been very effective for well over a half century. These laws have created a harmonious balance between the rights of management and the rights of labor.

During the last 50 years, basic labor law has been challenged and changed on only two occasions. The first time was in 1947 with the Taft-Hartley Act. The second time was in 1959 with the Landrum-Griffin Act.

The infrequency of major, very substantial changes in labor law reflects the general agreement with and respect for our laws regarding labor-management relations. It also speaks well about the ability of the people writing these laws in the 1930's to write laws that have been effective for decades. So why make a change now? Has the climate changed so drastically to warrant a major amendment to the national labor relations act?

I do not know of any data that confirms that the balance has tipped in favor of management as opposed to labor. But here we are again debating a bill that I believe strikes at the heart of fair labor negotiations. This bill would ultimately tilt the balance in favor of labor.

This kind of change could destroy the economic balance in collective bargaining, cripple the economy, and hurt our international competitiveness. It would also negatively impact struggling businesses and their workers, both union and nonunion workers alike.

Today, I speak from a unique perspective, as a former union member, as well as now a Member of Congress. From 1962 until 1971, I was a member of the International Association of Machinists. I am proud of this membership and the years I spent on the assembly line. Despite my past affiliation, I cannot support the legislation we are debating today. It would strike a blow at fairness.

During my union membership, I had the opportunity of serving on the shop safety committee at our plant, and at one time I voted to go on strike, a strike that lasted about 5 weeks. I attended the meeting where our shop voted to go on strike. That vote was unanimous.

I felt then, as I feel now, that the ability to strike is a necessary tool. It is a tool that can be effectively used by our work force to reach an agreement that is satisfactory to an overwhelming majority of the people.

I also served at a time when our shop experienced a conflict between my union, the International Association of Machinists and the Sheet Metal Workers of America. My plant was called the Waterloo Register Co. We manufactured furnace registers, and we were one of the few plants of the Dynamics Corp. that was represented by the Machinists Union. Most of the other workers were represented by the Sheet Metal Workers Union. Consequently, a battle over representation developed.

In order to end the strife, our company wanted us to accept the representation of the Sheet Metal Workers Union. A hotly contested race ensued between the International Association of Machinists and the Sheet Metal Workers Union.

At that time, I was also a member of the Iowa legislature. I took a leave of absence from my job on the assembly line while the legislature was in session.

I recall driving the 110 miles from Des Moines, IA, our State capital, to Cedar Falls, where our plant was located, to cast my vote in that jurisdictional election.

It was a secret ballot, but I voted to maintain the representation of the Machinists Union. The machinists won, but by only a handful of votes.

The dispute, however, did not end. The battle between the two unions continued and, ultimately, the Waterloo Register factory closed down. We were all laid off. The plant has not existed since June 1971 because they could not operate under the strife caused by this battle.

I know what it is like to appear at union halls and debate whether or not to go on strike.

I remember the uncertainty I felt toward the future as I wondered about the families—not only mine, but the families of all of the workers and our responsibility to them.

I have seen the positive results that can come from labor-management relations even when the torment of a strike has been endured.

But I have also seen where union leadership does not represent the will of its members. I know this because I have seen how a dispute at the national level between two unions—the Machinists and Sheet Metal Workers—resulted in a loss of about 180 jobs and one entire plant at the Waterloo Register Co. in Cedar Falls. To the national union leaders, 180 jobs did not amount to a hill of beans, but those 180 jobs meant a lot to all of us who were working, trying to be productive and trying to ignore a national debate between the two unions fighting a jurisdictional battle.

The National Labor Relations Act has been the principal source of labor law in this country for more than 50 years. At the heart of this law is a worker's right to engage in concerted activity, including the right to strike. But the act also promotes collective bargaining as the preferred method of resolving those disputes.

As early as late 1930's, the issue that is at the center of this bill was raised: Whether or not business had the right to protect its operation by hiring replacement workers in the event of a strike.

In 1938, the Mackay case came before the Supreme Court, challenging this notion. The Supreme Court subsequently determined that a business may hire replacement workers during a strike in order to continue operating.

The Court recognized that labor has a very potent offensive weapon in its arsenal—its right to strike. But the Court also recognized that weapon must be balanced against a business' right to exercise its own defensive weapon—the right to continue operating. This effective balance has governed labor law for the last 50 years.

Many ask what the difference is between hiring replacement workers and firing striking workers. This issue was brought up on the floor yesterday. Some of my colleagues have even stated that the only right a worker has today is to "quit his job." I wholeheartedly disagree. The Mackay decision makes a clear distinction between the two forms of strike activity: Economic strikes and unfair labor practice strikes. Economic strikes occur over demands such as higher wages and better benefits. Unfair labor practice strikes result from allegations of unfair practices by the employer, such as bargaining in bad faith.

The Mackay decision clearly states that if a strike results from an unfair labor practice, the law protects those striking workers' jobs. The law requires employers to immediately reinstate the strikers to their former position, often with back pay. It is unlawful, then, for an employer to fire workers who have engaged in a lawful strike activity.

If, on the other hand, the strike is over economic terms, the law permits a employer to defend himself or herself by continuing to operate with replacement workers. If the employer simply resisted a union's demand over wages and benefits and a strike results, the law does not require employers to fire replacement workers at the end of that strike.

In the event striking workers would like to return to work, they are guaranteed preferential hiring rights and full reinstatement as vacancies occur.

But this bill would eliminate the critical distinction between an economic strike and an unfair labor dispute.

Obviously, labor and management have much at stake in the success or failure of their relationship. The risk of a failed relationship forces them to cooperate to the best of their ability to maintain that delicate balance. If this bill is enacted, this delicate, balanced relationship would be destroyed. Unions would be given complete control over the terms and conditions of employment, regardless of business' ability to comply with these demands. If a business could not comply with these demands, the union could call a strike and the business could cease to operate. Management would be stripped of their defensive weapons, and risk-free strikes would be guaranteed.

Proponents argue that this legislation is necessary because the practice of hiring replacement workers has become accepted and widely used—thus, they argue, tipping the balance in favor of management as opposed to labor. However, the data does not support this position.

In a 1991 GAO report, the GAO could not provide any comparison between the use of replacements in the 1970's and 1980's. The report did find, though, that in 1985, only 4 percent of all striking workers were replaced. This same statistic decreased to 3 percent in 1989. An extremely small portion of labor disputes actually result in a strike. A vast majority are able to resolve the dispute.

For example, from 1990 to 1991, only three-tenths of 1 percent of the cases that went before the Federal Mediation Board resulted in a strike. Data just does not demonstrate that hiring replacement workers has become a common management practice nor a trend.

Although there have been a few highly publicized strikes where replacement workers have been hired, the reality is that permanent replacement of striking workers is rarely used in practice. Full-scale replacement simply does not exist.

As I have mentioned, by confiscating a business' right to operate during a strike, businesses will be forced to accept bargaining agreements even if they are found to be unacceptable or financially impossible to sustain.

These businesses would be left with two choices: acquiesce to the demands, even if it would ultimately destroy their competitive edge, or resist the demands and be forced to shut down. Either choice would damage the health of large and small businesses alike.

Some say that businesses can sustain their operations during a strike by stockpiling, or by hiring temporary workers, or relying on management. That may be true in some cases. Maybe in some large, highly profitable, companies that would be absolutely a way of staying in business, but not indefinitely.

We have to realize many small rural and certainly struggling businesses could not sustain their operations following these suggestions. Unlike large firms, these firms could not afford to stockpile, or hire temporary workers. Rural areas have a limited pool of skilled workers.

As a farmer, I am keenly aware of the impact this bill could have on the agricultural community. Too many farmers are often paid once a year, and that is when they move their crops to market. If a crop could not be moved to market because of a transportation strike, or if the crop could not be processed because of a work stoppage at processing plants, the farmers would see their prices drop precipitously.

From the farmer's point of view, such labor relations disputes would often become another factor impacting market prices, over which he has little control or no control. Farmers would effectively join the list of people who would be harmed during a protracted labor dispute.

The enactment of this bill could ultimately injure nonstriking workers and their families, whose livelihoods depend on a functioning, economically viable employer. Likewise, consumers, suppliers, and customers would suffer the burdens of increased strike activity and the harmful economic impact that would be generated by the bill.

As the economy struggles to recover—and it has been since the 1991 recession—and as the economic market grows more global and obviously more competitive, we simply cannot afford to implement policies that will retard growth and work against competition. What may appear to be a victory would ultimately be a failure for all.

So I urge my colleagues to oppose this legislation and, therefore, to vote against cloture.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania [Mr. WOFFORD].

Mr. WOFFORD. Mr. President, a few years ago, Studs Terkel wrote a book called "Working." In it, he said that work "is more than a struggle for daily bread. It's a search for daily meaning."

American workers have always understood what he meant. Two weeks ago, I held a state wide teleconference with workers in Pittsburgh, Johnstown, Erie, and Pittston. They know what a good job means.

It is more than a paycheck. It is a source of dignity and pride. It is what holds our families and communities together. That is why we must do everything in our power to keep good jobs in this country and create new ones.

We are finally seeing signs of good life in our national economy. But there is no economic recovery for workers who are still losing their jobs and for those fighting to keep theirs. For them these are still hard times.

But there are some steps we can take to help them keep good jobs. One of the most important steps is protecting the hard-won right of working men and women to strike as a last resort.

That right is in jeopardy across the country as in Pennsylvania. More and more, employers are using permanent replacement workers to disrupt the collective bargaining process.

I have seen this happen in strikes in Pennsylvania. Hospital workers in Canonsburg, nursing home workers in Johnstown and Mount Carmel, and in 1984, industrial workers in Coraopolis and in Indianola have all lost their jobs to permanent replacement workers.

As Pennsylvania's Secretary of Labor and Industry for 4½ years, I saw the human hardships imposed on workers, their families, whole communities and on companies and unions alike, by the permanent replacement of workers who exercised their right to strike.

As the organizer of the Governor's office of labor-management cooperating with a mission to promote good labor-management partnership in Pennsylvania, I found that nothing set back the prospect of labor-management cooperation more than the use of permanent replacement workers.

That is why, on arriving in this body, one of the steps I took was to become a cosponsor of the Workplace Fairness Act and why I have been fighting for it since I came to the Senate and why I want us now to take it up and pass it on the floor of the Senate.

Mr. President, if the right to strike means only the right to lose your job, that is no right at all.

The Workplace Fairness Act says simply that workers who exercise their right to strike cannot be replaced permanently. It also would prevent companies, once a strike has been settled, from giving preferential treatment to workers who crossed the picket line.

The Workplace Fairness Act does not make strikes risk free. There is a great price workers pay in any strike. But what this bill will do is restore the rights of workers to exercise their collective bargaining rights without fear of reprisal.

It will make it possible for labor and management to come together on a level playing field, to resolve disputes fairly, and then to work together to make our companies stronger, more productive, and more competitive in the world.

This is a matter of basic fairness. To quote a recent Pittsburgh Post-Gazette editorial supporting this legislation: "Loyalty and progressive management cannot be legislated. Fairness and justice can be."

I ask unanimous consent that the Pittsburgh Post-Gazette editorial of May 31, 1994, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Pittsburgh Post-Gazette, May 31, 1994]

STRIKING A BALANCE—WORKERS WHO STRIKE SHOULD NOT RISK LOSING THEIR JOBS

When Diamond Walnut went through rocky economic times in the mid-1980s, its long-time, relatively well-paid, predominantly female workforce took pay cuts as high as 35 percent.

So when the company returned to health, earning $66 million in net profits over the last five years, the workers thought they should share more significantly in the bounty. Diamond Walnut disagreed. And when the workers went on strike in 1991 as the company prepared for its biggest harvest ever, permanent replacement workers were brought in.

The proponents of a bill that would outlaw the use of permanent replacements could hardly ask for a better poster child than the still-striking, permanently replaced Diamond Walnut workers. The women, many of them grandmothers who had put in 20 and 30 years with the company, had been earning some $30,000 before the pay cuts in the '80s. Now they are out of work—perhaps for the rest of their lives—and surviving for the time being on $200-a-week Teamster strike benefits.

They are victims in an era when organized labor has diminishing clout, a time in which the 56-year-old Supreme Court doctrine allowing the permanent replacement of striking workers finally came into its own. Although few strikers actually lose their jobs as the women at Diamond Walnut did, the threat of job loss has been made with increasing frequency since 1980 and its very existence upsets the delicate balance that should exist between labor and management.

The U.S. House of Representatives has approved a bill banning permanent replacement of strikers, and President Clinton has said he would sign such a measure. More than enough senators support the proposal to gain passage, but 60 are needed to break a promised filibuster that would prevent the measure from coming to a vote. Action is expected early next month. Pennsylvania's Sen. Harris Wofford strongly supports the bill and Sen. Arlen Specter has not taken a position on it or on how he would vote in case of a filibuster.

Simple fairness dictates that the decision to strike should not cost you your job. Striking can cause serious economic hardship and even emotional distress. It obviously wreaks havoc for the employer. It is not a tactic that should be used lightly. But it is, ultimately, the only leverage that workers bring with them to the negotiating table. Management's right to replace a striker permanently can render that tool useless.

The Diamond Walnut strikers in California had the company over a barrel at harvest time. But the managers could have brought in temporary workers to see them through, while negotiating seriously with their permanent employees. Instead they chose to cut their long-time employees loose, citing loyalty to the new young, mostly male, staff who brought them through a crisis. Apparently that loyalty outweighed the company's commitment to the women with decades of experience and sacrifice.

Loyalty and progressive management cannot be legislated. Fairness and justice can be. At a time when politicians wring their hands about the loss of decent, high-paying jobs, nothing could be more fair or just than to give workers a little more power in negotiating the terms of their own employment so that existing jobs can become (or remain) decent and well-paying.

Mr. WOFFORD. Mr. President, the best way to prevent the use of striker replacements of course is to prevent strikes.

From my experience as the Labor and Industry Secretary in Pennsylvania I assure you that the No. 1 cause of most strikes today is not wages but health benefits and who pays for them, and the efforts of companies to cut them back—or cut them out.

The skyrocketing cost of health care is eating away at the wages workers need to take care of their families. It's eating away at the bottom line of the companies in our States.

It has been nearly 50 years since Harry Truman first called for guaranteed private health insurance for all Americans. It is about time for the buck to stop. Right now. This summer. It is time for Congress to end the gridlock and guarantee every American the kind of guaranteed health benefits at work and choice of private health plans that Members of Congress have arranged for themselves.

If we do that, we will not have to fight so hard to protect the right to strike. That is a fight that we need to win in this Congress this year. But for today the battle to win is to take up and to pass this Workplace Fairness Act.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. SARBANES). The Senator from California.

Mrs. BOXER. Mr. President, I certainly hope that when we vote in short order we will vote to proceed to the Workplace Fairness Act, because frankly without it the workers of our country and the workers of my home State of California essentially have no right to strike, despite the fact that this right is expressly granted to them under section 13 of the National Labor

Relations Act. If an employer has the right to hire a permanent replacement worker, you have no right to strike. It really is a paper right. It is a phony right.

If someone came over to you and said, "I have a great gift for you; here are two sleeves for your vest," that might sound like a very nice gift, but frankly those sleeves are worthless.

It is kind of like what has happened to the right to strike in this country. It is worthless. It sounds eloquent.

And, Mr. President, many Members of this Senate, who I know talked about the rights of workers when they rose up against communism in Poland and said, "We in America give our workers the right to strike, we in America respect the right to withhold one's labor," some of those very same people will not be voting to proceed on this bill. I think, if I might say, it does not make very much sense at all.

Mr. President, if I tell you you have the right to cross the street any time you want to cross the street, but I fail to tell you that that street is actually a freeway and if you attempt to cross the street you are going to be killed, you do not really have the right to cross the street, do you?

If I tell you, Mr. President, that you have the right to health care, but then I tell you it is going to cost you $2,000 a month and you earn about $25,000 a year, that is not any right. It is a phony right. It is a paper right. And that is what we have talking about here as we look at this very important legislation which really deserves to be heard and to be passed.

More than 400 nurses of the California Nurses Association found out about their right to strike on June 15, 1993, when they went on strike at the City of Hope Medical Center in Duarte, CA. The striking nurses were protesting contract demands that cut their vacations in half and reassigned large portions of their duties to lower paid and, in some cases, unlicensed personnel. The hospital management immediately that very day began to hire replacement workers.

Let us hear from a real person.

Carol Beecher-Hoban, a pediatric nurse, found out on her sixth anniversary of employment at the hospital that she would be permanently replaced. A single mom with two kids, without her job she was without health insurance for herself and her family. And, believe me, a registered nurse knows what it means to be without health insurance. She had to take two jobs, Mr. President, and sell her house to make ends meet, because she exercised her right under laws passed by this Congress. But yet, for doing so, exercising her right to withhold her labor, she was permanently replaced.

Then there is Betty Razor. She was a specialist in enterostomal therapy—that is, dealing with patients who have procedures like colostomies. It is very, very tough and stressful work. She was Nurse of the Year and Employee of the Year at the hospital. She went out on strike and the hospital replaced her in a snap.

Ms. Razor called my office this week to tell me how she felt. And I am quoting her:

> At first I said "oh, you're kidding." It did not seem like they could do that. I thought it was a ploy to make us knuckle under, and it was. They didn't just pick anyone to replace; they picked the cream of the crop. Everyone who had professional influence with other nurses were replaced. Five "Nurses of the Year" were replaced.
>
> I always felt that you strike because of the issues, and when you settle the issues, you go back to work. You do not win every issue. You compromise. That's how we do it in America. I never thought you would replace the workers. Why would you strike then?

Mr. President, that is what we are talking about here. Where is the right to strike? It is obviously there on paper, but it is not there in reality.

There are other instances in California which show the sheer inhumanity of hiring replacement workers.

I see the Senator from Ohio, who eloquently talked about the case of the Diamond Walnut workers in my State. About 400 members of the Teamsters Local 601 exercised their right to strike more than 2 years ago. They had grown frustrated after they had agreed to huge wage concessions in 1985 to help the company avoid bankruptcy. They felt betrayed when these concessions were not restored despite the company's renewed profitability.

We all want our companies to be profitable, Mr. President, but we want them to respect the workers who do the work, who sweat to do the work.

More than half of these striking workers were women. I have had the honor to meet many of them. We know that all these workers wanted was to be able to return to work and stay in their union.

Karen Nussbaum, director of the Labor Department's Women's Bureau, said:

> It seems punitive that they are being prevented from doing so. If a Workplace Fairness Act prohibiting permanent striker replacements were in place, these workers would be back on the job today.

That is what Ms. Nussbaum said in her report.

Mr. President, I only have another minute's worth of comments.

Punishment is what this is all about—punishment for exercising an American right. That is the real issue. The right to strike, to withhold one's labor is a very serious step to take. It is rough to go out on strike. It is not a party. You worry. You worry about your job. You worry about paying the bills. You worry about the future. It is a big step to take.

Today, we have a chance to stand up for the American worker, whether they are cracking walnuts in Stockton, or providing specialized nursing care in Duarte.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Shawn Hart, of Teamsters Local 542 in Chula Vista, CA.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TEAMSTERS LOCAL 542,
Chula Vista, CA, May 18, 1994.

DEAR SENATOR: This letter is to ask for your support of S. 55, the Striker Replacement Bill.

I am a Teamster Local 542 Shop Steward at the San Diego Union Tribune newspaper which is one of the largest daily newspapers in the United States. It is owned by Helen Copley. There are four unions at the paper which represent over 1,200 workers.

My union, which represents eighty employees, has been without a contract for almost one year. The Union Tribune's final offer is less than our expired contract. We are being asked to accept a contract that would cut wages for new employees by $5 to $8 per hour and impose a three year wage freeze for existing employees. In addition, the proposed contract calls for the elimination of our union medical and pension plans which would be replaced by inferior company plans. At the negotiating table we've been told that the company is profitable and their offer isn't about money but about control.

The Communications Workers of America Local 9400, which represents over 200 employees, has been without a contract for a year and a half. The Union Tribune has taken the position in negotiations that all employees should be reduced from full-time to part time. This past October, 100 full time employees were reduced to part time and subsequently lost their medical benefits.

The Graphic Communication International Union, which represents 120 employees, has been without a contract for almost two years. The Union Tribune is proposing a contract with a wage freeze and is trying to remove seniority language as well as participation in their union pension plan.

The San Diego Newspaper Guild, which represents about 800 employees, contract expires in January 1995.

A group of 52 employees has chosen to decertify their union. These employees were given raises, 401K matching contributions, and lower co-payments for medical benefits. None of these monetary gains have been offered to any of the unions that are in negotiations with the Union Tribune. (See enclosed letter regarding decertification.) It is clear to everyone that the intention of the Union Tribune is to negotiate the unions into a position of impasse and try to decertify all of us.

The right to strike doesn't exist for us. The law firm of King and Ballow is representing the Union Tribune in negotiations. This firm specializes in negotiating newspaper contracts. Many of the negotiations they've been involved with have resulted in strikes or decertification of unions. (See enclosed article.) Management has told us that if we strike we'll be permanently replaced. When we threatened to strike, management placed ads in the newspaper for our jobs and mailed out letters telling everyone they would hire replacements. (See enclosed letter.) Management hired replacements at $15 per hour to sit and wait. They were ready to take our jobs. The Union Tribune published an editorial in the newspaper explaining why this

legislation shouldn't be passed but omitting how they're using the labor law to break every union here. (See enclosed editorial.)

A group of 24 independent contractors formed the San Diego Newspaper Dealers Association. These men sold newspapers to grocery stores, 7-11's, and liquor stores who then resold them. The Union Tribune's proposed contracts to this Association amounted to reductions from their existing contracts. The Association refused to sign the proposed contracts. On the date the Association contracts expired, security guards and policemen denied entry into the Union Tribune and members of the Association were told they had been replaced. They've filed a lawsuit against the Union Tribune which is pending.

The 1,200 men and women at the Union Tribune await the debate in the Senate on the Striker Replacement bill. This legislation is of the utmost importance. Those of us who support this legislation are the people President Nixon referred to as the "silent majority."

Sincerely,

SHAWN M. HART.

Mrs. BOXER. Mr. President, that letter poignantly shows what is happening to some of these workers.

So let us make sure that the right to strike is not a meaningless, phony, and false promise. The Congress established the right to strike. The Congress must protect that right to strike. I hope that we will do that this afternoon.

I yield the floor

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that I might proceed as if in morning business for 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered

Mr. MOYNIHAN. Mr. President, before I do, I would like to congratulate the junior Senator from California for a very thoughtful and concise statement. She has my vote.

WORLD TRADE

Mr. MOYNIHAN. Mr. President, as the Senate returns from the Fourth of July recess, the President returns from an important, indeed in ways, historic visit to Western and Central Europe. We welcome him back, even as he and the other heads of the world's leading industrial democracies, the G-7, welcomed Mr. Yeltsin to their meeting in Naples. At the same time, we share what must be the President's disappointment that the G-7 as a group did not agree to his proposal to begin a review of remaining trade barriers to be placed on the agenda for the G-7 meeting next year in Halifax.

The President was kind enough to ask Ambassador Kantor to call me in New York last Wednesday to outline the proposal he was going to make. I could only speak for myself, but I assured the Ambassador, our distinguished friend, that the President had my full support, and that I could not doubt that the Committee on Finance would feel the same way.

Note that I referred to remaining trade barriers. There are more than a few to be sure. But the great fact of this moment is the successful completion of the Uruguay round of Multilateral Trade Negotiations, conducted under the auspices of the General Agreement on Tariffs and Trade. The negotiations took 7 years, culminating in the vast agreement reached last December in Geneva, and initialed in an international conference in Marrakesh this past April. It now remains for the Congress to enact implementing legislation so that an essentially new world trading system can go into effect January 1, 1995.

I have been involved with trade matters for some time, going back to the Long Term Cotton Textile Agreement negotiations in Geneva in 1962, which were crucial to the success of the Kennedy round, an agreement literally crucial to getting Congress to agree to give President Kennedy the authority to negotiate the Agreement that was subsequently named for him. Indeed, I can remember the GATT when it consisted of little more than Eric Wyndham White and a few French secretaries housed in a villa just above Geneva. We may hope that the new World Trade Organization keeps to that tradition of cordiality and frugality. Indeed, the venerable Harry Hawkins, who in the 1930's handled the Multilateral Trade Agreements program for Secretary of State Cordell Hull, did his best to teach me the subject more than 40 years ago. The GATT, of course, was an ad hoc arrangement put in place after the Senate Finance Committee refused to accede to the proposed International Trade Organization that was to institutionalize the Multilateral Trade Program as one of the post war institutions such as the World Bank, as it is generally known, and the International Monetary Fund.

Hence, I have had no difficulty seeing the Uruguay round as the culmination of 60 years of American trade policy pursued with remarkable consistency and bipartisanship from the time of President Roosevelt. Last Thursday, I notified members of the Committee on Finance that the committee would begin markup of the implementing legislation on Tuesday, July 19, 1 week from today.

The more then was it a blow to pick up Friday morning's Wall Street Journal and to read in the lead item of "Washington Wire" that "Clinton aides privately worry that Congress might not even get to the world trade pact this year." Mr. President, I have the complete text of the Wall Street Journal item, which I ask unanimous consent be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, July 8, 1994]

PROBLEMS NAG CLINTON ON GATT, EVEN AS HE PRAISES THE TRADE PACT ABROAD

GOP stalwarts Howard Baker and Lawrence Eagleburger organize a "strategy session" of business representatives to discuss fears that the agreement's new World Trade Organization could allow environmentalists to construct barriers blocking U.S. exports. A Baker memo says "a number" of his law firm's clients "have expressed concerns" about how the pact will be enforced.

Clinton and G-7 colleagues at this week's economic summit will pledge anew to ratify GATT this year. But Clinton aides privately worry that Congress might not even get to the world trade pact this year. GATT foes fuel the debate by spreading charges that the World Trade Organization would usurp U.S. sovereignty.

GATT still could be introduced and passed next year, if necessary.

Mr. MOYNIHAN. Mr. President, what is going on here?

Let me first state that there can be no questioning the accuracy of the Journal's report. Note the plural "Clinton aides." This is the journalistic practice of getting two sources to confirm a report.

Let me go on to state that, regrettably, this is nothing new. The health care debate has been plagued with press accounts of White House aides doubting this Senator, questioning that committee, detecting hidden motives—the while, of course, hiding themselves behind the anonymous leak.

Those leaks have not done the President's health care legislation any good.

If the pattern now takes hold as regards the implementing legislation for the Uruguay round, it could be ruinous.

The full Senate may not be aware of the work that has been going on in the Finance Committee, work which has brought us to the point of scheduling a markup next Tuesday.

That work began over 1 year ago, with the expiration on May 31, 1993, of the President's authority to negotiate in the Uruguay round and to have that agreement considered under fast-track legislative procedures. Without that authority, the negotiations were finished. The President requested an extension of the fast track and the Finance Committee, after careful consideration, granted the request by a vote of 18 to 2. The full Senate followed with its approval on June 30, 1993, by an equally resounding vote of 76 ayes and 16 nays. The legislation passed without amendment. Many said that could not be done; that the Senate would not refrain from amending when such an opportunity came along. And there were moments of doubt, I recall, as I asked Senators to defer amendments on trade issues of importance to them, given the greater importance of the Uruguay round. But we succeeded—the Congress

delivered the authority to the President before he left for last year's G–7 summit in Tokyo.

Then last fall, immediately after passage of the NAFTA, I traveled to Geneva to be present for the final days of the Uruguay round negotiations. My purpose—to deliver a message on the importance of that agreement to the Committee on Finance.

My distinguished colleague, Senator ROCKEFELLER, was there as well and joined in pressing for what we made clear we would consider an acceptable agreement—an agreement which was, indeed, reached. I stayed 1 week. Our very able chief trade counselor, Marcia Miller, stayed there to aid in the effort to wind up that agreement, which was done with such success.

Well before the Uruguay Round Agreement was signed on April 15, the Committee on Finance was working with administration officials to draft the necessary legislation to bring United States law into conformity with that very considerable agreement. By the time of its signing, we had held four public hearings to review the agreement's provisions, and consider proposals for that legislation.

While the Uruguay round offers enormous benefits, it is also fair to say that it is enormously complex. The agreement itself runs to 22,000 pages, once the specific commitments of each country are included. Indeed, to date this year, the committee staff has held nearly 200 meetings reviewing proposals for the legislation with the administration, the Ways and Means Committee staff, and legislative assistants for Finance Committee members. Of these meetings, nearly half have involved drafting the legislation. When the committee begins its markup next Tuesday, it will work from a 130-page document describing the legislation. The bill itself runs to nearly 300 pages, before the committee has considered a single amendment, and clearly there will be some.

And I speak, of course, just of the work of the Committee on Finance. But there is also legislation to be drafted by the Committees on Agriculture, Commerce, Foreign Relations, Governmental Affairs, and Judiciary.

Could we have acted earlier? Could this markup have been held before now? One might cite as the cause of delay the committee's preoccupation with health care, a matter of great importance to this administration and to the country, and to the Senate. But, for the record, I must point out that the administration's proposals for the most complex elements of this legislation—the antidumping and countervailing duty amendments—have only just been completed. It was 1 week ago that the committee staff received the last of the administration's recommendations in this area. Indeed, the legislative drafting exercise on this part of the bill continues to take tortuously long and it is not yet complete.

And on the most fundamental issue of funding, we still have no formal administration proposal. Under the Budget Act, the legislation must include provisions to offset the tariff revenues lost because of the Uruguay round. We must accept that the Senate will not waive the Budget Act with respect to the requirement that we pay for the first 5 years of this revenue loss. We may not like that situation, but we are resigned to it.

I have accordingly asked the administration to meet with the committee on this matter of funding. If the committee does not hear a proposal from the administration this week, there will be no markup next Tuesday. We have to have the funding proposals this week. This argument was signed last November, initialed in April, and here we are in July.

The administration neglects to put forward these most necessary provisions, but it has suggested at the same time it would like other elements added to the legislation. It asks for 7 years of fast-track authority for undefined future trade agreements, new laws to govern trade with Russia, and NAFTA-like benefits for Caribbean countries. If the administration is concerned that the Congress might not get to the Uruguay round, then why is it proposing to slow down consideration with these additional, and I have to say controversial matters?

Mr. President, I am committed to acting on the Uruguay round this year. In a study entitled "Assessing the Effects of the Uruguay Round," the OECD concludes that, over the next 10 years, the U.S. gross domestic product will increase $160 billion as a result of the Uruguay round. A similar study, "Trade Liberalization: Global Economic Implications," produced jointly by the OECD and the World Bank, concludes that, once phased in, the round will add $213 billion per year to world GDP. Some dispute the magnitude of the gain, but none contest the basic proposition. I ask my colleagues, how can we afford to delay that gain?

Moreover, delay creates risks. It breeds opposition. I offer to you the fate, earlier cited, that befell the proposed International Trade Organization after World War II. Hostility in the Finance Committee; little enthusiasm in any quarter. Approval of the ITO languished, and in the end it died for lack of support.

One must not forget that the proposal for an International Trade Organization, and the reforms of Cordell Hull's reciprocal trade agreements program, were conceived to ensure that the history of the Smoot-Hawley Tariff Act of 1930 not repeat itself. After Congress and President Hoover enacted that infamous tariff increase, international trade plunged 60 percent in 2 years. Smoot-Hawley precipitated a trade war with political repercussions, as key states turned away from free trade and toward more regional arrangements. Britain with its Commonwealth, Japan and its Co-Prosperity Sphere. Then the breakdown of world peace followed the breakdown of world trade.

Our post-war leaders rightly believed that stronger international economic institutions were essential to prevent a repeat of the Smoot-Hawley disaster. When the United States failed to approve the International Trade Organization, the world was left with the GATT—an interim arrangement with little organizational structure, left to evolve ad hoc over the seven rounds of trade negotiations preceding the Uruguay round. Certainly not an international organization to stand alongside the World Bank and the International Monetary Fund as pillars of the post-war economic system.

With the Uruguay round, we have before us a proposal that would finally make good on the vision of our post-war leaders. The establishment of a World Trade Organization. And we have the basis of a hugely enlarged world trading system.

I understand there are concerns about the new organization, and they deserve to be heard. At the Finance Committee's March 16 hearing, consumer advocate Ralph Nader warned of a potential loss of American sovereignty. The Wall Street Journal tells us the business community fears that, in the name of environmental interests, the World Trade Organization will permit trade restrictions. I will invite Mr. Baker and Mr. Eagleburger to meet with the Committee on Finance so we might hear of those concerns as well. I have also met with Jerry Junkins, who is chairman and CEO of Texas Instruments and chairman of the Alliance for GATT NOW, which represents 200,000 companies who support the Uruguay round.

This is not the first time we have seen concerns such as these voiced about United States participation in international institutions. I cite, for example, the International Labor Organization. Created by the Treaty of Versailles, the ILO began its existence in 1919 right here in Washington—at the Pan American Union Building on Constitution Avenue—although it took 15 more years before Franklin Roosevelt and Frances Perkins finally led the United States into the ILO IN 1934. This year, it celebrates its 75th anniversary.

I speak of the ILO from experience. In 1975, when I was Permanent U.S. Representative to the United Nations, it fell to me to draft the letter giving the required 2-year notice of our intention to withdraw from the ILO—the proceedings of which had become preoccupied with anti-democratic and

anti-Israel polemic. Two years later, as a freshman Senator, I moved our withdrawal in the Senate. That had the desired result, and in 1980 I moved our return to the ILO, which was done.

I have led the effort in this body to renew American interest in and respect for the ILO and its body of work. For 35 years, beginning in 1953, the United States failed to ratify a single ILO convention. We finally ended that stalemate by ratifying two conventions in February 1988—with support from Senator HATCH and others on the Republican side. A tremendous breakthrough. A clear signal that the United States was ready to participate actively in a new era of ILO history.

We ratified another convention—our tenth overall—in 1990. And with the ratification in 1991 of Convention 105 on the abolition of forced labor, the United States reached a milestone—finally adopting one of the ILO's core human rights conventions.

Let us move forward in a similar positive light with respect to the World Trade Organization. Should it, at some future point, not serve the best interests of the United States and the world trading system, we have the ability to withdraw, given 6 months notice. But let us not miss this historic opportunity to take a huge step forward on trade by engaging in leaks, distortions, and innuendo.

I can only ask and hope that the administration will see the urgency, that White House aides will stop undermining the President in this regard and that we go forward next Tuesday as scheduled.

I thank the Chair for his courtesy.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m., at which time the time until 2:30 p.m. will be equally divided and controlled between the opponents and proponents of the motion to proceed to S. 55. A vote on that motion is scheduled to occur at 2:30 p.m.

Whereupon, at 1:26 p.m., the Senate recessed until 2:15 p.m.; thereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. KOHL).

NATIONAL LABOR RELATIONS ACT AND RAILWAY LABOR ACT AMENDMENTS

MOTION TO PROCEED

The Senate continued with the consideration of the motion.

The PRESIDING OFFICER. Under the previous order, the time between now and 2:30 p.m. will be equally divided and controlled between the opponents and the proponents of the motion to proceed to S. 55.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah [Mr. HATCH].

Mr. HATCH. Mr. President, during the course of this debate, we have talked at length over the legal and other issues raised by the legislation. I wish to summarize what is really at stake here.

First, balance of power is at stake.

Much of this debate has been about the balance of power and whether or not it is currently level. The question is not economic balance, or whether in each dispute neither side has an advantage. Micromanaging the American economy and the millions of American workplaces is not the function of the U.S. Senate.

Balance of power under the law between labor and management is our responsibility, and I assert that current law lives up to our obligation. Labor has the right to strike. It is an awesome responsibility. Management has the right to continue operating—if necessary, by hiring permanent replacements. This delicate balance of power has existed for over 56 years, has been endorsed by Congress over that time, and must be maintained if we are going to have that delicate balance maintained between management and labor.

Second, more strikes and inflationary wage settlements are going to be the result if we pass this legislation.

One of the core arguments in favor of this legislation is that there are not enough strikes. Enactment of the strike bill would immediately correct that perceived problem. S. 55 encourages more work stoppages because unions would no longer risk the consequence of a bad strike decision. The ultimate risk of going out on strike—permanent replacement—would be removed, thus opening the flood gates to increased strikes.

This is not merely my estimation. In the early days of the historic labor law reform battle in the late 1970's, the Carter administration rejected a more limited ban on replacements during strikes over first contracts. That administration's reason for rejecting the provision: It would result in more strikes, force inflationary wage settlements, and shift the balance of power in favor of unions. I agree.

Third, there would be a deamatic impact on U.S. economy.

Passage of S. 55 would threaten U.S. economic growth—most importantly jobs—by spreading disruptions throughout the economy. It is important to remember that the striking workers and the company being struck are not the only entities being affected. Strikes—especially prolonged ones—jeopardize suppliers, distributors, freight lines, retailers, and their employees.

This bill will bestow powerful new economic leverage and the upper hand in bargaining to unions. Regardless of the reasonableness of bargaining demands, employers would have little option but to agree or go out of business. The direct result will be reduced productivity, higher prices for consumers, and fewer American jobs.

Fourth, let us talk about coerced union organizing.

Make no mistake about it, this is a coerced union organizing bill. The bill breaks the nondiscriminatory precedent of more than half a century by conferring special benefits only to unionized work forces or to those seeking representation. The legislation bans permanent replacements even in strikes at nonunion companies to force union bargaining even before there is a secret ballot election among workers. Regardless of the number of workers who sign union authorization cards, a minority of strikers could shut down an operation and force union recognition. The law should not countenance such coercion.

Fifth, this is antiworker legislation.

The legislation is antiworker in a very real sense. It puts in doubt the very jobs the unions seek to guarantee. It threatens the continued existence of many businesses. But the impact on workers is not limited to strikers alone. More strikes may increase costs and more disruptions and layoffs. The strike bill will result in nonunion personnel of the company shut down by the strike to be sent home without pay, without a means to feed their families. It will cause workers to lose their jobs and suppliers and customers if the business shuts down by a strike.

The strike bill, if it were to pass, would be devastating to all workers—as consumers and as workers—whether union or not.

Mr. President, just one more point. Several of my colleagues have maligned those of us who oppose this measure for filibustering this bill. The Senator from Michigan referred to their debate as a "work stoppage" in the Senate.

Well, Mr. President, I support the right of workers to strike. That has never been at issue. And I support the right of those in the minority to filibuster. I suggest to the Senator from Michigan that our employers—the American people—are perfectly capable of deciding whether or who should be permanently replaced in this body.

The minority in this body, I believe, speaks for the majority of the American people—60 percent, according to a Time poll. Moreover, given that the outcome of this legislation would be detrimental to this country, even the Washington Post alludes to the fact that the filibuster may be necessary to stop it.

Depending on the issue at hand, there is not a Senator here who has not voted both for and against cloture. So let us be honest about this. If you favor the bill, argue the merits.

I oppose this bill on the merits. That is why I am going to try to defeat this bill with every weapon at my disposal, and that includes extended educational dialog.

The Senator from Kansas [Mrs. KASSEBAUM] said it succinctly yesterday. I will repeat it now: A vote for cloture is a vote for this ill-conceived, economically dangerous, antiworker bill.

I hope our colleagues will vote against cloture and send a message throughout this country that we are not going to let this type of a power grab occur. I reserve the remainder of my time.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio [Mr. METZENBAUM] is recognized.

Mr. METZENBAUM. Mr. President, I yield myself 5 minutes, reserving 2½ minutes for the Senator from Massachusetts.

In a few minutes, the Senate will vote on whether to proceed to consider the Workplace Fairness Act, which would ban the hiring of permanent striker replacements. The Republican leadership is blocking this bill from being debated or voted on by the Senate. It is a policy matter for the Republicans, who say that workers of this country cannot have the right to strike without jeopardizing their jobs.

By this action, the Republican Party is, once again, turning its back on America's working families. Today, the right to strike is a cruel joke in America. Of what value is it to have the right to strike if you know somebody is going to come in and take your job away from you? Federal law protects the right to strike, but workers can lose their jobs if they exercise it.

This bill restores fairness to collective bargaining. It will enable workers and managers to work together to improve U.S. competitiveness. Every other industrial nation in the world protects the right of workers to strike, but not the United States, by reason of the fact that the Republicans are not willing to let this matter come to a vote on its merits.

Do not take my word for it. Listen to what the rest of the country is saying. The American people support this bill by a margin of over 2-to-1, according to a recent poll in April of 1994. But the Republican leadership still says no.

The House passed the bill by 239–190, but the Republican leadership still says no and says to their Members: Do not vote with the Democrats; do not permit the Democrats to protect workers' right to strike, or we will discipline you for your conduct.

President Clinton supports this measure, but the Republican leadership still says no.

Many State legislatures and local governments have recognized this problem, and some have enacted provisions to address it. But the Republican leadership still says no.

Advocates for women and minorities have universally endorsed this bill, recognizing the substantial contributions unions have made to the wages of working women and minorities. But the Republican leadership still says no.

The religious community has strongly supported the Workplace Fairness Act, but the Republican leadership still says no. A very broad cross-section of America supports this bill, but today the Republican leadership is blocking the Senate from considering the bill or voting on it.

Once again, the Republican Party is seen in the position of turning a cold shoulder to American workers, preferring to side with big business. The Republican party has a long history of fighting minimum wage, fighting job safety, opposing civil rights, opposing extended unemployment compensation, opposing family and medical leave legislation.

I say to the Republicans in the U.S. Senate: Let this measure go. Let the Members of the Senate vote on it in an up-or-down vote, and it will pass. That is what the people of this country want.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, do I understand we have 2½ minutes remaining?

The PRESIDING OFFICER. There are 3½ minutes remaining.

Mr. KENNEDY. Mr. President, arguments have been made here during the debate yesterday, and again early this afternoon, about what is really basically and fundamentally at issue, and that is economic justice and fairness for workers in America. We all recognize that strikes are not favored either by management or by employees. But the right to strike has been an integral part of the system of industrial relations that helped make America the greatest industrial democracy in the world.

That system of industrial relations has been tarnished and compromised significantly by the whole issue of permanent replacement of striking workers. Who are the workers who have been replaced? They are workers who are fighting for increased economic opportunity. They are workers who are fighting for safer working conditions. They are workers who are fighting for greater security for themselves and their families.

Over the last 20 years, and particularly beginning in the 1980's, we have seen a substantial increase in the use of permanent replacements. And it is no coincidence that over the same period of time, real wages have been declining and working people have been finding it more difficult to provide for their families, educate their children, put food on the table, pay the mortgage. The use of permanent replacements is part of a strategy being pursued by too many employers in this country—an effort to drive down costs by slashing wages and benefits and replacing higher-paid workers with low-wage workers, contingent workers and part-time workers.

We see what is happening all over the country. Newly organized workers making just over the minimum wage go on strike for a 5-percent wage increase and a grievance procedure to address unfair treatment—and they are permanently replaced.

Workers with 20 or 30 years seniority go on strike to prevent their employer from contracting out their jobs—and they are permanently replaced.

Working mothers struggling to balance the demands of their work with the needs of their families go on strike to protest mandatory overtime work—and they are permanently replaced. That is what is happening in the United States of America.

The use of permanent striker replacements has denied these workers the ability to exercise their rights in the struggle for economic justice. They deserve to have those rights restored. Virtually every other industrial nation of the world who we compete with protects striking workers from being permanently replaced, and we ought to give the same kinds of protections to American workers. That is the issue.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, first of all, the right to strike is not an issue. I will fight to my death to maintain that. The delicate balance between management and labor is.

Frankly unions have this awesome power, the right to strike. Now they want to do away with the only tool that the management people have or the business has, and that is to prevent a strike by having a right to hire permanent replacements. So the unions want the power to strike and they want the power to win every strike.

The only thing that keeps us together and keeps strikes down in this society is the fact that we have current labor laws that work.

The Washington Post, not noted for being against labor, noted for being for labor, basically said this in its editorial:

> The striker replacement bill may come up this week in the Senate, where at last count there appeared to be the votes to block it. We hope so. This is bad legislation that in the name of restoring balance to labor law and relations would in fact unbalance them and could well do lasting economic harm.

They summed it up. That is the way it is. I hope everybody will vote against cloture.

THE WORKPLACE FAIRNESS ACT: A CHANCE TO RESTORE THE BALANCE TO LABOR-MANAGEMENT RELATIONS

Mr. DASCHLE. Mr. President, for most of this century, the relationship between labor and management has been governed principally by the National Labor Relations Act [NLRA]. Since 1935, the NLRA has expressly protected the right of workers to strike over economic conditions. Moreover, the act promises workers that they cannot be discharged by their employer for exercising this right.

The central tenet of the act is its endorsement of collective bargaining as the preferred method for settling labor disputes. Through collective bargaining, labor and management can attempt to negotiate a peaceful resolution to their dispute.

As in any negotiation, each side must have bargaining power. In labor negotiations, management holds the cards with respect to wage levels and working conditions. The card held by workers is their right to withhold their labor—the right to strike.

Until recent years, the bargaining power of labor and management were relatively equal. Yet in an era where more and more employers are hiring individuals to permanently replace workers who decide to strike, the scales of power are no longer in balance. Instead, management has the upper hand.

Oddly enough, employers are not violating the NLRA when they hire replacement workers during a strike and promise to make those positions permanent. Rather, these employers are taking advantage of a true anomaly in Federal labor law, one which sets out a dubious distinction between firing a striking worker and permanently replacing that worker.

To the worker, however, it is of little comfort to know that he or she has been permanently replaced rather than fired. The result in both cases is essentially the same.

This legal anomaly stems from the 1938 Supreme Court decision in National Labor Relations Board versus Mackay Radio & Telegraph Co. In that case, the Court held that as company which rehires workers after a strike cannot discriminate against those individuals who had actively supported the strike. However, the Court went on to say—in dictum—that the NLRA permits a company to hire permanent replacement workers during a strike and to give them preference over workers who had participated in the strike.

For more than 40 years, this wrinkle in the law had little practical effect. However, that changed in the 1980's, with President Reagan's firing of the air traffic controllers involved in the PATCO strike and extension of the Mackay Radio doctrine by the Supreme Court.

Since 1981, tens of thousands of American workers have lost their jobs to permanent replacements, and hundreds of thousands have been threatened with the same fate. This tactic is now so common that the use or threatened use of permanent replacements occurs in one out of every three strikes.

It is time to bring labor-management negotiations back into balance. We know that the collective bargaining process cannot work if each side does not have a credible economic bargaining chip. When permanent replacements are used or threatened, the bargaining chip workers—their ability to halt the productivity and revenues of their employer by striking—is effectively eliminated.

The Workplace Fairness Act would give workers back their bargaining chip. By preventing the hiring of permanent replacement workers during a strike, this legislation would rid Federal labor law of the anomaly caused by Mackay Radio and restore a level playing field for labor-management negotiations.

Opponents of this legislation contend that employers need permanent replacement workers in order to keep their operations afloat during a strike. However, employers have other means at their disposal: hiring replacements on a temporary basis, having management personnel fill in for striking workers, subcontracting work and/or stockpiling inventory in advance. These options would protect businesses from having to shut down during a strike—and would protect their workers' jobs as well.

Opponents also argue that a ban on the hiring of permanent replacements would make strikes risk free for workers. Nothing could be further from the truth. Workers go without pay and without benefits during a strike, without any guarantee that the strike will leave them better off financially. This gamble is particularly risky because many workers are forced to deplete their savings while they wait for their representatives to resolve the dispute with management.

For almost 60 years, Federal law has encouraged labor and management to resolve their disputes through collective bargaining. Until the 1980's, this system worked well because both sides had relatively equal bargaining power. But that balance has been upset, giving management the upper hand in all negotiations.

Passage of the Workplace Fairness Act would tilt the balance back again, restoring a level playing field to labor-management negotiations. American workers certainly deserve no less.

WORKPLACE FAIRNESS ACT

Ms. MIKULSKI. Mr. President, I rise today in support of S. 55, the Workplace Fairness Act. I am a cosponsor of this bill and have been working for its passage for several years.

It is time to end the years of gridlock and filibusters on this issue and move to the issue itself. Let's stop these tactics of delay and deadlock. Recently, I voted for cloture on legislation even though I had reservations about some aspects of the bill. I believe in majority rule. I am for: cloture, action on the issues, and an end to gridlock. The American people are tired of Congress' inability to act because a minority of Senators are opposed. It is our duty to move forward with the issues—to end gridlock, filibusters and minority rule. I urge my colleagues to support cloture.

The main reason I support the workplace fairness legislation is that I support the right to strike. I can't support Solidarity's right to strike in the shipyards of Gdansk and not support the rights of American unions to strike here at home.

The Workplace Fairness Act will protect the right of Americans to strike by prohibiting employers from permanently replacing striking employees. This bill will also force managers to deal with the issues raised in the strike, not just replace workers who protest as a last resort. It will restore basic fairness to the bargaining process.

Strikes can mean economic ruin for both the workers and the company they rely on for work. There must also be equal pressure on both the workers and the company to compromise if a strike does occur.

I believe that allowing management the threat of replacing workers gives them an unfair advantage at the bargaining table. If strikers can be permanently replaced, there is considerably less pressure on businesses to settle with their workers. However, if businesses can hire only temporary replacements and workers have to face the social economic disruption of a strike, the pressure remains on both sides to work out their differences.

That is why I strongly support this legislation to prohibit the permanent replacement of striking workers. This legislation will restore fairness to the bargaining table, protect the right to strike and make it easier to resolve labor disputes fairly. Supporting this legislation is a matter of fairness to the American worker. I urge my colleagues to join me in seeking cloture and in passing this important legislation.

Mr. CAMPBELL. Mr. President, I rise today to express my strong support for S. 55, the Workplace Fairness Act.

Put simply, Mr. President, S. 55 is designed to protect the right of every worker. The right to strike without fear of employer reprisal, as all my colleagues are aware, is guaranteed by law. To me, Mr. President, it makes absolutely no sense to allow workers to strike, and then defeat the purpose of the right by allowing employers to hire permanent replacement workers.

The entire concept of collective bargaining is to provide a situation in

which both employer and employee can negotiate labor terms with enough leverage on each side of the table so that neither side has an unfair advantage in the process. How can a union representative come to the bargaining table with any leverage if he or she knows that the employers can permanently replace workers if they decide to strike?

Since the early 1980's, employers have increasingly resorted to this exploitation of the collective bargaining process. Today, one out of every three employers threatens to, or does in fact, hire permanent replacement workers during strikes. Workers throughout the country are at the point where they are caught in limbo when choosing between their jobs and the right to strike.

Opponents of this bill argue that passage of this bill would dramatically increase the number of strike occurrences around the country. Mr. President, these same opponents should keep in mind that while the act of striking is the most potent ability labor has, workers view it only as a last resort.

Strikes are never risk free for labor. When workers strike, they give up their wages. Workers are sometimes forced to go to such extremities as having to use their life savings to keep their families fed without any guarantee that their disputes with management will be settled.

Opponents might also argue that passage of this bill would also lead to longer and more bitter strikes. Studies have shown that the hiring of permanent replacement workers only prolongs the collective bargaining process. If labor was guaranteed that they would not be permanently replaced, it would force the employer to come to the bargaining table. Without the ability to go on strike, collective bargaining is a lop-sided process that can only favor management.

In 1987, in my home State of Colorado, some 300 union workers at a Monfort plant in the town of Greeley were in a dispute with management over the unfair distribution of bonuses. The union workers decided to go on strike. Within 1 week, Mr. President, all 300 workers were permanently replaced.

Many big businesses and opponents of this bill fear that the United States ability to compete on a global market will be diminished if the striker replacement bill is passed. Perhaps Mr. President, we should be taking the example other highly successful industrialized nations such as Japan, Germany, France, and Canada—our biggest competitors—have set by banning the hiring of replacement workers.

In closing, Mr. President, I wish to remind my colleagues that the Workplace Fairness Act will truly equalize our Nation's collective bargaining process. It will allow management and labor to settle disputes much more efficiently and effectively. It will preserve the right of organized workers to strike and not his or her job.

Mr. SPECTER. Mr. President, striker replacement is the most controversial labor-management bill during my 14 years in the Senate.

In my judgment, the Senate should proceed to consider this matter to see if legislation would serve national public policy and accommodate, as best we can, the conflicting interests of the parties.

As I said last month on voting to invoke cloture on the product liability bill, I believe that the filibuster should be used very, very sparingly because of the fundamental principle that in a democracy, the majority rules—without having a super majority of 60 percent to even consider an issue.

There are a number of alternatives which have been suggested to S. 55. Whether any legislation should be enacted depends upon analysis, debate, and deliberation.

One suggested alternative proposal would call for arbitration in a situation where there is a dispute on finances or other factual questions. If the union declined to arbitrate, then strikers could be replaced. If the company declined to arbitrate, then strikers could not be replaced.

Another possible alternative would permit replacement of strikers where the union sought to improve compensation or working conditions but would prohibit striker replacement where the union sought to retain the status quo.

It is only when the Senate proceeds to consider such issues can there be a determination of whether legislation is in the public interest. This subject matter has attracted enormous attention from labor, management, and the public; and in my judgment, it ought to be at least considered by the Senate.

WILL THE SENATE VOTE TO UPSET THE BALANCE BETWEEN LABOR AND MANAGEMENT?

Mr. NICKLES. Mr. President, we are here today to decide the fate of the striker replacement bill (S. 55). This legislation would prohibit employers from hiring permanent replacements for striking workers during a strike over economic issues, such as pay or benefits.

Why is it so important that the Senate turn back this effort to rewrite this fundamental principle of U.S. labor law? The answer is straight forward: Banning the use replacement workers would disrupt the free flow of commerce in this country and create a chilling environment for resolving labor disputes. Ultimately the very people its proponents intend to help, the rank and file workers, will fall victim to the effects of this ill-conceived proposal.

The National Labor Relations Act of 1935 established and protected the right of a worker to strike. In 1938, the Supreme Court upheld the right of employers to hire permanent replacements and the court has maintained that stance for 50 years.

I recognize and support the right of workers to organize, to collectively bargain, and to strike. But I also support the rights of employers to keep their doors open. The Striker-Replacement legislation will encourage strikes, because its use will insure success, and it will force countless employers to close their doors, thus putting workers permanently out of a job.

The fact is that most employers in this Nation still view a strike as a potentially crippling development and will do all that they can reasonably do to avoid it—as will most union members. Perhaps this is one reason that the level of strike activity is so low—it is in everyone's interest for things to be worked out at the bargaining table.

It should also be noted that current law prohibits the hiring of permanent replacements by an employer who is guilty of any unfair labor practice. S. 55, however, expands that prohibition to instances of economic issues. Meaning a strike could be called for virtually any reason and the business would be powerless to keep operating unless it recedes to union demands.

The striker bill is antifree enterprise and will deal a significant blow to America's economy. This is not the time to upset the balance which has existed for 50 years between management and labor. This legislation is not in the long-term interest of employees or employers.

Proponents of striker replacement say that it will ban the hiring of permanent replacements, however the result will be far more detrimental—the creation of permanent layoffs.

Mr. President, I urge my colleagues to vote against cloture and ask unanimous consent that an editorial from the Tulsa World be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD as follows:

[From the Tulsa World, June 14, 1993]

A NO-PENALTY STRIKE

Quebec has a law prohibiting employers from hiring permanent new workers during a strike.

The idea is to make it easier to strike. And it works. Since the law went into effect, according to a study in the Journal of Labor Economics, the prohibition has had a perverse effect on labor-management relations in Quebec and has contributed to an increase in both the number and the duration of work stoppages.

Senators Ted Kennedy, D-Mass., and Howard Metzenbaum, D-Ohio, want a similar strike-encouragement law in the United States. Their so-called Striker Replacement Bill has been blocked twice in the Senate by filibusters, but it is up for consideration again.

There are sound economic arguments against the bill. By providing new incentive for strikes, the bill almost guarantees a rise

in loss of work and decline in productivity. The cost will be picked up directly by U.S. industry and, indirectly, by U.S. consumers.

But the most obvious reason this bill should be killed is that it is, quite simply, unfair. Its purpose is to rig the game in labor-management disputes in favor of unions.

In theory at least, the government has always been considered a sort of referee or arbiter in labor disputes. Laws protect the right to strike and outlaw unreasonable strikebreaking tactics by employers.

This bill makes the Federal Government a handicapper of employers and an ally of unions.

Unions have gotten along without this unfair advantage for nearly a century. In recent years, the power and membership of unions, except for public employee organizations, have been in steady decline. Union officials want this bill to help them recover their lost clout.

If the bill passes, strikes can be called at will over trivial issues with minimal risk to strikers. It denies others the right to apply for permanent employment and discriminates against workers who stay on the job by denying them promotions.

This isn't a fair-labor law. It is an anti-jobs bill.

Mr. McCONNELL. Mr. President, I preface these remarks with a tribute to the folks from my State who have lobbied me over the past few years to support the striker bill. Countless times members of Kentucky union locals traveled hundreds of miles to the Capitol to make their voices heard. Since the 101st Congress, the striker bill has been at the top of the national unions' agendas and when called upon to lobby on its behalf they did so admirably. These men and women have been tenacious and passionate in the support of it. They have known almost from the outset where I stood buy they did not let up and I respect them for that. In the end, I will oppose S. 55 and cloture because a whole lot of other folks in Kentucky think it is a bad bill, including this Senator, not because of a lack of effort on their part.

Mr. President, I would also like to commend the able leadership of Senator KASSEBAUM. The Senator from Kansas has taken on the stewardship of one of the most contentious issues before the Senate, and in doing so has injected into the debate a degree of comity and rationality as only she can. No one can reasonably accuse Senator KASSEBAUM of a lack of compassion and empathy for the people this bill purports to assist. It is out of concern for Americans of all political persuasions—labor and nonlabor—that the Senator and I oppose S. 55.

It is my firm belief that defeating the striker bill is in the best interest of all Americans—including union rank-and-file. For over half a century, the Supreme Court's Mackay decision has provided balance in labor-management negotiations. Currently, workers are protected from being permanently replaced in the event of an unfair labor-practice strike. Employers may temporarily replace workers in these instances but must, when the strike is over, return strikers to their jobs.

However, in the event of an economic strike in which union members exercise their right to strike in order to secure a more lucrative package, under Mackay employers have the right to say: "no, sorry, we cannot afford your demands and will hire permanent replacements if you persist in striking." Employers only rarely have exercised this right, but it is an essential component in labor-management negotiation.

In any labor-management negotiation, a union's ultimate leverage is the frightening specter of a strike that could financially cripple the company. Conversely, a company's ultimate leverage is the specter of strikers being permanently replaced. Mutually assured destruction, in a sense.

Mr. President, it isn't pretty, but it is fair. Free enterprise is not risk-free, but it is fair. It is what we like to call around here a level playing field.

S. 55, Workplace Fairness Act—no truth-in-labeling there—would, in fact, be unfair. Armed with S. 55, unions could call strikes with no fear of losing jobs in the process, unless of course the company goes out of business. But at least workers would not have been replaced. Fair, right? Wrong.

It might seem fair to union members, on the surface. Where, Mr. President, is the fairness in this for business owners, stockholders, managers, nonunion members, consumers, and the legions who are affected when an industry suffers from strikes?

For instance, the American Farm Bureau Federation opposes S. 55. You might ask why farmers are so concerned about this bill. The federation opposes enhancing strike opportunities for striking workers handling or processing perishable agricultural commodities with short shelf-lives. The federation's 4 million farm and ranch families depend on transportation and processing—two heavily unionized industries—to get their commodities to market. And, needless to say, consumers count on these commodities getting to market.

What happens if American farmers and ranchers can't get their commodities to market? Grocery stores start looking a lot like the old Soviet Union. Bare cupboards. Astronomical prices.

That is illustrative of the reverberations that major strikes can cause throughout this country.

And what about union members—the very people this bill purports to protect? Protect from what? Perhaps under S. 55 they would not suffer the indignity or fear of being permanently replaced—rather a rare occurrence, by the way, according to a GAO study requested by supporters of the bill, which found that less than 3 percent of strikers were permanently replaced in 1989. How about the terror of being permanently unemployed?

What a consolation. Instead of losing your job by being replaced, you have the privilege of losing your job when the company goes under.

To subject businesses to crippling strikes, without permanent replacements as a recourse, hardly enhances competitiveness or employment prospects in the United States. It could, however, be a big favor to our trade competitors. They probably would love for us to pass this bill, to tie up our domestic producers in strikes so that they can flood our markets with imports.

This debate is about fairness. It is about working men and women and those who seek work. The fact is, S. 55 is unfair. And in the long run it would be extremely detrimental to all Americans.

In closing, Mr. President, it is not often that I am in sync with the Washington Post: However, today in an editorial opposing the striker bill they make some points worth noting:

This is bad legislation that in the name of restoring balance to labor law and relations would in fact unbalance them and could well do lasting economic harm.

Organized labor says the ban is necessary to protect the right to strike, which it claims is threatened. But this is not an effort to regain a lost right. Rather, it's an effort to regain lost power—the membership and clout that labor has lost in recent years for reasons having mainly to do with a weak competitive position in the world economy. A change in labor law won't solve that problem, and would likely make it worse.

There it is, Mr. President, the striker bill is being advanced under false pretenses. It is not fair. It would not help Americans. The Senate would do this country a great service by driving a stake through the heart of S. 55 with a resounding vote against invoking cloture tomorrow as it did this afternoon.

Mr. LIEBERMAN. Mr. President, I rise in support of this motion to allow this Chamber to proceed to consideration of S. 55, the Workplace Fairness Act. I very much believe that allowing us to proceed is a matter of fairness just as I believe that S. 55 is a matter of fairness.

Put simply, this bill permits employees to exercise their legal right to strike without fear of losing their jobs. The Workplace Fairness Act prohibits the hiring of permanent replacements for employees engaged in a strike over economic issues. In addition, this bill prohibits preferential treatment for workers who offer to return to work over those employees who continue to participate in a labor dispute.

To me, that seems like basic American fairness. The right of workers to strike is rendered all but meaningless if they can be permanently replaced. If employers can permanently continue operations with little or no pause, what incentives do they have to resolve the dispute? What is left of the right of workers to bargain collectively and

strike if necessary? What will be left of their jobs? What will happen to their families which depend on those jobs?

In an increasing number of cases the right to strike has evolved into a right to lose your job to someone else. S. 55 is an attempt to restore balance to labor management relations. Under this legislation, employers will still have the option of hiring temporary workers to keep their operations going during a strike. This legislation does not err by tilting in favor of labor. It restores the balance between labor and management in negotiations.

I am joined in that belief by nearly two-thirds of the American public. And I am joined in that belief by the other body which has already approved this bill in a 239–190 vote.

Mr. President, because we can't be projobs and antibusiness, I look critically at proposals which tie business in governmental knots or impose unnecessary burdens on business. But we also should not be probusiness in a way that is antijobs, and what S. 55 tries to do is protect the jobs of working people who exercise their legal right to strike for economic reasons.

In fairness, I hope that we will proceed to consideration of this bill. In fairness, I hope that we will pass this bill. I thank the Chair.

S. 55, STRIKER REPLACEMENT BILL

Mr. JEFFORDS. Mr. President, it certainly is no surprise that at this relatively late stage of the 103d Congress we are returning to the legislative debate on banning the hiring of permanent replacements for economic strikers. This is an important issue, and one which generates unusually high levels of public interest. The large number of calls, letters, telegrams, and faxes received in my office from Vermont offer a broad testament to this fact. Undoubtedly, my colleagues from more populous States have experienced similar or greater levels of response from their constituents. And, when nonconstituent contacts are factored in, the volume of public concern on the issue far exceeds the norm.

President Clinton made his support of this legislation clear throughout the election campaign, and he and Secretary of Labor Reich have reaffirmed the Clinton administration's commitment to the bill on numerous occasions since. Clearly, the President will sign the bill if it gets to his desk. Since the House has passed its version of the bill, the only open question is whether S. 55 can make it out of the Senate. As presently drafted, I do not believe this bill should be passed, so I answer that question in the negative. Thus, I will vote no on both the cloture motions, and, if necessary, on the bill itself.

It seems that no traditional labor law issue so galvanizes the actions of the interested parties as does the legislative debate on striker replacements. While all can agree that this issue cuts to the very heart of the collective bargaining relationship, there is wide disagreement on whether passage of this legislation will help or hurt the institution of collective bargaining.

At the outset, Mr. President, we need to agree on whether there is a problem requiring a legislative solution before passing that solution into law. My difficulty with S. 55 is that I am not convinced there is a problem with the hiring of permanent striker replacements that requires any legislative solution, much less the specific solution advocated by this bill. As the present parliamentary situation attests, I am not alone in this conclusion. Moreover, even the data produced in support of this measure is at best inconclusive on whether use of permanent replacement is a growing trend in the business community or that it is any more prevalent now than it was in the past.

Mr. President, the impetus for this legislation is, to a large extent, driven by the celebrated cases where permanent replacements were used. Thus we have heard over the years about Eastern Airlines, Greyhound, and the New York Daily News to name a few. However, these and other examples of the use of permanent replacements do not suggest models of successful corporate strategies. To the contrary, many of these companies have suffered grinding reversals of their business fortunes, up to and including total business collapse, following the use of replacements. I do not believe that many companies will want to adopt a pattern of behavior which leads to such results. And again, of course, the statistics do not show that many have chosen to do so.

The Clinton administration has set in motion the process of taking a hard look at our system of labor laws. Toward that end, a blue ribbon Dunlop Commission was established with the mission of studying workplace cooperation and recommending ways of reforming worker/management relations to create an environment within which American business can prosper.

From the beginning of the debate on this issue, I have suggested that we need to open up a broad-based discussion on the way in which labor relations disputes are resolved. I am a supporter of the American system of collective bargaining and I believe, for the most part, that it does a good job. However, the simple truth is that system works better for everyone in times of economic expansion than it does in connection with the setbacks and retrenchment found during a recession. This elementary fact probably has more to do with any increase that may have occurred in replacement situations than does some fanciful conclusion about changes in employer attitudes brought on by President Reagan's handling of the air traffic controllers strike.

I for one would be willing to explore the options which exist in the area of alternative dispute resolution. We do have some history on this issue. There are segments of the American workforce where the right to bargain collectively does not include the right to strike. The majority of these are within the public sector. In those instances, various systems have been devised for resolving disputes on which the parties themselves cannot agree. Perhaps it is time to begin moving away from the ultimate labor warfare of strikes, lockouts and replacement workers and toward some alternative system of dispute resolution for more of the private sector.

Mr. President, this is not a new exercise that we engage in today. Elements found in the bill have been seen in legislative offerings at least as far back as the last big labor law reform effort in the 1970's. Further, a little more than two years ago the Senate debated and rejected this same legislation. The fact that there has been no evolution toward consensus in the bill's terms is a sad testament to our failure to address this issue realistically.

Given the long history of the underlying issues, and the ongoing involvement of the Dunlop Commission, there are many aspects of collective bargaining that we might productively reexamine. For example, it troubles me that unfair labor practice strikers must wait so long for a resolution of their charges. Further, it might be profitable to examine stronger sanctions against those who engage in unfair labor practices. And as one who supported labor law reform in the late 1970's, I am certainly open to suggestions on ways to streamline the process of deciding whether or not a group of workers wishes to organize.

With specific regard to permanent replacement of economic strikers, for the past few years I have stated that we should look at the special circumstances presented in concessionary bargaining situations and first contract negotiations. As I stated on the floor of the Senate during the 1992 debate, the situation presented by an employer's demand for contract give backs or concessionary bargaining demands may well be one in which the use of permanent replacements is not justified. Adoption of a restriction on this practice would address most, if not all of the instances of abuse presented to Congress as demonstrating the need for this legislation.

Similarly, in first contract negotiations, where there is no established bargaining relationship, I believe a third party intermediary could serve a useful role. Neither the Senate nor the House Labor Committees have examined these ideas in their processing of this bill. Rather, the limited amendments which the majority permitted to

be offered in the House have been rejected, while in the Senate S. 55 has remained almost defiantly unchanged even in the face of obvious, and now fatal, opposition.

Perhaps the biggest resolution since the Mackay decision in 1938 has been the shrinking of our world. We were an insular power, one of many, and we emerged from World War II as the greatest economic power on the planet. This was not surprising given that our country was spared from damage during the war. Nor is it surprising that our pre-eminence has eroded in the decades that followed the war as other countries have rebuilt and retooled.

In 1938, we could afford to consider labor-management relations in isolation. In 1994, we no longer have that luxury.

The Dunlop Commission can and should look into all of these issues. Certainly I would support it in doing so. With the preliminary report recently issued by the Commission, it has begun this process. However, I view it as putting the cart before the horse in the extreme to create a commission to study the need for reform of our system of labor laws, but to exclude the issue of striker replacements from consideration by that commission. But that is precisely what was done in this instance in the false belief that S. 55 could be passed and signed into law without the need for further study or debate.

Passage of the present legislation will change the face of labor relations in this country. Clearly that is the intent, but is it in the best interest of the country? That is the question. I have yet to hear sufficiently compelling answers to prompt me to vote for this measure. Maybe those answers will be forthcoming in the next session of Congress when we may have more substantive hearings. Or maybe, as it should have in the first place, the Dunlop Commission will look into the issue as part of its comprehensive recommendations for labor law reform. Only those who control the agenda can decide whether these items will be added.

Accordingly, while I remain open to the possibility of passing meaningful and wise legislation in this area, S. 55 is not such legislation. Thus, I will again vote no on that bill today.

POSITION ON VOTE

Mr. WELLSTONE. Mr. President, I wanted to indicate for the record that I was necessarily absent for rollcall vote 187. Had I been present I would have voted "nay."

CLOTURE MOTION

The PRESIDING OFFICER. The hour of 2:30 p.m. having arrived, under the previous order the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the motion to proceed to Calendar #162, S. 55, a bill to amend the National Labor Relations Act to prevent discrimination based on participation in labor disputes:

Edward Kennedy, Don Riegle, John Glenn, Paul Simon, Barbara Boxer, Daniel K. Akaka, Carl Levin, Bob Graham, Russell D. Feingold, Howard M. Metzenbaum, Paul Wellstone, Claiborne Pell, Ben Nighthorse Campbell, Carol Moseley-Braun, Jay Rockefeller, Pat Leahy.

CALL OF THE ROLL WAIVED

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of S. 55, the Workplace Fairness Act, shall be brought to a close? The yeas and nays are mandatory under the rule.

The clerk will call the role.

The legislative clerk called the roll.

The yeas and nays resulted—yeas 53, nays 47, as follows:

[Rollcall Vote No. 188 Leg.]

YEAS—53

Akaka	Feinstein	Mikulski
Baucus	Ford	Mitchell
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Bradley	Hatfield	Pell
Breaux	Heflin	Reid
Bryan	Inouye	Riegle
Byrd	Johnston	Robb
Campbell	Kennedy	Rockefeller
Conrad	Kerrey	Sarbanes
D'Amato	Kerry	Sasser
Daschle	Kohl	Shelby
DeConcini	Lautenberg	Simon
Dodd	Leahy	Specter
Dorgan	Levin	Wellstone
Exon	Lieberman	Wofford
Feingold	Metzenbaum	

NAYS—47

Bennett	Faircloth	McCain
Bond	Gorton	McConnell
Boren	Gramm	Murkowski
Brown	Grassley	Nickles
Bumpers	Gregg	Nunn
Burns	Hatch	Packwood
Chafee	Helms	Pressler
Coats	Hollings	Pryor
Cochran	Hutchison	Roth
Cohen	Jeffords	Simpson
Coverdell	Kassebaum	Smith
Craig	Kempthorne	Stevens
Danforth	Lott	Thurmond
Dole	Lugar	Wallop
Domenici	Mack	Warner
Durenberger	Mathews	

The PRESIDING OFFICER. On this vote, the yeas are 53, the nays are 47, three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. McCAIN. 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 Arizona is recognized.

NOMINATION OF JUDGE BREYER

Mr. McCAIN. Mr. President, I intend to make a very brief statement.

Mr. President, this morning the Senate Judiciary Committee began holding hearings on the nomination of Judge Stephen Breyer to be Associate Justice on the Supreme Court. I am hopeful that those proceedings will shed light on the record of Judge Breyer in the effort to fill this extremely important Supreme Court position with the best possible person.

The position of Associate Justice on our country's highest court is one that requires the complete public trust. The American people must have full faith and confidence in the Judiciary. I hope that Judge Breyer will be able to further the public's trust in these institutions.

Mr. President, there have been very serious charges raised regarding the appropriate use of taxpayer dollars for the construction of the Boston Courthouse. According to published reports, Judge Breyer personally played an active role in the design and site selection processes for this facility.

Mr. President, the cost of this extravagant courthouse continues to skyrocket. The courthouse was originally estimated to cost $163 million. However, due to cost overruns and other costs the taxpayers will now be paying $218 million for this Taj Mahal.

Additionally, architectural fees for the design of this shrine—originally budgeted at $8,633,000—have now exceeded $11 million. And unfortunately, we have no idea when the cost overruns will end.

These reports also have listed the following proposed expenditures: A six story atrium; 63 private bathrooms; 37 different law libraries; 33 private kitchens; custom-designed private staircases; $450,000 for a boat dock; $789,000 for original artwork; and $1.5 million for a floating marina with custom-made park benches, garbage cans, and street lights, and a 2.6-acre park.

I am concerned about how the taxpayers' money is being spent. Those responsible for public expenditures must be held accountable for their actions. Those who spend that money in a fashion that is not appropriate or that is called into question must be forthcoming in explaining their actions. Judge Breyer was the individual—or client—responsible for this project. That is

why we must now ask these questions of Mr. Breyer.

Yesterday, I wrote to Judge Breyer asking him specific questions regarding the Boston Courthouse. Answering these questions in a forthcoming manner is crucial so that the Senate may consider this serious matter in the advise-and-consent process.

Mr. President, I do not in any way raise this issue to impugn Judge Breyer. I am not a member of the Judiciary Committee and therefore cannot ask questions of him directly during his confirmation hearing. But I do believe that the many questions surrounding the Boston Courthouse and Judge Breyer's role in designing that building and selecting this site must be fully and publicly aired. Anything less would be wrong and an abdication of our responsibilities.

Good judgment and discretion are indispensable assets to a Supreme Court Justice. We have an obligation to examine Judge Breyer's record and to determine if he has exercised good judgment not only in his judicial decisions, but in his administrative duties.

Mr. President, I ask unanimous consent that the letter I sent to Judge Breyer be printed in the RECORD. I am hopeful that Judge Breyer will soon clarify the concerns surrounding this subject.

There being no objection, the letter was ordered to be printed in the RECORD.

U.S. SENATE,
July 11, 1994.

Hon. STEPHEN BREYER,
U.S. Federal Courthouse, Boston, MA.

DEAR JUDGE BREYER: As you may know, I have been working to ensure that federal dollars spent on building projects are being used in the most cost efficient manner possible. As such, I have become very concerned about waste and extravagance at the new Boston Courthouse.

I would appreciate it if you would explain to me exactly what has transpired to date regarding the design and site selection of the Boston Courthouse. In your explanation, I would appreciate it is you would please answer the following questions:

1. What specifically was your role in the site selection and procurement of such site for the Boston Courthouse?

2. According to reports, the site chosen by a panel chaired by you originally ranked 11th out of 12 prospective sites, but that by the end of the process it ranked first. Is this accurate? What was your rationale for choosing the Fan Pier site over the other more highly rated sites studied?

3. According to the Washington Times, in 1989 the Boston Redevelopment Authority finished a study saying the city's crowded federal courthouse would be cheaper to relocate than to expand. The study listed four acceptable sites for a new courthouse, and ranked them by feasibility. The Fan Pier site—later selected by you—was rejected. Please comment, in light of other studies, why you selected the Fan Pier site.

4. In many cases when courthouses are built, sites are chosen that are already owned by the Federal government or that are owned by municipalities that are willing to deed the sites to the federal government at no cost. For example, the City of Phoenix recently donated land to the federal government for the proposed new Phoenix Courthouse. Noting the fact that the federal debt is looming near $4 trillion, what was the rationale for choosing a site that cost $34 million?

5. According to documents supplied to me by the General Services Administration, one of the risks of not proceeding with the Boston Courthouse is that GSA has already spent $34 million for the site and $13 million for design. I am very concerned that $47 million has already been spent on this project in a manner which makes it virtually impossible to build a courthouse on a site which would result in savings to the taxpayer. GSA documents reflect the fact that the court, referred to in their documents as the "client," is strongly pushing for the project to move forward as planned. Please comment on your role in this matter noting specifically what purchases or expenditures you may have personally approved or with which you were involved.

6. According to published reports, you have personally interviewed architects and played an active role in the design process for the Boston Courthouse. Accordingly, please comment on the need for and prudency of the following proposed expenditures which have been noted by the media: A six story atrium; 63 private bathrooms; 37 different law libraries; 33 private kitchens; custom designed private staircase; $450,000 for a boat dock; $789,000 for original artwork; and $1.5 million dollars for a floating marina with custom-made park benches.

7. GSA has stated that there is no leased space available in Boston that meets the client's needs. Why does the court believe that no site other than the one chosen will meet its needs? Please note with specifically the needs that the court believe must be met.

According to reports published in the Washington Times, you would not comment on this matter publicly because "you have not been giving any interviews or commenting while [the] confirmation process is ongoing."

As I know you can appreciate, the Senate has a Constitutional duty to advise and consent regarding certain nominations made by the President. I believe, therefore, it is crucial for the Senate to receive, as soon as possible, a full and public accounting on this issue and your role in developing the plans for the Boston Courthouse.

In advance, I thank you for your cooperation.

Sincerely,

JOHN MCCAIN,
U.S. Senator.

Mr. MCCAIN. I yield the floor.

NATIONAL LABOR RELATIONS ACT AND RAILWAY LABOR ACT AMENDMENTS

MOTION TO PROCEED

The Senate continued with the consideration of the motion.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

STRIKER REPLACEMENT BILL

Mr. PRESSLER. Mr. President, I rise today to express my strong opposition to S. 55, the striker replacement bill. I am opposed to this legislation because it would disrupt the careful balance between labor and management as provided for under current law. I am opposed to this bill because, in my view, it is bad for economic policy and growth. Above all, I am opposed to this bill because of the severe impact it could impose on the smallest members of the American business community and their employees, such as those comprising 99 percent of South Dakota's businesses.

As the ranking member of the Senate Small Business Committee, I work with entrepreneurs every day. I have heard their concerns and know their limits. Everything I have learned from business men and women tells me they cannot handle the day-to-day uncertainty this legislative proposal would impose of them.

Under current law, employees have the ultimate collective bargaining tool—the right to strike. In turn, employers have the right to use permanent replacements during strikes as long as they do not violate the unfair labor practices laws administered by the National Labor Relations Board. This has remained a well-established principle of labor law since 1938, when the U.S. Supreme Court recognized management's right to hire replacement workers.

Mr. President, I might at this point insert in the RECORD a progeny of American labor law.

PROGENY OF AMERICAN LABOR LAW

The National Labor Relations Act [NLRA] is the principal law that provides our basic labor policy. The two major components of the NLRA are the Wagner Act of 1935 and the Taft-Hartley Act of 1947.

The Wagner Act of 1935 was the first comprehensive Federal measure protecting union organizing and collective bargaining activities in private industry. The act established broad rights for collective actions by employees.

The Taft-Hartley Act of 1947 limited union power by preventing secondary boycotts. Further, it allows States to adopt right-to-work laws.

The Landrum-Griffin Act of 1959, increased union democracy by imposing financial disclosure requirements on unions.

Mr. President, I thing it is important to note the Wagner Act did not specifically address the issue of whether employees who strike for economic reasons are guaranteed return to their former positions at the end of the strike. This principle of hiring permanent replacement workers was established by the U.S. Supreme Court ruling in 1938 in the case of NLRB versus Mackay Radio and Telegraph Company. That decision established a distinction between two types of strikes—unfair labor practices strikes and economic strikes. The court ruled that employers may hire permanent replacements in cases of economic

strikes, but banned the hiring of permanent replacements for strikes over unfair labor practices.

I think it is fascinating how we have maintained a balance between unions and management and how that balance is working to create jobs. I recall as a high school student studying the Landrum-Griffin Act of 1959 which is part of that progeny. I think these acts have provided our country with job growth and opportunities, with flexibility in decisions by employees and employers, and with benefits to employees. The American worker is, in many ways, the best in the world. Our workers have the most choices, are the most mobile and have the most training opportunities available in both the public and private sectors, when all other things are considered.

Employers currently are barred from hiring replacement workers during strikes over unfair labor practices. The proposed striker replacement bill would extend that ban to economic based strikes, such as those regarding wages, hours, and benefits. The result would be a substantial shift in the balance of power between labor and management. It effectively would guarantee that unions would win every strike. Unions could call virtually risk-free strikes over any issue. In short, employers, both large and small, would be left powerless to union demands.

Enactment of S. 55 would severely limit the ability of a business to operate during a labor dispute—perhaps forcing the business to fold. This would be true especially for businesses that produce perishable products. The striker replacement bill could affect packing, processing, transportation, distribution, and the retail sale of hundreds of agricultural goods, severely impacting production and sales.

Mr. President, small businesses have several special characteristics that leave them especially vulnerable to this striker replacement bill. First, many small firms operate on a razor-thin profit margin, which quickly can be legislated into nothingness. They do not enjoy the wide profit margins or the diversity of their large competitors. As a result, the bread and butter of small firms lies in their day-to-day operations. If daily operations are shut down for even a short time, their doors are in danger of closing forever. Not only would the employer be affected, but the employees also would face losing their jobs. If business operations are terminated, jobs are lost. Thus, enactment of the striker replacement bill would hurt not only businesses, but also the very workers it claims to protect.

Second, small businesses often are highly labor intensive. If only a few key employees walk out, production could grind to a halt. Small firms do not have the luxury of multiple-layered workforces. They do not have the middle management resources necessary to keep production running. Small firms in high-technology industries are especially vulnerable. Our Nation's best innovations are coming from small entrepreneurs, but their productive creativity will not continue if they are denied access to a highly skilled work force.

Hiring temporary workers is not a viable option for these small businesses. Small firms have neither the financial nor the personnel resources to locate and train employees, only to release them at a moment's notice. It also is highly unlikely the skilled workers needed would cross a picket line to join a small business on a temporary basis.

Third, small businesses that are not directly impacted by striking workers can be put out of business indirectly. This ripple effect is felt in several ways. Small firms cannot afford to stockpile inventory as retail giants can. Therefore, any breakdown in supply lines can seriously affect their day-to-day operations. Further, in communities dependent on a single, large employer, strike effects ripple throughout the local mom and pop operations. Local restaurants, drugstores, gas stations, and movie theaters can be put out of business by a strike at a large plant. The encouragement of strikes at any level will come back to haunt small business employees and employers.

Fourth, this bill would become an unfair union organizing tool that could be used to threaten small, nonunionized businesses. The legislation gives unions a distinct advantage by allowing them to guarantee nonunion employees a job if they join. Nonunion employers simply could not compete with a promise like that. This would leave even small nonunion firms with good labor track records susceptible to union disruption.

The bill gives even more power to unions by allowing them to represent nonunion employees who have not yet voted for union representation. Under S. 55, striking nonunion employees could not be replaced if a slim majority of them have signed union authorization cards. These cards often are signed in the presence of union representatives without any benefit of hearing the pros and cons that are aired during an election campaign. In other words, this bill would allow the union to represent all employees without a Government-sponsored secret ballot election, leaving democracy in the workplace open to coercion and intimidation.

Mr. President, I have described current law concerning the hiring of replacement workers and the impact of S. 55 should it be enacted. However, we also should consider current practices by management regarding the hiring of replacement workers. Are employers typically hiring replacements as a means to avoid negotiating with organized labor? Not according to a 1991 General Accounting Office [GAO] study.

The GAO study, Strikes and the Use of Permanent Strike Replacements in the 1970s and 1980s, estimates that employers announced they would hire replacements in about one-third of strikes in 1985 and 1989. However, the study also estimates that of the strikes for which permanent replacements were hired, only 4 percent of the striking workers were actually replaced in 1985, and only 3 percent in 1989. Does the replacement of 3 or 4 percent of striking workers demonstrate a need to jeopardize overall business stability?

Quite simply, current legal protections for strikers are adequate. This bill would encourage strikes and removes existing incentives to engage in a fair collective bargaining process. The right to strike is a well established principle of labor law. The right of an employer to stay in business during a strike is an equally important right. As I've already mentioned, these principles have been upheld by the Supreme Court for over 50 years.

Mr. President, the striker replacement bill effectively would end the ability of many small employers to stay in business. I cannot support legislation that could endanger small businesses and their employees in such a manner. I am committed to small business economic growth and job creation in South Dakota and across the Nation. I will continue to oppose legislation that would create more obstacles to their success. I urge my colleagues to oppose further action on this shortsighted striker replacement bill.

I might add, Mr. President, that employees would be hurt by this bill because there would be less jobs and because they would be forced to join a union, which some of them do not wish to do.

But I think if we look at the overall picture of U.S. labor, we will find that the U.S. worker has more flexibility, better wages and conditions, and more benefits than other countries of the world. U.S. employees are not frozen into one company or one job forever. That is something to remember.

UNITED STATES POLICY TOWARD HAITI

Mr. PRESSLER. Mr. President, I should like to make a few remarks regarding our policy toward Haiti.

I am very fearful that we are heading down the road toward invasion. Our policy toward Haiti should have three parts. First, we should announce there will be no invasion by the United States so they do not expect us to invade and put a new government into power.

Second, we should state clearly that there will be no mass emigration allowed from Haiti; that only standard,

accepted, legal immigration and legal refugee procedures will be followed.

And third, we should work toward lifting the economic embargo on Haiti so that there is a chance for economic prosperity.

I say these three things about Haiti because our policy is very confused, and is making the situation worse.

We moved 2,000 marines down to the Caribbean making it look like we might invade. It remains unclear whether we will invade or not. The people of Haiti are expecting the United States to do something, they are expecting the United States to do it so they will not have to do it for themselves.

Let us remember that Haiti has been an economic basket case for 200 years. It has not known democracy. It is true that they had an election and they elected Mr. Aristide. But as soon as Mr. Aristide was in power, he did not rule like a Democrat. Instead, he ruled like a dictator. He abolished the Senate, essentially, or at least refused to have them confirm actions taken by the President, which is their right under the Constitution. He virtually abrogated the intent of the Constitution of the country by acting as a dictator and not following procedures of consultation and approval by the Senate and other bodies. Aristide ordered judges to impose sentences of death on certain people. He also advocated necklacing; a practice involving placing a gasoline-filled tire around the neck of his political enemies and lighting it.

Is this the man United States troops are going to put back into power in Haiti? Let us think a little bit more about it.

We have a great deal of inconsistency in the administration's policies regarding immigration.

Now, all of our parents and grandparents, our great-grandparents, our great-great-grandparents were immigrants, and I believe in emigration to the United States for the purpose of coming here to get a job in a field where people are needed. That is the traditional basis on which people came to the United States. People did not come here for welfare. They came to America because they wanted to work.

We now find ourselves in a situation where the administration has changed its policy so often that the people of Haiti not only are expecting an invasion, but they expect large numbers of Haitians will be able to come to the United States. We should state a clear, clear, clear policy that that is not going to happen. We should state the policy that the traditional law regarding immigration and refugee policy will be followed.

Mr. President, I am very concerned that our foreign policy regarding Haiti is being driven by the Black Caucus in the House of Representatives. I know that the President needs the votes of the Black Caucus to pass his health care bill. But for the first time, major foreign policy decisions are being made on a racial basis, and I find it very unfortunate.

I have read some of the statements of Black Caucus leaders, and I guess in some States a certain percentage of the vote comes from African-Americans. Somehow this administration believes that it must follow the lead of the Black Caucus with regard to foreign policy in Haiti. That is a great, great mistake.

It is my strongest conviction that we should carry out our foreign policy where there are clearly identified U.S. interests.

I predict when this Congress is in recess in August, the President will invade Haiti, when the Congress cannot react, when the Congress is out of town. There appears to be a trend among recent American Presidents to seek popularity by executing military operations in relatively small countries. Sometimes that is good and sometimes it is bad. Generally speaking, it is bad. I think that this President, in particular, is eager to execute a successful military operation, partly out of a desire to show a military machoism on which the American Presidency seems to thrive.

In this case, a U.S. military invasion would be a great mistake. I think the Clinton administration and the Congress should make it clear that there will be no invasion of Haiti, that there will be no mass emigration from Haiti allowed, and that we are for lifting the embargo.

During the congressional recess, the President should assure Congress that he will not invade Haiti, knowing that Congress is out of town and knowing therefore that there would be a minimum of opposition to such action. Senators such as myself would not have a vehicle on which to offer an amendment condemning such an act until September 12. I am fearful that we will see an invasion of Haiti during that recess.

Finally, Mr. President, I would plead that the President of the United States and the State Department not allow the Congressional Black Caucus to make foreign policy regarding Haiti. I know the President wants the votes of the Black Caucus to pass the health care bill and to pass several other pieces of legislation that are pending, and I know that such support has been threatened to be withdrawn if certain steps to invade Haiti are not taken. Perhaps never in our history has a group in Congress threatened to withhold their votes for domestic social legislation in exchange for the invasion of a foreign country. It is a very sad day when domestic votes in the House of Representatives are being threatened to be withheld unless the President sends the U.S. Marines into harm's way, on a mission that could not possibly be successful. Let us look at what happened in Somalia the last time we sent troops into a small country.

So, Mr. President, in conclusion, Haiti is going to have to solve its own problems. It has had those same problems for 200 years or longer. U.S. troops cannot institute democracy in that little country. The man the troops are most likely to install as leader, Mr. Aristide, is not a Democrat. He governed as a dictator. He was elected, but his record in governance is not as a Democrat, I think we should remember that.

Mr. President, I will conclude by asking unanimous consent to place some additional newspaper articles into the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Times, July 9, 1994]

CLINTON CAN'T SHAKE THE HAITI MORASS—CRITICS DIVERT ATTENTION FROM NAPLES SUMMIT

(By Rowan Scarborough)

President Clinton's zigzagging Haiti policy has followed him to Europe, dimming what was designed to be a series of shining moments for a president trying to establish foreign policy stature.

The press yesterday peppered Mr. Clinton with questions about the small, impoverished country as the president sought to keep attention on grander economic strategies being discussed among the world's most powerful leaders.

"This is not a fun thing to have other leaders aware of at this time," said Rep. Porter J. Goss of Florida, the chief GOP critic of the administration's Haitian policy. "What has happened, this is one of the times the White House spinmeisters have spun it back on themselves, and they have a big problem on their hands."

This week's events—an unexpected tidal wave of Haitian boat people, a corresponding shift in U.S. resettlement policy, and Panama backing out of a pledge to house 10,000 refugees—struck at such a bad time White House spokeswoman Dee Dee Myers asserted Haiti was not that important anyway.

"Haiti's not the most important foreign policy problem that we face," Miss Myers told reporters in Naples, where Mr. Clinton is attending the annual G–7 summit of industrialized nations.

Her sudden dropping of Haiti as a top priority came as the Pentagon openly talked about training young soldiers for possible combat on the military-run island.

"She has to say that," said a House aide who works the Haiti question. "On page 1 of the newspapers is Haiti and on Page 17 are his speeches in Europe."

Miss Myers' comment so angered Rep. Kweisi Mfume, Maryland Democrat and chairman of the Congressional Black Caucus, that the congressman called a press conference yesterday to roundly denounce the administration's shifting course.

"The president may not believe that this is the most important foreign policy issue facing the United States, but it has quickly become the most embarrassing," said Mr. Mfume, in his toughest criticism to date.

"The Congressional Black Caucus believes that our policy on Haiti is a policy of anarchy, one which changes by the moment, and

in the past 72 hours has witnessed administration officials issuing statements filled with conflicting conditions," Mr. Mfume said.

Even before Miss Myers' remarks, the administration had spent the week reeling from developments related to the flood of boat people, including, chronologically, these events:

Faced with a sharp increase in the number of Haitians taking to rickety boats in a risk-filled try to reach the United States, William Gray III, the president's special envoy, announced those who seek asylum via the sea would no longer have any chance of resettling in America.

Critics say the administration itself triggered the flood by imposing harsh economic sanctions and establishing shipboard processing of refugees to determine if they qualify for U.S. entry as political refugees.

Panama abruptly pulled out of an agreement to provide a temporary "safe haven" for as many as 10,000 Haitians, sending Mr. Gray scurrying to find the additional capacity in other Caribbean nations.

Mr. Goss charged in an interview that the administration jumped the gun in announcing the deal before the Panamanian legislature reviewed—and killed—the deal.

Mr. Gray told reporters that Lt. Gen. Raoul Cedras and the junta that ousted elected president Jean-Bertrand Artistide in 1991 must leave power by the end of the year.

Said Mr. Mfume: "I thought it was a bit troubling considering the fact that it's almost a license, then, to continue to maim and to rape women as they are doing and to murder, and to know that they've got until New Year's Eve before they have to get serious."

The congressman called on the president to order "surgical air strikes" against the Haitian military. He declined to specify which type of targets, such as barracks or Gen. Cedras' headquarters.

While Mr. Mfume criticizes the president, Mr. Goss contends the Black Caucus is partly to blame.

"In my view, the bottom line is the White House is being responsive to domestic political pressure—that's really what's driving this—from the left, the Black Caucus," he said. "Those folks are determined Haiti should be treated just as Cuba is."

The United States automatically accepts all Cuban refugees under Cold War legislation that deems all the island's residents the victims of communist totalitarian rule.

"Haiti itself is a friendly neighboring country, and for us to be in a warlike state with them now is a foreign policy failure of extraordinary detail," Mr. Goss said.

"If we send in the military to remove Gen. Cedras, there are thousands of Cedrases that could take over."

[From the Washington Post, July 12, 1994]

DON'T INVADE HAITI

(By Lally Weymouth)

The order yesterday by Haiti's ruling regime expelling international observers from the country brings the United States one step closer to invading the poorest nation in the Caribbean. The expulsion of the United Nations-Organization of American States mission was denounced by a top U.N. official as a "provocation."

The ostensible purpose of a U.S. military operation would be to remove the generals who are now running Haiti and to reinstate Haiti's elected leader—the left-leaning, anti-American priest, Jean-Bertrand Aristide. The real aim, however, would be to stop the flow of Haitian immigrants to the United States and, as one administration official put it, to "win one" for President Clinton.

The operational plan—still opposed by high-ranking Pentagon officials—is for U.S. forces to invade, expel the military rulers who now govern Haiti and then quickly turn matters over to Aristide. Within about four weeks, a 10,000 to 12,000-man U.N. peace-keeping force would take control of the country. U.S. troops would participate in the U.N. force, which would be expected to remain in Haiti until February 1996, by which time a general election would have been held. The mission of the peace-keepers, as Washington sees it, would be to establish civil order, protect Aristide, remake the Haitian army and purge the police force.

American officials insist that at this late juncture, the only factor that could conceivably persuade President Clinton not to order the U.S. military into action would be the personal opposition of Aristide—the man in whose name the operation would be launched.

As the Clintonites see it, they are risking American lives to restore democracy to Haiti. But, claim officials, Aristide is himself undermining this very policy by refusing to give his blessing to an invasion and to a U.N. peace-keeping force. As things stand, Aristide is consenting only to a "surgical" coup. As a consequence, the Haitian priest has become a thorn in the side of President Clinton.

Moreover, the administration is finding it hard to put together a U.N. force without Aristide's extending his express approval for military action. Administration officials have endeavored—without success thus far—to persuade Aristide to formally ask the United Nations for official support.

Senior officials at the United Nations are privately expressing reluctance to send a U.N. peace-keeping force to Haiti. Worried by the cost of the undertaking, these international civil servants argue that it would take at least three months to organize a force the size that the U.S. is demanding. Indeed, one high-ranking U.N. official actually suggests turning the ill-defined mission back over to the United States—to prevent the U.N. from becoming involved in an expensive, vaguely defined operation that could well fail in the long term.

In return for voting for the Haiti operation in the U.N. Security Council, the Russian government is expected to demand what it calls "sphere of influence peace-keeping." This means that the Russians will seek U.N. blessing for the troops they have dispatched and the peace-keeping they have undertaken in Georgia. This could, of course, set a precedent for Russia's flexing its muscles in the future.

Currently, Aristide remains ambivalent about an American invasion of Haiti. He recently told National Public Radio, "I am against a military invasion." In the end his continuing unwillingness to co-operate with the administration may render it impossible for President Clinton to order U.S. forces into action.

If an invasion is launched, the Clinton administration will have to account for Aristide's long-standing and unmistakable anti-American sensibility. In a speech he made in Haiti just six years ago, he asked a huge mob: "Who is Satan, we or the Americans?" Answering his own question, he said, "The Americans." Aristide posed another question: "Who is the most satanic, the Americans or the American government?" His view? "The American government. . . . Down with Satan. Down with imperialism."

At least one high-ranking Clinton administration official argues for supporting Aristide on the grounds that his human rights record was far better than that of the present military rulers. Many disagree. Refugee expert Nina Shea of the Pueblo Institute suggests that "the tenor was the same. Under Aristide, the courts didn't function. There was no rule of law. Scores were settled through violence. Legislative bodies were silenced through threats of mob violence." In Shea's view, Aristide is no democrat.

Should President Clinton call off the invasion, he would do himself, Haiti and this country a favor. As Rep. Porter Goss (R-Fla.) contends, there is no national security consideration that justifies an invasion of Haiti. Clinton's Haiti policy, Goss observes, is "a mess caused by overattentiveness to domestic politics." President Clinton needs the Congressional Black Caucus's votes, Goss claims, to pass a health care bill.

Allen Weinstein, of the D.C.-based Center for Democracy, notes that right now the diplomatic effort is dead. Weinstein favors reviving it. Surely this would be a wise course—considering the cost of an invasion in blood and in money—not to mention the expense of a long-term U.N. peace-keeping force.

If North Korea's late Marxist dictator, Kim Il Sung deserved one last chance, how is it that Lt. Gen. Raoul Cedras doesn't merit the same treatment?

NATIONAL LABOR RELATIONS ACT AND RAILWAY LABOR ACT AMENDMENTS

MOTION TO PROCEED

The Senate continued with the consideration of the motion.

Mr. PELL addressed the chair.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Chair recognizes the Senator from Rhode Island [Mr. PELL].

Mr. PELL. During the past few months, Mr. President, many of my fellow Rhode Islanders have taken the time to share their thoughts with me on S. 55.

Many of the business men and women who have expressed their opposition to the bill have told me they are concerned the bill will tilt the balance of power in favor of labor. They are afraid they will be faced with only two choices; Acquiesce to union demands or go out of business. One person remarked that he considered this legislation to be blackmail.

I view this legislation differently. Currently, an employee must accept the wage and benefit increases their boss offers or be permanently replaced, an interesting synonym for being fired. That's not much of a choice, Mr. President. Once passed and signed into law, this measure will restore an appropriate balance to labor negotiations, a balance that has been in place for 58 years. As in strikes for unfair labor practices, those who strike for economic reasons will have their right to strike preserved and protected and employers will have the right to hire temporary replacements.

Mr. President, it is my sincere hope that in the near future, labor-management relations will change from confrontation to cooperation. If the companies of this Nation are to compete in the fast-paced global economy of the future, they will have to draw the very best from all portions of the company; including the men and women in the shop or on the production line. That change cannot take place however, without this bill becoming law.

As one who customarily votes for cloture, I have no hesitation in urging my colleagues to join me in voting for cloture.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. KASSEBAUM. Mr. President, I think that yesterday and today we have had a good debate both pro and con on S. 55. There are some other speakers who wish to come down to the floor. But since they are not here yet, I would like to use an example which I think is illustrative in helping us understand some of the things that have been mentioned in the course of this debate.

The proponents of S. 55 argue that labor has lost the right to strike. They contend that allowing permanent replacement undermines collective bargaining and therefore undermines the right to strike. I would suggest that this is not the case. I would like to speak a bit about a good example of that.

The Teamsters national trucking strike illustrates why this contention is false. The Teamsters recently engaged in a 24-day work stoppage against 22 major trucking companies. Seventy-five thousand workers went on strike for over 3 weeks.

Teamsters President Ron Carey and his bargaining team negotiated a tentative agreement, which he characterized as a fair contract that he strongly recommended. The contract called for wage and benefit increases of $3.20 per hour over the 4-year term. According to a New York Times report, Teamsters typically make about $17 per hour. Carey told reporters:

> Our members can go back to work proud of what they've done for themselves, for their communities, and certainly for future generations. Our members won on the key issue, which was job security. * * * We stood up for the American dream. We drew the line, not just for Teamster members, but for all American workers. We said to the companies, "You're not going to destroy all full-time jobs in this country," and we made that point stick.

Mr. President, I take Teamster Ron Carey at his word when he says that through their strike, they drew the line and made that point stick. The trucking companies did not hire permanent workers to replace the striking workers. Ron Carey, the head of the Teamsters, believed that the strike was a success. And by the union's own admission, the workers won the strike. This was under current law, which those of us who oppose S. 55 would argue is balanced in ways that allowed both the employees and the employers to negotiate and engage in collective bargaining.

How then can S. 55 supporters claim that the right to strike is meaningless?

Our country just recently went through a prolonged national strike for over 3 weeks, and the union president claimed that the union beat management. The union successfully negotiated a contract, and no permanent replacements were threatened or hired.

But I suggest, Mr. President, that the strike had an impact and there was damage done on all sides. I heard from Kansas constituents who were members of the Teamsters Union who wanted me to do something about the strike. They said the union leadership was out of touch, and they were concerned about what they were being asked to do. Retailers lost customers, and suppliers could not move their products.

Some might say the strike produced too much economic pressure. Churchill Truck Lines, which is based in Missouri, was one of the 22 companies struck by the Teamsters. The company went out of business as a result of the strike, and more than 2,000 employees lost their jobs. In business since 1926, Churchill operated 96 terminals in 26 States. The company president indicated that "the economic impact of the strike and the economic impact of increased costs once the strike was settled led us to the decision that we could not operate."

I think, Mr. President, this strike severely strained Churchill Truck Lines. The strike worked so well, it put so much pressure on this particular company, that the company went out of business. This clearly refutes supporters of this bill who argue that the strike is no longer an effective weapon. Indeed, it certainly was in this instance. Tell that to the 2,000 workers at the Churchill Truck Lines who lost their jobs. They will tell you firsthand how well an economic strike works.

Those of us who have opposed S. 55 do not point to Churchill Truck Lines and conclude that unions should no longer have the right to strike. Unions use their economic strike weapon and sometimes—on rare occasions—it can wipe out the employer. But that is a decision for the parties to make themselves, and they should have that ability on both sides to make that decision.

We do not believe that simply because unions have the power to drive employers out of business, we should repeal the right to strike, even though I urge, Mr. President, as has been done during the course of this debate, that what we want to see in the American workplace is the ability for employees and employers to get together. That is what the whole purpose of labor law has been, not to cause aggravation and dissension and adversity, but to try to work together for the best interests of all involved.

I really wish that the supporters of S. 55 would recognize the irony of bringing striker replacement legislation to the Senate floor after we endured a successful national economic trucking strike that worked so well that it put a major truck company out of business.

This is why, Mr. President, I feel that for those of us who have opposed S. 55, we have done so in the belief that there is a better way to address the difficulties that one does encounter in the workplace. It only harms all concerned if we cannot do it in ways that address the future without trying to put companies out of business and create a further atmosphere of coercion and dissent and fear.

It has been said many times during the course of this debate that, indeed, what we need to strive for is balance and fairness. That, to me, is what this debate has been all about and why when we talk about S. 55 as the "workplace fairness bill," we miss the point completely and would only create an imbalance that does not allow the forces that are at work there, as illustrated by the strike of the Teamsters against the trucking industry, to work their will. But it takes a toll. It is not to say that we are trying to stop that process from working, but it is important to recognize the hardships that affect everybody when we handle disputes in such a way that we cannot resolve them to the benefit of all concerned.

I know that there were others who wished to speak. I just say that I think the vote recently taken indicates that there are many who have deep reservations about S. 55. But I hope that, in the course of the debate, we have recognized that there is much at stake here. There is much at stake for the labor force and for the competitiveness of our industries.

Mr. President, I yield the floor and 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. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WELLSTONE). Without objection, it is so ordered.

THE RULING OF THE GERMAN HIGH COURT REGARDING OVERSEAS DEPLOYMENT OF THE GERMAN MILITARY

Mr. ROTH. Mr. President, I arise today to draw the attention of my colleagues to a most significant ruling issued today by the German high court, sitting in Karlsruhe. That court has ruled that the German Constitution, the basic law, contains no prohibition against the overseas deployment of the German military.

In effect, this means that the German military will be able to participate fully in United Nations peacekeeping operations, the operations of the Western European Union and in future NATO combined joint task forces. This departure constitutes a most significant step forward toward adapting NATO, in particular, to the new security needs of the post-cost-war world. To date, whenever NATO has contemplated broadening its mission beyond simple border defense, it has been hindered by the fact that Germany, one of its most military potent members, asserted that it was constitutionally prohibited from deploying troops outside NATO territory. That fundamental problem has now been resolved.

Shortly after the Clinton administration first took office, the President's permanent representative to the United Nations voiced U.S. support for an expansion of the permanent membership of the U.N. Security Council, particularly with a view to German and Japanese membership. At that time I introduced a Senate resolution, subsequently incorporated in the State Department authorization bill, stating that, while the United States should support German and Japanese Security Council membership, the initiative should proceed no further until both nations had made themselves ready to take on all of the responsibilities of permanent Security Council membership.

In particular, I was concerned that, at that time, both the German and Japanese Governments were asserting that their constitutions prevented their participation in U.N. military operations. Would the American people tolerate a situation where German and Japanese diplomats were voting in favor of operations which would place United States soldiers in harm's way while, simultaneously, they had no intention of having their own military participate in those operations? Such a departure, in my opinion, would have proved disastrous for our relations both with Germany and Japan.

The German High Court ruling has effectively addressed this problem and, in response, the Clinton administration must vigorously press the case for Germany's permanent membership in the Security Council. I am particularly concerned that Germany's proposed membership should not be delayed by Japan's failure similarly to address its constitutional situation. There is no reason why the two countries' applications should be regarded as inseparable. Germany has acted on its constitutional problem. It has done so forthrightly and it should be rewarded for its resolve.

Since the collapse of the Berlin Wall and the welcome unification of a too long divided Germany, Chancellor Kohl has repeatedly urged his countrymen to take a role in the international community consonant with their country's economic prowess. In the aftermath of Operation Desert Storm I, myself, traveled to Bonn at the suggestion of Germany's then-Ambassador to the United States Juergen Ruhfus, in order to press upon the German Government my observation that Germany's inability to participate in that undertaking had placed considerable strain upon United States-German relations.

In pressing the issue of the overseas deployment of the German military, the Chancellor has demonstrated his recognition that this is not simply a question of Germany asserting its international rights but also of taking on its international responsibilities.

By contrast, Japan is doing its utmost to avoid addressing its central constitutional problem. The current government, a coalition of the conservative LDP Party and its traditional rival, the Socialists, harbors vast internal policy differences. The differences over defense and security policy are particularly bitter, with the Socialists traditionally maintaining that Japan's self-defense forces are unconstitutional. Consequently, in order to retain power, the coalition is failing to discuss Japan's security obligations while the foreign ministry pushes for a permanent seat for Tokyo on the United Nations Security Council.

Japan's simultaneous hunt for enhanced status while it avoids internal discussion of the responsibilities intrinsic to that enhancement is not only curious, it is also dangerous. Consider the current situation in the Korean Peninsula. If the worst were to occur and war breaks out, the United States is treaty bound to fight alongside South Korea. In doing so, this Nation would, in effect, be defending Japan as well as South Korea. However, under current accepted Japanese interpretations of its constitution, Tokyo would be forbidden from putting its troops on the line in the event of such a war.

When the Korean war was over, and the accounting done, Americans would undoubtedly consider Japan a questionable ally. We would ask why our sons and daughters had to die to defend a country that refused to defend itself. Current circumstances and current Japanese aspirations demand that Japan address its constitutional situation as forthrightly as has Germany.

Before I close, I should note that I have already heard one commentator assert that the German high court's decision does not constitute the significant departure which it might appear, because the high court also ruled that future overseas deployments of the German military will require the approval of a majority in the Bundestag. I do not, in any way, believe that this provision undermines the significance of the high court's ruling. If any nation is to send its troops overseas, it needs to know that it enjoys the full support of its electorate, as expressed through the elected legislature.

I supported the proposal that the Congress vote prior to any initiation of hostilities with Iraq. More recently, I supported the Nickles-Cochran proposal that no U.S. troops be deployed on U.N. peacekeeping operations absent an affirmative vote of Congress. The involvement of the national legislature, be it the Congress or the Bundestag, in decisions to send forces overseas is not a demonstration of weakness. Rather, it is both a demonstration of mature democracies at work and a recognition of the major importance of the decision which is being taken. No civilized nation can blithely place its citizens in harm's way, whether they wear a uniform or not, and decisions to send troops into danger should, therefore, be thoroughly considered by both the executive and legislative branches of Government.

In closing, let me congratulate the German people for addressing this complex and troubling question and for resolutely taking up the burden of world citizenship. I trust that we will shortly see Germany occupying a permanent seat in the U.N. Security Council.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOLLOWING OUT AMERICA'S DEFENSES

Mr. HELMS. Mr. President, Tony Harrigan's name is pretty much a household word, certainly among those of us who have been so alarmed, and still are, and who have so strenuously opposed, and still do, the slash-and-burn policies that have led to dismantling so much of the defense capability of the United States.

Tony Harrigan has built a distinguished career in journalism as a respected editor and now as a research fellow at the National Humanities Institute in Washington. As I wrote to Tony this morning, I do not believe he has ever made a more significant contribution than when he penned his article for the July 11 issue of National Review, bearing the title: "Hollowing out

America's Defenses." The subtitle reads: "As President Clinton walked the Normandy beaches, did he think of the current state of our military?"

That is an excellent question, and I wish we knew the answer. But we do not.

In any event, I recommend that all Senators and every concerned American ponder that question.

I ask unanimous consent that the aforementioned article be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the National Review, July 11, 1994]

HOLLOWING OUT AMERICA'S DEFENSES

(As President Clinton walked the Normandy beaches, did he think of the current state of our military?)

(By Anthony Harrigan)

In the last 12 months American airmen were actively engaged over Bosnia. Marines landed in Burundi. U.S. forces were winding down a long and difficult mission in Somalia. American servicemen lost their lives over Northern Iraq. For good measure, the liberal hawks in Congress are calling for a U.S. invasion of Haiti.

And all this may be just a warmup. Russian President Boris Yeltsin already has toughened his foreign policy to appease the nationalists and the armed forces. The bear retains its claws. The former Soviet ballistic-missile-firing submarine force remains alive—and growing. Russia is continuing to build submarines even as it seeks massive aid from the United States.

Elsewhere nuclear proliferation headaches continue to grow. North Korea is suspected of planning a substantial nuclear-weapons program. Its forces on the border with South Korea have been augmented and placed on heightened alert. A North Korean general has visited Iran, another rogue state with sizable military ambitions. And Iran has signaled its intentions in the Persian Gulf and the Arabian Sea by negotiating for submarines.

In another ominous development, China is moving rapidly toward military superpower status. In April, the regime approved a 22 per cent increase in military spending. It plans to purchase Russian equipment more advanced than anything the Allies used in the Gulf War, including the T-800 gas turbine tank, a Patriot-type antimissile system, and a new rocket system. The Far Eastern Economic Review revealed last summer that more than 1,000 former Soviet military scientists are working for China. Its nuclear tests continue. Former U.S. ambassador James Lilley has said that this Chinese arms build-up has its sights set beyond China's borders—in other words, it's not defensive. Senator Larry Pressler says the new Chinese ballistic missile has a range of 7,400 miles and is a direct threat to the United States.

In short, everything that has happened on the world scene in the past year makes clear the need for the maintenance of American military might. Yet Clinton officials insist time and again that there is a peace dividend to be enjoyed. They're part of a liberal consensus that the strong defense structure created in the Reagan years can and should be scrapped.

The blueprint for the drawdown is the Clinton Administration's "Bottom-Up Review of Defense Needs and Programs" issued last September. Despite its title, the BUR is anything but a review of national-security threats and needs by service professionals. It is a top-down statement of the views of President Clinton and his political advisors. It is full of easy optimism. In citing "New Opportunities," then-Secretary of Defense Les Aspin didn't examine opportunities for strengthening national security but, instead, proposed that the U.S. "protect and advance our security with fewer resources, freeing excess resources to be invested in other areas vital to our prosperity." Instead of a security review, the BUR is a design for extracting a "peace dividend" from the hide of the nation's armed forces.

Senator John McCain, a member of the Armed Services Committee, sums up the new national-security situation succinctly: "We are going hollow. We are losing our ability to get there 'fustest with the mostest.'"

The areas where the United States faces serious deficiencies include maintenance of equipment in depots, manpower quality, manpower strength, and modernization of equipment. The Administration is failing to fund the upgrading of armor and artillery, fire support, mine warfare, long-range conventional-strike aircraft for the Navy, airlift for the Army, improved attack helicopters, improved munitions for the Air Force, improved conventional bomber and attack aircraft, and defenses against chemical and biological weapons.

TURNING THEIR BACKS

These needs are not addressed, or are muted, in the "Bottom-Up" Review. The purchase and deployment of new weapons is presented in a vague and uncertain manner. The need for new munitions is dismissed by an Administration that says existing munitions are adequate to the less ambitious tasks that are likely, a convenient sleight-of-hand.

Readiness is compromised by other Administration decisions such as using readiness funds to pay for humanitarian operations, which properly should come out of State Department or foreign-aid budgets. The services are deprived of almost $900 million in readiness funds in order to pay for global cooperation programs.

The readiness problems are innumerable. Here are a few:

Army. The U.S. Army Chief of Staff has said that "the Army is on the razor's edge of readiness." Manpower cuts are breaking up units and crews, and creating turbulence. Pay cuts are damaging morale. Funds for recruiting have been cut. Funds for maintaining operational tempo have been slashed 21 per cent from 1985. Operations and maintenance expenditures have been slashed 36 per cent. Modernization funds have been reduced 50 percent during the last five years.

Air Force. Funding for the Air Force—so important in Desert Storm—also has been slashed: 45 per cent for fighters and 41 per cent for bombers. It is unlikely that the Air Force will be given a new fighter until 2010. The U.S. has depended on the C-141 and C-5 transport planes for many years and desperately needs the new C-17. It will be provided, but in far smaller numbers than originally announced.

The Air Force has had its funds for exercises severely cut. Cuts also affect retention of personnel, maintenance, spare-parts availability, and other key readiness factors. Munitions are inadequate, and the Air Force has had to draw on war reserves.

Navy. The most revealing evidence of the Navy's "going hollow" is planned cuts in warships from 600 to 346, including a reduction in carrier strength from 15 to 12. But the Navy will continue to bear responsibilities from the Persian Gulf to the North Pacific and from the Adriatic to the Caribbean. And though the 346-ship level is the stated goal, the Navy has only enough money to maintain a 200-ship level. In addition, new weapons programs are grossly underfunded; the Navy will not have a replacement for its aging A-6 strike aircraft until 2010.

Critical problems exist in many specialized areas of naval operations. Mine warfare is a favorite tool of smaller naval powers, including rogue states, but the U.S. Navy has only 26 mine-warfare ships. The Navy's 40 amphibious vessels new in service, meanwhile, are to be replaced by 12 ships of the *LS* class. It is said that the amphibious-ship total will rise to 35 by 2008, but all sorts of Third World crises can materialize in the next 14 years. The Administration has also slashed the number of nuclear attack subs from roughly 80 to 40.

Marine Corps. The Marine Corps needs new helicopters to replace the aging machines now in service. Congress has authorized three combat-ready Marine Expeditionary Forces, but the Corps lacks the money to achieve this force level. The Marine Corps has had to use readiness funds to carry out humanitarian and peacekeeping operations in Somalia and Bangladesh. In the past year, the manning level of the Corps was reduced, but 9,000 more Marines were deployed overseas and for longer periods.

SDI level. If rogue states acquire nuclear weapons, the Strategic Defense Initiative unquestionably will be recognized as a strategic imperative. North Korea's acquisition of nuclear weapons surely will pose momentous questions for Japan. Will Japan decide to develop its own nuclear-weapons capability? Will it ask the United States to provide a ballistic-missile defense shield? But SDI has been drastically whittled away by the Clinton Administration.

Command Structure. As a result of defense "reform" legislation of the 1980s, the U.S. has moved toward a centralized, Prussian-style command system, which generations of American political leaders and military commanders strongly opposed. The Joint Chiefs of Staff have been stripped of their traditional access to the Commander-in-Chief, and the Chairman of the Joint Chiefs is now the sole military advisor to the President.

The folly of denying the Joint Chiefs their role as military advisors to the President was demonstrated in Somalia when U.S. servicemen were ambushed because they didn't have heavy armor. After the fact, President Clinton insisted the Joint Chiefs had been consulted. Later, he was proved wrong. They weren't because the JCS Chairman and the Secretary of Defense had no legal obligation to do so.

The first step is for Congress to restore the authority of the Joint Chiefs, bringing back the requirement that the White House consult them about military operations, and the right of the Chiefs to express their several views to the Commander-in-Chief. Lawmakers should also restore the Chiefs to operational control of their respective combat forces. Under such a system—the traditional system—operations such as the Somalia action would be under a task-force commander who would report to the Joint Chiefs.

The Joint Chiefs would be supported by a Joint Staff under their direction—undoubtedly a smaller Joint Staff than exists at present. When the Joint Staff was created in 1949, it was limited by law to 50 members. As

of 1992, it was some 3,000 strong—and it reports directly to the Chairman of the JCS, not to the Joint Chiefs. Return of command authority to the service heads would eliminate the unnecessary layers of civilian officials who lack professional military experience. The presence of these civilian planners during Robert McNamara's reign at the Pentagon undoubtedly contributed to the U.S. failure in Vietnam, as they second-guessed experienced air and ground commanders.

Indeed, the McNamara heritage of interference with military commanders lives on. In Bosnia in April, U.S. airpower was used, as the phrase goes, to send a message. It didn't work, and understandably so. But U.S. planes chasing down symbolic targets of a tent or two evoked memories of McNamara risking American lives by sending U.S. aircraft after token targets, bypassing the militarily significant ones.

In the course of restoring the services' separate command authorities, Congress should revoke the fatally flawed Jointness Doctrine and the Unified Command Plan that implements it. The Jointness Doctrine amalgamates military forces when cooperation would be more efficient; it blurs the vital distinctions between different forms of military power, and could even wind up placing an Army general over naval forces, and admiral over combat infantry. The Unified Command Plan, meanwhile, changed the old Atlantic Command, a naval command, beyond recognition. It now includes almost every serviceman in the United States, an impossibly large mission without clear roles for the respective service components.

Compounding these long-standing problems, the 1994 defense authorization bill not only cuts funding for national security, but also functions as a Christmas tree for nondefense projects. The Defense Department is forced to pay out $5.4 billion for environmental clean-up work around military bases. Some $979 million in aid to former Soviet republics came out of defense funds, as well as $20 million for women's health issues.

The Roman philosopher Seneca once said: "Our plans miscarry because we have no aim. When a man does not know what harbor he is making for, no wind is the right wind." Tragically, this is the case with the United States today. The American future is being dribbled and bumbled away in different parts of the world. Military forces are being deployed without a master plan of what the United States hopes to achieve. Replacement stocks of matériel are being drawn down without adequate replacement programs. Tinpot dictators and even regional warlords outfox the government of the United States and cause us to engage in expensive and bloody operations. This lack of planning could result in the United States being plunged into another major war—and without the forces to wage it.

NATIONAL LABOR RELATIONS ACT AND RAILWAY LABOR ACT AMENDMENTS

The Senate continued with the consideration of the motion.

Mr. HELMS. Mr. President, I do hope that the cloture vote presently scheduled for tomorrow will serve as the "last rites" for this session of Congress for a very bad piece of legislation, S. 55.

Mr. President, it seems that bad ideas proposed in the Senate never die. They just fade away for a while, certain to be resurrected for the purpose of kowtowing to some special interest group. That is precisely the case with S. 55, the so-called Workplace Fairness Act, which would be more properly identifiable, I think, as the pushbutton strike bill, because with the push of a political button, big labor can prompt enough work stoppages and strikes to bring the American economy to its knees.

S. 55, in one form or another, with varying language, has been a perennial favorite with certain Members of Congress with strong political alliances to the labor union bosses. S. 55 fractures the delicate balance between workers and employers which has made the American workplace the job engine of the world.

Think of this, Mr. President: Since 1938, U.S. labor law has carefully balanced labor's right to withhold its services against management's rights to keep its doors open.

Contrary to the absurd claims of labor union bosses, management's right to replace striking workers has been seldom invoked. In fact, the most recent study by the GAO showed that although management has often threatened to use its legal rights, the threats were carried out in only 17 percent of all strikes and affected less than 4 percent of all striking workers.

Among other things, S. 55 denies employers the right to offer permanent jobs to new employees during a strike. Under this legislation as proposed, anybody hired during a strike would have to be fired. Also, employers would have to cancel any promotions or raises given during the strike. S. 55 would prohibit workers from doing anything but marching to the tune of the labor bosses. So just when millions of American workers are saying no to organized labor, along comes the Senator from Ohio and the Senator from Massachusetts, with the aid of President Clinton, to breathe life into the dying labor union movement.

It is not going to work, not even with the Congress as presently constituted, and I suspect that the Congress will be constituted a little bit differently come next year. We will see about that in November.

In any case, make no mistake about it, S. 55 is a dangerous bill. At stake is the right of every employer to keep his business operating during labor unrest. At stake is the future of millions of American workers who refuse to be coerced into joining labor unions. At stake is whether we will accelerate the flight of American companies to Mexico and the Far East because of out-of-kilter, coercive labor laws.

Ponder this question: Will any worker be willing to risk life and limb to cross a picket line and go to work if this bill should pass? I certainly think not. This legislation leaves workers with no practical alternative but to join a union at a time when Americans of all stripes are repeatedly rejecting the tactics of the labor union bosses.

The leaders of the AFL–CIO have acknowledged that they want this legislation to make their strike weapon as powerful as possible. But, Mr. President, a distinguished friend of mine, Walter Williams, who happens to be professor of economics at George Mason University, had an observation which was very interesting and very effective. Let me quote part of what he said.

Professor Williams observed:

> Unions' power comes from their ability through laws or violence to prevent businesses from hiring other workers. If they didn't have that ability, a strike would be just a massive resignation.
>
> The union struggle is not against employers, as popularly thought. It's against workers who are not union members. One way you see this is to ask: Who gets beat up during a strike? It's not owners or management; it's workers who've disagreed with the union and wish to work. The union labels these men and women trying to earn a livelihood "scabs." The National Right to Work Committee estimates that almost 6,000 violent incidents have occurred during strikes since 1975, including the 1990–1993 Greyhound bus strike, where buses were shot at 52 times.

As Professor Williams clearly illustrates, organized labor's objective is not to destroy employers outright. The union's top goal is to increase its membership rolls and to fill up the labor union coffers with forced union dues. This bill, S. 55, proposes to give the union the leverage to demand that all of a company's workers be forced to pay the bills the union leaders demand. Mr. President, what worker will be able to withstand threats, picket-line violence, and blacklisting to work at a job if he knows that, by law, the employer must punish or fire him as soon as the union says the strike is over? The answer to that is self-evident. Why should big labor end future strikes quickly and quietly? They will not do it, if this bill should pass, which thankfully I believe it will not. But under this proposed bill, union strikers cannot lose their jobs and the bosses cannot lose the massive dues paid to their unions.

The Clinton administration is in the White House partly because of the money and organization big labor was able to provide in 1992, as has been the case in every election in my memory. Fair enough. Big labor means big bucks for liberal politicians. Labor union political action committees gave $41.3 million to Democratic candidates in 1991 and 1992. But my friend Reed Larson of the National Right to Work Committee points out that $41 million of that $41.3 million was only the tip of the iceberg. And he is right. Unreported soft money contributions to the Democratic Party in the form of phone banks, get-out-the-vote drives, door-to-door canvassing, amounted to at least 10 times the value of that $41 million up-front money.

So maybe that is the reason you see certain Members of Congress and other politicians clamoring to do the bidding of labor union bosses every time a piece of legislation like this is proposed.

In any event, as I said earlier, Mr. Clinton is working overtime to make the AFL-CIO forget his support of NAFTA. During the campaign he said he was on the side of working Americans, "who work hard and play by the rules."

I almost wept when I heard him say that.

Unfortunately, the striker replacement bill shows once again that the President's political rhetoric is far from the reality of his actions. Even though Mr. Clinton himself is from a right-to-work State, as is the State of North Carolina, he has surrounded himself with advisers who have nothing but contempt for the right of the American worker to offer his skills to any employer without fear of coercion or retribution. The attitude of the Labor Secretary Robert Reich is clearly illustrative. In 1985, while he was an instructor at Harvard University, Mr. Reich had this to say about the workplace in America. These are his exact words.

> In order to maintain themselves unions have got to have some ability to strap their members to the mast. The only way unions can exercise countervailing power vis-a-vis management is to hold their members' feet to the fire when times get tough. Otherwise the labor union is only as good as it is convenient for any given member at any given time.

There may have been a more callous description of labor unions by an individual supporter of the labor union movement, but I cannot think of one.

Incidentally, Mr. Reich was correct in what he said. Now that Mr. Clinton and Mr. Reich are in charge they are doing everything they can to see that the Federal Government helps organized labor hold every American worker's feet to the fire. Mr. Clinton and Mr. Reich are not new Democrats. They are more like their socialist friends in the British Labor Party, an organization which constantly lives up to its name in that economically troubled country.

Under these circumstances, we should expect more strikes for longer periods of time. That is what happened in Canada once striker replacement legislation became law north of the border. According to the Journal of Labor Economics, the province of Quebec nearly went bankrupt from the loss of revenue from businesses that had to shut down because of increased strike activity.

I noted the Heritage Foundation reported the other day that the striker replacement law in Italy has cost that country 1,440 workdays per 1,000 workers every year compared with fewer than 100 days lost in the United States due to strikes.

Now this legislation, as proposed, if passed—and I do not think it will pass—will wreak havoc on the State of North Carolina. And, of course, I have a provincial interest in that. North Carolina has the longest right-to-work tradition of any State in the Union. Businesses—big and small—are rushing into North Carolina in part because of our excellent educational system, but also because employers in other States know that their workplace will be free from intimidation and outside agitation by labor bosses. It is no accident that North Carolina has the lowest unemployment rate of the 20 largest States in America. However, if a measure such as S. 55 should happen to pass, North Carolina's right-to-work tradition, which is more than 100 years old, as I pointed out earlier, would be swept away with one stroke of Bill Clinton's pen. And I am totally, unalterably opposed to that. So much for the Democrat who proposed so piously that he was going to stand by the working men and women "who work so hard and play by the rules."

Mr. President, on Monday Senators METZENBAUM and WELLSTONE asserted—and I want to be as charitable as possible, but the best description I can think of in reference to what they said is nonsense—that to be against this bill is to be against the worker. Nothing could be further from the truth. In any free country, workers must be free to organize themselves and to strike. That is a given, everybody agrees to that.

It is already illegal to fire strikers and hire replacements if a company engages in unfair or dangerous practices. But when workers do strike for higher pay or benefits, they take a risk, as they should, that their employers will not be able to find the skilled people to replace them. That they are sometimes, though rarely, replaced keeps sanity and stability in the workplace.

Even the Washington Post noted back on April 27, 1993, that the striker replacement bill, in the judgment of the Washington Post, if you can believe this, is,

> * * * ill advised legislation whose long-term effect would be to hurt the U.S. economy far more than it would help. * * * it's one thing to try to keep the collective bargaining system functioning, quite another to get into the business of trying to ordain a result.

And I am glad to say on this occasion to the Washington Post, "Amen," because I so seldom get a chance to do that.

In any event, because of the largest tax increase in American history and an explosion of job choking regulations, the Clinton administration and its acolytes in the Congress—House and Senate—have already produced a jobless recovery. We simply cannot afford to let them get away with their radical plans to wreck the American workplace. There is nothing, repeat nothing, fair about the Workplace Fairness bill. This legislation discriminates against the small businessmen who struggle to provide 90 percent of our jobs, by the way, it discriminates against employees who choose to remain on the job and, it discriminates against workers who just do not want to join a union. This bill gives striking union members exclusive rights to jobs they refuse to perform and that is not fair for any American, union member or otherwise. Rest assured, if this sort of legislation should ever pass, the big winners—the only winners, as a matter of fact—will be the big labor bosses who will get richer and fatter and perhaps some of the politicians down in Mexico City who are ready to welcome more and more American companies fleeing from more taxes and regulation.

In summation, Mr. President, striker replacement means higher labor costs, higher prices, lower productivity, and fewer jobs and that is all this economy needs to send it spiraling down into another recession. The Las Vegas Journal recently warned those who have bought into this Kennedy-Metzenbaum-Clinton labor plan, that they will "do well to steer clear as these dinosaurs race for the tarpit."

And I think that says it all.

Thank you, Mr. President.

I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I first want to thank the Senator from Kansas for graciously allowing me to proceed. He was here on the floor ahead of me. I thank the Senator for his graciousness.

Mr. President, I rise today in support of the motion to proceed to full Senate debate of S. 55, the ban on the permanent replacement of striking workers. This issue has been before the Congress for several years. It deserves the benefit of complete debate and I urge my colleagues who voted to prevent that debate to reconsider.

Many of my colleagues have already spoken on this important issue, so I will speak briefly.

Section 13 of the National Labor Relations Act of 1935, the law that has guided this country's labor law, expressly protects the right of American workers to strike, if necessary. But in 1938, the U.S. Supreme Court said that Mackay Radio and Telegraph Co. could hire permanent replacements. However, for almost 40 years permanent replacements were rarely used. But in the last decade, unfortunately, we have seen an increase in the use of permanent replacements allowed by the Mackay case.

American labor policy is based on maintaining the fragile balance between labor and management. The

right to strike is a fundamental principle of the nation's labor policy. However, the right to strike means nothing if a worker is fired as a result. When workers vote to strike over wages or health benefits, they are not voting to permanently replace their employer—they are voting to withhold their labor while they continue to negotiate. If an employer permanently replaces a striking worker there is no hope for continued negotiations—no hope for compromise. The threat of being permanently replaced undermines the right to collectively bargain, to negotiate, to go on strike if necessary. It is that simple.

Neither management nor workers prefer dispute to resolution; no member of this body wants to encourage the frequency of strikes, the duration of strikes, or the bitterness of strikes. Workers want to be at work earning a decent living for their families. Management wants a business that is running at full steam. We all prefer successful collective bargaining and a strong partnership between labor and management.

That is the balance we are trying to restore with this bill. Let us debate it on its merits and vote it up or down. This is a matter of basic equity. Let us get on with it.

Mr. President, on another matter, I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

DON MACKEY

Mr. BAUCUS. Mr. President, last week, the Nation heard the news of the tragic fire in Glenwood Springs, CO, which took the lives of 14 Forest Service firefighters. Today I would like to share with the Senate the story of one of them: Don Mackey of Hamilton, MT at the foot of the Bitteroot Mountains.

Don Mackey was one of 10 smokejumpers from the Forest Service's northern region team, based in Missoula, who flew out to Colorado to help put down the Glenwood Springs fire. Put simply, his job as a smokejumper was to parachute out of low-flying planes to stop forest fires.

In his book "Young Men and Fire," the Montana writer Norman Maclean—who, by the way, also wrote the book "The River Runs Through It"—told the story of the last tragic forest fire, the Mann Gulch fire of 1949, just outside of Helena, MT. Mr. Maclean described the smokejumpers as follows:

> The Smokejumpers are * * * the crack firefighters of the Forest Service, the shock troops. Whenever fires are critical, which practically always means big, that's where they are, from Missoula, Montana, to Minnesota to New Mexico to Alaska, and they don't care how they get there—by plane, bus, horse, or on foot, just so it is the fastest way.

To be a smokejumper is to be part of an elite. You must have great physical strength. You must have high intelligence and rigorous training. And you must have extraordinary courage.

Don Mackey had all of that, and he had something more. He had a sense of duty, honor, and compassion. He had the qualities that make an ordinary man or woman a hero.

When the wind shifted out at Glenwood Springs last Wednesday afternoon, Don Mackey was safe. He was already at the top of the ridge. He could have stayed right there. But when the fire blew up, and he saw his crew trapped on the slope below, it was these qualities—strength, courage, honor, compassion—which led him from safety back into the burning woods.

Quentin Rhoades, one of the men he saved, tells how Mackey came down the ridge and brought eight firefighters out to a safe area. And then he turned back, once again, to save the rest. When he went back downhill the second time, the fire caught him.

"If he had stayed with us," says Rhoades, "he would have lived."

In the coming months, our task will be to do all we can to make sure this tragedy is never repeated. After the Mann Gulch fire in 1949 the Forest Service reviewed all its firefighting procedures, its training, and its technology. It learned some lessons and made some changes. And because of that, in all the years between Mann Gulch and Glenwood Springs, not one smokejumper died on a fireline.

It may be that in the coming months, we can learn a new set of lessons from the fire at Glenwood Springs. Or perhaps there was nothing anyone could have done to avoid it. There will be time to find the answers. But today we must join in sympathy and solidarity with the families of Don Mackey and all the victims of this fire.

And we must also join in gratitude to Don Mackey for the lives he saved at the price of his own. As the Scripture tells us:

> Greater love hath no man than this, that a man lay down his life for his friends.

Mr. President, all Montana mourns the loss of Don Mackey. All Montana shares his family's grief. But all Montana will remember this great hero with gratitude, with love and with pride.

I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DOLE. Mr. President, was leaders' time reserved?

The PRESIDING OFFICER. That is correct.

CRIME

Mr. DOLE. Mr. President, an American is murdered every 21 minutes, raped every 5 minutes, robbed every 46 seconds, assaulted every 29 seconds.

Each day, 14 Americans are murdered, 48 are raped, 578 are robbed, all by criminals who were arrested, convicted, sent to prison, and somehow released to our streets, the beneficiaries of liberal parole and probation policies. Despite all this carnage, Congress continues to dawdle, failing to pass a crime bill because of differences over the so-called Racial Justice Act.

Unbelievably—and I underscore this—unbelievably, neither President Clinton nor his Attorney General, Janet Reno, has taken a position on the act. Both are officially neutral even though the National Association of Attorneys General, the National Association of District Attorneys, the National Troopers Coalition, and other prominent law enforcement groups claim that the act would sound the death knell for the death penalty in America. If you support the death penalty, you cannot support the Racial Justice Act because the two are mutually exclusive.

Another crucial issue facing the crime conferees is the issue of funding. Will the crime bill strike the right balance? Will it devote enough resources to incarceration? Or will it opt for the root causes approach, pouring billions and billions of dollars into soft-on-crime, sixties-style, Great Society programs?

It appears the crime conferees are trying to resurrect last year's defeated stimulus package, disguising a hodgepodge of big dollar spending programs under the guise of anticrime legislation: $2 billion for something called the Local Partnership Act, whose funding formula happens to favor cities with high tax rates. So if you are a mayor in some city trying to keep taxes down, or members of a city council, you are going to get shortchanged in this formula. Wichita, KS, happens to be one which will be shortchanged because they have a lower tax rate because they try to run their city as they should.

Forty million dollars for a midnight sports program; $900 million for a model intensive grant program; more than $500 million for youth employment and skills program; and more than $1 billion for something called the ounce of prevention council which is supposed to coordinate all the other spending on job placement, recreation and outreach programs. In other words, a new program to coordinate programs. Boy, if that does not sound like the Federal Government at its best—another program, $1 billion, to coordinate all the other programs, and we do not know how much they cost.

Mr. President, on top of all this, add another $1.4 billion for drug courts, which are supposed to provide a nonpunitive approach to dealing with drug-related crimes. Instead of prison

cells, prisoners are offered testing, treatment, alternative punishments, and aftercare. Unfortunately, participation in the drug court program is not limited to first-time, nonviolent offenders. Repeat and violent juvenile offenders are welcome.

Whatever the merits of these so-called prevention programs, the bottom line is that incarceration is the most effective crime stopper. A violent criminal—let me underscore, I am talking about violent criminals and only violent criminals—violent criminals kept behind bars cannot harm a single law-abiding citizen anywhere in America. Not one.

That is why the primary focus of this bill should be and must be locking up violent criminals and making certain they stay behind bars through what we call truth-in-sentencing provisions which passed the Senate with an overwhelming majority. A 15-year sentence should mean just that: 15 years, not just 5 years, not 10 years, not 3½ years. But truth in sentencing means 15 years if you are given a 15-year sentence. In some cases, you might get a little time off.

If truth in sentencing were a reality, Polly Klaas would still be alive today; Michael Jordan's father, Robert Jordan, would still be alive today, and Launice Smith, the 4-year-old gunned down in a Washington playground last year, would probably still be alive today.

Why? Because all were murdered by thugs with prior criminal records who somehow slipped through the revolving prison door legally and with tragic consequences. As the American Legislative Exchange Council recently pointed out:

The single most effective thing the Congress of the United States could do this year in any anticrime legislation is to help us build enough prison capacity to lock up every violent offender and begin to achieve the goals of truth in sentencing * * *. Prisons are the most effective instruments of crime prevention that we have in the country. At the $13.5 billion authorization level, we can reasonably add 130,000 prison beds, enough to lock up every violent—

I want to keep underscoring the word "violent." We are not talking about the average run-of-the-mill crime, we are talking about violent offenders.

—and move aggressively throughout the country to begin to reach the goals of truth in sentencing.

It is still an open question whether the Congress is up to the challenge. If the conference report contains the Racial Justice Act, or some version of it, or if we put all our money into these pie-in-the-sky programs, Great Society, new society, warmed-over programs that have not accomplished anything but more bureaucracy and dependency, then I think all bets are off and all bets should be off.

If the report comes up short on prison funding and fails to promote truth in sentencing, then the American people are going to be the big losers and some are going to lose more than you think. Some are going to lose their lives, and I think that is fairly important. Some will be raped, some will be robbed, some will be mutilated.

I do not care what survey or where you take the survey, whether it is Minnesota, South Carolina, Kansas, California, or New Mexico, No. 1 is crime. Crime. Health care generally ranks about fourth or fifth—3 to 6 percent. And if you ask the American people what is on their mind, it is how do we stop crime in my city, or my rural community, or wherever it may be. But it is generally about 20, 22, or 24 percent.

HEALTH CARE REFORM

Mr. DOLE. Mr. President, health care is a big problem, no question about it. It is going to be a big issue. I understand the majority leader indicated earlier today we are going to take it up in late July in the Senate. That may be or may not be, because I am not certain what will be coming up.

There is a piece by Robert J. Samuelson, who is a Democrat economist, in this week's Newsweek. It is entitled: "Our Health Care. Start Over." He gives you good reasons why we ought to start over. He just says at the start, "A bad bill would be worse than no bill at all."

I think he is exactly right, and I would certainly recommend this for the reading of all my colleagues on both sides of the aisle. Mr. Samuelson does not always agree with me; he has been a critic of some of the things I have done. But in this case, whether it is the Finance Committee bill or whether it is the so-called Kennedy bill, the Labor Committee bill, or the two or three bills the House passed out of committees, I think he is right. What he suggests is we ought to do it right. The American people want us to do it right. They are not interested in deadlines. They are not interested in who gains or who loses in politics in November 1994. They want to get it right. And they want us to take care of preexisting conditions that affect millions of people. They want us to take care of portability so they can move from one job to the other without losing their benefits.

There are a lot of things, probably 20 things we could have a voice vote on here today and pass, where everybody agrees. And if we do not do that, then we are denying literally millions of people opportunities they should have. Let small businesses go together, small businessmen, business women, pool their resources, get better deals from insurance companies, better coverage for their workers. Do not tell the American people you can only have one standard benefit package, as the administration does and as the Finance Committee bill does. One size fits all. You cannot buy any less. If you are a 22-year-old and do not have a family and want to buy a catastrophic plan, you cannot do that because that is less than the standard plan. The Government is going to tell you what you can buy. You cannot buy any less. You can buy more, but you cannot buy any less. And all that is discussed in this article by Mr. Samuelson.

Now, I have had an opportunity to travel some here lately, and there is no doubt about it: The opposition to the President's plan is growing in all parts of America, whether you be Democrat or an Independent or Republican, or whether you really do not care about politics at all. I guess when the President first announced his plan, he probably had 74 percent support. That is what a poll showed. The same poll shows 32, 33 percent now; some maybe 38, 39. So the President is now saying, well—he does not say it, but he says, well, my plan is not any good, but the other plans are not any good either.

Last week, or 10 days ago, 40 Republican Senators out of 44 said OK, let us put a plan out there so the American people know where we stand. We are not doing it in any partisan way because we are trying to attack Democrats. In fact, we were in touch with 14 of our Democrat colleagues and in touch with Democrats and Republicans in the House.

So I introduced, with Senator PACKWOOD, a bill that we think does the very things that Mr. Samuelson and other people talk about.

Preexisting condition. If somebody has cancer in the family, should you be denied coverage for the family? The answer is no. Take care of it. If you do not have the money, should somebody subsidize coverage? The answer is yes, and we take care of it. But we do not have employer mandates. We are not trying to put people out of work. The employer mandate is an employer tax. It is a tax on business. And in the State of Kansas, where 90 percent of your employers have 10 or fewer employees, small businessmen and small business women are the backbone of our economy; they are doing all they can for their employees, but there are limits.

So in the Dole-Packwood plan, there are no mandates, no new taxes, and no price controls. We think that is important. I have not had anybody write in and say to me, "We want more taxes," after the $265 billion tax increase imposed on the American public last year. And some say that is why the dollar is falling apart, because of the big tax increase.

The President said the Dole-Packwood plan does not do anything for the middle class. Well, I guess what I should say is the President is wrong. I

want to take just a few minutes to set the record straight and list some of the ways in which our proposal helps average, hard-working Americans whose primary interests are keeping a job and providing for their families.

First of all, as I said, taxes. If there is one thing middle-class America is tired of, it is taxes. The Dole-Packwood plan does not contain 1 cent of new taxes, nor does it raise any existing tax. The same cannot be said about the President's plan or about the plan passed by the Senate Finance Committee 10 days ago. No one knows for certain what actually passed in the Finance Committee, but some estimates on the new taxes in the bill are as high as $500 billion over the next 5 years.

Quality. Quality is very important to the American people. Polls show that 85 percent of Americans are satisfied with the health care they receive. And the American health care system, while certainly not perfect, is the best in the world. The Dole-Packwood plan would maintain that quality by leaving control in the hands of the American people and their doctors. The President's plan would compromise that quality through more Government, more regulations, and more mandates.

No. 3, we do not increase the deficit, which also affects the middle class and everybody else in America. Americans are concerned about the future of their children, and if there is one thing that endangers that future, it is the Federal budget deficit. The Dole-Packwood plan provides a fiscal "fail-safe" mechanism to assure that reforms are implemented on a pay-as-you-go basis. If you do not have the money, you do not increase the benefits. And you do not raise taxes.

The Clinton plan, on the other hand, promises everything to everyone. Even the nonpartisan Congressional Budget Office has estimated the Clinton plan will add at least $70 billion to the deficit by the year 2000. And we always underestimate things around here, so who knows what the real figure is?

Choice is another thing I think affects the middle class, and everybody else. In today's market, people buy the insurance they think best fits their needs, as it should be in a free country. The President's plan makes it illegal for Americans to buy anything less than the standard plan the Government approves.

Can you imagine that? In a free country like America, you have to buy their plan. You cannot buy anything less in America. Nothing less. You have to take it. That is it. Now, to me, that is not what the American people may have voted for in 1992. If you took a survey now and asked the American people: Do you want a choice of plans; do you want the same choice that Members of Congress have—where we have 20 different options, you only get one. You can only have one. If you do not like it, that is tough. Oh, you can buy more, but you cannot buy any less.

Some of these standard benefit packages are very rich, and some of the benefits in those packages are never going to be used by some people in America. But you cannot say, well, I do not want this or I do not want that, because that is in the benefit package. You have to buy it. That is one size fits all.

As I said, you may be single; you may be 22 years of age; you may have a job; you may not have a lot of money; you may want catastrophic coverage; you may want a medical savings account where, if you put more money in a medical savings account, your employer does, and you do not spend it all, you get it back at the end of the year. It is yours. You do not have to pay tax on it. You put it in. If it is $2,000 and you only spend $1,000—it is first-dollar coverage—you get the other $1,000 back at the end of the year.

Not bad. You cannot do that in the administration's plan. We do not have any job-killing employer mandates. Americans want health care. But they do not want to pay for it with their jobs. My colleagues keep saying, "Oh, 73 percent of the American people said they want employer mandates." How many? They did not take the poll just with employers. If anybody said, "Do you want somebody else to pay for your insurance?" you probably would say, "Sure. Why not?" So 73 percent of the American people said let somebody else pay for it. I guess the other 27 percent must be the employers. It must be that small businessman and that small businesswoman in Kansas, California, or South Carolina or somewhere else. "You pay for it." So I am not surprised at that poll.

But the Clinton plan and many of the other plans contain employer mandates. Now they have a new thing they call trigger. It is a trigger. It says if we do not have employer mandates, if we do not reach a certain percentage of coverage by the year 2002, then we just automatically trigger a mandate. A mandate is an employer tax. It is a tax on your business.

In fact, I spoke this morning by phone with the National Restaurant Association. They are having town meetings all across America. They create a lot of jobs, lot of part-time jobs for a lot of young people who work after school and who are not out on the streets. They are worried about employer mandates. They want to provide all the coverage they can. But they do not want to have people have to leave their job because they cannot afford to pay. So mandates whether they are triggered or untriggered are bad. They are taxes. They ought to be called taxes.

Portability: Many Americans find it impossible or expensive to obtain health insurance if they have a family member who is already sick or who has health care problems. This is called a preexisting condition. And it is one of the reasons people get locked into a job and is because they do not want to leave. If somebody has a preexisting condition, you are covered in your present job. You do not dare leave because you cannot get coverage again. We are going to guarantee in the Dole-Packwood bill that you be able to get insurance at an affordable price and not risk losing that insurance if you change jobs which is very important.

A lot of people call it job lock. "I cannot leave my job because of the insurance." If you watch some of these programs, all of the anecdotes, these terrible stories about tragedies, about people who have preexisting conditions, or do not have portability, it ought to be fixed.

Fairness: The Clinton plan says that everyone should pay the same amount for health insurance, the process known as community rating. The Dole-Packwood plan sees this practice as unfair to younger people who most often use less health care. That is why Dole-Packwood allows variations in the price of insurance based on age.

Let me give you an example. New York, a great State, the Empire State. They tried this community rating. They tried what we call pure community rating. They tried it not long ago. The increased costs led about 25,000 young New Yorkers to drop their insurance in the first 9 months of enactment because they are paying 4, 5, or 6 times what they ought to be paying. Somebody has to defend the young people in America. They are the ones out there that are going to be the leaders of tomorrow and the workers of tomorrow—in fact, they are the workers of tomorrow. Why should a young American just starting out making $15,000 a year subsidize the health care of middle-aged professionals making $50,000 a year? It does not make any sense. That is what happens under the President's bill.

Small businesses. Small business men and women are the backbone of America's economy. The Dole-Packwood plan helps small business in many ways and here are three.

First, small businesses can join together in pools to provide more coverage at better rates with their employers.

Second, small business and those who are self-employed can enroll in the Federal Employees Health Benefit Program. We give those people the same choice that Members of Congress and the President now enjoy. If it is good enough for us, it ought to be good enough for them. Why cannot they have that right? To ensure that they should have that right, it is in our bill.

Third, if you are a self-employed small business person or individual who buys his own insurance, you cannot deduct health insurance costs. You

can deduct up to 25 percent. Under our provision, the bill phases in tax deductibility up to 100 percent. If you are a rancher, if you are a small farmer, if you are a self-employed business man or woman, you will be able to deduct 100 percent of your insurance costs like everybody else. We are going to give you the same treatment as that received by anyone whose employer contributes to their health care insurance costs.

So does the Dole-Packwood proposal help the middle class? You bet it does. That is one of the reasons I am proud to cosponsor the legislation, and why it has earned the support of 40 Republican Senators and many outstanding organizations across America.

Madam President, I think my leader time has probably expired. But I would like to now speak briefly on the striker replacement motion.

The PRESIDING OFFICER. The Senator has that right.

NATIONAL LABOR RELATIONS ACT AND RAILWAY LABOR ACT AMENDMENTS OF 1993

MOTION TO PROCEED

The Senate continued with the consideration of the motion.

Mr. DOLE. Madam President, we have a lot of traditions here in Congress. One of the most well-established is traditionally giving bad legislation a great-sounding name. So if it is terrible legislation, give it a good-sounding name. Who can be against it?

Earlier this year we debated the Racial Justice Act, which in reality has little to do with civil rights, and a lot to do with abolishing the death penalty. Today, we are debating another bill with a misleading label. Who could be against the Workplace Fairness Act? That is the title. It is a terrible bill, but it has a great title. I guess maybe that happens in music sometimes. Maybe you get good titles and terrible lyrics. I do not know. But this bill ought to be called the strike promotion bill, or perhaps the Labor Power Grab Act of 1994.

The bottom line is that our system of collective bargaining has worked for over a half-century and continues to work well today. Just as an employer's demands are moderated by the knowledge that his or her employees are legally entitled to strike, which ought to be protected, so too are the demands of workers moderated by the knowledge that a strike may result in the hiring of permanent replacements. This uncertainty is an essential element of collective bargaining. Otherwise, somebody is going to be dominant. You are not going to have any good collective bargaining. It provides the strongest possible inducement for both groups—employer and worker alike—to negotiate in good faith and resolve their differences through compromise.

This balance between labor and management has been the hallmark of industrial relations in America since the passage of the National Labor Relations Act nearly 60 years ago and has served our country well, promoting economic growth, protecting the rights of working men and women, and preserving the industrial peace.

So as the old saying goes, "If it ain't broke, don't fix it." But unfortunately, that is exactly what some of my colleagues want to do. They want to fix the labor laws so the balance of power shifts to labor; organized labor, that is. They want to eliminate the risk factor from strikes by prohibiting the hiring of permanent replacements in economic strikes. This bill presents employers with an untenable "Hobson's Choice": Shut down the business, close down the factory, or accede to the union's demands, whether the demands are reasonable or not.

Without the prospect of permanent striker replacement, unions will resort to the strike weapon more and more frequently. Consumer prices will rise, jobs will be lost, communities will plunge into chaos. As Harvard Law School professor, David Westfall, pointed out, and I quote:

> Employees have the right to strike, but employers have the right to hire replacements. Without that right, employees would be free to strike repeatedly, no matter how excessive their demands in relation to prevailing wage rates, knowing that their jobs would always be waiting for them unless or until their employers eliminated their jobs or went out of business.

End quote; not my quote. It is a Harvard professor.

And, Mr. President, if you do not believe that strikes cost jobs, just ask the 2,000 former employees of Churchill Truck Lines, which shut its doors because it could not survive the recent Teamsters strike. The Teamsters strike put Churchill out of business, and it put its workers on the unemployment line.

Now, some of my colleagues want to paint the bleakest possible picture, making every employer out to be a vicious strikebreaker or unionbuster.

So the GAO did a study. They are supposed to be an impartial, nonpartisan—I doubt that sometimes—but instrument of Congress created by the Congress. But in this case, they found that a portion of striking workers for whom permanent replacements were hired was only 3 percent.

That means that 97 percent of all striking workers were not replaced on a permanent basis. So, contrary to the claims of some of my colleagues on the other side of the aisle, employers are not hiring permanent replacements to bust unions. There is no widespread abuse.

It is also important to distinguish between strikes called in response to an employer's unfair labor practice and economic strikes called over such issues as hours and wages. In unfair labor practice situations, strikers have a right to immediate reinstatement. That is current law. If a bad-apple employer engages in a practice that violates the National Labor Relations Act, then workers who go on strike must be rehired. "It is only in those situations where a strike has been called over economic issues that workers may be permanently replaced.

Madam President, in his 1992 campaign brochure "Putting People First," then-candidate Bill Clinton complained that "Washington is dominated by powerful interests and entrenched bureaucracy * * * too often those we elect to lead seem to respond more quickly to special interests than to the real problems of real people."

He got it right the first time. Let us talk about these special interests. The special interests are still here and are hard at work. This debate has been brought to you courtesy of the AFL-CIO, one of the biggest special interest groups in Washington and America.

During the 1990 election cycle, labor unions contributed a whopping $35 million to congressional candidates, with over 93 percent of the donations finding their way into Democrat campaigns. Two years later, in 1992, organized labor made political contributions exceeding $40 million. That is $75 million; that is a lot of money. Again, more than 90 percent of those contributions went to Democrat candidates.

In 1992, the Clinton-Gore campaign received more than $300,000 in reportable—and I underscore reportable—contributions from organized labor. And it is anybody's guess how many the Democratic National Committee benefited from labor "soft money," the millions in undisclosed, unregulated "stealth" contributions that escape the radar of our Federal campaign finance laws. We want to tighten that up, but it is not going to happen because our colleagues control the Congress, and they do not want to close that nice little loophole that means millions of dollars every year. So we are debating this because the special interests are hard at work. If the labor money machine were not working overtime, there would be no debate today, no striker replacement bill, and you can bank on that.

Finally, I just say that, occasionally—not too often—I find myself in agreement with the Washington Post. I will include an editorial from the Washington Post in the RECORD. The Post had it right when it editorialized that striker replacement was nothing more and nothing less than a "sop" to organized labor and a real threat to America's economic interests.

No doubt about it, There are many important issues deserving the Senate's attention—health care, crime, welfare reform, to name a few. And issues of health care will affect labor

unions. I hope they are tuned in because they are going to find that Republicans are going to be standing with them, and many Democratic colleagues are going to be on the other side in some of the provisional attacks and that we have some of the better health care plans for organized labor.

I suggest that the vote today pretty well indicated what is going to happen to this legislation: nothing. It is not going to be brought to the Senate. It is going to be set aside for the rest of the year. I hope the vote tomorrow at 10 o'clock will be the same as today, where we received 47 votes, and I think 53 on the other side.

I ask unanimous consent that the Washington Post editorial be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 12, 1994]

THE STRIKER REPLACEMENT BILL

The striker replacement bill may come up this week in the Senate, where at last count there appeared to be the votes to block it. We hope so. This is bad legislation that in the name of restoring balance to labor law and relations would in fact unbalance them and could well do lasting economic harm. A Democratic majority in the House passed it last year as a sop to organized labor, and the president has said for the same propitiatory reasons that he would sign it if it were sent to him. He should have said no on the merits. It has now been left to the Senate to do so instead.

The bill would deny employers the right to hire permanent replacements when workers strike over economic issues. (Other rules apply to strikes over unfair labor practices.) Organized labor says the ban is necessary to protect the right to strike, which it claims is threatened. But this is not an effort to regain a lost right. Rather, it's an effort to regain lost power—the membership and clout that labor has lost in recent years for reasons having mainly to do with a weak competitive position in the world economy. A change in labor law won't solve that problem, and would likely make it worse.

The law is currently contradictory. The National Labor Relations Act said in 1935 that strikers could not be fired. The Supreme Court nonetheless held three years later that they could be permanently replaced. Mostly the matter thereafter was ignored. Management rarely used the replacement power, and labor rarely protested it. Labor says that the tactic has now become more common. That isn't clear—but it has been used in some highly visible recent cases, and those have been enough to make it a major issue.

Labor says the power has been abused to break unions. No doubt there have been such cases. But occasions also arise when strikers by their behavior forfeit the right of return and companies ought to hire permanent replacements. This newspaper faced such a breach in dealing with one of its unions in the 1970s. The goal of labor law is not to determine the outcome of disputes but to maintain a system of mutual deterrence in which neither side can act without risk. An obdurate company risks a strike; obdurate strikers risk replacement. Most of the time the balance works and produces rational results. This bill would destroy the balance and ought not pass.

Mr. DOLE. Madam President, I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. I want to commend the able Senator from Kansas on the remarks he just made on several subjects. I hope the American people will read what he had to say, will listen to him, and be heartened as to what he says. I hope President Clinton will also be challenged by the remarks made by the able Senator from Kansas, the Republican leader. It is very important that we act on a crime bill and many other things that our able leader just mentioned.

HONORING THE U.S. 1994 WORLD CUP SOCCER TEAM

Mr. THURMOND. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate Resolution 240, now at the desk; that the resolution be agreed to and the motion to reconsider laid upon the table, and the preamble agreed to without objection; I further ask that the RECORD remain open for the remainder of the day so that other Senators will have the opportunity to cosponsor this resolution.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

So the resolution (S. Res. 240) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 240

Whereas soccer is the fastest growing team sport in the United States;

Whereas approximately 15,000,000 Americans participate in organized soccer;

Whereas both men and women play soccer;

Whereas soccer promotes sportsmanship and mutual admiration based on the talents, skills and determination of the players, regardless of a person's race, gender, sex, national origin, or socioeconomic background;

Whereas the United States is the host country of the 1994 World Cup soccer tournament;

Whereas approximately 31,000,000 people in the world will view the 1994 52-game World Cup soccer tournament;

Whereas the United States qualified for the Fédération Internationale de Football Association (FIFA) World Cup in 1930, 1934, 1950, 1990, and 1994;

Whereas, in 1991, the United States women's soccer team made history by winning the inaugural Fédération Internationale de Football Association Women's World Championship in China;

Whereas Tony Meola, Mike Lapper, Mike Burns, Cle Kooiman, Thomas Dooley, John Harkes, Hugo Perez, Ernie Stewart, Tab Ramos, Roy Wegerle, Eric Wynalda, Juergen Sommer, Cobi Jones, Frank Klopas, Joe-Max Moore, Mike Sorber, Marcelo Balboa, Brad Friedel, Claudio Reyna, Paul Caligiuri, Fernando Clavijo, and Alexi Lalas are members of the United States 1994 World Cup soccer team;

Whereas Bora Milutinovic is the head coach of the United States 1994 World Cup soccer team;

Whereas the United States 1994 World Cup soccer team staff consists of general manager Bill Nuttall, assistant coach Timo Liekoski, assistant coach Steve Sampson, assistant coach Sigi Schmid, goalkeeping coach Milutin Soskic, team administrator Renato Capobianco, press officer Dean Linke, trainer Ander Rudawsky, assistant trainer Hughie O'Malley, equipment manager Brian Fleming, assistant press officer Aaron Heifetz, press liaison Lisa Higgins, and team doctor Bert Mandelbaum, M.D.; and

Whereas the United States 1994 World Cup soccer team has represented America honorably and in the best spirit of America: Now, therefore, be it

Resolved, That the United States Senate commends the United States 1994 World Cup soccer team for its participation and outstanding efforts in the 1994 World Cup soccer tournament.

WORKPLACE FAIRNESS ACT

Ms. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Ms. MOSELEY-BRAUN. Madam President, today the U.S. Senate will vote on the motion to invoke cloture to proceed to S. 55, the Workplace Fairness Act. The time has come for the Members of the U.S. Senate to stand up and be counted. The time has come for all of us in this body to correct a significant imbalance that exists in labor law today, an imbalance that must be corrected if America is going to thrive in the increasingly competitive global marketplace.

Under our Federal labor law, an employee cannot be fired for exercising the right to strike. Congress guaranteed that right in 1935, with the passage of the National Labor Relations Act, which told every worker he or she had the right to organize labor unions, to bargain collectively with employers, and to strike in support of their bargaining demands, if necessary.

Unfortunately, based on a Supreme Court decision in the case of National Labor Relations Board versus Mackay Radio and Telegraph Co., that same employee who can't be fired can be permanently replaced. Now, I have yet to figure out a way to console an employee who just lost her job for going out on strike by telling her that she hasn't really been fired, she's only been permanently replaced.

This distinction makes absolutely no sense. It is newspeak—a distinction without a difference. Perhaps those in Congress who oppose this measure—those who plan to vote against cloture—could take a moment to explain the distinction to the Senate. Or, better yet, perhaps they can take a moment to explain this difference to Carol Little, a former employee of the Woodstock Die Cast Co. in Woodstock, IL.

In 1988, Woodstock workers went on strike to protest severe company cutbacks. At issue were a proposed reduction in wages and health insurance benefits, as well as a complete elimination of pension benefits, all at a time when the company was making a profit.

Many strike participants had 30 to 40 years of service in the plant and a majority had over 10 years of service. Carol Little, one of the 370 workers who went on strike was a typical Woodstock Die Cast worker. A 22-year veteran of the plant, she began working at Woodstock Die Cast in 1966. The job made it possible for her to support her children and disabled husband, while putting one son through college. As the family's primary breadwinner, she depended on the fair wages and benefits historically provided by Woodstock Die Co.

Within 2 days of the beginning of the strike, the company began advertising for and hiring permanent replacement workers. The company ultimately replaced 220 of the 370 strikers.

While the union provided hardship payments to workers facing severe financial problems, a number of strikers still lost their homes. Several of the striking Woodstock Die Cast workers were forced to file for bankruptcy. In addition, the practice of replacing strikers had severe repercussions throughout the community. The stress caused by the strike and the ensuing job losses contributed to an increase in the divorce rate among former Woodstock Die Cast employees. The most poignant example of tragic personal loss, however, is that of a 26-year-old striker who, in an act of hopelessness, took his own life after his wife left him.

Fortunately everything turned out OK for Carol Little. She was able to find another job and continue to support her family. But that does not obviate the strain of being replaced in a job where she had spent 22 years. And, unfortunately, not everyone was as fortunate as Carol Little.

But the tragic stories are not unique, Madam President. Similar stories could be told by the 85 workers replaced by Capitol Engineering in 1983; the 100 workers replaced by Calumet Steel in 1986; the 160 workers permanently replaced by Aircraft Gear Corp., in Chicago, IL, in 1990; and the 338 members of the Chicago Beer Wholesalers Association who were permanently replaced—to cite just a few examples.

The fact of the matter is, Madam President, there is no difference between permanently replacing a striking worker, or firing a striking worker. It is absolutely the same thing. As Thomas Donahue, secretary-treasurer of the AFL–CIO stated:

Stripped of the legal niceties, the Mackay doctrine is a grant to employers of the "right" to punish employees for doing no more than unionizing and engaging in collective bargaining. Mackay takes back a large part of the Federal labor law's broad promise to employees that they are protected against employer retaliation if they choose to exercise their freedom to associate in unions. And it does so when that promise would have the most meaning: during a collective bargaining dispute. At that critical time, the Mackay doctrine sacrifices basic workers' rights in the interest of aggrandizing employer prerogatives.

Passing the striker replacement bill, S. 55, would correct this imbalance. For all the rhetoric that surrounds this debate over S. 55, the issue at stake is simple—should an employee have the right to strike without losing his or her job? It is that simple and straightforward. I believe, and S. 55 states, that the only possible answer to that question is yes.

Someday in the near future—I hope sooner rather than later—this body will send to the President for his signature a bill to reduce violent crime. And while the final form of this legislation has yet to be determined, it is certain to contain the so-called three strikes and you're out provision.

For workers, one might have to modify this slogan, since without S. 55 the rule will continue to be one strike and you're out—out of your job, out of your salary, out of your benefits, and out of hope.

This situation must change.

Madam President, since being elected to the Senate I have had the opportunity to speak to hundreds of workers about the importance of S. 55. Every time I do so I am, of course, preaching to the choir. Telling a group of UAW members, for example, about the importance of passing the striker replacement bill is like telling South Africans the importance of voting.

But I have also tried to get the same message through to members of the business community in Illinois. I hope I have been successful. America's employers have nothing to fear from the passage of S. 55. In the end, labor and management's interests really are the same. We will rise or fall, sink or swim together.

Workers are the most important asset that a business has. Without the business being viable the workers have no job. So we all have an interest in seeing to it that there is a healthy vital business climate that will allow American companies to employ people to create jobs and to be competitive. Passing S. 55 will not encourage workers to strike, nor will it have an anticompetitive effect. It will only restore balance to their relations with employers.

I have had employers write and tell me to vote against this bill because, if it passes, workers will start going out on strike at the drop of a hat. They fear workers strikes because they are being asked to work too much overtime or because they do not like the color of paint in the lunchroom or because they have nothing better to do that day. Those arguments trivialize the gravity of a strike and suggest that going out on strike is fun. Nothing could be further from the truth. Anyone who has ever been out on strike, or anyone who has had experience with working on a day-to-day job in a plant, or the like, knows the truth of the matter.

For the average American worker, going out on strike is not fun; it is a real risk, a risk to your economic security, your car, your home, your future, your children's futures and even in some cases as I have indicated your own life. All of it can be on the line. But striking is at times a necessary and important tool to enforce collective bargaining. Without the right to strike, collective bargaining has no teeth. The right to withhold one's labor is in the final analysis the most significant power a worker has to enforce other rights given by the law. Strikes are a last resort, used only after all other bargaining tools have failed, but they are also a legitimate resort, and they must remain a viable option, Collective bargaining cannot and will not be productive so long as management can, the minute employees exercise their right to strike, completely eliminate the entire work force. That is what the law recognized before NLRB versus Mackay. That is what S. 55 will recognize, again.

This bill does not prevent employers whose workers choose to strike from carrying on with their business. A company faced with a strike has a number of options. It can hire temporary replacements. It can rely on supervisory or management personnel to complete jobs. It can transfer work to another plant, subcontract work, or stockpile in advance of a strike.

In the final analysis, it hopefully will give rise to better labor-management relations because people will be brought to the table to talk to each other to work out their problems and to recognize the commonality of their interests and resolve these last ditch disputes in favor of working together in everyone's best interest.

In addition, the Supreme Court has long held that an employer lawfully may lock out his employees as a means of controlling the time of a work stoppage and gaining an advantage in bargaining. S. 55 will not take away any of those alternatives.

There are, of course, those who say that passage of the Workplace Fairness Act is unnecessary, that employers are no more likely to hire permanent replacement for their workers now than they were when the Mackay decision was originally issued. The facts, however, tell another story. Since 1980, employers have made far more frequent use of permanent replacements.

In 1990 the General Accounting Office released a study of the use of permanent replacements by employers in labor disputes covered by the NLRA in 1985 and 1989. The study found that in fully one-third of strikes examined employers indicated they intended to hire permanent replacements. In approximately 17 percent of strikes, employers actually did hire permanent replacements. The GAO estimated that approximately 14,000 striking workers were replaced in 1985, and 14,000 more in 1989. Of course, this figure doesn't cover employees covered by the Rail Labor Act, or RLA, such as the 8,000 pilots, machinists, and flight attendants replaced by Continental Airlines in 1985, or the 7,000 employees replaced by Eastern Airlines in 1989. An AFL-CIO study found that 11 percent of striking workers—26,450 individuals in all—were permanently replaced in 1990 alone.

And there is no indication that the use of permanent replacements is decreasing. In fact, in a 1992 survey conducted by the Bureau of National Affairs, 79 percent of employers polled stated that if a strike occurred in their business, they would either seek to replace the work force, or would seriously consider doing so.

Madam President, that is hardly modern management.

But what is even more important for us to realize is that the real issue is not ultimately how often the permanent replacement weapon is used. The truth is that the mere availability of this weapon to management distorts the collective bargaining process in many, many more labor disputes than those in which it is actually used. The mere existence of that threat, whether or not it is carried out, is enough to undermine the bargaining power of labor unions.

Madam President, I find it ironic that just last week President Clinton flew to Poland to meet with that country's president, a former shipyard worker named Lech Walesa. In 1981, a group of Polish ship workers in Gdansk, led by Mr. Walesa, staged a strike that was a precursor to the current democracy movement in Eastern Europe. Those strikes made explicitly clear what all of us in this body should know—the right to strike, to protest unfair wages or hours or working conditions—is fundamental to a truly democratic society. Yet while the President paid homage to this brave leader, workers in this country fear losing their jobs should they exercise those same rights.

Now I was not in the Senate at the time of the solidarity strikes in Poland. But I am certain that many of my colleagues who were took the floor of this Chamber and made eloquent speeches praising the courage of those striking workers. And they were certainly right to do so, Madam President. But they are today saying just the opposite when it comes to the fate of workers here in the United States. I only hope those same people will support the workers of America—just as they supported the workers of Poland—in the exercise of their democratic rights.

After 12 years of antagonism during previous administrations, the time has come to forge a new direction. The time has come for labor and management to work together. Our major industrial competitors, including Canada, Japan, Germany, and France, have recognized that banning the permanent replacement of strikers restores balance in the collective bargaining process and makes good economic sense. The time has come for us to do the same.

America's union workers are not simply another cost to be cut. They are human beings who are oftenimes struggling to provide for their families, to make ends meet. And under our Nation's labor laws, they have certain rights, including the right to strike. Congress thought they guaranteed that in 1935, when the National Labor Relations Act was passed. Unfortunately, they were wrong. But we can guarantee that today. We can acknowledge what everyone knows to be true: that absent the right to strike without being permanently replaced, collective bargaining does not work. If management can replace workers the minute they take to the picket line, workers do not have a right to bargain. They walk into every negotiation with a loaded gun at their heads.

Madam President, we are entering a new era in economic competition. All over the world, barriers to trade between nations are falling. We are witnessing the development of a truly global marketplace. I believe that America can lead the way in this marketplace. But if we are to succeed, if we are to retain our competitiveness into the 21st century, there must be a symbiosis between labor and management and government. By symbiosis I mean a mutually dependent relationship in which everyone benefits.

Passing this bill is the first step in restoring that delicate balance, a balance that will allow America to retain its competitive edge.

Among America's workers, all eyes are on the U.S. Senate. The time has come for us in this body to let our workers know where we stand.

I urge my colleagues to take the simple step to restore balance in collective bargaining and to support S. 55 and to support the working people of this country.

Thank you very much.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Madam President, we have heard much in the debate on S. 55 about the balance of power between labor and management in the American workplace. We have heard arguments about who has more power today, and how that balance of power might change if S. 55 were to be enacted. Such arguments fail to recognize the historic opportunity that is before us to improve the nature of labor-management relations in the United States.

The point of this entire debate is and should be to create a level playing field that contributes to labor-management peace and fairness in the workplace.

In order to do that, we need to build an environment of trust in the workplace, not an adversarial relationship between labor and management. That is why I have submitted an amendment that I believe would contribute to fairness and trust in the workplace and better enable labor and management to protect their legitimate rights and concerns.

Unfortunately, the Senate finds itself in a situation where there has not been any opportunity to discuss compromises. And if the cloture motion fails to pass, we will lose any opportunity to debate such compromises on the floor and lose an important opportunity to improve labor-management relations in our country.

It is my hope that those who voted against cloture today will reconsider their votes and allow us to at least proceed to the bill. Let them filibuster the bill if they insist, but at least let us proceed to its consideration. Let us consider compromises like mine, as well as other potential compromises that have been discussed among various Members of the Senate. Without cloture, none of these proposals will ever see the light of day.

My amendment is a modified version of the Packwood compromise that was offered the last time the Senate considered striker replacement legislation. The amendment is the kind of compromise the Senate should at least have the opportunity to debate.

The amendment I have filed is quite simple. It provides an opportunity for mediation of labor disputes in an effort to diffuse labor-management disputes. The amendment works in the following way:

First, the union must notify the employer and the Federal Mediation Service 7 days before commencing a strike that it agrees to accept the formation of a fact-finding panel consisting of three members—one chosen by the union, one by management, and the third member jointly by both parties. The panel has 45 days to hold the necessary meetings and issue its findings and recommendations.

Second, if the union does not give the 7 days notification, it does not receive the protection of the permanent replacement prohibition afforded to it in S. 55. If management does not accept the creation of the mediation panel, it

is prohibited from hiring permanent replacement workers.

Third, if both labor and management agree to allow the panel to conduct hearings and issue a decision, then the current collective bargaining agreement, if any, or existing terms and conditions of employment, hold until 7 days after the panel reports. A strike by the union and a lockout or hiring of permanent replacement workers by the employer are prohibited during this period.

Fourth, the labor organization and the employer have 7 days after the panel's report to accept the panel's recommendations.

If both accept the recommendations of the panel to settle unresolved issues, the new collective bargaining agreement is effective immediately.

If the labor organization accepts and management does not, then management is prohibited from hiring permanent replacement workers during a strike.

If labor does not accept the panel's recommendations and then goes on strike, the employer may hire permanent replacements during a strike.

If both management and labor reject the panel's recommendations, then either side may request an additional 30 days of mediation by the special mediator, the mediator selected jointly by both parties for the panel.

If the additional 30 day mediation is successful, the dispute is resolved; if labor accepts the special mediator's recommendations, no replacements can be hired; if labor rejects the special mediator's recommendations, replacements can be hired. If both sides reject the panel and the special mediator's recommendations and if labor goes on strike, the employer may hire permanent replacement workers.

Finally, in cases where the union initially rejects the recommendations of the mediating panel or of the special mediator, if labor reverses its decision and decides to accept the recommendations, then the employer must stop hiring permanent replacements. Any replacements hired by the employer after that time cannot receive permanent status.

Madam President, this is too important an issue to be defeated by a no-compromises philosophy. It is clear that the votes are not there for cloture on S. 55 as it is currently before the Senate.

Madam President, I hope that we can proceed to the bill and get down to the work of hammering out an agreement that is fair to labor, an agreement that is fair to management, and an agreement that holds out the prospect of promoting labor peace in America. That would be in the best interest of all of the American people.

Madam President, I thank the Chair and I yield the floor.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been noted. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMPSON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Madam President, I want to speak in strong opposition to the striker replacement legislation which we will deal with again tomorrow. The Senate, of course, today and yesterday debated this highly extraordinary special-interest legislation. I am very interested in being a part of the effort to derail it. I think it is a cynical special-interest piece of legislation. And let me say why—because today, in so many of our industries, American workers play a very key role in the strategic decisions of their employing firms. Many workers are realizing that the long-term stability of the firm is the best way to achieve real job security—and most of those in management are realizing that a top-down, rigid management style is simply not the way to increase worker productivity.

I think, in these latter years, there has never been more of an accord between management and labor as to how you keep the door open, how you receive a good salary, and it is not the time for confrontation. But, sadly, the leaders of the ailing unions in America have decided that the only way to make their unions stronger is to resurrect the "we versus them" mentality, which most certainly makes America weaker.

In an attempt to ban "permanent" replacements, this bill would drive a permanent wedge between labor and management. An employer's right to seek to continue to operate, to continue to keep the door open during an economic strike, has always been a fundamental principle in U.S. labor relations. Of course, it is also recognized that employees have the right to engage in an economic strike in connection with collective bargaining. The issue this bill presents is whether an employer should continue to be allowed to hire permanent replacement workers during an economic strike.

And for 55 years the answer supplied by the U.S. Supreme Court to that question has unequivocally been "yes." The AFL-CIO, which in 1953 represented 35 percent of the private sector work force, now represents only 11.8 percent of the work force, and they want the answer to be "no."

The primary effect of S. 55 would be to disrupt the labor-management balance, restrain management from continuing its operations during an economic strike.

Madam President, if enacted, we will be exhibiting a blatant disregard for the legislative and judicial efforts that have maintained 55 years of stability and responsiveness in labor-management relations. Furthermore, we will be unleashing some truly greatly destructive forces on our economy.

I am proud to be a Senator representing a "right to work" State. There are 22 States, if I recall, which embrace the right-to-work laws, much to the chagrin of the AFL-CIO. Wyoming favors the rights of union and nonunion workers to decide whether—or not—to follow union orders to strike. S. 55 hurts the rights of nonstriking employees—including managers, supervisors, nonunion workers, and those who choose not to strike—by jeopardizing an employer's ability to continue operations during such a strike.

To attract replacement workers, especially considering the possible intimidation and physical dangers of crossing a picket line, an employer often must offer permanent employment. If the employer is barred from attracting replacement workers, the detrimental effects on business and its nonstriking employees could be devastating.

Madam President, I have alluded to acts of violence and intimidation by striking workers. There are honest, hardworking men and women who only seek the opportunity to work, and put food on their families' tables who are subjected to jeers, threats, ugly remarks, obscenities, demeaning labels and much worse. For instance, last year a man was shot to death for crossing a United Mine Workers picket line in West Virginia. In a civilized society, that is most repugnant and truly defies common sense.

Most of our Democratic colleagues have blindly accepted the AFL-CIO's assertion that "during the eighties"—they usually add "during the Reagan eighties," with their eyes bulging from their sockets—"during the Reagan eighties permanent replacements went through the roof."

It has a very nice political ring to it, but it is just not true. Nevertheless, it has become the sublime motivation for the proponents of this bill, and here are the facts. One paragraph. Robert Reich would tell you it is as true as ALAN SIMPSON of Wyoming will tell you it is true: A review of National Labor Relations Board cases in 1938 through 1989 reveals that there were 251 NLRB, National Labor Relations Board, cases involving permanent replacements; 229 of those occurred prior to 1981, and only 22 occurred between 1981 and 1989. In fact, the year 1948 represents the high water mark for permanent replacement cases. So there is no current "crisis" in the area of permanent replacement cases.

This is not some Republican orgy. You will note the rollcall vote earlier in the day. Very thoughtful Democrats, who I respect greatly, voted with the

Republicans, and some very thoughtful Republicans, who I respect greatly, voted with the Democrats.

So I will conclude by stating that what is truly at stake here is nothing less than American competitiveness. To compete globally, management and labor have to start playing on the same team. That means trying to achieve commitments by both management and labor to bargain in good faith, to begin to understand and trust one another. But in trying to get rid of "permanent replacements," the striker replacement bill will only create permanent suspicion and permanent hostility between labor and management.

I urge my colleagues to continue to oppose the bill and defeat the motion to invoke cloture.

I thank the Chair, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FEINGOLD). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. 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. DOMENICI. Mr. President, is it in order for the Senator from New Mexico to speak for 5 minutes as in morning business?

The PRESIDING OFFICER. The Pastore rule has expired in this instance, and the Senator may, therefore, speak for as long as he wishes on any subject.

Mr. DOMENICI. I thank the Chair.

HAPPY 72ND BIRTHDAY TO SENATOR MARK HATFIELD

Mr. DOMENICI. Mr. President, I rise tonight for a very special and personal reason. Senator MARK HATFIELD from the State of Oregon is 72 years old today. I was going to say 72 years young because most people would not suspect that he is 72. But Senator HATFIELD is a friend of this Senator. He is also a friend of practically every Senator in this Chamber and many who have served and left. And today is his 72d birthday.

I spoke to a couple members of his family today, and I thought it might be appropriate just to come to the floor of the Senate and make sure that everybody knew that this very distinguished, wonderful human being was having a birthday today.

There are so many things that can be said about him in terms of his career—his career in the military as a Navy man, his career in his home State, his career as an educator and professor, and then his career here, where he now marks a point in history where no other person has served longer from the State of Oregon than Senator MARK HATFIELD.

I think people know that State is known for the longevity of its Senators in past history. But I do not think it is just a time served in the U.S. Senate that is important. I think it is the quality of this man because, obviously, he is a man of great faith, he is a man of great personal conviction, a marvelous family man and, yes, a man who is truly, truly responsible to this U.S. Senate.

The traditions of the Senate are respected and honored by Senator MARK HATFIELD. He works within them and clearly does a marvelous job for the people of his State and the people of this Nation.

I asked his office in coming to the floor, just to wish him this personal happy birthday from his friend from New Mexico, if they would put together a little bit of his background so we could spread it on the RECORD of the Senate today so, thus, it will be part of the U.S. Senate forever—an achievement record of MARK HATFIELD, what he has done in his life.

Obviously, as one looks it over, it is very, very interesting to see what he has accomplished. I might say, long before most people today who are environmentalists, part of environmental movements, MARK HATFIELD was a true environmentalist, kind of ahead of the pack, so to speak, without any question.

As far as peace and the concern that we ought to find better ways to accommodate that quality of life called peace as compared with war, there has been no stronger proponent that we find new and interesting and innovative ways to seek peace and find peace among nations and among people.

So today I ask the Chair to have printed in the RECORD a detailed account of the life of MARK HATFIELD, from his birth through 72 years of age. Obviously, everything that he has done in that remarkable time is not included, but many things are. For those who look at the history of the Senate, they need only look at today, July 12 of 1994, and they will find a very exciting biography of Senator MARK HATFIELD from the State of Oregon, a friend to many and this Senator's very personal friend.

I ask unanimous consent that the biography be printed in the RECORD.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

BIOGRAPHY OF SENATOR MARK O. HATFIELD

Mark Hatfield has been a student, teacher, and practitioner of the American political system for virtually his entire life. A veteran of the Pacific Theater in World War II, Mark Hatfield has dedicated his life to preventing and ending armed conflict and improving the human condition through a lifetime of public service.

EARLY POLITICAL CAREER

While teaching political science and serving as Dean of Students at his alma mater, Willamette University, Mark Hatfield began his political career in the Oregon Legislature in 1950. After two terms in the Oregon House of Representatives and two years in the Oregon Senate, he became the youngest Secretary of State in Oregon history in 1956 at age 34. He was elected Governor of Oregon in 1958 and became the state's first two-term governor in the Twentieth Century when he was re-elected in 1962. He has never lost an election.

U.S. SENATE SERVICE

In 1966, then-Governor Mark Hatfield was elected to the United States Senate as an outspoken critic of the war in Vietnam. In August of 1993, he became the longest serving U.S. Senator from Oregon, surpassing the previous record set by Senator Charles McNary.

A deeply religious man, Hatfield has always sought peaceful resolutions to world conflicts and domestic disputes. As a Lieutenant, j.g. in the U.S. Navy during World War II, Hatfield witnessed battles at Iwo Jima and Okinawa and was among the first U.S. servicemen to enter Hiroshima following the atomic bombing.

His experience during the war and his compassion for life have made him an ardent proponent for nuclear disarmament. Hatfields' tireless efforts to bring an end to the proliferation of nuclear weapons culminated in 1992 with the passage of legislation he authored calling for an end to U.S. nuclear testing.

From his position as the former Chairman and now Ranking Republican on the Senate Appropriations Committee, Senator Hatfield has provided for the development of major public works projects throughout Oregon and the Pacific Northwest.

The results of his efforts can be seen in the reforestation of millions of acres of federal forest lands, in the Portland Metropolitan area's light rail system, the new Bonneville Lock on the Columbia River, the Oregon Health Sciences University, the Marine Science Center in Newport, the University of Oregon, the Alsea Bay Bridge and numerous other projects around the state.

At the national level, Senator Hatfield constantly strives to remind his colleagues of what he calls "the desperate human needs in our midst." He has consistently opposed increases in defense spending and United States military involvement abroad while focusing on improving health, education, and social services programs throughout his tenure in the Senate.

He is known as an independent legislator who votes his conscience, a trait that has earned him bipartisan respect from his colleagues. Much of his success in the Senate can be attributed to his unique ability to work across party lines to build coalitions which secure the enactment of legislation.

ENERGY AND THE ENVIRONMENT

As a senior Republican member of the Senate Appropriations Subcommittee on Energy and Water Development as well as a senior member of the Energy and Natural Resources Committee, Senator Hatfield has always sought to protect the environment while preserving the economic fabric of Oregon and other states which rely heavily on natural resources.

The amount of protected federal wilderness area in Oregon has quadrupled to 2.1 million acres under legislation he has introduced since 1967.

Senator Hatfield's efforts to diversify and strengthen Oregon's economic base through the wise stewardship of its human and natural resources date back to his years as the state's Governor when his theme of "payrolls and playgrounds" was put into action.

In the first year of his Senate career, Hatfield sponsored legislation to create the Minam Wilderness in Northeast Oregon and co-sponsored legislation with Senator Wayne Morse to establish the Mt. Jefferson Wilderness. In subsequent years, Hatfield succeeded in passing the Oregon Wilderness Act (1984), the Columbia River Gorge National Scenic Area Act (1986), the landmark Oregon Wild and Scenic Rivers Act (1988) which provided protection for portions of 40 Oregon rivers, and the Newberry Crater National Monument (1990).

Senator Hatfield is identified as a leader in the area of conflict resolution and has sought to bring about regional solutions to natural resource conflicts.

Amid growing controversy over the management of federal forests in 1989, Senator Hatfield chaired a "summit" of representatives of the timber industry, the environmental community, Oregon's Governor and the state's entire congressional delegation to develop a plan to protect significant amounts of old growth timber while ensuring a predictable supply of timber to Oregon's mills. The compromise he negotiated resulted in a temporary solution to the region's emerging timber supply crisis and formed the foundation for a more permanent solution.

Senator Hatfield was also able to bring together an equally wide range of interests at the Salmon Summit in 1990. At the summit, representatives of the fisheries industry, environmental interests, local governments, and Native American tribes were able to negotiate a compromise to protect the salmon while preserving fishing rights. The "Salmon Summit" has led to the appropriation of over $100 million since 1990 to fund salmon recovery projects supported by this regional consensus process.

Senator Hatfield has also encouraged expanding research, development, and commercialization opportunities for efficient and renewable energy sources while pushing reduction of the nation's dependence on foreign oil. He has received numerous awards and recognitions from alternative energy concerns.

ARMS CONTROL AND FOREIGN POLICY

Arms control and foreign policy have been among Senator Hatfield's leading personal and legislative interests since he walked through the rubble of Hiroshima as a young U.S. Naval officer at the end of World War II. From his lone dissenting vote on resolutions at the 1965 and 1966 National Governors' Conferences supporting President Lyndon Johnson's policy in Vietnam to his staunch opposition to United States involvement in Kuwait in 1991, Senator Hatfield has stood—often alone—against policies which he believes unnecessarily seek military solutions to human problems.

Senator Hatfield is a leading advocate of international human rights. He is a prominent spokesperson for the world's 14 million refugees and has received numerous national and international awards for his work on their behalf.

A former chairman and active member of the Congressional Arms Control and Foreign Policy Caucus, Senator Hatfield authored the Harvest of Peace Resolution which calls for a 50 percent reduction in worldwide military spending and the redirection of the money saved into health, education and housing programs.

During the 1980's he worked to halt the nuclear arms race with bills such as the Nuclear Freeze Resolution, co-authored with Senator Ted Kennedy (D–MA). Often the only Republican Senator to receive a 100 percent voting record from arms control organizations like the Council for a Liveable World, Senator Hatfield has led the fight in the Senate against the MX Missile, the Stealth Bomber and underground nuclear testing. In October of 1992, President Bush signed into law the nuclear test ban crafted by Senators Hatfield, George Mitchell (D–ME) and James Exon (D–NE).

MEDICAL RESEARCH

Senator Hatfield has regularly called for the reordering of our nation's research priorities from activities focused on destroying life to those which enhance life, such as biomedical research. During his six years as chairman of the Senate Committee on Appropriations, funding for the National Institutes of Health increased by over $2.5 billion. He has been a leading proponent of research into Alzheimer's disease, working to increase research funds from $12.9 million in FY '80 to $291 million in FY '93.

Senator Hatfield has long sought to bring to the public an awareness of issues surrounding lesser known disorders such as Epidermolysis Bullosa (EB), Sudden Infant Death Syndrome (SIDS), and tinnitus. He has brought national attention to the widespread problem of sleep disorders both by helping to establish the National Center on Sleep Disorders Research at the National Institutes of Health and by supporting the nationally recognized research into sleep disorders being conducted at the Oregon Health Sciences University.

When the Department of Health and Human Services threatened to block the implementation of Oregon's innovative plan for health care financing, Senator Hatfield worked with the Oregon congressional delegation to obtain a federal waiver from the Secretary of Health and Human Services to allow Oregon to enact its plan.

He has also been a leader in the effort to examine the long term environmental and ethical implications surrounding the emerging advances in biotechnology. He has introduced legislation to establish a national commission on bioethics and in 1992 convened a panel of international experts on the subject.

OTHER STANDS

Senator Hatfield's many other legislative initiatives include his leadership role as lead Republican sponsor of the National Voter Registration Act, the "Motor Voter" bill, which President Clinton signed into law in 1993; his efforts to improve the technological literacy of American students through regional math and science education centers and through parental involvement in education; and his sponsorship of a national "bottle bill" modeled after Oregon's successful recycling system. Senator Hatfield is also known as a steadfast opponent of the death penalty as well as a leading critic of the line-item veto. He has worked to stabilize benefits to the elderly and disenfranchised and has been a leading advocate of nuclear waste clean-up efforts at Hanford Nuclear Reservation.

Senator Hatfield graduated from Salem High School and earned a Bachelor of Arts Degree from Willamette University in 1943.

Following World War II, Senator Hatfield earned a Master's Degree in political science from Stanford University in 1948 and later returned to Willamette University to serve as professor of political science and Dean of Students. He holds more than 80 Honorary Doctorate Degrees.

He has a passion for rare books and presidential history and is well known as an aficionado of Herbert Hoover and Abraham Lincoln. He has also befriended presidents with whom he has worked, including Richard Nixon, Gerald Ford, Jimmy Carter, Ronald Reagan, and George Bush.

Senator Hatfield is the author of three books: Not Quite So Simple (1967), Conflict and Conscience (1971), and Between a Rock and a Hard Place (1976). He is the coauthor of four additional books: Amnesty: the Unsettled Question of Vietnam (1976), The Causes of World Hunger (1982), Freeze! How You Can Help Prevent Nuclear War (1982), and What About the Russians? (1984).

OFFICES

Senator Hatfield has three offices, one in Washington and two in Oregon:

711 Hart Senate Office Building, Washington, D.C. 20510, (202) 224–3753.

727 Center Street NE, Suite 305, Special Districts Center, Salem, OR 97301, (503) 588–9510.

One World Trade Center, 121 SW Salmon Street, Suite 1420, Portland, OR 97204, (503) 326–3386.

Mr. DOMENICI. Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERRY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL LABOR RELATIONS ACT AND RAILWAY LABOR ACT AMENDMENTS

MOTION TO PROCEED

The Senate continued with the consideration of the motion.

Mr. KERRY. Mr. President, I see the Senator from Kansas is here, too. I do not know if she is waiting to speak. I also see that the pages are busy removing the day's work from the desks, so the bewitching hour has obviously arrived in the Senate, and I am messing up everybody's plans, which is dangerous to do especially on the night of the All-Star game. But I would like to just take a few minutes, if I may, to discuss the measure that we wish was before us but on which we are once again in a filibuster, another motion to proceed.

I might comment parenthetically that one of the sad things about the Senate is that there seems to be such a continual resort to filibuster for almost everything. Someone informed me the other day that from 1776 until about 1980, we had a total of perhaps 150 filibusters, and from 1980 until the present we have had 150 or more filibusters. So it shows what has happened to the quality of deliberation within the Senate over the course of the last 14 years, 10 of which I have been privileged to be here. I believe all of us need to think hard about what it means to have majority rule and what it means to allow the Senate the opportunity to vote on measures.

This issue before us in the context of yet another filibuster is the question really about fundamental rights in America. I have thought about it because, as all of us here, I am troubled about what is happening in our economy. We are not creating enough jobs. We are certainly not creating enough of the kinds of high-wage, high-value-added product jobs that really raise the standard of living in a nation like ours. So increasingly we are forced to look for any kind of measure which might save us from some of the costs on our economy.

We are all more finely tuned to the notion of competitiveness and what it takes for business to be able to make it in this new international marketplace. Whatever effort that can be made to win at the margins must be made. In this country where our businesses, because of our standard of living, assume the costs of workman's compensation, liability insurance, environmental costs, planning, a host of other costs of doing business, obviously there is a certain incentive for people to look, as they have, over the course of the last years to lower cost of production.

So people see something like a bill to protect workers' rights, and there is an instantaneous reaction: "Gee. This is just one more of those congressionally-inspired efforts that gets in the way of business." I do not agree with that, Mr. President. I do not think that is a fair assessment of what is at stake here. I do not think that all of the arguments that have been put forward about the striker replacement protection are in fact, legitimate arguments. They are sham arguments that do not do justice to the great gains against and advances given to the middle class of this country, and to the working people over the course of the years by virtue of the courage exhibited by the labor movement.

Mr. President, I have listened very carefully to the arguments on both sides of this issue. It occurs to me that this really comes down to a very simple choice, not half as complicated as some people try to make it in the course of some of these sham arguments that have been made here. The question is really whether or not you believe that people ought to have sufficient bargaining power in the relationship between worker and management. The question is whether or not in that bargaining relationship a human being ought to have the right to say that, if my working conditions are not what I or we believe they ought to be, we or I have a right to strike. Obviously, the right to strike individually can be rendered meaningless. It is in the collective right to strike of workers in a plant and for a company or a series of plants and companies that you have some bargaining power.

It is also obvious through the history of labor relations in America that if people do not have the right to strike, they do not have bargaining power. Anyone who suggests otherwise ignores the reality. Sure, some people come to the floor and say, well, look at all the high-technology companies today. Those high-technology companies are not winning over union members. They are not gaining a whole lot of union membership or even union presence in those companies. Indeed, that is true. But I would respectfully say to those workers, most of whom do not have an inkling of this reality, that the reason they do not join unions today and the reason they do not have to join a union today is because of the battles that were fought by union members years ago.

If it were not for the fact that health care is part of most of those larger company's efforts today, you would not see a health care package being offered to most of those employees in these other companies. If it were not for fact they earned now the 5-day working week and a host of other benefits—you have safety within the workplace—they would not have those today. It is because a smart employer today knows that the way he keeps a union out of the plant is by offering those conditions of employment right up front. If you did not have those conditions of employment, or if you went back to the days where you had child labor in America, you would find all of a sudden people coming together organizing around the principle that they deserve better, coming together believing that it is only by having the ability of jointly objecting to the conditions of their labor that they would indeed be able to improve that labor. That is the history of the United States of America. I respectfully submit it will be the history of other countries as their people begin to gain in economic and political power.

All of us want balance in the relationship obviously. No striker should have the ability to hold a company hostage. I am not suggesting that. And I would not ask for that, Mr. President. I want a balance. But if you literally are told that if you go out on strike, your job can be replaced permanently by someone else, you have a choice. You have a choice between your job and the onerous conditions that you are working in. That is not an American choice. That is something we gave up long ago in this country.

Unfortunately, some people want to go back in time to a kind of robber baron capitalism where we do not care about the conditions that people are working in, as some have suggested in the course of these arguments. Here is an example of one argument. Someone had claimed that this act "forces an employer to shut down or curtail operations during a strike because few individuals are willing to accept the position for an undetermined period." That is one of the most ridiculous arguments I have heard in a long time on the floor of the Senate. The largest employer in the United States of America is a part-time employer today. In fact, more and more Americans are being forced to work in a situation where they go into itinerant labor from job to job, employment to employment. The truth is that every single one of us has heard and understands the term "scab." We know that temporary employees or "scabs" are available during any strike. In fact, they are becoming easier to find today as our work force becomes, in fact, increasingly flexible and mobile.

Mr. President, the truth is that under this act strikers can be temporarily replaced. No company is forced to stop working. You can bring people in as fast as you can find them. It is also true that under this act strikers will lose their pay. They will not be paid during the course of the strike. So they have to depend entirely on whatever reserves have been put away by their union or whatever reserves they have put away for whatever the duration of that strike is. It is still a risky undertaking for the individual.

They also have to take the risk that their employer in a very tough marketplace today may not survive the strike. That is a real risk today because if there are any of the downsides that others argue are the reason that you cannot allow these strikes to take place, they may not have a job to come back to, and they obviously have to balance that.

So it seems to me, Mr. President, that in an equation that is delicate in the marketplace where employees clearly have an enormous amount to consider before they strike, we have to remember the fundamental right in America of collective bargaining. It is a critical protection for workers in a free market economy, and the right to strike is an essential component of maintaining that free market economy. If an employer could simply fire a worker the moment he or she begins to strike, what good is the right to strike? It is basically being turned into a right to give up your job; a right to be fired; not a right to strike; not a right to try to bargain in the marketplace with some sense of fairness.

What this tries to do is take a marketplace imbalance that is flowing against a worker and bring it back to a state of equilibrium, Mr. President. I think that, if you look at that hard and fast, there are many reasons to come to the conclusion that that would not create more strikes in this country. Why? Mr. President, just as it takes two parties to negotiate, it takes two parties to create a strike. Every strike is, in fact, the measurement of a failed negotiation.

If you give workers a fraction more leverage, it is not going to make workers strike more often because of the nature of that balance anyway. In fact, I suggest that the opposite is true. This act will provide workers with the power to be able to avoid a strike because they will have more power in the balance of negotiation.

Let us be realistic. In any situation, if there is an absolute legitimate zaniness, or lack of reality, to whatever the request is on one side or the other, they have ample opportunity in today's world to gain the upper hand in the publicity and in the bargaining process of the court of public opinion. PATCO is an example of where a strike was taken in the presumption that they were going to gain from the public opinion. Given the levels of salaries and illegality and other problems, public opinion turned against them, and there was an enormous loss. A great many people have been educated in the last years about this balance.

It seems to me that strikes occur fundamentally when one party ignores the other party's concerns, or the counterpart's interests, and asks for more than they can get. When workers have so little leverage that their only power is to strike, that is when they strike. But if they have enough leverage to be able to work out those imbalances, they wind up not striking, and you actually have greater equilibrium and harmony in the workplace. That is why, with the exception of the United States over, I think, a brief period, every industrialized country in the world outlaws the permanent replacement of a striker during a strike.

So, Mr. President, protracted and contentious labor disputes not only hurt affected workers and businesses, they damage America's economy as a whole. This act, which I wish we were able to get to, would help facilitate an atmosphere of conciliation in a rapidly changing marketplace, with the balance of power shifted against the average worker. I believe it would have a positive effect on our marketplace, helping us to achieve greater competitiveness and considerably more creativity in our work force and in our marketplace. So I strongly support S. 55, and I hope Senators will not be deceived by arguments suggesting that this bill is something other than it is.

This bill does not prevent a company from hiring workers during a strike. It does not do anything except empower workers to try to argue from a position of equality. And to deny them that equality is to deny something that has long been at the center place of most of our aspirations in the American working place.

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. 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.

Mr. MITCHELL. Mr. President, I would like to address myself briefly to the subject matter of this legislation.

Mr. President, once again the Senate has the opportunity to act on legislation of critical importance to the working men and women of this country.

The Senate is considering S. 55, the Workplace Fairness Act. This legislation is supported by a majority of Senators. Let me repeat that, a majority of Senators supports this legislation, but the Senate will not be able to vote on the legislation because, under the Senate rules, a minority of Senators can prevent the Senate from voting on a bill. Indeed, in this case, the minority is preventing the Senate from even considering the bill.

This legislation would codify the broad-based belief in this country that working people should not lose their jobs when they exercise their right to strike.

The arguments for and against S. 55 are well known and have been exhaustively discussed. But the analytical discussion of this legislation hides the real human cost of permanent replacement of striking workers.

My interest in this issue was heightened in 1988, from the dispute between the International Paper Co., and the United Paperworkers International Union, and the Brotherhood of Firemen and Oilers in my own State of Maine. Although this strike ended 5 years ago, the impact on the community of Jay, ME, has been long lasting. Deep scars remain in this town of 5,000 people.

The hiring of permanent replacements to the striking workers at International Paper Co., soon after the 1987 strike began, was a principal obstacle to settlement of the strike. It also is a lasting reminder of the divisive and bitter struggle in that town. To date, only 300 of the 1,270 workers who chose to exercise their right to strike in 1987 have been reinstated at the mill.

There has been a lot of information collected about the use and impact of the use of permanent replacement workers during a strike. In 1990, the U.S. General Accounting Office released its report on the "Trends in the Number of Strikes and Use of Permanent Strike Replacements in the 1980's." GAO looked at all strikes in the years 1985 and 1989. GAO found that in 17 percent of these strikes, permanent striker replacements were actually hired. In addition, GAO found that in about one-third of these strikes, employers announced that they would use permanent replacement workers during labor disputes. Therefore, in a significant number of labor disputes, striking workers were faced with actual or threatened replacement for exercising their right to strike.

Since 1992, a number of additional studies have been done on the impact of the use of permanent replacement workers. One study concluded that the average strike duration was seven times longer for strikes in which permanent replacements were used than for strikes in the United States in general.

But even these facts and figures do not show fully the devastating effects on communities of divisive labor disputes where strikers are permanently replaced or the threat of permanent replacement looms. In his testimony before the Senate Subcommittee on Labor on March 12, 1990, Mr. Charles Noonan, town manager of Jay, ME, provided the most compelling description of the impact of permanent replacements in a labor dispute:

> Although the economic effect of permanent replacements on a community is devastating, perhaps the greatest and long term impact is in the area of family and social well being. A strike divides a town; however, in a small town where the positions of labor and management are often distributed within the same family, the injection of permanent replacements and the corresponding loss of jobs deepens this division and makes the division permanent. * * * Although the strike has ended over two years ago, in most cases these divisions still exist. * * * For those union members who choose to resign the union and return to work and for supervisors who continued to operate the mill their lives were also severely disrupted. Social interactions and lifetime friendships were ended. * * * What Jay once was, a proud, caring community is now a divided, closed society which judges each individual on the basis of which side you may have taken in this labor dispute.

There is now sufficient factual data to show that the increased use of permanent replacement as a threat to workers has shifted the delicate balance in labor disputes. It also is clear that the impact of hiring permanent replacements can be devastating.

I am an original cosponsor of S. 55 in this Congress. I believe it is important legislation, and I believe that we must act now to restore to working people in this country their right to strike without losing their jobs.

I urge my colleagues to allow the Senate to vote on this legislation by voting to end the filibuster on this bill.

HEALTH CARE LEGISLATION

Mr. MITCHELL. Mr. President, I would like, if I might, to now make a few comments on the subject of health care.

The Senate Finance Committee and the Senate Labor Committee have both now reported bills to the Senate.

Over the next couple of weeks, I will be meeting personally with a large number of Senators, Democrats and Republicans, in an effort to determine the best way to proceed to put these

two bills together in legislation which I will present to the full Senate for consideration later this month.

I continue to believe that the three essential elements of meaningful health care reform are, first, health insurance for all Americans; second, effective cost control; and, third, greater emphasis in our society on preventive and primary care.

I believe that the legislation that most nearly achieves these objectives is the legislation which the President has presented.

It is ironic, Mr. President, and Members of the Senate, that the opponents of the President's plan use polling results in support of their position when those polling results operate in their favor and then seek to discount the impact of polling results when they operate to their disadvantage.

This much is clear: With respect to the importance of health insurance for all Americans, which has now come to be known as universal coverage, an overwhelming majority of Americans, nearly three-fourths of Americans, support that principle. And that is the essential element in the President's bill—health insurance for every American.

Every Member of Congress, the President, every member of the Federal Government, every Federal employee is guaranteed health insurance.

What is good enough for the President, the Members of Congress, and for every Federal employee, ought to be good enough for every American—and that is the right to have health insurance. The right to have health insurance that is permanent, that cannot be taken away; that is the essential element.

The second one is cost control. Some of the bills offered, in contrast to those presented by the President, do not provide for any meaningful cost control. Arguments are being made that our colleagues want to protect small business. Mr. President, the best thing we can do for small business is to enact those reforms that will make health insurance affordable and attainable for them. Right now, on average, small businessmen and women pay 35 percent more for the same coverage for their employees than does large business. That is because of discrimination in the sale of products and because of excessive costs within our system.

If we adopt a system which provides for universal coverage and for effective cost control, costs will come down for small businessmen, enabling them to do what most of them already do and what the remainder want to do; that is, to provide health insurance for their employees. And 72 percent of Americans, again nearly three-fourths, favor shared responsibility between the employer and the employee. That is what the American system is built on now—shared responsibility. The employer pays a portion of it; the employee pays a portion of it. Right now, every Federal employee operates under such a system. On average, Federal employees pay 28 percent of the cost; the employer, the Government, pays 72 percent.

We should be making certain that every American has the guarantee of health insurance, as do all Federal employees, in a system in which there is shared participation by the employer and employee. That is the best thing we could do for small business.

Mr. President, I will be discussing this matter with individual Senators over the next few weeks, trying to figure out the best way to proceed, trying to put together a bill that I believe will attain these necessary objectives and that can pass the Senate. I look forward to much further and vigorous debate, to discussion with a lot of our colleagues. But I close with this remainder. The essential elements of reform are health insurance for all Americans, controlling the costs of health care, and placing much greater emphasis on primary and preventive care.

The alternative bills which have been offered here in the Senate by some of our colleagues who oppose the President's plan do not achieve those objectives. Therefore, I do not believe they can or will be adopted, and I do not believe they are what the American people want.

The American people want health insurance for all of our citizens; 78 percent in the latest poll want that. And the American people want effective cost control, an even larger majority wants that. Although there are no recent polling results, I believe the American people also overwhelmingly favor much greater emphasis on preventive and primary care as a way of producing better health for our citizens and also of controlling costs.

Mr. President, I will have much more to say on this subject in the next few weeks, but I wanted to make these remarks in light of some of the other comments made today. I look forward to further discussions with our colleagues. As I said literally dozens of times now since January, now that the two committees have reported, we are going to try to figure out the best way to put these bills together and bring it to the Senate floor this month for what I hope will be an enlightening debate and for what I hope ultimately will be meaningful reform legislation for the American people.

MORNING BUSINESS

W. GRAHAM CLAYTOR, JR.

Mr. NUNN. Mr. President, I noted with regret that Graham Claytor passed away at the age of 82 on May 14, 1994. I wanted to take a few minutes to commemorate the wide-ranging life and accomplishments of this remarkable individual.

I knew Graham Claytor primarily as a result of his outstanding service as Secretary of the Navy from 1977 to 1979 and as Deputy Secretary of Defense from 1979 to 1981. In those positions, he was responsible for several initiatives that continue to be very important today. He worked hard to strengthen our sealift capability and to preposition equipment on board ships in strategic locations overseas. He was involved in the creation of the Rapid Deployment Joint Task Force, the military command that preceded the current U.S. Central Command.

In addition to his accomplishments in the Department of Defense, Graham distinguished himself in a wide variety of other endeavors. He was born in Roanoke, VA, and grew up in Virginia and Philadelphia. In 1936, he graduated summa cum laude from Harvard University Law School, where he was president of the Harvard Law Review. After law school, he clerked for two noted jurists, U.S. Court of Appeals Judge Learned Hand and U.S. Supreme Court Justice Louis Brandeis.

In 1940, even before the United States entered World War II, Graham tried to join the Navy. Although he was initially rejected as too old, he persisted until he was finally accepted, and he served throughout the war. In the closing days of World War II, he was commander of the destroyer escort *Cecil J. Doyle* when a Japanese torpedo attack sunk the cruiser U.S.S. *Indianapolis*. Of the almost 1,200 servicemen aboard the *Indianapolis*, 881 died in one of the greatest single combat losses suffered by the U.S. Navy in World War II. During the rescue operation, Graham Claytor exposed his ship to possible attack by Japanese submarines in order to save almost 100 survivors of the *Indianapolis*.

After many years in private law practice, Graham turned his long-time avocation for railroading into his vocation when he became vice president of Southern Railway in 1963. He then began a long career in the railroad industry, culminating in his 11-year tenure as president of Amtrak. He is credited with turning Amtrak around by making it more like a commercial business. When he retired in 1993, ticket sales were covering 80 percent of Amtrak's operating costs, far higher than the 48 percent that was covered when he arrived.

Mr. President, Graham Claytor made a number of public and private contributions during his long, full life. I appreciate the opportunity to have known and worked with him. I would like to offer my condolences to his wife Frances Murray Claytor and to his children W. Graham Claytor III and Murray Claytor.

REMAIN VIGILANT: CONTINUING THE FIGHT AGAINST U.N. MALFEASANCE

Mr. PRESSLER. Mr. President, I have come to the Senate floor repeatedly both to praise and to admonish the United Nations. Peacekeeping operations, humanitarian aid, management and budgetary reform, procurement reform—I have raised questions about all of these U.N. issues. Some of my questions have been answered. Still, others remain.

Specifically, I have focused considerable effort on U.N. management and budgetary reform. As my colleagues know, for years I have been outspoken about the waste, fraud, and abuse that have become standard policy for U.N. managers. Most recently, I included language in the Foreign Relations Authorization Act, which President Clinton signed into law on April 30, 1994, to promote the creation of an independent Office of the Inspector General [OIG] at the United Nations. Additionally, President Clinton's acknowledgment of this measure in Presidential Decision Directive 25 [PDD 25] is an excellent step on behalf of the administration in addressing the United Nations' rampant management abuses.

As the General Assembly debates the adoption of a resolution to create an OIG, the administration should keep a watchful eye on the terms of any such resolution. The language I authored in the Foreign Relations Authorization Act regarding the establishment of an independent OIG should be followed closely as the General Assembly debates OIG resolutions. The language is clear and unequivocal.

Recently, I wrote to Ambassador Albright, urging her to work diligently to ensure the independence of the OIG. Ambassador Albright's insistence and pressure to reform U.N. mismanagement must be unwavering. Now is a critical time for Ambassador Albright to demonstrate to the General Assembly the U.S. commitment to end U.N. malfeasance. I ask unanimous consent to have printed in the RECORD the letter I recently sent to Ambassador Albright.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, July 7, 1994.

Hon. MADELEINE K. ALBRIGHT,
U.S. Representative to the United Nations, U.S. Mission to the United Nations, United Nations Plaza, New York, NY.

DEAR AMBASSADOR ALBRIGHT: I understand that the U.N. General Assembly currently is considering measures to meet the requirements of the Foreign Relations Authorization Act (P.L. 103-136) regarding the creation of an Office of the Inspector General (OIG). I urge you to monitor closely any UN Resolutions involving the OIG.

As you know, I was instrumental in crafting the language in the Foreign Relations Authorization Act which calls for the establishment of an independent UN Inspector General. If UN budgetary and management reform is to be meaningful, the terms of any UN resolution authorizing an independent OIG must be clear, unequivocal, and must reflect the Congressional intent of Section 401 of the Foreign Relations Authorization Act as well as President Clinton's position in Presidential Decision Directive 25 (PDD 25).

In Section 401, Congress outlined clearly its specifications for an OIG. This office should "conduct and supervise objective audits, inspections, and investigations relating to the programs and operations of the United Nations." Additionally, the Inspector General should report to the UN General Assembly any findings relating to UN management and operations. Above all, however, this office should remain independent and must not be subject to the control of UN bureaucrats.

I am concerned about the current OIG initiatives being debated by the General Assembly. Specifically, I am wary of any UN proposals to establish an OIG which draw from the existing Office of Inspections and Investigations (OII). It has been my understanding that the OII has not issued any reports to the General Assembly which were promised by Secretary-General Boutros Ghali. Furthermore, I question the overall effectiveness and objectivity of the OII. During a Senate Foreign Relations Committee hearing last week, I submitted questions to Secretary Christopher regarding the current status of both the OII and the OIG. I still am awaiting his reply.

Again, Ambassador Albright, I cannot stress enough the importance of establishing a strong, independent, reform office at the UN. As U.S. Permanent Representative to the UN, you should work to ensure that the General Assembly adopts a resolution reflective of the Congressional initiatives recently signed and endorsed by President Clinton. We must not forego the opportunity to help craft and influence the UN's creation of an OIG.

I look forward to continuing our efforts to bring rampant waste, fraud, and abuse to an end at the UN.

Sincerely,

LARRY PRESSLER,
U.S. Senator.

Mr. PRESSLER. Mr. President, I am pleased also that PDD 25 acknowledges the United States should not pay more than 25 percent of assessed U.N. peacekeeping costs—another endorsement of language in the Foreign Relations Authorization Act. This assessment cap is extremely important to ensuring accountability at the United Nations. If the United Nations is to be an effective international body, United States support and funding are necessary. However, if the United Nations fails to reform and continues to mismanage operations, the United States cannot remain silent.

Mr. President, despite these efforts to reform the international world body, a recent United Nations Association occasional paper criticizes the creation of an independent U.N. inspector-general. Jeffrey Laurenti, in a paper entitled, "Strengthening U.N. Fiscal Oversight Machinery: The Debate on an Inspector-General," argues that the creation of an independent inspector-general is a reactionary move in the fight against U.N. waste, fraud, and abuse. According to Laurenti, who quoted the Panel of External Auditors:

> [T]he U.N. debate "has focused too much on the role of the internal oversight mechanisms in uncovering waste, fraud, corruption and compliance with rules and regulations." While acknowledging that this is admittedly "an essential element of control," the reality is that it is better to prevent waste, fraud, and abuse before they occur rather than detect them after the event.

While I agree that preventative actions should be taken to thwart U.N. mismanagement, I disagree strongly with Laurenti's assessment that reformers have placed too much emphasis on the creation of internal oversight mechanisms. If the United Nations were functioning efficiently in the first place, the need for fiscal oversight measures would be far less pressing. But, as we all know, that has not been the case. The United Nations has not operated efficiently for many years.

Laurenti went on to criticize congressional measures to withhold U.N. payments as a way to enforce the establishment of an OIG. According to Laurenti:

> * * * the withholding seems an extraordinary inversion of priorities; and the increasingly promiscuous resort to withholding is deepening resentment and resistance among other member states and risks becoming counterproductive.

Again, I disagree with Laurenti's analysis. As the largest contributor to the United Nations, the United States holds great financial leverage over the United Nations. Anymore, it seems that only money talks at the United Nations. The withholding of U.S. contributions speaks louder than any diplomatic words.

It frustrates me, as a supporter of the United Nations, to read a document from the U.N. Association that is so critical of congressional measures to end U.N. corruption. This organization wishes to paint idyllic pictures of the efficiency of the world body. Unfortunately, reality paints a grim picture of gross institutional inefficiency.

I urge my colleagues to maintain their support for U.N. management reform. We owe it to our constituents to make the most of their taxpayer dollars when Congress considers funding for U.N. operations.

DEDICATION OF U.S.S. "STETHEM" TO AN AUTHENTIC AMERICAN HERO

Mr. SARBANES. Mr. President, this Saturday at the west bank facility in Pascagoula, MS, Mrs. Patricia L. Stethem will christen the Aegis guided missile destroyer, the U.S.S. *Stethem* (DDG 63). The *Stethem* is named for her son Robert Dean Stethem, a courageous and heroic young Navy diver who was brutally murdered by Lebanese hijackers in 1985.

Robert was returning from an assignment in Greece when the plane he was on was seized by hijackers. He was rated as a diver and assigned to Navy Underwater Construction Team No. 1 in Norfolk, VA. In a moving editorial in the Washington Post on January 27, 1989, that paper paid tribute to Robert Stethem's heroism. Commenting on the trial of the hijacker, Mohammed Ali Hamadi, the Post concluded:

The truth that emerges from the Frankfurt courtroom is an instructive one: It is a picture of one young man attempting each day to dissociate himself from acts that grow more shameful with each retelling and of another who offered his country as pure an example of courage as it could want.

Robert Dean Stethem was only 23 years old when he was murdered. To this day the pain of losing their son intrudes on the daily life of the Stethem family. Their home is filled with mementos of Robert. His community in southern Maryland where he grew up has remembered him by establishing the Robert D. Stethem Memorial Sports Complex in Waldorf, MD, in his honor.

As John F. Kennedy said:

Stories of past courage can * * * teach, they can offer hope, they can provide inspiration. But they cannot supply courage itself. For this each man must look into his own soul.

Few people could find the courage to act as Robert Dean Stethem did in 1985. Mr. Stethem epitomized the very best this country has to offer, and it is an appropriate and fitting tribute to him that the Nation is now dedicating the U.S.S. *Stethem* to this authentic American hero.

IS CONGRESS IRRESPONSIBLE? YOU BE THE JUDGE

Mr. HELMS. Mr. President, anyone even remotely familiar with the U.S. Constitution knows that no President can spend a dime of Federal tax money that has not first been authorized and appropriated by Congress—both the House of Representatives and the U.S. Senate.

So when you hear a politician or an editor or a commentator declare that "Reagan ran up the Federal debt" or that "Bush ran it up," bear in mind that it was, and is, the constitutional duty and responsibility of Congress to control Federal spending. Congress has failed miserably in that task for about 50 years.

The fiscal irresponsibility of Congress has created a Federal debt which stood at $4,620,363,003,746.37 as of the close of business yesterday, Monday, July 11. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is $17,722.16.

HOMICIDES BY GUNSHOT IN NEW YORK CITY

Mr. MOYNIHAN. Mr. President, I rise, as has been my practice throughout this session of the 103d Congress, to announce to the Senate that during the last 2 weeks, 37 people were killed in New York City by gunshot, bringing this year's total to 518.

THE LOSS OF FIREFIGHTERS IN SOUTH CANYON, COLORADO

Mr. HATFIELD. Mr. President, some of you may know about the terrible tragedy that occurred near Glenwood Springs, CO last week. On Wednesday, July 6, 14 elite firefighters died when a wildfire exploded up a mountainside. This tragedy is a sad event for the whole Nation, and I ask my colleagues in the Senate to join me in expressing our deepest regrets to the friends, family, and loved ones of those who gave their lives in unselfish service to their country.

I am especially saddened for the nine young men and women from Oregon who perished in the fire: Bonnie Holtby, Jon Kelso, Tami Bickett, Scott Blecha, Levi Brinkley, Kathi Beck, Rob Johnson, Terri Hagen, and Doug Dunbar. These fine young men and women represented nearly half of a 20-person crew based in the central Oregon town of Princeville, but they were not alone. I also come to the floor today to join mourners in Idaho, Montana, Georgia, Colorado, and around the country who lost friends and loved ones in the fire.

Calling themselves the "Hot Shots," these elite firefighters were a special breed. The nine from Princeville came from a region especially susceptible to forest fires. But these Hot Shots were committed to fighting fires all over the country and served in States all over the West, where summer fires can be so dangerous. These young men and women came to Colorado directly from fires in California and Oregon. I know they took pride in being part of a national team and a national effort to protect our homes and communities from the terror of forest fires.

We have lost tremendous potential, hope, and energy with these young firefighters. There is so much I could say about the 4-point student, the father of two, or the ex-marine who dedicated themselves to fighting the worst forest fires around the West. They were trained to respond whenever and wherever troubles arose. I could mention many feats to illustrate how daring these Hot Shots were, or relate many tales of determination and training that saved lives and property throughout the West. But who will question the heroic spirit necessary to storm into a wild fire, carrying 40 pounds of equipment, pickaxes, shovels, and rakes? In this tragedy, we have lost some of our most courageous and able young men and women.

That such a horrible tragedy could strike such promising young adults only adds confusion and bewilderment to our sorrow. The Hot Shots were the most elite firefighters, trained to work in some of the most extreme conditions. An investigation is currently underway, and hopefully it will clear up some of the confusion. However, we may never understand why such a tragedy occurred when and where it did, and no answer could remove the agony of what has already happened.

Their memory reminds us of the dedication and team spirit that has helped rural communities in the West, and which sets an example for the Nation. I hope my colleagues join me in mourning for the lives our Nation has lost. Their efforts will never be forgotten. I also urge that investigation of this tragedy proceed with the utmost speed and attention.

ORDER TO PRINT ERRATA—103-292

Mr. CONRAD. Mr. President, I ask unanimous consent that an erratum of Senate Reports 103-292 be printed to reflect the changes I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

FISHERMEN'S PROTECTIVE ACT AMENDMENTS

The text of the bill S. 2243, to amend the Fishermen's Protective Act of 1967 to permit reimbursement of fishermen for fees required by a foreign government to be paid in advance in order to navigate in the waters of that foreign country whenever the United States considers that fee to be inconsistent with international law, and for other purposes, as passed by the Senate on July 1, 1994, is as follows:

S. 2243

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

SECTION 1. FINDINGS.

The Congress finds that—

(1) customary international law and the United Nations Convention on the Law of the Sea guarantee the right of passage, including innocent passage, to vessels through the waters commonly referred to as the "Inside Passage" off the Pacific Coast of Canada;

(2) Canada has recently announced that it will require all commercial fishing vessels of the United States to pay 1,500 Canadian dollars to obtain a "license which authorizes transit" through the Inside Passage off the Pacific Coast of Canada;

(3) this action is inconsistent with international law, including the United Nations Convention on the Law of the Sea, and in particular Article 26 of that Convention, which specifically prohibits such fees, and threatens the safety of United States commercial fishermen who may seek to avoid the fee by traveling in less protected waters;

(4) the Fishermen's Protective Act of 1967 provides for the reimbursement of vessel

owners who are forced to pay a license fee to secure the release of a vessel which has been seized, but does not permit reimbursement of a fee paid by the owner in advance in order to prevent a seizure;

(5) Canada has announced that the license fee may only be paid in two ports on the Pacific Coast of Canada, and must be paid in person or in advance by mail;

(6) significant expense and delay would be incurred by a commercial fishing vessel of the United States that had to travel from the point of seizure back to one of those ports in order to pay the license fee required by Canada, and the costs of that travel and delay cannot be reimbursed under the Fishermen's Protective Act as presently enacted;

(7) the Fishermen's Protective Act of 1967 should be amended to permit vessel owners to be reimbursed for fees required by a foreign government to be paid in advance in order to navigate in the waters of that foreign country, provided the United States considers that fee to be inconsistent with international law;

(8) the Secretary of State should seek to recover from Canada any amounts paid by the United States to reimburse vessel owners who paid the transit license fee;

(9) the United States should review its current policy with respect to anchorage by commercial fishing vessels of Canada in waters of the United States off Alaska, including waters in and near the Dixon Entrance, and should accord such vessels the same treatment that commercial fishing vessels of the United States are accorded for anchorage in the waters of Canada off British Columbia;

(10) the President should ensure that, consistent with international law, the United States Coast Guard has available adequate resources in the Pacific Northwest and Alaska to provide for the safety of United States citizens, the enforcement of United States law, and to protect the rights of the United States and keep the peace among vessels operating in disputed waters;

(11) the President should continue to review all agreements between the United States and Canada to identify other actions that may be taken to convince Canada that continuation of the transit license fee would be against Canada's long-term interests, and should immediately implement any actions which the President deems appropriate until Canada rescinds the fee;

(12) the President should immediately convey to Canada in the strongest terms that the United States will not now, nor at any time in the future, tolerate any action by Canada which would impede or otherwise restrict the right of passage of vessels of the United States vessels in a manner inconsistent with international law; and

(13) the United States should redouble its efforts to seek expeditious agreement with Canada on appropriate fishery conservation and management measures that can be implemented through the Pacific Salmon Treaty to address issues of mutual concern.

SEC. 2. AMENDMENT TO THE FISHERMEN'S PROTECTIVE ACT.

The Fishermen's Protective Act of 1967 (P.L. 90-482), as amended, is further amended by adding at the end the following new section:

"SEC. 11. (a) In any case on or after June 15, 1994, in which a vessel of the United States exercising its right of passage is charged a fee by the government of a foreign country to engage in transit passage between points in the United States (including a point in the exclusive economic zone or in an area over which jurisdiction is in dispute), and such fee is regarded by the United States as being inconsistent with international law, the Secretary of State shall reimburse the vessel owner for the amount of any such fee paid under protest.

"(b) In seeking such reimbursement, the vessel owner shall provide, together with such other information as the Secretary of State may require—

"(1) a copy of the receipt for payment;

"(2) an affidavit attesting that the owner or the owner's agent paid the fee under protest; and

"(3) a copy of the vessel's certificate of documentation.

"(c) Requests for reimbursement shall be made to the Secretary of State within 120 days of the date of payment of the fee, or within 90 days of the date of enactment of this section, whichever is later.

"(d) Such funds as may be necessary to meet the requirements of this section may be made available from the unobligated balances of previously appropriated funds remaining in the Fishermen's Guaranty Fund established under section 7 and the Fishermen's Protective Fund established under section 9. To the extent that requests for reimbursement under this section exceed such funds, there are authorized to be appropriated such sums as may be needed for reimbursements authorized under subsection (a).

"(e) The Secretary of State shall take such action as the Secretary deems appropriate to make and collect claims against the foreign country imposing such fee for any amounts reimbursed under this section.

"(f) For purposes of this section, the term 'owner' includes any charterer of a vessel of the United States.

"(g) The provisions of this section shall remain in effect until October 1, 1995.".

SEC. 3. REAUTHORIZATION.

(a) Section 7(c) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1977(c)) is amended by striking "The amount fixed by the Secretary shall be predicated upon at least 33⅓ per centum of the contribution by the Government.".

(b) Section 7(e) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1977(e)) is amended by striking "October 1, 1993" and inserting in lieu thereof "October 1, 2000".

SEC. 4. TECHNICAL CORRECTION.

(a) Section 15(a) of Public Law 103-238 is amended by striking "April 1, 1994," and inserting "May 1, 1994.".

(b) The amendment made by subsection (a) shall be effective on and after April 30, 1994.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1995

The text of the bill (S. 2182) to authorize appropriations for fiscal year 1995 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 July 1, 1994, is as follows:

S. 2182

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 1995".

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

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

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

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

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

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.
Sec. 4. General limitation.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Reserve components.
Sec. 106. Chemical demilitarization program.
Sec. 107. Joint Training, Analysis and Simulation Center.

Subtitle B—Army Programs

Sec. 111. Multiyear procurement authority for M1A2 tank upgrades.
Sec. 112. Transfer of replacement Army tank to Marine Corps Reserve.
Sec. 113. Replacement surveillance system for Korea.
Sec. 114. Small arms industrial base.
Sec. 115. Bunker defeat munition missiles.

Subtitle C—Navy Programs

Sec. 121. Nuclear aircraft carrier program.
Sec. 122. Seawolf submarine program.
Sec. 123. Naval amphibious ready groups.

Subtitle D—Air Force Programs

Sec. 131. Settlement of claims under the C-17 aircraft program.
Sec. 132. Retirement of bomber aircraft.

Subtitle E—Other Matters

Sec. 141. Preserving the bomber industrial base.
Sec. 142. Dual-use electric and hybrid vehicles.
Sec. 143. Sales authority of working-capital funded Army industrial facilities.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic research and exploratory development.
Sec. 203. Strategic environmental research and development program.
Sec. 204. High resolution imaging.

Subtitle B—Programs Requirements, Restrictions, and Limitations

Sec. 211. Tactical antisatellite technologies program.
Sec. 212. Transfer of MILSTAR communications satellite program.
Sec. 213. Transfer of funds for single-stage to orbit rocket.
Sec. 214. Limitation on dismantlement of intercontinental ballistic missiles.
Sec. 215. Limitation on obligation of funds for seismic monitoring research.

Sec. 216. Federally funded research and development centers.

Subtitle C—Missile Defense Programs

Sec. 221. Compliance of ballistic missile defense systems and components with ABM treaty.
Sec. 222. Revisions to the Missile Defense Act of 1991.
Sec. 223. Limitation.
Sec. 224. Management and budget responsibility for space-based chemical laser program.
Sec. 225. Senate advice and consent on agreements that modify the Anti-Ballistic Missile Treaty.

Subtitle D—Defense Conversion, Reinvestment, and Transition Assistance Matters

Sec. 231. Funding of defense technology reinvestment programs for fiscal year 1995.
Sec. 232. Financial commitment requirements for small business concerns for participation in technology reinvestment projects.
Sec. 233. Conditions on funding of defense technology reinvestment projects.
Sec. 234. Federal defense laboratory diversification and Navy reinvestment in the technology and industrial base.
Sec. 235. Small business defense conversion guaranteed loans.

Subtitle E—Other Matters

Sec. 241. Cooperative research and development agreements with NATO organizations.
Sec. 242. Defense women's health research program.
Sec. 243. Requirement for submission of annual report of the Semiconductor Technology Council to Congress.
Sec. 244. Report on oceanographic survey and research requirements to support littoral warfare.
Sec. 245. LANSCE/LAMPF upgrades.
Sec. 246. Study regarding live-fire survivability testing of F-22 aircraft.
Sec. 247. University Research Initiative support program.
Sec. 248. Manufacturing science and technology program.
Sec. 249. Defense experimental program to stimulate competitive research.
Sec. 250. Study on beaming high power laser energy to satellites.
Sec. 251. Advanced threat radar jammer.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home funding.
Sec. 304. National Security Education Trust Fund obligations.
Sec. 305. Transfer from National Defense Stockpile Transaction Fund.
Sec. 306. Support for the 1995 Special Olympics World Games.
Sec. 307. Air National Guard fighter aircraft.

Subtitle B—Defense Business Operations Fund

Sec. 311. Permanent authority for use of fund for managing working capital funds and certain activities.
Sec. 312. Implementation of improvement plan.
Sec. 313. Limitation on obligations against the capital asset fund.
Sec. 314. Limitation on obligations against the supply management divisions.

Subtitle C—Environmental Matters

Sec. 321. Prohibition on the purchase of surety bonds and other guarantees for the Department of Defense.
Sec. 322. Extension of prohibition on use of environmental restoration funds for payment of fines and penalties.
Sec. 323. Participation of Indian tribes in agreements for defense environmental restoration.
Sec. 324. Extension of authority to issue surety bonds for certain environmental programs.

Subtitle D—Matters Relating to Department of Defense Civilian Employees

Sec. 331. Extension of certain transition assistance authorities.
Sec. 332. Extension and expansion of authority to conduct personnel demonstration projects.
Sec. 333. Limitation on payment of severance pay to certain employees transferring to employment positions in nonappropriated fund instrumentalities.
Sec. 334. Retirement credit for certain service in nonappropriated fund instrumentalities before January 1, 1987.
Sec. 335. Travel, transportation, and relocation expenses of employees transferring to the United States Postal Service.
Sec. 336. Foreign employees covered by the Foreign National Employees Separation Pay Account.
Sec. 337. Increased authority to accept voluntary services.

Subtitle E—Other Matters

Sec. 341. Change of source for performance of depot-level workloads.
Sec. 342. Civil Air Patrol.
Sec. 343. Armed Forces Retirement Home.
Sec. 344. Clarification of authority to provide medical transportation under National Guard pilot program.
Sec. 345. ARMS Initiative loan guarantee program.
Sec. 346. Reauthorization of Department of Defense domestic elementary and secondary schools for dependents.
Sec. 347. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 348. Disposition of proceeds from operation of the Naval Academy laundry.
Sec. 349. Repeal of annual limitation on expenditures for emergency and extraordinary expenses of the Department of Defense Inspector General.
Sec. 350. Extension of authority for program to commemorate World War II.
Sec. 351. Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services.
Sec. 352. Transfer of certain excess Department of Defense property to educational institutions and training schools.
Sec. 353. Ships' stores.
Sec. 354. Humanitarian program for clearing landmines.
Sec. 355. Assistance to Red Cross for emergency communications services for members of the Armed Forces and their families.
Sec. 356. Maritime prepositioning ship enhancement.
Sec. 357. Roll-on/roll-off vessels for the Ready Reserve force.
Sec. 358. Payment of certain stipulated civil penalties.
Sec. 359. Sale of articles and services of industrial facilities of the Armed Forces to persons outside Department of Defense.
Sec. 360. Study of establishment of Land Management and Training Center at Fort Riley, Kansas.
Sec. 361. Procurement of portable ventilators for the Defense Medical Facility Office, Fort Detrick, Maryland.
Sec. 362. Review by Defense Inspector General of cost growth in certain contracts.
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TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

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Sec. 402. Extension of temporary variation of end strength limitations for Marine Corps majors and lieutenant colonels.
Sec. 403. Retention of authorized strength of general officers on active duty in the Marine Corps for fiscal years after fiscal year 1995.
Sec. 404. Exception to limitation on number of general officers and flag officers serving on active duty.
Sec. 405. Temporary exclusion of Superintendent of Naval Academy from counting toward number of senior admirals authorized to be 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 reserves.

Subtitle C—Military Training Student Loads

Sec. 421. Authorization of training student loads.

Subtitle D—Authorization of Appropriations

Sec. 431. Authorization of appropriations for military personnel.

Subtitle E—Other Matters

Sec. 441. Repeal of required reduction in recruiting personnel.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. Service on successive selection boards.
Sec. 502. Promotion and other career management matters relating to warrant officers on active-duty lists.
Sec. 503. Enlistment or retirement of Navy and Marine Corps limited duty officers having twice failed of selection for promotion.
Sec. 504. Educational requirements for appointment in reserve components in grades above first lieutenant or lieutenant (junior grade).
Sec. 505. Limited exception from baccalaureate degree requirement for Alaska scout officers.

Sec. 506. Original appointments of limited duty officers of the Navy and Marine Corps serving in temporary grades.
Sec. 507. Selection for designated judge advocate positions.

Subtitle B—Reserve Component Matters

Sec. 511. Review of opportunities for ordering individual reserves to active duty with consent.
Sec. 512. Increased period of active duty service for Selected Reserve forces mobilized other than during war or national emergency.
Sec. 513. Repeal of obsolete provisions pertaining to transfer of regular enlisted members to reserve components.
Sec. 514. Sense of the Senate concerning the training and modernization of the reserve components.

Subtitle C—Other Matters

Sec. 521. Review of certain dismissals from the United States Military Academy.
Sec. 522. Transitional compensation and other benefits for dependents of members separated for dependent abuse.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

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Subtitle C—Travel and Transportation Allowances

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Sec. 632. Crediting of reserve service of enlisted members for computation of retired pay.
Sec. 633. Forfeiture of annuity or retired pay of members convicted of espionage.
Sec. 634. Computation of retired pay to prevent pay inversions.
Sec. 635. Cost-of-living increases in SBP contributions to be effective concurrently with payment of related retired pay cost-of-living increases.
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Sec. 641. Eligibility of members retired under temporary special retirement authority for Servicemen's Group Life Insurance.
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Sec. 643. Increased eligibility and application periods for troops-to-teachers program.
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Sec. 652. Use of morale, welfare, and recreation facilities by members of reserve components and dependents.
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Sec. 656. Study of offset of disability compensation by receipt of separation benefits and incentives..

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Sec. 702. Availability of dependents' dental program outside the United States.
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Sec. 704. Coordination of benefits with medicare.
Sec. 705. Authority for reimbursement of professional license fees under resource sharing agreements.
Sec. 706. Chiropractic health care demonstration program.
Sec. 707. Implementation of annual health care survey requirement.
Sec. 708. Study and report on financial relief for certain medicare-eligible military retirees who incur medicare late enrollment penalties.
Sec. 709. Eligibility for participation in demonstration programs for sale of pharmaceuticals.
Sec. 710. Cost analysis of tidewater tricare delivery of pediatric health care to military families.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

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Sec. 812. Pilot Mentor-Protege Program.
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Sec. 824. Determinations of public interest under the Buy American Act.
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Sec. 922. Continuation of Uniformed Services University of the Health Sciences.
Sec. 923. Joint duty credit for certain duty performed during military operations in support of unified, combined, or United Nations military operations.
Sec. 924. Assistance for certain workers dislocated due to reductions by the United States in the export of defense articles and services.

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Sec. 1051. Use of inmate labor at military installations.
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Sec. 1067. Limitation regarding merger of telecommunications systems.
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Sec. 1069. Requirement for Secretary of Defense to submit recommendations on certain provisions of law concerning missing persons.
Sec. 1070. Contact between the Department of Defense and the ministry of national defense of China on POW/MIA issues.
Sec. 1071. Disclosure of information concerning unaccounted for United States personnel from the Korean Conflict, and the Cold War.
Sec. 1072. Requirement for certification by Secretary of Defense concerning declassification of Vietnam-era POW/MIA records.
Sec. 1073. Information concerning unaccounted for United States personnel of the Vietnam conflict.
Sec. 1074. Report on POW/MIA matters concerning North Korea.
Sec. 1075. Elimination of disparity between effective dates for military and civilian retiree cost-of-living adjustments for fiscal year 1995.
Sec. 1076. Military recruiting on campus.
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Sec. 1078. Visas for officials of Taiwan.
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Sec. 1080. Interagency placement program for Federal employees affected by reduction in force actions.
Sec. 1081. George C. Marshall European Center for Security Studies.
Sec. 1082. Changes in notice requirements upon pending or actual termination of defense programs.
Sec. 1083. Transfer of obsolete vessel Guadalcanal.
Sec. 1084. Study of spousal abuse involving Armed Forces personnel.
Sec. 1085. Review of the procedures used by Department of Defense investigative organizations when conducting an investigation into the death of a member of the Armed Forces who, while serving on active duty, died from a cause determined to be self-inflicted.
Sec. 1086. Public education facility of the Armed Forces Institute of Pathology.
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Sec. 1092. Genocide in Rwanda.
Sec. 1093. Studies of health consequences of military service or employment in Southwest Asia during the Persian Gulf War.
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TITLE XXII—NAVY

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Sec. 2202. Family housing.
Sec. 2203. Improvements to military family housing units.
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Sec. 2205. Authority to carry out construction project, Naval Supply Center, Pensacola, Florida.
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TITLE XXIII—AIR FORCE

Sec. 2301. Authorized Air Force construction and land acquisition projects.
Sec. 2302. Family housing.
Sec. 2303. Improvements to military family housing units.
Sec. 2304. Authorization of appropriations, Air Force.
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Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
Sec. 2402. Family housing.
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Sec. 2406. Termination of authority to carry out fiscal year 1993 project.
Sec. 2407. Community impact assistance with regard to Naval Weapons Station, Charleston, South Carolina.
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Sec. 2501. Authorized NATO construction and land acquisition projects.
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Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.
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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 1995 under the provisions of this Act is $263,130,327,000, of which the total amount authorized to be appropriated for fiscal year 1995 under the provisions of—

(1) division A is $244,063,401,000;

(2) division B is $8,593,903,000; and

(3) division C is $10,473,023,000.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1995 for procurement for the Army as follows:

(1) For aircraft, $1,073,781,000.

(2) For missiles, $693,909,000.

(3) For weapons and tracked combat vehicles, $1,132,886,000.

(4) For ammunition, $870,361,000.

(5) For other procurement, $2,677,719,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1995 for procurement for the Navy as follows:

(1) For aircraft, $4,535,601,000.

(2) For weapons, including missiles and torpedoes, $2,428,539,000.

(3) For shipbuilding and conversion, $6,132,807,000.

(4) For other procurement, $3,310,217,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1995 for procurement for the Marine Corps in the amount of $528,857,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1995 for procurement for the Air Force as follows:

(1) For aircraft, $6,587,994,000.

(2) For missiles, $4,330,473,000.

(3) For other procurement, $6,961,153,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 1995 for Defense-wide procurement in the amount of $1,935,616,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1995 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, $85,000,000.

(2) For the Air National Guard, $270,000,000.

(3) For the Army Reserve, $75,000,000.

(4) For the Naval Reserve, $65,000,000.

(5) For the Air Force Reserve, $60,000,000.

(6) For the Marine Corps Reserve, $45,000,000.

SEC. 106. CHEMICAL DEMILITARIZATION PROGRAM.

(a) AUTHORIZATION.—There is hereby authorized to be appropriated for fiscal year 1995 the amount of $590,149,000 for—

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

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

(b) LIMITATION.—Of the funds specified in subsection (a)—

(1) $363,584,000 is for operation and maintenance;

(2) $215,265,000 is for procurement; and

(3) $11,300,000 is for research and development efforts in support of the nonstockpile chemical weapons program.

(c) AUTHORITY FOR OBLIGATION OF UNAUTHORIZED APPROPRIATIONS.—The Department of Defense may obligate and expend $25,000,000 of the funds appropriated for research, development, test, and evaluation under the heading "CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE" in title VI of Public Law 103-139 (107 Stat. 1436) in accordance with the appropriation for such funds in that Act.

(d) IDENTIFICATION OF FUNDS FOR PROGRAM.—Section 1412(f) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(f)) is amended by striking out the last sentence and inserting in lieu thereof the following: "Funds for military construction projects necessary to carry out this section shall be set forth in the budget of the Department of Defense for any fiscal year as a separate account.".

SEC. 107. JOINT TRAINING, ANALYSIS AND SIMULATION CENTER.

Of the funds authorized to be appropriated for other procurement for the Navy, $10,500,000 shall be available for procurement of command, control, communications and computer equipment for a Joint Training, Analysis and Simulation Center for the United States Atlantic Command.

Subtitle B—Army Programs

SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR M1A2 TANK UPGRADES.

The Secretary of the Army may enter into multiyear procurement contracts for procurement of M1A2 Abrams tank upgrades in accordance with section 2306(h) of title 10, United States Code.

SEC. 112. TRANSFER OF REPLACEMENT ARMY TANK TO MARINE CORPS RESERVE.

The Secretary of the Army shall transfer one M1A1 common tank to the Marine Corps Reserve not later than the latest date on which any of the additional 24 M1A2 upgrades provided for under authorizations of appropriations in this Act is accepted by the Army.

SEC. 113. REPLACEMENT SURVEILLANCE SYSTEM FOR KOREA.

(a) LEASE AUTHORIZED.—Funds available to the Army for procurement of OV-1 aircraft that remain unobligated by reason of the early retirement of OV-1 aircraft deployed in Korea may be used for leasing a moving target indicator radar or another surveillance system to replace the surveillance capability of such aircraft in Korea if—

(1) the lease provides for deployment of the system within 180 days after the date of the enactment of this Act;

(2) the Republic of Korea pays 50 percent of the cost of the lease;

(3) the lease includes an option for the Republic of Korea to purchase the leased system after the joint surveillance and target attack radar surveillance system (JSTARS) program attains initial operational capability; and

(4) the lease expires within 180 days after the date on which the JSTARS system is planned, as of the date of the enactment of this Act, to attain initial operational capability.

(b) WAIVER AUTHORITY.—Section 1024(b) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1460) is amended by striking out "section 1439(b)(2)" and inserting in lieu thereof "section 1439".

SEC. 114. SMALL ARMS INDUSTRIAL BASE.

(a) FUNDING FOR PROCUREMENT.—Of the funds authorized to be appropriated pursuant to section 101(3)—

(1) $38,902,000 shall be available for procurement of MK19-3 grenade machine guns;

(2) $13,000,000 shall be available for procurement of M16A2 rifles;

(3) $24,016,000 shall be available for procurement of M249 squad automatic weapons; and

(4) $13,165,000 shall be available for procurement of M4 carbines.

(b) MULTIYEAR CONTRACTS AUTHORIZED.—(1) During fiscal year 1995, the Secretary of the Army may, in accordance with section 2306(h) of title 10, United States Code, enter into multiyear contracts to meet the following objectives for quantities of small arms weapons to be acquired for the Army:

(A) 21,217 MK19-3 grenade machine guns;

(B) 1,002,277 M16A2 rifles;

(C) 71,769 M249 squad automatic weapons; and

(D) 132,510 M4 carbines.

(2) If the Army does not enter into contracts in fiscal year 1995 that will meet all the objectives set forth in paragraph (1), the Secretary shall, to the extent provided for in appropriations Acts, enter into multiyear contracts on or after October 1, 1995, to meet such objectives.

(3) Notwithstanding the first sentence of section 2306(h)(8) of title 10, United States Code, the period of a multiyear contract entered into under this subsection may not exceed 10 years.

(c) FOLLOW-ON WEAPONS.—The Secretary of the Army shall provide for procurement of product improvements for existing small arms weapons and may do so within multiyear contracts entered into pursuant to subsection (b).

(d) JOINT SMALL ARMS MASTER PLAN.—(1) The Secretaries of the military departments shall jointly develop a master plan for meeting the immediate and future needs of the Armed Forces for small arms. The Secretary of the Army shall coordinate the development of the joint small arms master plan. The joint small arms master plan shall include—

(A) an examination of the relative advantages and disadvantages of improving existing small arms weapons as compared to investing in new, advanced technology weapons; and

(B) an analysis of the effects of each such approach on the small arms industrial base.

(2) Not later than April 1, 1995, the Under Secretary of Defense for Acquisition and Technology shall—

(A) review the joint small arms master plan and the results of the examination of relative advantages and disadvantages of the two courses of action described in paragraph (1); and

(B) transmit the plan, together with any comments that the Under Secretary considers appropriate, to the congressional defense committees.

(e) FUNDING FOR RDT&E.—Of the funds authorized to be appropriated under section 201(1)—

(1) $5,000,000 shall be available for the Objective Crew-Served Weapons System; and

(2) $3,000,000 shall be available for product improvements to existing small arms weapons.

SEC. 115. BUNKER DEFEAT MUNITION MISSILES.

(a) AUTHORITY.—The Secretary of the Army may acquire up to 6,000 type classified standard bunker defeat munition weapons.

(b) FUNDING.—Funds authorized to be appropriated for the Army for fiscal year 1994 shall be available for acquisition of bunker defeat munition weapons in accordance with subsection (a) as follows:

(1) Of the amount authorized to be appropriated by section 101(4), $7,761,000.

(2) Of the amount authorized to be appropriated by section 201(1), $2,600,000.

Subtitle C—Navy Programs

SEC. 121. NUCLEAR AIRCRAFT CARRIER PROGRAM.

(a) TRANSFER OF FISCAL YEAR 1994 FUNDS.—To the extent provided in appropriations Acts, $1,200,000,000 may be transferred from the National Defense Sealift Fund to the funds appropriated pursuant to the authorization in section 102(a)(3).

(b) AVAILABILITY FOR CVN-76.—The funds transferred shall be available for the CVN-76 nuclear aircraft carrier program.

(c) RELATIONSHIP TO OTHER AUTHORIZATION.—The amount of the funds transferred shall be in addition to the amount authorized to be appropriated in section 102(a)(3) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1563).

(d) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority in paragraph (1) is in addition to any other transfer authority provided in this or any other Act.

SEC. 122. SEAWOLF SUBMARINE PROGRAM.

(a) LIMITATION OF COSTS.—Except as provided in subsection (b), the total amount obligated or expended for procurement of the SSN-21 and SSN-22 Seawolf submarines may not exceed $4,759,571,000.

(b) AUTOMATIC INCREASE OF LIMITATION AMOUNT.—The amount of the limitation set forth in subsection (a) is increased by the following amounts:

(1) The amounts of outfitting costs and post-delivery costs incurred for the submarines referred to in such subsection.

(2) The amounts of increases in costs attributable to economic inflation.

(3) The amounts of increases in costs attributable to compliance with changes in Federal, State, or local laws.

SEC. 123. NAVAL AMPHIBIOUS READY GROUPS.

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

(1) Extensive and compelling testimony from uniformed military and Department of Defense leadership has been received which supports a military requirement for twelve Amphibious Ready Groups.

(2) An official Department of Navy report required by the Fiscal Year 1993 National Defense Authorization Act clearly stipulates that a seventh LHD is required in order for the Navy to achieve a force structure of twelve Amphibious Ready Groups.

(3) The Department of Navy has identified funds for the purchase of LHD-7 in outyear budget projections.

(4) A significant shortfall in amphibious shipping and amphibious lift exists, both in the fiscal year 1995 budget request and in outyear force structure projections.

(5) Amphibious Assault Ships (LHDs) provide an important contingency capability and are uniquely suited to respond to world crises and to provide assistance after natural disasters.

(6) Twelve Amphibious Ready Groups are the correct number to sustain forward deployment and contingency requirements of the Navy.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of the Navy should, plan for, and budget to provide for, the attainment of a twelfth Amphibious Ready Group as soon as possible. Further, the Secretary of the Navy should extend the existing contract option on the LHD-7 Amphibious Assault Ship in order to achieve twelve Amphibious Ready Groups.

(c) LHD-7 CONTRACT OPTION EXTENSION.—

(1) The Secretary of the Navy is authorized to extend the existing contract option for the LHD-7 Amphibious Assault ship if the Secretary determines that the extension would be in the best interest of the United States.

(2) The Secretary of the Navy shall immediately begin negotiations to extend the existing contract option for the LHD-7 Amphibious Assault Ship Program.

(3) On and after the date that is 30 days after the date on which the Secretary notifies Congress of an intention to do so, the Secretary may use such program funds authorized to be appropriated for other Navy programs for such contract. The notification shall include a description of the intended use of the funds.

(d) REPORT REQUIREMENT.—The Secretary of the Navy shall report to the Congress, after December 31, 1994, but before March 31, 1995, Department of the Navy intentions related to contract execution of the existing contract option for the LHD-7 Amphibious Assault Ship. The report shall include an explanation of the Department's actions related to the attainment of a twelfth Amphibious Ready Group and the costs and benefits of extending the existing contract option on the LHD-7 Amphibious Assault Ship.

Subtitle D—Air Force Programs

SEC. 131. SETTLEMENT OF CLAIMS UNDER THE C-17 AIRCRAFT PROGRAM.

(a) SUPPLEMENTAL AGREEMENTS AUTHORIZED.—On or before September 30, 1995, but subject to subsection (e), the Secretary of the Air Force may enter into supplemental agreements pertaining to Air Force prime contract F33657-81-C-2108 and such other Air Force contracts relating to the C-17 aircraft program in effect on the date of enactment of this Act as the Secretary determines appropriate—

(1) to settle claims and disputes arising under such contracts as provided in the C-17 settlement agreement letter;

(2) to revise the delivery schedules under such contracts as provided in the C-17 settlement agreement letter, for aircraft T-1 and P-1 through P-6; and

(3) to revise range specifications, payload specifications, and other specifications under such contracts as provided in Attachment B to the C-17 settlement agreement letter.

(b) FURTHER CONSIDERATION NOT REQUIRED.—The supplemental agreements referred to in subsection (a) may be entered into without requiring further consideration from the contractor only to the extent provided for in the C-17 settlement agreement letter.

(c) RELEASE OF CONTRACTOR CLAIMS REQUIRED.—Each supplemental agreement referred to in subsection (a) shall require the prime contractor to release and forever discharge the Government from all contractual claims, demands, requests for equitable adjustment, and any other causes of action, known or unknown, that the prime contractor may have on or before January 6, 1994 arising out of the C-17 program contracts as provided in the C-17 settlement agreement letter.

(d) CONTRACT MODIFICATIONS REGARDING CONTRACTOR COMMITMENTS.—The Secretary of the Air Force shall incorporate in each appropriate C-17 contract the prime contractor's commitment to extend the flight test program, redesign the wing, implement Computer Aided Design/Computer Aided Manufacturing System improvements, Management Information System improvements, and Advanced Quality System improvements, implement product improvement cost reduction projects, and resolve other C-17 program issues on a nonreimbursable or cost-share basis as provided in the C-17 settlement agreement letter.

(e) NOTICE-AND-WAIT REQUIREMENT.—The Secretary of the Air Force may not enter into a supplemental agreement referred to in subsection (a) until 30 days after the date on which the Secretary of Defense certifies to Congress that the terms and conditions set forth in the C-17 settlement agreement letter, including the settlement of claims, are in the best interests of the Government.

(f) CONSTRUCTION REGARDING OTHER CONTRACTOR OBLIGATIONS.—Nothing in this section shall be construed as relieving the contractor of any obligation provided for in the C-17 settlement agreement letter.

(g) C-17 SETTLEMENT AGREEMENT LETTER.—The C-17 settlement agreement letter referred to in this section is the agreement that was proposed to the prime contractor for the C-17 aircraft program by the Under Secretary of Defense for Acquisition and Technology by letter dated January 3, 1994, and was accepted by the prime contractor on January 6, 1994.

SEC. 132. RETIREMENT OF BOMBER AIRCRAFT.

No funds authorized to be appropriated by this Act or any other Act may be obligated or expended during fiscal year 1995 for retiring, or preparing to retire, any B-52H, B-1B, or F-111 bomber aircraft.

Subtitle E—Other Matters

SEC. 141. PRESERVING THE BOMBER INDUSTRIAL BASE.

(a) FUNDS TO PRESERVE THE BOMBER INDUSTRIAL BASE.—Of the funds authorized to be appropriated under section 103(1), not more than $150,000,000 shall be available only for the following purposes:

(1) To retain B-2 bomber production tooling in ready status.

(2) To preserve a production capability for spare parts and aircraft subsystems among lower-tier vendors.

(3) To develop detailed production plans for a derivative of the B-2 bomber that is not capable of delivering nuclear weapons.

(4) To carry out any other program, project, or activity, not prohibited by subsection (b) or (c), that the Secretary determines will help to preserve the bomber industrial base of the United States.

(b) PROHIBITION.—None of the funds made available pursuant to this section may be used to procure any major structural part for B-2 bomber aircraft or any other part for B-2 bomber aircraft that is not a part previously acquired or planned to be acquired for the B-2 bomber aircraft under the initial or sustaining spares program.

(c) NO AUTHORIZATION OF ADVANCE PROCUREMENT.—Nothing in this section shall be construed as authorizing the procurement, including long-lead procurement, of a twenty-second B-2 bomber.

(d) EXEMPTION FROM LIMITATION ON TOTAL PROGRAM COST.—Obligations of funds made available pursuant to this section for the purposes set forth in subsection (a) may not be counted for purposes of the limitation in section 131(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1569).

(e) ESTIMATES OF TOTAL COST REQUIRED—(1) Not later than January 15, 1995, the Secretary of Defense shall submit to the congressional defense committees two estimates of the total cost of acquisition of 20 additional B-2 bomber aircraft, including the cost of research, development, test and evaluation and the cost of related military construction.

(2) The Secretary shall assume for purposes of making one of the estimates that such aircraft will be procured at the rate of 2 aircraft in each of fiscal years 1997 and 1998, 3 such

aircraft in each of fiscal years 1999 through 2002, and 4 such aircraft in fiscal year 2003. The Secretary shall assume for purposes of making the other estimate that such aircraft will be procured at an annual rate of 2.5 aircraft beginning in fiscal year 1997.

(3) In addition to stating the estimates in terms of estimated total actual cost, the Secretary shall state the estimates in terms of fiscal year 1995 constant dollars.

SEC. 142. DUAL-USE ELECTRIC AND HYBRID VEHICLES.

(a) FUNDING.—Of the funds authorized to be appropriated by this title, $15,000,000 shall be available for procurement of electric and hybrid vehicles for military uses and for commercialization of such vehicles for nonmilitary uses.

(b) LIMITATION.—(1) Funds made available pursuant to subsection (a) may not be expended until the Secretary of Defense and the Secretary of Energy enter into a memorandum of understanding that specifies the responsibilities of each Secretary for procurement and commercialization activities to be carried out with such funds.

(2) The provisions of the memorandum of understanding shall be consistent with the missions of the Department of Defense and the Department of Energy and with the goals and requirements set forth in the Energy Policy Act of 1992 (Public Law 102-486; 42 U.S.C. 13271 et seq.) and the amendments made to the Clean Air Act (42 U.S.C. 7401 et seq.) by Public Law 101-549 (commonly known as the "Clean Air Act Amendments of 1990"; 104 Stat. 2399).

SEC. 143. SALES AUTHORITY OF WORKING-CAPITAL FUNDED ARMY INDUSTRIAL FACILITIES.

Section 4543(a) of title 10, United States Code, is amended—

(1) in the matter above paragraph (1), by striking out "nondefense-related commercial";

(2) by striking out "and" at the end of paragraph (3);

(3) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon; and

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

"(5) the Secretary of the Army determines that the articles or services are not available from a commercial source located in the United States;

"(6) the purchaser of an article or service agrees to hold harmless and indemnify the United States, except in cases of willful misconduct or extreme negligence, from any claim for damages or injury to any person or property arising out of the article or service;

"(7) the article to be sold can be manufactured, or the service to be sold can be substantially performed, by the industrial facility with only incidental subcontracting and it is in the public interest to manufacture such article or perform such service; and

"(8) the sale will not interfere with performance of the military mission of the industrial facility.".

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1995 for the use of the Department of Defense for research, development, test, and evaluation, as follows:

(1) For the Army, $5,152,308,000.

(2) For the Navy, $8,796,129,000.

(3) For the Air Force, $12,329,796,000.

(4) For Defense-wide activities, $9,565,299,000, of which—

(A) $230,495,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $12,501,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC RESEARCH AND EXPLORATORY DEVELOPMENT.

(a) FISCAL YEAR 1995.—Of the amounts authorized to be appropriated by section 201, $4,210,356,000 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. STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM.

Of the amounts authorized to be appropriated by section 201, $170,000,000 shall be available for the Strategic Environmental Research and Development Program.

SEC. 204. HIGH RESOLUTION IMAGING.

Of the funds authorized to be appropriated pursuant to section 201(3), $10,000,000 shall be available for high resolution imaging of space objects using excimer lasers.

Subtitle B—Programs Requirements, Restrictions, and Limitations

SEC. 211. TACTICAL ANTISATELLITE TECHNOLOGIES PROGRAM.

(a) DEMONSTRATION AND VALIDATION ACTIVITIES.—Subject to subsection (e), the Secretary of Defense shall continue the demonstration and validation of kinetic energy antisatellite technologies under the tactical antisatellite technologies program.

(b) LEVEL FUNDING.—Subject to subsection (e), of the amounts authorized to be appropriated in this title, $10,000,000 shall be available for fiscal year 1995 for engineering development under the tactical antisatellite technologies program.

(c) REQUIREMENT OF OBLIGATION OF PRIOR YEAR FUNDS.—To the extent provided in appropriations Acts, the Secretary shall obligate for engineering development under the tactical antisatellite technologies program all funds available for fiscal year 1993 and fiscal year 1994 for the Kinetic Energy Antisatellite (KE-ASAT) program that remain available for obligation on the date of the enactment of this Act.

(d) REPORT.—The Secretary shall submit to Congress the report required by section 1363 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2560).

(e) LIMITATION.—No funds appropriated to the Department of Defense for fiscal year 1995 may be obligated for the tactical antisatellite technologies program until the Secretary of Defense certifies to Congress that there is a requirement for an antisatellite program.

SEC. 212. TRANSFER OF MILSTAR COMMUNICATIONS SATELLITE PROGRAM.

(a) TRANSFER TO NAVY.—The Secretary of Defense shall transfer responsibility for program management and funding for the MILSTAR communications satellite program from the Secretary of the Air Force to the Secretary of the Navy before October 1, 1995.

(b) FUNDING IN FUTURE YEARS DEFENSE PROGRAM.—It is the sense of Congress that the Secretary should transfer from the Air Force to the Navy sufficient proposed funding in the Future Years Defense Program to cover all costs for the MILSTAR communications satellite program and related programs, projects, and activities.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority in subsection (b) is in addition to the transfer authority provided in section 1001.

SEC. 213. TRANSFER OF FUNDS FOR SINGLE-STAGE TO ORBIT ROCKET.

The Secretary of Defense shall, to the extent provided in appropriations Acts, transfer to the National Aeronautics and Space Administration the unobligated balance of funds appropriated to the Department of Defense for the Advanced Research Projects Agency for single-stage to orbit rocket research and development.

SEC. 214. LIMITATION ON DISMANTLEMENT OF INTERCONTINENTAL BALLISTIC MISSILES.

Funds authorized to be appropriated in this Act may not be obligated or expended for deactivating or dismantling United States intercontinental ballistic missiles (ICBMs) of the United States below that number of such missiles that is necessary to support 500 deployed intercontinental ballistic missiles until 180 days after the date on which the Secretary of Defense has delivered to the congressional defense committees a report on the results of a nuclear posture review being conducted by the Secretary.

SEC. 215. LIMITATION ON OBLIGATION OF FUNDS FOR SEISMIC MONITORING RESEARCH.

Funds authorized to be appropriated by this Act that are made available for seismic monitoring of nuclear explosions may not be obligated for a project unless the project is authorized in a plan approved in advance by the Secretary of Defense and the Secretary of Energy.

SEC. 216. FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

(a) CENTERS COVERED.—Funds appropriated or otherwise made available for the Department of Defense for fiscal year 1995 pursuant to an authorization of appropriations in section 201 may be obligated to procure work from a federally funded research and development center only in the case of a center named in the report required by subsection (b) and, in the case of such a center, only in an amount not in excess of the amount of the proposed funding level set forth for that center in such report.

(b) REPORT ON ALLOCATIONS FOR CENTERS.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report containing—

(1) the name of each federally funded research and development center from which work is proposed to be procured for the Department of Defense for fiscal year 1995; and

(2) for each such center, the proposed funding level and the estimated personnel level for fiscal year 1995.

The total of the proposed funding levels set forth in the report for all federally funded research and development centers may not exceed the amount set forth in subsection (d).

(c) LIMITATION PENDING SUBMISSION OF REPORT.—No funds appropriated or otherwise made available for the Department of Defense for fiscal year 1995 may be obligated to obtain work from a federally funded research and development center until the Secretary of Defense submits the report required by subsection (b).

(d) FUNDING.—Of the amounts authorized to be appropriated to the Department of Defense for research, development, test, and evaluation for fiscal year 1995 pursuant to

section 201, not more than a total of $1,300,000,000 may be obligated to procure services from the federally funded research and development centers named in the report required by subsection (b).

(e) AUTHORITY TO WAIVE FUNDING LIMITATION.—The Secretary of Defense may waive the limitation regarding the maximum funding amount that applies under subsection (a) to a federally funded research and development center. Whenever the Secretary proposes to make such a waiver, the Secretary shall submit to the congressional defense committees notice of the proposed waiver and the reasons for the waiver. The waiver may then be made only after the end of the 60-day period that begins on the date on which the notice is submitted to those committees, unless the Secretary determines that it is essential to the national security that funds be obligated for work at that center in excess of that limitation before the end of such period and notifies the congressional defense committees of that determination and the reasons for the determination.

(f) UNDISTRIBUTED REDUCTION.—The total amount authorized to be appropriated for research, development, test, and evaluation in section 201 is hereby reduced by $52,650,000.

(g) LIMITATION ON COMPENSATION.—No employee or executive officer of a federally funded research and development center named in the report required by subsection (b) may be compensated at a rate exceeding Executive Schedule Level I by that federally funded research and development center.

Subtitle C—Missile Defense Programs

SEC. 221. COMPLIANCE OF BALLISTIC MISSILE DEFENSE SYSTEMS AND COMPONENTS WITH ABM TREATY.

(a) REQUIRED COMPLIANCE REVIEW FOR BRILLIANT EYES.—The Secretary of Defense shall review the space-based, midcourse missile tracking system known as Brilliant Eyes to determine whether, and under what conditions, the development, testing, and deployment of that system in conjunction with a theater ballistic missile defense system, with a limited national missile defense system, and with both such systems, would be in compliance with the ABM Treaty, including the interpretation of that treaty set forth in the enclosure to the July 13, 1993, ACDA letter.

(b) LIMITATION.—Of the funds appropriated pursuant to the authorizations of appropriations in section 201 that are made available for the Brilliant Eyes program, not more than $50,000,000 may be obligated until the Secretary of Defense submits to the appropriate congressional committees a report on the compliance of the Brilliant Eyes program with the ABM Treaty.

(c) COMPLIANCE REVIEW FOR NAVY UPPER TIER SYSTEM.—(1) If the funds made available for fiscal year 1995 for the theater ballistic missile program known as the "Navy Upper Tier" program pursuant to the authorizations of appropriations in section 201 or otherwise exceed $17,725,000, the Secretary of Defense shall review the Navy Upper Tier program to determine whether the development, testing, and deployment of that system would be in compliance with the ABM Treaty, including the interpretation of the Treaty set forth in the enclosure to the July 13, 1993, ACDA letter.

(2) In the event a compliance review is necessary under paragraph (1), not more than $17,725,000 may be obligated for the Navy Upper Tier program before the date on which the Secretary submits to the appropriate congressional committees a report on the compliance of the Navy Upper Tier program with the ABM Treaty.

(d) DEFINITIONS.—In this section:

(1) The term "July 13, 1993, ACDA letter" means the letter dated July 13, 1993, from the Acting Director of the Arms Control and Disarmament Agency to the chairman of the Committee on Foreign Relations of the Senate relating to the correct interpretation of the ABM Treaty and accompanied by an enclosure setting forth such interpretation.

(2) The term "ABM Treaty" means the Treaty between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missiles, signed in Moscow on May 26, 1972.

(3) The term "appropriate congressional committees" means—

(A) the Committee on Armed Services, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives; and

(B) the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate.

SEC. 222. REVISIONS TO THE MISSILE DEFENSE ACT OF 1991.

The Missile Defense Act of 1991 (part C of title II of Public Law 102-190; 10 U.S.C. 2431 note) is amended—

(1) by striking out sections 235, 236, and 237;

(2) in section 238, by inserting before the period at the end of the second sentence the following: ", and shall submit to the Congress additional interim reports on the progress of such negotiations at six-month intervals thereafter until such time as the President notifies the congressional defense committees that such negotiations have been concluded or terminated"; and

(3) by redesignating section 238, 239, and 240 as sections 234, 235, and 236, respectively.

SEC. 223. LIMITATION.

No funds appropriated pursuant to an authorization of appropriations in this title or otherwise made available for fiscal year 1995 for programs managed by the Ballistic Missile Defense Organization may be obligated for such programs until the Secretary of Defense submits to Congress the report required by section 235(b) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1598).

SEC. 224. MANAGEMENT AND BUDGET RESPONSIBILITY FOR SPACE-BASED CHEMICAL LASER PROGRAM.

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

(1) In section 243 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1615) Congress directed the Secretary of Defense to transfer management and budget responsibility for research and development regarding far-term follow-on technologies from the Ballistic Missile Defense Organization unless the Secretary certifies that it is in the national security interest of the United States for the Ballistic Missile Defense Organization to retain that responsibility.

(2) For purposes of section 243 of such Act, a far-term follow-on technology was defined as any technology that is not incorporated into a ballistic missile defense architecture and is not likely to be incorporated within 15 years into a weapon system for ballistic missile defense.

(3) The Secretary of Defense has recommended pursuant to section 243 of such Act that management and budget responsibility for chemical laser technology be retained in the Ballistic Missile Defense Organization.

(b) ASSIGNMENT OF RESPONSIBILITY.—Subject to subsection (c), the Ballistic Missile Defense Organization is authorized to retain management and budget responsibility for chemical laser technology programs.

(c) REQUIREMENTS.—(1) The Director of the Ballistic Missile Defense Organization shall ensure that, to the extent practicable, the conduct of research and development related to space-based chemical lasers reflects appropriate consideration of a broad range of military missions and possible nonmilitary applications for such lasers.

(2) If, as a result of budgetary limitations, the Director of the Ballistic Missile Defense Organization is unable to program sufficient funds to ensure that the space-based chemical laser program remains an option for the acquisition process within the next fifteen years, the Secretary of Defense shall—

(A) establish a new high energy laser research and development program outside of the Ballistic Missile Defense Organization;

(B) transfer $50,000,000 out of funds available for fiscal year 1995 for programs administered by the Ballistic Missile Defense Organization to the new high energy laser research and development program; and

(C) assign the duty to perform the management and budget responsibilities for the new program to the Secretary of the military department determined by the Secretary of Defense most appropriate to perform such responsibilities or, if the Secretary determines more appropriate, to the head of the Defense Agency of the Department of Defense that the Secretary determines most appropriate to perform such responsibilities.

SEC. 225. SENATE ADVICE AND CONSENT ON AGREEMENTS THAT MODIFY THE ANTI-BALLISTIC MISSILE TREATY.

(a) REQUIREMENT FOR ADVICE AND CONSENT OF SENATE.—Whenever the President negotiates an international agreement that would substantively modify the ABM Treaty, the United States shall not be bound by such agreement unless the agreement is entered into pursuant to the treaty making power of the President under the Constitution (which includes a requirement for advice and consent of the Senate).

(b) ABM TREATY DEFINED.—In this section, the term "ABM Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, signed in Moscow on May 26, 1972, with related protocol, signed in Moscow on July 3, 1974.

Subtitle D—Defense Conversion, Reinvestment, and Transition Assistance Matters

SEC. 231. FUNDING OF DEFENSE TECHNOLOGY REINVESTMENT PROGRAMS FOR FISCAL YEAR 1995.

(a) FUNDS AVAILABLE.—Of the amount authorized to be appropriated under section 201 for Defense-wide activities, $625,000,000 shall be available for activities described in the defense reinvestment program element of the budget of the Department of Defense for fiscal year 1995.

(b) ALLOCATION OF FUNDS.—The funds made available under subsection (a) shall be allocated as follows:

(1) $245,000,000 shall be available for defense dual-use critical technology partnerships under section 2511 of title 10, United States Code.

(2) $80,000,000 shall be available for commercial-military integration partnerships under section 2512 of such title.

(3) $80,000,000 shall be available for defense regional technology alliances under section 2513 of such title.

(4) $30,000,000 shall be available for defense advanced manufacturing technology partnerships under section 2522 of such title.

(5) $50,000,000 shall be available for support of manufacturing extension programs under section 2523 of such title.

(6) $25,000,000 shall be available for defense manufacturing engineering education grants under section 2196 of such title.

(7) $30,000,000 shall be available for the advanced materials synthesis and processing partnership program.

(8) $35,000,000 shall be available for the agile manufacturing/enterprise integration program.

(9) $40,000,000 shall be available for the maritime technology program, as provided for in section 1352(c)(2) of the National Shipbuilding and Shipyard Conversion Act of 1993 (subtitle D of title XIII of Public Law 103-160; 107 Stat. 1809; 10 U.S.C. 2501 note).

(10) $10,000,000 shall be available for grants under section 2198 of title 10, United States Code, to United States institutions of higher education and other United States not-for-profit organizations to support the management training program in Japanese language and culture.

(c) AVAILABILITY OF FUNDS FOR FISCAL YEAR 1994 PROJECTS.—Funds made available under subsection (a) may also be used to make awards to projects of the types that were solicited under programs referred to in subsection (b) in fiscal year 1994.

SEC. 232. FINANCIAL COMMITMENT REQUIREMENTS FOR SMALL BUSINESS CONCERNS FOR PARTICIPATION IN TECHNOLOGY REINVESTMENT PROJECTS.

(a) DEFENSE DUAL-USE CRITICAL TECHNOLOGY PARTNERSHIPS.—Section 2511(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) The Secretary shall consider a partnership proposal submitted by a small business concern without regard to the ability of the small business concern to immediately meet its share of the anticipated partnership costs. Upon the selection of a partnership proposal submitted by a small business concern, the Secretary shall extend to the small business concern a period of not less than 120 days within which to arrange to meet its financial commitment requirements under the partnership from sources other than a person of a foreign country. If the Secretary determines upon the expiration of that period that the small business concern will be unable to meet its share of the anticipated partnership costs, the Secretary may revoke the selection of the partnership proposal submitted by the small business concern.".

(b) COMMERCIAL-MILITARY INTEGRATION PARTNERSHIPS.—Section 2512(c)(3) of such title is amended by adding at the end the following new subparagraph:

"(C) The Secretary shall consider a partnership proposal submitted by a small business concern without regard to the ability of the small business concern to immediately meet its share of the anticipated partnership costs. Upon the selection of a partnership proposal submitted by a small business concern, the Secretary shall extend to the small business concern a period of not less than 120 days within which to arrange to meet its financial commitment requirements under the partnership from sources other than a person of a foreign country. If the Secretary determines upon the expiration of that period that the small business concern will be unable to meet its share of the anticipated partnership costs, the Secretary may revoke the selection of the partnership proposal submitted by the small business concern.".

(c) REGIONAL TECHNOLOGY ALLIANCES ASSISTANCE PROGRAM.—Section 2513(e) of such title is amended by adding at the end the following new paragraph:

"(4) The Secretary shall consider a proposal for a regional technology alliance that is submitted by a small business concern without regard to the ability of the small business concern to immediately meet its share of the anticipated costs of the alliance. Upon the selection of a proposal submitted by a small business concern, the Secretary shall extend to the small business concern a period of not less than 120 days within which to arrange to meet its financial commitment requirements under the regional technology alliance from sources other than a person of a foreign country. If the Secretary determines upon the expiration of that period that the small business concern will be unable to meet its share of the anticipated costs, the Secretary may revoke the selection of the proposal submitted by the small business concern.".

(d) DEFINITION OF PERSON OF A FOREIGN COUNTRY.—Section 2491 of such title is amended by adding at the end the following new paragraph:

"(16) The term 'person of a foreign country' has the meaning given such term in section 3502(d) of the Primary Dealers Act of 1988 (22 U.S.C. 5342(d)).".

SEC. 233. CONDITIONS ON FUNDING OF DEFENSE TECHNOLOGY REINVESTMENT PROJECTS.

(a) BENEFITS TO UNITED STATES ECONOMY.—In providing for the establishment or financial support of partnerships and other cooperative arrangements under chapter 148 of title 10, United States Code, using funds made available under section 231, the Secretary of Defense shall ensure that the principal economic benefits of such partnerships and other arrangements accrue to the economy of the United States.

(b) USE OF COMPETITIVE SELECTION PROCEDURES.—Funds made available under subsection (a) of section 231 for defense reinvestment programs described in subsection (b) of such section shall be provided only to projects selected using competitive procedures pursuant to a solicitation incorporating cost-sharing requirements for the non-Federal Government participants in the projects.

SEC. 234. FEDERAL DEFENSE LABORATORY DIVERSIFICATION AND NAVY REINVESTMENT IN THE TECHNOLOGY AND INDUSTRIAL BASE.

(a) REQUIREMENT FOR PROGRAMS.—(1) Subchapter III of chapter 148 of title 10 is amended by inserting at the end thereof the following:

"SEC. 2519. FEDERAL DEFENSE LABORATORY DIVERSIFICATION PROGRAM.

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense shall conduct a program in accordance with this section for the purpose of promoting cooperation between Department of Defense laboratories and industry on research and development of dual-use technologies in order to further the national security objectives set forth in section 2501(a) of this title.

"(b) PARTNERSHIPS.—(1) The Secretary shall provide for the establishment under the program of cooperative arrangements (hereinafter in this section referred to as 'partnerships') between a Department of Defense laboratory and eligible firms and nonprofit research corporations referred to in section 2511(b) of this title. A partnership may also include one or more additional Federal laboratories, institutions of higher education, agencies of State and local governments, and other entities, as determined appropriate by the Secretary.

"(2) For purposes of this section, a federally funded research and development center shall be considered a Department of Defense laboratory if the center is sponsored by the Department of Defense.

"(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 enter into cooperative research and development agreements under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a) in order to establish partnerships.

"(2) Subject subsection (d), the Secretary may provide a partnership with technical and other assistance in order to facilitate the achievement of the purpose of this section.

"(d) FINANCIAL COMMITMENT OF NON-FEDERAL GOVERNMENT PARTICIPANTS.—(1) The Secretary shall ensure that the non-Federal Government participants in a partnership make a substantial contribution to the total cost of partnership activities. The amount of the contribution shall be commensurate with the risk undertaken by such participants and the potential benefits of the activities for such participants.

"(2) The regulations prescribed pursuant to section 2511(c)(2) of this title shall apply to in-kind contributions made by non-Federal Government participants in a partnership.

"(e) SELECTION PROCESS.—Competitive procedures shall be used in the establishment of partnerships.

"(f) SELECTION CRITERIA.—The criteria for the selection of a proposed partnership for establishment under this section shall include the criteria set forth in section 2511(f) of this title.

"(g) REGULATIONS.—The Secretary shall prescribe regulations for the purposes of this section.

"SEC. 2520. NAVY REINVESTMENT PROGRAM.

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of the Navy shall conduct a program in accordance with this section for the purpose of promoting cooperation between the Department of the Navy and industry on research and development of dual-use technologies in order to further the national security objectives set forth in section 2501(a) of this title.

"(b) PARTNERSHIPS.—The Secretary shall provide for the establishment under the program of cooperative arrangements (hereinafter in this section referred to as 'partnerships') between Department of the Navy entities and eligible firms and nonprofit research corporations referred to in section 2511(b) of this title. A partnership may also include one or more Federal laboratories, institutions of higher education, agencies of State and local governments, and other entities, as determined appropriate by the Secretary.

"(c) PROGRAM REQUIREMENTS AND ADMINISTRATION.—Subsections (c) through (f) of section 2519 of this title shall apply in the administration of the program.

"(d) SELECTION CRITERIA.—In addition to the selection criteria referred to in section 2519(f) of this title, the criteria for the selection of a proposed partnership for establishment under this section shall include the potential effectiveness of the partnership in the further development and application of each technology proposed to be developed by the partnership for Navy acquisition programs.

"(e) REGULATIONS.—The Secretary shall prescribe regulations for the purposes of this section.".

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

2519. Federal Defense Laboratory Diversification Program.
2520. Navy Reinvestment Program.

(b) CLARIFYING AMENDMENT.—Section 2491(5) of title 10, United States Code, is amended by inserting before the period at the end the following: ", and includes a federally funded research and development center sponsored by a Federal agency".

(c) FUNDING.—(1) Of the amount authorized to be appropriated in section 201(4), $56,600,000 shall be available for the Federal Defense Laboratory Diversification Program under section 2519 of title 10, as added by subsection (a)(1).

(2) Of the amount authorized to be appropriated in section 201(2), $50,000,000 shall be available for the Navy Reinvestment Program under section 2520 of title 10, as added by subsection (a)(1).

SEC. 235. SMALL BUSINESS DEFENSE CONVERSION GUARANTEED LOANS.

(a) AUTHORIZATIONS.—Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended—

(1) in subsection (l), as added by section 405(3) of the Small Business Credit and Business Opportunity Enhancement Act of 1992—

(A) by striking "(l) There" and inserting "(3) There" and indenting appropriately; and

(B) by striking "subsection (k)", and inserting "paragraphs (1) and (2)";

(2) by redesignating subsection (k), as added by section 405(3) of the Small Business Credit and Business Opportunity Act of 1992, as subsection (l);

(3) in subsection (l), as so redesignated, by inserting after paragraph (1), the following new paragraph:

"(2) The Administration is authorized to make not more than $1,000,000,000 in loans on a guaranteed basis, in accordance with section 7(a)(21), such amount to remain available until expended.";

(4) in subsection (n)—

(A) by striking "(n) There" and inserting "(3) There" and indenting appropriately; and

(B) by striking "subsection (m)" and inserting "paragraphs (1) and (2)";

(5) in subsection (m), by inserting after paragraph (1), the following new paragraph:

"(2) The Administration is authorized to make not more than $1,000,000,000 in loans on a guaranteed basis, in accordance with section 7(a)(21), such amount to remain available until expended.";

(6) by redesignating subsection (o) as subsection (n); and

(7) in subsection (p)—

(A) by striking "(p) There" and inserting "(2) There", and indenting appropriately; and

(B) by striking "subsection (o)" and inserting "paragraph (1)".

(b) TECHNICAL CLARIFICATION.—Section 7(a)(21)(A) of the Small Business Act (15 U.S.C. 636(a)(21)(A)) is amended by striking "under the" and inserting "on a guaranteed basis under the".

(c) JOB CREATION AND COMMUNITY BENEFIT.—Section 7(a)(21) of the Small Business Act (15 U.S.C. 636(a)(21)) is amended by adding at the end the following new subparagraph:

"(E) In providing assistance under this paragraph, the Administration shall develop procedures to ensure, to the maximum extent practicable, that such assistance is used for projects that have substantial potential for stimulating new economic activity in communities most impacted by reductions in Federal defense expenditures.".

(d) AUTHORITY TO TRANSFER APPROPRIATIONS.—Of the amount authorized to be appropriated pursuant to section 201(4), $27,400,000 may be transferred by the Secretary of Defense, to the extent provided in an act appropriating funds for the Department of Defense, to the Small Business Administration for the purpose of providing loan guarantees under section 7(a)(21)(A) of the Small Business Act, such amount to remain available until expended.

Subtitle E—Other Matters

SEC. 241. COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS WITH NATO ORGANIZATIONS.

(a) APPLICABILITY OF EXISTING AUTHORITY TO NATO ORGANIZATIONS.—Section 2350a of title 10, United States Code, is amended in subsections (a), (e)(2), and (i)(1) by inserting "or NATO organizations" after "major allies of the United States" each place it appears.

(b) NATO ORGANIZATION DEFINED.—Subsection (i) of such section is amended by adding at the end the following new paragraph:

"(4) The term 'NATO organization' means any North Atlantic Treaty Organization subsidiary body referred to in section 2350(2) of this title and any other organization of the North Atlantic Treaty Organization.".

SEC. 242. DEFENSE WOMEN'S HEALTH RESEARCH PROGRAM.

(a) CONTINUATION OF PROGRAM.—The Secretary of Defense shall continue the Defense Women's Health Research Program established in response to the enactment of section 251 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1606).

(b) PARTICIPATION BY ALL MILITARY DEPARTMENTS.—The Departments of the Army, Navy, and Air Force shall each participate in the activities under the program.

(c) ARMY TO BE EXECUTIVE AGENT.—The Secretary of Defense shall designate the Secretary of the Army to be the executive agent for administering the program.

(d) PROGRAM ACTIVITIES.—The program shall include the following activities regarding health risks and health care for women in the Armed Forces:

(1) The coordination and support activities described in section 251 of Public Law 103–160.

(2) Epidemiologic research regarding women deployed for military operations, including research on patterns of illness and injury, environmental and occupational hazards (including exposure to toxins), side-effects of pharmaceuticals used by women so deployed, psychological stress associated with military training, deployment, combat and other traumatic incidents, and other conditions of life, and human factor research regarding women so deployed.

(3) Development of a data base to facilitate long-term research studies on issues related to the health of women in military service, and continued development and support of a women's health information clearinghouse to serve as an information resource for clinical, research, and policy issues affecting women in the Armed Forces.

(4) Research on policies and standards issues, including research supporting the development of military standards related to training, operations, deployment, and retention and the relationship between such activities and factors affecting women's health.

(5) Research on interventions having a potential for addressing conditions of military service that adversely affect the health of women in the Armed Forces.

(e) IMPLEMENTATION PLAN.—If, before October 1, 1995, the Secretary of Defense changes the implementation plan for the program that the Secretary submitted to the Committees on Armed Services of the Senate and the House of Representatives on May 2, 1994, the Secretary shall submit the modified plan to such committees before executing the changes.

(f) FUNDING.—Of the amount authorized to be appropriated pursuant to section 201, $40,000,000 shall be available for the Defense Women's Health Research Program referred to in subsection (a).

SEC. 243. REQUIREMENT FOR SUBMISSION OF ANNUAL REPORT OF THE SEMICONDUCTOR TECHNOLOGY COUNCIL TO CONGRESS.

Section 273(b)(2)(I) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (15 U.S.C. 4603) is amended by inserting "and submit to Congress by March 31 of each year after "Publish".

SEC. 244. REPORT ON OCEANOGRAPHIC SURVEY AND RESEARCH REQUIREMENTS TO SUPPORT LITTORAL WARFARE.

(a) REPORT REQUIRED.—Not later than March 1, 1995, the Secretary of the Navy shall submit to Congress a report on the oceanographic survey and research and development requirements needed to support Navy operations in littoral regions.

(b) CONTENT OF REPORT.—The report shall contain the following:

(1) An identification of unique properties, including acoustics, bathymetry, bottom type, and ocean dynamics that affect shallow water operations in littoral regions.

(2) A list of the principal littoral regions that—

(A) designates each region as high, medium, or low priority based on the probable need for Navy operations in such regions; and

(B) for each region, is annotated to identify—

(i) the date of the most recent detailed survey; and

(ii) the extent to which that survey provides insight into the region's properties identified pursuant to paragraph (1).

(3) An assessment of the Navy's current and projected access to each region for surveying purposes.

(4) An assessment of the ability of current oceanographic survey and research assets to develop the information identified in paragraph (1).

SEC. 245. LANSCE/LAMPF UPGRADES.

Of the amounts authorized to be appropriated by section 201(4), $20,000,000 shall be available to complete the Los Alamos Neutron Scattering Experiment/Los Alamos Meson Physics Facility upgrades at the Los Alamos National Laboratory, Los Alamos, New Mexico.

SEC. 246. STUDY REGARDING LIVE-FIRE SURVIVABILITY TESTING OF F–22 AIRCRAFT.

(a) REQUIREMENT.—The Secretary of Defense shall request the National Research Council of the National Academy of Sciences to conduct a study regarding the desirability of waiving for the F–22 aircraft program the survivability tests required by section 2366(c) of title 10, United States Code, and to submit to the Secretary and Congress, within 180 days after the date of the enactment of this Act, a report containing the conclusions of the Council regarding the desirability of waiving such tests.

(b) CONTENT OF REPORT.—The report shall contain the following matters:

(1) Conclusions regarding the practicality of full-scale, full-up testing for the F–22 aircraft program.

(2) A discussion of the implications regarding the affordability of the F–22 aircraft program of conducting and of not conducting

the survivability tests, including an assessment of the potential life cycle benefits that could be derived from full-scale, full-up live fire testing in comparison to the costs of such testing.

(3) A discussion of what, if any, changes of circumstances affecting the F-22 aircraft program have occurred since completion of the milestone II program review to cause the program manager to request a waiver of the survivability tests for the F-22 aircraft program that was not requested at that time.

(4) The sufficiency of the F-22 aircraft program testing plans to fulfill the same requirements and purposes as are provided in subsection (e)(3) of section 2366 of title 10, United States Code, for realistic survivability testing for purposes of subsection (a)(1)(A) of such section.

(5) Any recommendations regarding survivability testing for the F-22 aircraft program that the Council considers appropriate on the basis of the study.

SEC. 247. UNIVERSITY RESEARCH INITIATIVE SUPPORT PROGRAM.

Of the amounts authorized to be appropriated under section 201, $10,000,000 shall be available for the University Research Initiative Support Program established pursuant to section 802 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1701; 10 U.S.C. 2358 note).

SEC. 248. MANUFACTURING SCIENCE AND TECHNOLOGY PROGRAM.

(a) PROGRAM AUTHORIZED.—(1) Section 2525 of title 10, United States Code, is amended to read as follows:

"SEC. 2525. MANUFACTURING SCIENCE AND TECHNOLOGY PROGRAM.

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish a Manufacturing Science and Technology Program to further the national security objectives of section 2501(a) of this title. The Under Secretary of Defense for Acquisition and Technology shall administer the program.

"(b) PURPOSE.—The purpose of the program is to enhance the capability of industry to meet the manufacturing needs of the Department of Defense.

"(c) EXECUTION.—The Secretary may carry out projects under the program through the Secretaries of the military departments and the heads of Defense Agencies.

"(d) COMPETITION AND COST SHARING.—(1) Competitive procedures shall be used for awarding all grants and entering into all contracts, cooperative agreements, and other transactions under the program.

"(2) A grant may not be awarded under the program, and a contract, cooperative agreement, or other transaction may not be entered into under the program, on any basis other than a cost-sharing basis unless the Secretary of Defense determines that the grant, contract, cooperative agreement, or other transaction, as the case may be, is for a program that—

"(A) is not likely to have any immediate and direct commercial application; or

"(B) is of sufficiently high risk to discourage cost sharing by non-Federal Government sources.".

(2) The item relating to section 2525 in the table of sections at the beginning of subchapter IV of chapter 148 of such title is amended to read as follows:

"2525. Manufacturing Science and Technology Program.".

(b) FUNDING.—Of the amounts appropriated pursuant to section 201, not more than $125,000,000 shall be available for the Manufacturing Science and Technology Program under section 2525 of title 10, United States Code (as amended by subsection (a)), of which—

(1) not more than $30,000,000 shall be available for the Army;

(2) not more than $35,000,000 shall be available for the Navy;

(3) not more than $50,000,000 shall be available for the Air Force; and

(4) not more than $10,000,000 shall be available for the Defense Logistics Agency.

SEC. 249. DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

(a) PROGRAM REQUIRED.—The Secretary of Defense, acting through the Director of Defense Research and Engineering, shall carry out a Defense Experimental Program to Stimulate Competitive Research (DEPSCoR) as part of the university research programs of the Department of Defense.

(b) PROGRAM OBJECTIVES.—The objectives of the program are as follows:

(1) To enhance the capabilities of institutions of higher education in eligible States to develop, plan, and execute science and engineering research that is competitive under the peer-review systems used for awarding Federal research assistance.

(2) To increase the probability of long-term growth in the competitively awarded financial assistance that institutions of higher education in eligible States receive from the Federal Government for science and engineering research.

(c) PROGRAM ACTIVITIES.—In order to achieve the program objectives, the following activities are authorized under the program:

(1) Competitive award of research grants.

(2) Competitive award of financial assistance for graduate students.

(d) ELIGIBLE STATES.—(1) The Director of the National Science Foundation shall designate which States are eligible States for the purposes of this section and shall notify the Director of Defense Research and Engineering of the States so designated.

(2) The Director of the National Science Foundation shall designate a State as an eligible State if, as determined by the Director—

(A) the institutional average amount of Federal financial assistance for research and development received by the institutions of higher education in the State for the fiscal year preceding the fiscal year for which the designation is effective, or for the last fiscal year for which statistics are available, is less than the amount equal to 50 percent of the national institutional average amount of Federal financial assistance for research and development received by the institutions of higher education in the United States for such preceding or last fiscal year, as the case may be;

(B) the State has demonstrated a commitment to developing research bases in the State and to improving science and engineering research and education programs at institutions of higher education in the State; and

(C) the State is an eligible State for purposes of the Experimental Program to Stimulate Competitive Research conducted by the National Science Foundation.

(e) COORDINATION WITH SIMILAR FEDERAL PROGRAMS.—(1) The Secretary shall consult with the Director of the National Science Foundation and the Director of the Office of Science and Technology Policy in the planning, development, and execution of the program and shall coordinate the program with the Experimental Program to Stimulate Competitive Research conducted by the National Science Foundation and with similar programs sponsored by other departments and agencies of the Federal Government.

(2) All solicitations under the Defense Experimental Program to Stimulate Competitive Research shall be made to, and all awards shall be made through, the State committees established for purposes of the Experimental Program to Stimulate Competitive Research conducted by the National Science Foundation.

(3) A State committee referred to in paragraph (2) shall ensure that activities carried out in the State of that committee under the Defense Experimental Program to Stimulate Competitive Research are coordinated with the activities carried out in the State under other similar initiatives of the Federal Government to stimulate competitive research.

SEC. 250. STUDY ON BEAMING HIGH POWER LASER ENERGY TO SATELLITES.

(a) STUDY.—(1) The Secretary of Defense and the Administrator of the National Aeronautics and Space Administration shall jointly carry out a study to determine the cost, feasibility, and advisability of the development and utilization of a system to deliver energy to satellites by beaming high power laser energy from ground sources.

(2) In determining the cost, feasibility, and advisability of the system referred to in paragraph (1), the Secretary and the Administrator shall take into account the impact on the environment of the development and utilization of the system and the effect, if any, of the development and utilization of the system on the arms control efforts or obligations of the United States.

(3) In carrying out the study, the Secretary and the Administrator shall consider the development of a space energy laser (SELENE) system using a free electron laser at the Naval Air Weapons Station, China Lake, California.

(b) REPORT.—The Secretary and the Administrator shall jointly submit to the congressional defense committees a report on the study required under subsection (a). The Secretary and the Administrator shall submit the report not later than July 1, 1995.

SEC. 251. ADVANCED THREAT RADAR JAMMER.

(a) LIMITATION REGARDING JOINT DEVELOPMENT PROGRAM WITH CERTAIN FOREIGN ENTITIES.—The Secretary of Defense may not negotiate or enter into any agreement with, nor accept funds from, a foreign government or an entity controlled by a foreign government for a joint program for the development of an advanced threat radar jammer for combat helicopters until 30 days after the Secretary, in consultation with the Secretary of State, the Secretary of the Army, and the Director of the Defense Security Assistance Agency, conducts a comprehensive review of the program and submits a report on the results of that review to the congressional defense committees.

(b) MATTERS COVERED BY REVIEW AND REPORT.—The matters relating to the program referred to in subsection (a) that are required to be covered by the review and report are as follows:

(1) The legal basis for seeking for the program funds that are neither authorized to be appropriated nor appropriated.

(2) The consistency of the program with the Department of Defense policy that no foreign military sale of a defense system, and no commitment to foreign military sale of a defense system, be made before operational test and evaluation of the system is successfully completed and the Under Secretary of Defense for Acquisition and Technology has specifically approved the system for sale to a foreign government.

(3) The mission requirement for an advanced threat radar jammer for combat helicopters.

(4) An assessment of each threat for which an advanced threat radar jammer would be developed, particularly with regard to each threat to a foreign country with which the United States would jointly develop an advanced threat radar jammer.

(5) The potential for sensitive electronic warfare technology to be made available to potential adversaries of the United States as a result of United States participation in the program.

(6) The availability of other nondevelopmental items and less sophisticated technologies for countering the emerging radar detection threats to United States combat helicopters and combat helicopters of United States allies.

(7) A capability assessment of similar technologies available from other foreign countries and the consequences of proliferation of such technologies in regions of potential conflict.

(c) INAPPLICABILITY TO MAJOR ALLIES OF THE UNITED STATES.—This section does not apply with respect to a major ally of the United States.

(d) 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 of Defense. Such term does not include an organization or corporation that is owned, but is not controlled, either directly or indirectly, by a foreign government if the ownership of that organization or corporation by that foreign government was effective before October 23, 1992.

(2) The term "major ally of the United States" has the meaning given such term in section 2350a(i)(2) of title 10, United States Code.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1995 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, $17,542,914,000.

(2) For the Navy, $21,326,470,000.

(3) For the Marine Corps, $2,096,695,000.

(4) For the Air Force, $18,789,023,000.

(5) For Defense-wide activities, $9,994,325,000.

(6) For Medical Programs, Defense, $9,854,459,000.

(7) For the Army Reserve, $1,253,709,000.

(8) For the Naval Reserve, $828,319,000.

(9) For the Marine Corps Reserve, $81,462,000.

(10) For the Air Force Reserve, $1,478,990,000.

(11) For the Army National Guard, $2,452,148,000.

(12) For the Air National Guard, $2,780,178,000.

(13) For the National Board for the Promotion of Rifle Practice, $2,544,000.

(14) For the Defense Inspector General, $140,798,000.

(15) For Drug Interdiction and Counterdrug Activities, Defense-wide, $714,200,000.

(16) For the United States Court of Appeals for the Armed Services, $6,126,000.

(17) For Environmental Restoration, Defense, $2,180,200,000.

(18) For Humanitarian Assistance, $71,900,000.

(19) For Former Soviet Union Threat Reduction, $400,000,000.

(20) For the Contributions for International Peacekeeping and Peace Enforcement Activities Fund, $300,000,000.

(21) For support for the 1996 Summer Olympics, $10,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1995 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Business Operations Fund, $798,400,000.

(2) For the National Defense Sealift Fund, $227,800,000.

SEC. 303. ARMED FORCES RETIREMENT HOME FUNDING.

There is hereby authorized to be appropriated for fiscal year 1995 from the Armed Forces Retirement Home Trust Fund the sum of $59,317,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. NATIONAL SECURITY EDUCATION TRUST FUND OBLIGATIONS.

During fiscal year 1995, $14,300,000 is authorized to be obligated from the National Security Education Trust Fund established by section 804(a) of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1904(a)).

SEC. 305. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than $250,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 1995 in amounts as follows:

(1) For the Army, $50,000,000.

(2) For the Navy, $50,000,000.

(3) For the Air Force, $50,000,000.

(4) For Defense-wide activities, $100,000,000.

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

SEC. 306. SUPPORT FOR THE 1995 SPECIAL OLYMPICS WORLD GAMES.

(a) AUTHORITY TO PROVIDE SUPPORT.—The Secretary of Defense may provide logistical support and personnel services in connection with the 1995 Special Olympics World Games to be held in New Haven, Connecticut.

(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 of appropriations in subsection (c).

(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 1995 Special Olympics World Games.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $3,000,000 for the Department of Defense for fiscal year 1995 to carry out subsection (a).

SEC. 307. AIR NATIONAL GUARD FIGHTER AIRCRAFT.

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

(1) The Bottom-Up Review force structure proposal would accomplish most of the remaining reductions in the total number of Air Force general purpose fighter wings by reducing the Air National Guard and Air Force Reserve fighter force from 10 wings to 7 wings.

(2) The current plan for implementing the reduction referred to in paragraph (1) is to reduce the number of fighter aircraft in each Air National Guard fighter unit from 24 or 18 primary aircraft authorized to 15 primary aircraft authorized and to convert some Air National Guard fighter units to other purposes.

(3) The number of Air National Guard Combat Readiness Training Centers in operation during fiscal year 1995 should not be less than the number of such centers in operation at the end of fiscal year 1994.

(4) The Commission on Roles and Missions of the Armed Forces established by section 952 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 10 U.S.C. 111 note; 107 Stat. 1738) is required to submit to Congress a report under section 954(b) of such Act on possible changes to existing allocations among the Armed Forces of military roles, missions, and functions.

(5) The Commission is not expected to submit the report until the middle of fiscal year 1995.

(6) The report of the Commission should contain a review of and recommendations on the assignment of roles and missions to units of the Air National Guard and the Air Force Reserve in relation to active component units that are the counterparts to such units and on requirements for resources for training of such units.

(b) REQUIREMENT.—After submission of the report referred to in paragraph (3), the Secretary of Defense shall review its findings on the role and requirements for general purpose fighter units of the Air National Guard, and shall complete within 30 days a study which recommends the appropriate level of primary aircraft authorized (PAA) for such units, following which, if the Secretary determines changes in that level are appropriate, he may notify the Congress of his determination and he may seek any reprogramming of funds that he considers appropriate to ensure that such changes are implemented.

Subtitle B—Defense Business Operations Fund

SEC. 311. PERMANENT AUTHORITY FOR USE OF FUND FOR MANAGING WORKING CAPITAL FUNDS AND CERTAIN ACTIVITIES.

Section 316(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 2208 note) is amended by striking out "During" and all that follows through "December 31, 1994, the" and inserting in lieu thereof "The".

SEC. 312. IMPLEMENTATION OF IMPROVEMENT PLAN.

(a) PROGRESS REPORT ON IMPLEMENTATION.—Not later than February 1, 1995, the

Secretary of Defense shall submit to the congressional defense committees a report on the progress made in implementing the Defense Business Operations Fund Improvement Plan, dated September, 1993. The report shall describe the progress made in reaching the milestones established in the plan and provide an explanation for the failure to meet any of the milestones. The Secretary shall submit a copy of the report to the Comptroller General of the United States at the same time the Secretary submits the report to the congressional defense committees.

(b) RESPONSIBILITIES OF THE COMPTROLLER GENERAL.—(1) The Comptroller General shall monitor and evaluate the progress of the Department of Defense in developing and implementing the improvement plan referred to in subsection (a).

(2) Not later than March 1, 1995, the Comptroller General shall submit to the congressional defense committees a report containing the following:

(A) The findings and conclusions of the Comptroller General resulting from the monitoring and evaluation conducted under paragraph (1).

(B) An evaluation of the progress report submitted to the congressional defense committees by the Secretary of Defense pursuant to subsection (a).

(C) Any recommendations for legislation or administrative action concerning the Fund that the Comptroller General considers appropriate.

SEC. 313. LIMITATION ON OBLIGATIONS AGAINST THE CAPITAL ASSET FUND.

The Secretary of Defense may not incur obligations against funds in the capital asset subaccount of the Defense Business Operations Fund during fiscal year 1995 in a total amount in excess of $1,500,000.

SEC. 314. LIMITATION ON OBLIGATIONS AGAINST THE SUPPLY MANAGEMENT DIVISIONS.

(a) LIMITATION.—(1) The Secretary of Defense may not incur obligations against the supply management divisions of the Defense Business Operations Fund during fiscal year 1995 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 1995, the Secretary shall exclude obligations and sales for fuel, commissary and subsistence items, retail operations, repair of equipment and spare parts in support of repair, direct vendor deliveries, foreign military sales, initial outfitting requiring equipment furnished by the Federal Government, and the cost of operations.

(b) WAIVER AUTHORITY.—The Secretary of Defense may waive the limitation in subsection (a) if the Secretary determines that such waiver is necessary in order to maintain the readiness and combat effectiveness of the Armed Forces. The Secretary shall immediately notify Congress of any such waiver and the reasons for such waiver.

(c) DETERMINATIONS OF EFFECTS OF LIMITATION ON READINESS AND COMBAT EFFECTIVENESS.—Not later than 60 days after the date of the enactment of this Act, the secretaries of the military departments and the Director of the Defense Logistics Agency shall each submit to the Secretary of Defense a report containing the views of such official on the effects of the limitation in subsection (a) on the ability of the Department of Defense to maintain the readiness and combat effectiveness of the Armed Forces. If the Secretary of Defense determines, after considering the reports, that the limitation will impair the readiness and combat effectiveness of any of the Armed Forces, the Secretary shall exercise the waiver authority provided in subsection (b).

Subtitle C—Environmental Matters

SEC. 321. PROHIBITION ON THE PURCHASE OF SURETY BONDS AND OTHER GUARANTEES FOR THE DEPARTMENT OF DEFENSE.

No funds appropriated or otherwise made available to the Department of Defense for fiscal year 1995 may be obligated or expended for the purchase of surety bonds or other guarantees of financial responsibility in order to guarantee the performance of any direct function of the Department of Defense.

SEC. 322. EXTENSION OF PROHIBITION ON USE OF ENVIRONMENTAL RESTORATION FUNDS FOR PAYMENT OF FINES AND PENALTIES.

None of the funds appropriated for fiscal year 1995 pursuant to the authorization of appropriations provided in section 301(17) may be used for the payment of a fine or penalty imposed against the Department of Defense unless the act or omission for which the fine or penalty is imposed arises out of activities funded by the account.

SEC. 323. PARTICIPATION OF INDIAN TRIBES IN AGREEMENTS FOR DEFENSE ENVIRONMENTAL RESTORATION.

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

(1) by striking out "SERVICE OF OTHER AGENCIES.—The Secretary" and inserting in lieu thereof the following: "SERVICE OF OTHER AGENCIES.—

"(1) IN GENERAL.—The Secretary";

(2) in paragraph (1), as so designated, by inserting "any Federally recognized Indian tribe or" before "any State or local government agency,"; and

(3) by adding at the end the following:

"(2) DEFINITION.—For purposes of this subsection, the term 'Indian tribe' has the meaning given such term in section 101(36) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9701(36)).".

SEC. 324. EXTENSION OF AUTHORITY TO ISSUE SURETY BONDS FOR CERTAIN ENVIRONMENTAL PROGRAMS.

Section 2701(j) of title 10, United States Code, is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1999".

Subtitle D—Matters Relating to Department of Defense Civilian Employees

SEC. 331. EXTENSION OF CERTAIN TRANSITION ASSISTANCE AUTHORITIES.

(a) REDUCTION-IN-FORCE NOTIFICATION REQUIREMENTS.—Section 4433(b)(2) of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102-484; 106 Stat. 2721; 5 U.S.C. 3502 note) is amended by striking out "February 1, 1998" and inserting in lieu thereof "February 1, 2000".

(b) SEPARATION PAY.—(1) Section 5597(e) of title 5, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1999".

(2) Section 4436(d)(2) of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (5 U.S.C. 8348 note) is amended by striking out "January 1, 1998" and inserting in lieu thereof "January 1, 2000".

(c) RESTORATION OF CERTAIN LEAVE.—Section 6304(d)(3) of title 5, United States Code, is amended by striking out "the closure of an installation" and inserting in lieu thereof "the closure of an installation of the Department of Defense pursuant to 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) during any period, and the closure of any other installation".

(d) CONTINUED HEALTH BENEFITS.—Section 8905a(d)(4)(B) of title 5, United States Code, is amended—

(1) by striking out "October 1, 1997" each place it appears and inserting in lieu thereof "October 1, 1999"; and

(2) in clause (ii), by striking out "February 1, 1998," and inserting in lieu thereof "February 1, 2000,".

SEC. 332. EXTENSION AND EXPANSION OF AUTHORITY TO CONDUCT PERSONNEL DEMONSTRATION PROJECTS.

(a) CHINA LAKE DEMONSTRATION PROJECT.—(1) Section 6 of the Civil Service Miscellaneous Amendments Act of 1983 (Public Law 98-224; 98 Stat. 49) is amended by striking out "September 30, 1995,".

(2) In the event of a reorganization of the organization carrying out the personnel demonstration project referred to in section 6 of Public Law 98-224, such section shall apply with respect to the successor to that organization.

(b) DEFENSE LABORATORIES PERSONNEL DEMONSTRATION PROJECTS.—(1) The Secretary of Defense may carry out personnel demonstration projects at Department of Defense laboratories designated by the Secretary as Department of Defense science and technology reinvention laboratories.

(2) Each personnel demonstration project carried out under the authority of paragraph (1) shall be similar to the personnel demonstration project that is authorized by section 6 of Public Law 98-224 to be continued at the Naval Weapons Center, China Lake, California, and at the Naval Ocean Systems Center, San Diego, California.

(3) If the Secretary carries out a demonstration project at a laboratory pursuant to paragraph (1), section 4703 (other than subsection (d)) of title 5, United States Code, shall apply to such demonstration project, except that the authority of the Secretary to carry out the demonstration project is that which is provided in paragraph (1) rather than the authority that is provided in such section 4703.

SEC. 333. LIMITATION ON PAYMENT OF SEVERANCE PAY TO CERTAIN EMPLOYEES TRANSFERRING TO EMPLOYMENT POSITIONS IN NONAPPROPRIATED FUND INSTRUMENTALITIES.

(a) IN GENERAL.—Section 5595 of title 5, United States Code, is amended by adding at the end the following:

"(h)(1) Severance pay under this section may not be paid to—

"(A) a person described in paragraph (4)(A) during any period in which the person is employed in a defense nonappropriated fund instrumentality; or

"(B) a person described in paragraph (4)(B) during any period in which the person is employed in a Coast Guard nonappropriated fund instrumentality.

"(2)(A) Except as provided in subparagraph (B), payment of severance pay to a person referred to in paragraph (1) may be resumed upon any involuntary separation of the person from the position of employment in a nonappropriated fund instrumentality, not by removal for cause on charges of misconduct, delinquency, or inefficiency.

"(B) Payment of severance pay may not be resumed under subparagraph (A) in the case of a person who, upon separation, is entitled to immediate payment of retired or retainer pay as a member or former member of the

uniformed services or to an immediate annuity under—

"(i) a retirement system for persons retiring from employment by a nonappropriated fund instrumentality;

"(ii) subchapter III of chapter 83 of this title;

"(iii) subchapter II of chapter 84 of this title; or

"(iv) any other retirement system of the Federal Government for persons retiring from employment by the Federal Government.

"(3) Upon resumption of payment of severance pay under paragraph (2)(A) in the case of a person separated as described in such paragraph, the amount of the severance pay so payable for a period shall be reduced (but not below zero) by the portion (if any) of the amount of any severance pay payable for such period to the person by the nonappropriated fund instrumentality that is attributable to credit for service taken into account under subsection (c) in the computation of the amount of the severance pay so resumed.

"(4) Paragraph (1) applies to a person who, on or after January 1, 1987, moves without a break in service—

"(A) from employment in the Department of Defense that is not employment in a defense nonappropriated fund instrumentality to employment in a defense nonappropriated fund instrumentality; or

"(B) from employment in the Coast Guard that is not employment in a Coast Guard nonappropriated fund instrumentality to employment in a Coast Guard nonappropriated fund instrumentality.

"(5) The Secretary of Defense, in consultation with the Secretary of Transportation, shall prescribe regulations to carry out this subsection.

"(6) In this subsection:

"(A) The term 'defense nonappropriated fund instrumentality' means a nonappropriated fund instrumentality of the Department of Defense.

"(B) The term 'Coast Guard nonappropriated fund instrumentality' means a nonappropriated fund instrumentality of the Coast Guard.

"(C) The term 'nonappropriated fund instrumentality' means a nonappropriated fund instrumentality described in section 2105(c) of this title.".

(b) APPLICABILITY.—Subsection (h) of section 5595 of title 5, United States Code, as added by subsection (a), shall take effect on the date of the enactment of this Act and apply with respect to pay periods that begin on or after such date.

SEC. 334. RETIREMENT CREDIT FOR CERTAIN SERVICE IN NONAPPROPRIATED FUND INSTRUMENTALITIES BEFORE JANUARY 1, 1987.

(a) STUDY REQUIRED.—The Secretary of Defense shall conduct a study to determine the level of interest among employees of the Department of Defense referred to in subsection (b) in obtaining credit under the Civil Service Retirement and Disability System or the Federal Employees' Retirement System for former service described in such subsection as an employee of a nonappropriated fund instrumentality of the United States.

(b) EMPLOYEES CONCERNED.—The employees referred to in subsection (a) are employees who, for at least 12 months during the period beginning on January 1, 1966, and ending on December 31, 1986, performed service as an employee described in section 2105(c) of title 5, United States Code, conducting a program described in section 8332(b)(16)(A) of such title.

(c) CONDUCT OF STUDY.—In carrying out the study under subsection (a), the Secretary shall—

(1) provide an opportunity for all employees referred to in that subsection to express interest in obtaining retirement credit for the former service in a nonappropriated fund instrumentality of the United States; and

(2) inform such employees that deposits to the Civil Service Retirement and Disability Fund would be required of the interested employees under section 8334(c) of title 5, United States Code, or section 8411(f) of such title.

(d) REPORT.—Not later than February 1, 1995, the Secretary shall submit to Congress a report on the results of the study required by subsection (a). The report shall contain the following matters:

(1) An analysis of the issues, to include existing legal rights of the employees described in paragraph (b) above under the Civil Service Retirement Disability System or the Federal Employees' Retirement System.

(2) An Analysis of the inequities, if any, that may have been caused by conversion from employment by nonappropriated fund instrumentalities of the United States to employment by the Department of Defense.

(3) The number of full time and part time employees described in paragraph (b) above that are affected by any inequities described in paragraph (2).

(4) The Department of Defense recommendations, if any, to redress any inequities described in paragraph (2), and

(5) The cost to the Federal Government of any recommendation described in paragraph (4).

SEC. 335. TRAVEL, TRANSPORTATION, AND RELOCATION EXPENSES OF EMPLOYEES TRANSFERRING TO THE UNITED STATES POSTAL SERVICE.

(a) IN GENERAL.—(1) Subchapter II of chapter 57 of title 5, United States Code, is amended by adding at the end the following:

"§ 5735. Travel, transportation, and relocation expenses of employees transferring to the United States Postal Service

"(a) IN GENERAL.—Notwithstanding any other provision of law, employees of the Department of Defense described in subsection (b) may be authorized travel, transportation, and relocation expenses and allowances in connection with appointments referred to in such subsection under the same conditions and to the same extent authorized by this subchapter for transferred employees.

"(b) COVERED EMPLOYEES.—Subsection (a) applies to any employee of the Department of Defense who—

"(1) is scheduled for separation from the Department, other than for cause;

"(2) is selected for appointment to a continuing position with the United States Postal Service; and

"(3) accepts the appointment.".

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

"5735. Travel, transportation, and relocation expenses of employees transferring to the United States Postal Service.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and apply to persons separated from employment by the Department of Defense on or after such date.

SEC. 336. FOREIGN EMPLOYEES COVERED BY THE FOREIGN NATIONAL EMPLOYEES SEPARATION PAY ACCOUNT.

Section 1581 of title 10, United States Code, is amended—

(1) by striking out "foreign national employees of the Department of Defense" each place it appears in subsections (a) and (b) and inserting in lieu thereof "foreign nationals referred to in subsection (e)"; and

(2) by striking out subsection (e) and inserting in lieu thereof the following:

"(e) EMPLOYEES COVERED.—This section applies only with respect to separation pay of foreign nationals employed by the Department of Defense, and foreign nationals employed by a foreign government for the benefit of the Department of Defense, under any of the following agreements that provide for payment of separation pay:

"(1) A contract.

"(2) A treaty.

"(3) A memorandum of understanding with a foreign nation.

SEC. 337. INCREASED AUTHORITY TO ACCEPT VOLUNTARY SERVICES.

(a) EXPANSION OF AUTHORITY.—The text of section 1588 of title 10, United States Code, is amended to read as follows:

"(a) AUTHORITY TO ACCEPT SERVICES.—Subject subsection (b) and notwithstanding section 1342 of title 31, the Secretary concerned may accept from any person the following services:

"(1) Voluntary medical services, dental services, nursing services, or other healthcare related services.

"(2) Voluntary services to be provided for a museum or a natural resources program.

"(3) Voluntary services to be provided for programs providing services to members of the armed forces and the families of such members, including the following programs:

"(A) Family support programs.

"(B) Child development and youth services programs.

"(C) Library and education programs.

"(D) Religious programs.

"(E) Housing referral programs.

"(F) Programs providing employment assistance to spouses of such members.

"(b) REQUIREMENTS AND LIMITATIONS.—(1) The Secretary concerned shall notify the person of the scope of the services accepted.

"(2) With respect to a person providing voluntary services accepted under subsection (a), the Secretary concerned—

"(A) shall—

"(i) supervise the person to the same extent as the Secretary would supervise a compensated employee providing similar services; and

"(ii) ensure that the person is licensed, privileged, has appropriate credentials, or is otherwise qualified under applicable law or regulations to provide such services; and

"(B) may not—

"(i) place the person in a policy-making position; or

"(ii) except as provided subsection (e), compensate the person for the provision of such services.

"(c) AUTHORITY TO RECRUIT AND TRAIN PERSONS PROVIDING SERVICES.—The Secretary concerned may recruit and train persons to provide voluntary services accepted under subsection (a).

"(d) STATUS OF PERSONS PROVIDING SERVICES.—(1) Subject to paragraph (3), while providing voluntary services accepted under subsection (a) or receiving training under subsection (c) a person, other than a person referred to in paragraph (2), shall be considered to be an employee of the Federal Government only for purposes of the following provisions of law:

"(A) Subchapter I of chapter 81 of title 5, relating to compensation for work-related injuries.

"(B) Section 2733 of this title and section 2733 of title 28, relating to claims for damages or loss.

"(C) Section 522a of title 5, relating to maintenance of records on individuals.

"(D) Chapter 11 of title 18, relating to conflicts of interest.

"(2) Subject to paragraph (3), while providing a nonappropriated fund instrumentality of the United States with voluntary services accepted under subsection (a), or receiving training under subsection (c) to provide such an instrumentality with services accepted under subsection (a), a person shall be considered an employee of that instrumentality only for the following purposes:

"(A) Subchapter II of chapter 81 of title 5, relating to compensation of nonappropriated fund employees for work-related injuries.

"(B) Section 2733 of this title and section 2733 of title 28, relating to tort claims.

"(3) A person providing voluntary services accepted under subsection (a) shall be considered to be an employee of the Federal Government under paragraph (1) or (2) only with respect to services that are within the scope of the services so accepted.

"(4) For purposes of determining the compensation for work-related injuries payable under chapter 81 of title 5 (pursuant to this subsection) to a person providing voluntary services accepted under subsection (a), the monthly pay of the person for such services shall be deemed to be the amount determined by multiplying—

"(A) the average monthly number of hours that the person provided the services, by

"(B) the minimum wage determined in accordance with section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)).

"(e) REIMBURSEMENT OF INCIDENTAL EXPENSES.—The Secretary concerned may provide for reimbursement of a person for incidental expenses incurred by the person in providing voluntary services accepted under subsection (a). The Secretary shall determine which expenses are eligible for reimbursement under this subsection. Any such reimbursement may be made from appropriated or nonappropriated funds.".

(b) CONFORMING AND TECHNICAL AMENDMENTS.—(1) Section 8171(a) of title 5, United States Code, is amended by inserting ", or to a volunteer providing such an instrumentality with services accepted under section 1588 of title 10," after "described by section 2105(c) of this title".

(2) Subchapter II of chapter 81 of such title is amended—

(A) in section 8171—

(i) in subsection (a)—

(I) by striking out "Chapter 18 of title 33" in the first sentence and inserting in lieu thereof "The Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.)";

(II) by striking out "section 902(2) of title 33" in the first sentence and inserting in lieu thereof "section 2(2) of such Act (33 U.S.C. 902(2))"; and

(III) by striking out "section 903(a) of title 33 which follows the first comma" in the second sentence and inserting in lieu thereof "section 3(a) of such Act (33 U.S.C. 903(3)) which follows the second comma";

(ii) in subsection (b), by striking out "section 902(4) of title 33" and inserting in lieu thereof "section 2(4) of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 902(4))";

(iii) in subsection (c)(1), by striking out "section 939(b) of title 33" and inserting in lieu thereof "39(b) of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 939(b))"; and

(iv) in subsection (d), by striking out "sections 918 and 921 of title 33" and inserting in lieu thereof "sections 18 and 21 of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 18 and 21, respectively)"; and

(B) by striking out "section 902(2) of title 33" in sections 8172 and 8173 and inserting in lieu thereof "section 2(2) of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 2(2))".

Subtitle E—Other Matters

SEC. 341. CHANGE OF SOURCE FOR PERFORMANCE OF DEPOT-LEVEL WORKLOADS.

The text of section 2469 of title 10, United States Code, is amended to read as follows:

"(a) REQUIREMENT FOR COMPETITION.—The Secretary of Defense shall ensure that the performance of a depot-level maintenance workload described in subsection (b) is not changed to performance by a contractor or by another depot-level maintenance activity of the Department of Defense unless the change is made using—

"(1) merit-based selection procedures for competitions among all depot-level maintenance activities of the Department of Defense; or

"(2) competitive procedures for competitions among private and public sector entities.

"(b) SCOPE.—Subsection (a) applies to any depot-level maintenance workload that has a value of not less than $3,000,000 and is being performed by a depot-level activity of the Department of Defense.

"(c) INAPPLICABILITY OF OMB CIRCULAR A-76.—Office of Managment and Budget Circular A-76 does not apply to a performance change to which subsection (a) applies.".

SEC. 342. CIVIL AIR PATROL.

(a) PROVISION OF FUNDS.—Subsection (b) of section 9441 of title 10, United States Code, is amended—

(1) by redesignating paragraphs (8), (9), (10), and (11) as paragraphs (9), (10), (11), and (12), respectively; and

(2) by inserting after paragraph (7) the following new paragraph (8):

"(8) provide funds for the national headquarters of the Civil Air Patrol, including funds for the payment of staff compensation and benefits, administrative expenses, travel, per diem and allowances, rent and utilities, and other operational expenses;".

(b) LIAISONS.—Such section is further amended by adding at the end the following new subsection:

"(d)(1) The Secretary of the Air Force may authorize the Civil Air Patrol to employ, as administrators and liaison officers, persons retired from service in the Air Force whose qualifications are approved under regulations prescribed by the Secretary and who request such employment.

"(2) A person employed pursuant to paragraph (1) may receive the person's retired pay and an additional amount for such employment that is not more than the difference between the person's retired pay and the pay and allowances the person would be entitled to receive if ordered to active duty in the grade in which the person retired from service in the Air Force. The additional amount shall be paid to the Civil Air Patrol by the Secretary from funds appropriated for that purpose.

"(3) A person employed pursuant to paragraph (1) may not, while so employed, be considered to be on active duty or inactive-duty training for any purpose.".

SEC. 343. ARMED FORCES RETIREMENT HOME.

(a) INCREASED MAXIMUM LIMITATION ON DEDUCTIONS FROM PAY.—Section 1007(i) of title 37, United States Code, is amended—

(1) in paragraph (1), by striking out "50 cents" and inserting in lieu thereof "$2.00"; and

(2) in paragraph (3), by adding at the end the following: "The amount fixed for a grade or length of service may not be increased by more than 50 cents during any 12-month period.".

(b) MODIFICATION OF FEES PAID BY RESIDENTS.—(1) Paragraph (2) of section 1514(c) of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 414(c)) is amended to read as follows:

"(2) The fee shall be fixed as a percentage of the monthly income and monthly payments (including Federal payments) received by a resident, subject to such adjustments in the fee as the Retirement Home Board may make under paragraph (1). The percentage shall be the same for each establishment of the Retirement Home.".

(2)(A) Subsections (d) and (e) of section 1514 of such Act are repealed.

(B) Such section is further amended by adding after subsection (c) the following new subsection (d):

"(d) APPLICATION OF FEES.—Subject to such adjustments in the fee as the Retirement Home Board may make under subsection (c), each resident of the Retirement Home shall be required to pay a monthly fee equal to the amount determined by multiplying the total amount of all monthly income and monthly payments (including Federal payments) received by the resident by a percentage as follows:

"(1) In the case of a permanent health care resident—

"(A) in fiscal year 1998, 35 percent;

"(B) in fiscal year 1999, 45 percent; and

"(C) in fiscal year 2000, 65 percent.

"(2) In the case of a resident who is not a permanent health care resident—

"(A) in fiscal year 1998, 30 percent;

"(B) in fiscal year 1999, 35 percent; and

"(C) in fiscal year 2000, 40 percent.

(c) MODERNIZATION OF FACILITIES.—(1) The Chairman of the Armed Forces Retirement Home Board shall carry out a study to identify and evaluate alternatives for modernization of the facilities at the United States Soldiers' and Airmen's Home.

(2) The Chairman shall submit an interim report and a final report on the results of the study to the Committees on Armed Services of the Senate and House of Representatives. The Chairman shall submit the interim report not later than April 1, 1995, and the final report not later than December 31, 1995.

(d) EFFECTIVE DATES.—(1) The amendments made by subsection (a) shall take effect on January 1, 1995, and apply to years that begin on or after that date.

(2) The amendments made by subsection (b) shall take effect October 1, 1997.

SEC. 344. CLARIFICATION OF AUTHORITY TO PROVIDE MEDICAL TRANSPORTATION UNDER NATIONAL GUARD PILOT PROGRAM.

Paragraph (1) of section 376(h) of the National Defense Authorization Act for Fiscal Year 1993 (32 U.S.C. 501 note) is amended to read as follows:

"(1) The term 'health care' includes the following services:

"(A) Medical care services.

"(B) Dental care services.

"(C) Transportation, by air ambulance or other means, for medical reasons.".

SEC. 345. ARMS INITIATIVE LOAN GUARANTEE PROGRAM.

(a) PROGRAM AUTHORIZED.—Subject to subsection (b), the Secretary of the Army may carry out a loan guarantee program to encourage commercial firms to use ammunition manufacturing facilities pursuant to section 193 of the Armament Retooling and Manufacturing Support Act of 1992 (subtitle H of title I of Public Law 102-484; 106 Stat. 2348). Under such program, the Secretary may guarantee the repayment of any loan made to a commercial firm to fund, in whole or in part, the establishment of a commercial activity under the Act.

(b) ADVANCED BUDGET AUTHORITY.—Loan guarantees under this section may not be committed except to the extent that appropriations of budget authority to cover their costs are made in advance, as required by section 504 of the Federal Credit Reform Act of 1990 (title V of the Congressional Budget Act of 1974; 2 U.S.C. 661c).

(c) PROGRAM ADMINISTRATION.—(1) The Secretary may enter into agreements with the Administrator of the Small Business Administration, the Administrator of the Farmers Home Administration, and the Administrator of the Rural Development Administration under which such Administrators may, under this section—

(A) process applications for loan guarantees;

(B) guarantee repayment of loans; and

(C) provide any other services to the Secretary to administer the loan guarantee program.

(2) Each Administrator may guarantee loans under this section to commercial firms of any size, notwithstanding any size limitations imposed on other loan guarantee programs that the Administrator administers.

(3) To the extent practicable, each Administrator shall use the same procedures for processing loan guarantee applications under this section as the Administrator uses for processing loan guarantee applications under other loan guarantee programs that the Administrator administers.

(d) LOAN LIMITS.—Loan guarantees under this section may not exceed—

(1) $20,000,000 for any borrower; and

(2) $65,000,000 for all borrowers.

(e) TRANSFER OF FUNDS.—The Secretary of the Army may transfer to an Administrator providing services under subsection (c), and an Administrator may accept, such funds as may be necessary to administer the loan guarantee program under this section.

(f) REPORTING REQUIREMENT.—Not later than July 1 of each year in which a guarantee issued under this section is in effect, the Secretary shall submit to the congressional defense committees a report containing the amounts of loans guaranteed under this section during the preceding calendar year. No report is required after fiscal year 1997.

(g) AUTHORIZATION FOR USE OF EXISTING BUDGET AUTHORITY.—Funds appropriated for the Armament Retooling and Manufacturing Support Initiative by title III of Public Law 102-396 under the heading "PROCUREMENT OF AMMUNITION, ARMY" (106 Stat. 1887) may be made available for loan guarantees under this section only to the extent provided in an appropriations act enacted after the date of the enactment of this Act.

(h) EXTENSION OF AUTHORITY.—Section 193(a) of the Armament Retooling and Manufacturing Support Act of 1992 (subtitle H of title I of Public Law 102-484; 106 Stat. 2348) is amended by striking out "During fiscal years 1993 and 1994," and inserting in lieu thereof "During fiscal years 1993 through 1996,".

SEC. 346. REAUTHORIZATION OF DEPARTMENT OF DEFENSE DOMESTIC ELEMENTARY AND SECONDARY SCHOOLS FOR DEPENDENTS.

(a) CONTINUED AUTHORITY.—Chapter 108 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2164. Department of Defense domestic dependent elementary and secondary schools

"(a) AUTHORITY OF SECRETARY.—If the Secretary of Defense makes a determination that appropriate educational programs are not available through a local educational agency for dependents of members of the armed forces and dependents of civilian employees of the Federal Government residing on a military installation in the United States (including territories, commonwealths, and possessions of the United States), the Secretary may provide for the elementary or secondary education of the dependents of such members of the armed forces and, to the extent authorized in subsection (c), the dependents of such civilian employees.

"(b) FACTORS FOR SECRETARY TO CONSIDER.—(1) Factors to be considered by the Secretary of Defense in making a determination under subsection (a) shall include the following:

"(A) The extent to which such dependents are eligible for free public education in the local area adjacent to the military installation.

"(B) The extent to which the local educational agency is able to provide a comparable educational program for such dependents.

"(2) For purposes of paragraph (1)(B), an appropriate educational program is a program that, as determined by the Secretary, is comparable to a program of free public education provided for children in the following communities:

"(A) In the case of a military installation located in a State (other than an installation referred to in subparagraph (B)), similar communities in the State.

"(B) In the case of a military installation with boundaries contiguous to two or more States, similar communities in the contiguous States.

"(C) In the case of a military installation located in a territory, commonwealth, or possession, the District of Columbia, except that an educational program determined comparable under this subparagraph may be considered appropriate for the purposes of paragraph (1)(B) only if the program is conducted in the English language.

"(c) ELIGIBILITY OF DEPENDENTS OF FEDERAL EMPLOYEES.—(1) A dependent of a Federal employee residing on a military installation at any time during the school year may enroll in an educational program provided by the Secretary of Defense pursuant to subsection (a) for dependents residing on such installation.

"(2)(A) Except as provided in subparagraph (B), a dependent of a Federal employee who is enrolled in an educational program provided by the Secretary pursuant to subsection (a) and who is not residing on a military installation may be enrolled in the program for not more than five consecutive school years.

"(B) A dependent referred to in subparagraph (A) may be enrolled in the program for more than five consecutive school years if the Secretary determines that, in the interest of the dependent's educational well-being, there is good cause to extend the enrollment for more than the five-year period described in such subparagraph. Any such extension may be made for only one school year at a time.

"(3) A dependent of a Federal employee may continue enrollment in a program under this subsection for the remainder of a school year notwithstanding a change during such school year in the status of the Federal employee that, except for this paragraph, would otherwise terminate the eligibility of the dependent to be enrolled in the program. The preceding sentence does not limit the authority of the Secretary to remove the dependent from enrollment in the program at any time for good cause determined by the Secretary.

"(d) SCHOOL BOARDS.—(1) The Secretary of Defense shall provide for the establishment of a school board for each Department of Defense elementary or secondary school established for a military installation under this section.

"(2) The school board shall be composed of the number of members, not less than three, prescribed by the Secretary.

"(3) The parents of the students attending the school shall elect the school board in accordance with procedures which the Secretary shall prescribe.

"(4) The elected school board shall be considered a local civic group with a function of rendering a public service of providing counsel through oversight of school expenditures and operations. The Secretary shall prescribe the oversight procedures and audit standards applicable to the functions of the school board.

"(5) Meetings conducted by the school board shall be open to the public.

"(6) A school board need not comply with the provisions of the Federal Advisory Committee Act (5 U.S.C. App.), but may close meetings in accordance with such Act.

"(e) ADMINISTRATION AND STAFF.—(1) The Secretary of Defense may enter into such arrangements as may be necessary to provide educational programs at the school.

"(2) The Secretary may, without regard to the provisions of any other law relating to the number, classification, or compensation of employees—

"(A) establish such positions for civilian employees in schools established under this section;

"(B) appoint individuals to such positions; and

"(C) fix the compensation of such individuals for service in such positions.

"(3)(A) Except as provided in subparagraph (B), in fixing the compensation of employees appointed for a school pursuant to paragraph (2), the Secretary shall consider—

"(i) the compensation of comparable employees of the local educational agency in the capital of the State where the military installation is located;

"(ii) the compensation of comparable employees in the local educational agency that provides public education to students who reside adjacent to the military installation; or

"(iii) the average compensation for similar positions in not more than three other local educational agencies in the State in which the military installation is located.

"(B) In fixing the compensation of employees in schools established in the territories, commonwealths, and possessions pursuant to the authority of this section, the Secretary shall determine the level of compensation required to attract qualified employees. For employees in such schools, the Secretary, without regard to the provisions of title 5, may provide for the tenure, leave, hours of work, and other incidents of employment to

be similar to that provided for comparable positions in the public schools of the District of Columbia. For purposes of the first sentence, a school shall be considered to have been established pursuant to the authority of this section if the school was established pursuant to other similar authority before the date on which this section takes effect.

"(f) SUBSTANTIVE AND PROCEDURAL RIGHTS AND PROTECTIONS FOR CHILDREN.—(1) The Secretary shall provide the following substantive rights, protections, and procedural safeguards (including due process procedures) in the educational programs provided for under this section:

"(A) In the case of children with disabilities aged 3 to 5, inclusive, all substantive rights, protections, and procedural safeguards (including due process procedures) available to children with disabilities aged 3 to 5, inclusive, under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

"(B) In the case of infants and toddlers with disabilities, all substantive rights, protections, and procedural safeguards (including due process procedures) available to infants and toddlers with disabilities under part H of such Act (20 U.S.C. 1471 et seq.).

"(C) In the case of all other children with disabilities, all substantive rights, protections, and procedural safeguards (including due process procedures) available to children with disabilities who are 3 to 5 years old under part B of such Act.

"(2) Paragraph (1) may not be construed as diminishing for children with disabilities enrolled in day educational programs provided for under this section the extent of substantive rights, protections, and procedural safeguards that were available under section 6(a) of Public Law 81-874 (20 U.S.C. 241(a)) to children with disabilities as of October 7, 1991.

"(3) In this subsection:

"(A) The term 'children with disabilities' has the meaning given the term in section 602(a)(1) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(a)(1)).

"(B) The term 'children with disabilities aged 3 to 5, inclusive' means such term as used in such Act (20 U.S.C. 1400 et seq.).

"(C) The term 'infants and toddlers with disabilities' has the meaning given the term in section 672(1) of such Act (20 U.S.C. 1472(1)).

"(g) REIMBURSEMENT.—When the Secretary of Defense provides educational services under this section to an individual who is a dependent of an employee of a Federal agency outside the Department of Defense, the head of the other Federal agency shall, upon request of the Secretary of Defense, reimburse the Secretary for those services at rates routinely prescribed by the Secretary for those services. Any payments received by the Secretary under this subsection shall be credited to the account designated by the Secretary for the operation of educational programs under this section.".

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

"2164. Department of Defense domestic dependent elementary and secondary schools.".

SEC. 347. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) AVAILABILITY OF FUNDS.—Of the amounts authorized to be appropriated pursuant to section 301(5)—

(1) $50,000,000 shall be available for providing assistance to local educational agencies under subsection (b) of section 386 of Public Law 102-484; and

(2) $8,000,000 shall be available for making payments to local educational agencies under subsection (d) of such section.

(b) NOTIFICATION AND DISBURSAL.—(1) On or before June 30, 1995, the Secretary of Defense (with respect to assistance provided in subsection (b) of section 386 of Public Law 102-484) and the Secretary of Education (with respect to payments made under subsection (d) of such section) shall notify each local educational agency eligible for assistance under subsections (b) and (d) of such section, respectively, for fiscal year 1995 of such agency's eligibility for such assistance and the amount of such assistance.

(2) The Secretary of Defense (with respect to funds made available under subsection (a)(1)) and the Secretary of Education (with respect to funds made available under subsection (a)(2)) shall disburse such funds not later than 30 days after notification to eligible local education agencies.

SEC. 348. DISPOSITION OF PROCEEDS FROM OPERATION OF THE NAVAL ACADEMY LAUNDRY.

Section 6971 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "(a)"; and

(B) in the first sentence, by striking out "and the Academy dairy" and inserting in lieu thereof "the Academy dairy, and the Academy laundry"; and

(2) by striking out subsection (b).

SEC. 349. REPEAL OF ANNUAL LIMITATION ON EXPENDITURES FOR EMERGENCY AND EXTRAORDINARY EXPENSES OF THE DEPARTMENT OF DEFENSE INSPECTOR GENERAL.

Section 127(c) of title 10, United States Code, is amended—

(1) by striking out "(1)" after "(c)"; and

(2) by striking out paragraph (2).

SEC. 350. EXTENSION OF AUTHORITY FOR PROGRAM TO COMMEMORATE WORLD WAR II.

Section 378 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2387; 10 U.S.C. 113 note) is amended by striking out "1995" each place it appears in subsections (a) and (b) and inserting in lieu thereof "1996".

SEC. 351. 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), as amended by section 370(b) of Public Law 103-160 (107 Stat. 1634), is further amended by striking out "September 30, 1994" and inserting in lieu thereof "September 30, 1995".

SEC. 352. TRANSFER OF CERTAIN EXCESS DEPARTMENT OF DEFENSE PROPERTY TO EDUCATIONAL INSTITUTIONS AND TRAINING SCHOOLS.

(a) AUTHORITY TO TRANSFER.—Subsection (b)(1) of section 2535 of title 10, United States Code, is amended by striking out subparagraph (G) and inserting in lieu thereof the following:

"(G) notwithstanding title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.) and any other provision of law, authorize the transfer to a nonprofit educational institution or training school, on a nonreimbursable basis, of any such property already in the possession of such institution or school whenever the program proposed by such institution or school for the use of such property will contribute materially to national defense; and".

(b) TREATMENT OF PROPERTY LOANED BEFORE DECEMBER 31, 1993.—Except for property determined by the Secretary to be needed by the Department of Defense, property loaned before December 31, 1993, to an educational institution or training school under section 2535(b) of title 10, United States Code, or section 4(a)(7) of the Defense Industrial Reserve Act (as in effect before October 23, 1992) shall be regarded as surplus property. Upon certification by the Secretary to the Administrator of General Services that the property is being used by the borrowing educational institution or training school for a purpose consistent with that for which the property was loaned, the Administrator may authorize the conveyance of all right, title, and interest of the United States in such property to the borrower if the borrower agrees to accept the property. The Administrator may require any additional terms and conditions in connection with a conveyance so authorized that the Administrator considers appropriate to protect the interests of the United States.

SEC. 353. SHIPS' STORES.

Section 371 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1634; 10 U.S.C. 7604 note) is amended—

(1) by striking out subsections (a), (b), and (d); and

(2) in subsection (c), by striking out "(c) CODIFICATION.—Section 7604" and inserting in lieu thereof "Effective as of November 30, 1993, section 7604".

SEC. 354. HUMANITARIAN PROGRAM FOR CLEARING LANDMINES.

(a) PROGRAM AUTHORIZED.—The Secretary of Defense may carry out a program for humanitarian purposes to provide for the instruction, education, training, and advising of personnel of other nations in the various procedures that have been determined effective for detecting and clearing landmines.

(b) FORMS OF ASSISTANCE.—Under the program the Secretary may provide personnel to conduct the instruction, education, or training or to furnish advice. In addition or alternatively, the Secretary may provide financial assistance or in-kind assistance in support of such instruction, education, or training.

(c) LIMITATIONS ON ACTIONS OF UNITED STATES PERSONNEL.—The Secretary of Defense shall ensure that no member of the Armed Forces of the United States—

(1) while providing assistance under subsection (a), engages in the physical detection, lifting, or destroying of landmines unless the member does so for the concurrent purpose of supporting a United States military operation; or

(2) provides such assistance as part of a military operation that does not involve the Armed Forces of the United States.

(d) FUNDING.—Of the funds authorized to be appropriated in section 301, not more than $10,000,000 shall be available for a program carried out under subsection (a).

SEC. 355. ASSISTANCE TO RED CROSS FOR EMERGENCY COMMUNICATIONS SERVICES FOR MEMBERS OF THE ARMED FORCES AND THEIR FAMILIES.

(a) FISCAL YEAR 1995.—Of the funds authorized to be appropriated by section 301(5), $14,500,000 shall be available for obtaining emergency communications services for members of the Armed Forces and their families from the American National Red Cross.

(b) FISCAL YEARS 1996 AND 1997.—Of the amounts authorized to be appropriated for

the Department of Defense for fiscal years 1996 and 1997 for operation and maintenance for Defense-wide activities, $14,500,000 shall be available for each such fiscal year for obtaining emergency communications services for members of the Armed Forces and their families from the American National Red Cross.

SEC. 356. MARITIME PREPOSITIONING SHIP ENHANCEMENT.

Section 2218 of title 10, United States Code, is amended by adding at the end of subsection (f) the following new paragraph:

"(3) Not more than three vessels built in foreign shipyards may be purchased for the Marine Corps maritime prepositioning ship program with funds in the National Defense Sealift Fund. Vessels purchased under the authority of this paragraph may not be counted for purposes of the limitation in paragraph (1).".

SEC. 357. ROLL-ON/ROLL-OFF VESSELS FOR THE READY RESERVE FORCE.

(a) TRANSFER AUTHORIZED.—To the extent provided in appropriations Acts, in order to provide for purchase of up to seven roll-on/roll-off vessels for the Ready Reserve Force of the National Defense Reserve Fleet maintained under section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744), the Secretary of Defense may transfer to the Maritime Administration not more than $43,000,000 out of funds authorized by this Act to be appropriated to the Department of Defense for fiscal year 1995, other than funds for procurement of national defense features for vessels.

(b) USE BY MARITIME ADMINISTRATION.—Funds transferred to the Maritime Administration pursuant to subsection (a) shall be used only for the purpose set forth in such subsection.

SEC. 358. PAYMENT OF CERTAIN STIPULATED CIVIL PENALTIES.

Of the funds authorized to be appropriated by section 301(17), the Secretary of Defense may pay not more than $500,000 to the Hazardous Substance Superfund established under section 9507 of the Internal Revenue Code of 1986 (26 U.S.C. 9507) as payment of stipulated civil penalties assessed under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

SEC. 359. SALE OF ARTICLES AND SERVICES OF INDUSTRIAL FACILITIES OF THE ARMED FORCES TO PERSONS OUTSIDE DEPARTMENT OF DEFENSE.

(a) AUTHORITY TO SELL OUTSIDE DOD.—The Secretary of Defense may sell in accordance with this section to persons outside the Department of Defense articles and services produced in working-capital funded industrial facilities of the Armed Forces that are not available from any United States commercial source.

(b) DESIGNATION OF PARTICIPATING INDUSTRIAL FACILITIES.—The Secretary may designate up to three facilities referred to in subsection (a) as the facilities from which articles and services produced in such facilities may be sold under this section.

(c) CONDITIONS FOR SALES.—A sale of articles or services may be made under this section only if—

(1) the Secretary of Defense determines that the articles or services are not available from a commercial source in the United States;

(2) the purchaser agrees to hold harmless and indemnify the United States, except in cases of willful misconduct or extreme negligence, from any claim for damages or injury to any person or property arising out of the articles or services;

(3) the articles or services can be substantially performed by the industrial facility concerned with only incidental subcontracting and that performance is in the public interest;

(4) the Secretary determines that the sale of the articles or services will not interfere with the military mission of the industrial facility concerned; and

(5) the sale of the goods and services is made on the basis that it will not interfere with performance of work by the industrial facility concerned for the Department of Defense.

(d) METHODS OF SALE.—(1) The Secretary shall permit a purchaser of articles or services under this section to use advance incremental funding to pay for the articles or services.

(2) In the sale of articles and services under this section, the Secretary shall—

(A) charge the purchaser, at a minimum, the variable costs, capital improvement costs, and equipment depreciation costs that are associated with the articles or services sold;

(B) enter into a firm, fixed-price contract or, if agreed by the purchaser, a cost reimbursement contract for the sale; and

(C) develop and maintain (from sources other than appropriated funds) working capital to be available for paying design costs, planning costs, procurement costs, and other costs associated with the articles or services sold.

(e) DELEGATION OF AUTHORITY.—The Secretary may delegate the authority to sell articles and services in accordance with this section to the commander of each industrial facility designated pursuant to subsection (b) in accordance with regulations prescribed by the Secretary.

(f) DEPOSIT OF PROCEEDS.—Proceeds from sales of articles and services under this section shall be credited to the funds, including working capital funds and operation and maintenance funds, incurring the costs of performance.

(g) RELATIONSHIP TO ARMS EXPORT CONTROL ACT.—Nothing in this section shall be construed to affect the application of the export controls provided for in section 38 of the Arms Export Control Act (22 U.S.C. 2778) to items which incorporate or are produced through the use of an article sold under this section.

(h) DEFINITIONS.—In this section:

(1) The term "advance incremental funding", with respect to a sale of articles or services, means a series of partial payments for the articles or services that includes—

(A) one or more partial payments before the commencement of work or the incurring of costs in connection with the production of the articles or the performance of the services, as the case may be; and

(B) subsequent progress payments that result in full payment being completed as the required work is being completed.

(2) The term "variable costs", with respect to sales of articles or services, means the costs that are expected to fluctuate directly with the volume of sales and—

(A) in the case of articles, the volume of production necessary to satisfy the sales orders; or

(B) in the case of services, the extent of the services sold.

SEC. 360. STUDY OF ESTABLISHMENT OF LAND MANAGEMENT AND TRAINING CENTER AT FORT RILEY, KANSAS.

(a) STUDY.—The Secretary of the Army shall carry out a study of the feasibility and advisability of establishing at Fort Riley, Kansas, a center for the land management activities and land management training activities of the Department of Defense.

(b) REPORT.—The Secretary shall submit to the congressional defense committees a report on the study required under subsection (a). The Secretary shall submit the report not later than May 1, 1996.

SEC. 361. PROCUREMENT OF PORTABLE VENTILATORS FOR THE DEFENSE MEDICAL FACILITY OFFICE, FORT DETRICK, MARYLAND.

Of the funds authorized to be appropriated by section 301(5), $2,500,000 shall be available for the procurement of portable ventilators for the Defense Medical Facility Office, Fort Detrick, Maryland.

SEC. 362. REVIEW BY DEFENSE INSPECTOR GENERAL OF COST GROWTH IN CERTAIN CONTRACTS.

(a) REVIEW.—The Inspector General of the Department of Defense shall carry out a review of a representative sample of existing contracts for the performance of commercial activities which resulted from a cost comparison study conducted by the Department of Defense under Office of Management and Budget Circular A-76 (or any other successor administrative regulation or policy) to determine the extent to which the cost incurred by a contractor under any such contract has exceeded the cost of the contract at the time the contract was entered into.

(b) REPORT.—Not later than April 1, 1995, the Inspector General shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing the results of the review carried out under subsection (a).

SEC. 363. COST COMPARISON STUDIES FOR CONTRACTS FOR ADVISORY AND ASSISTANCE SERVICES.

(a) IN GENERAL.—(1) Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2410l. Contracts for advisory and assistance services: cost comparison studies

"(a) REQUIREMENT.—(1)(A) Before the Secretary of Defense enters into a contract described in subparagraph (B), the Secretary shall determine whether Department of Defense personnel have the capability to perform the services proposed to be covered by the contract.

"(B) Subparagraph (A) applies to any contract of the Department of Defense for advisory and assistance services which contract will have a value in excess of $100,000.

"(2) If the Secretary determines that such personnel have that capability, the Secretary shall conduct a study comparing the cost of performing the services with Department of Defense personnel and the cost of performing the services with contractor personnel.

"(b) WAIVER.—The Secretary of Defense may, pursuant to guidelines prescribed by the Secretary, waive the requirement under subsection (a)(2) to perform a cost comparison study based on factors that are not related to cost.".

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

"2410l. Contracts for advisory and assistance services: cost comparison studies.".

(b) PROCEDURES FOR CONDUCT OF STUDIES.—The Secretary of Defense shall prescribe the following procedures:

(1) Procedures for carrying out a cost comparison study under subsection (a)(2) of section 2410l of title 10, United States Code, as added by subsection (a), which may contain

a requirement that the cost comparison study include consideration of factors that are not related to cost, including the quality of the service required to be performed, the availability of Department of Defense personnel, the duration and recurring nature of the services to be performed, and the consistency of the workload.

(2) Procedures for reviewing contracts entered into after a waiver under subsection (b) of such section to determine whether the contract is justified and sufficiently documented.

(c) EFFECTIVE DATE.—Section 24101 of title 10, United States Code, as added by subsection (a), shall take effect 180 days after the date of the enactment of this Act.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 1995, as follows:

(1) The Army, 510,000.

(2) The Navy, 441,641.

(3) The Marine Corps, 174,000.

(4) The Air Force, 400,051.

SEC. 402. EXTENSION OF TEMPORARY VARIATION OF END STRENGTH LIMITATIONS FOR MARINE CORPS MAJORS AND LIEUTENANT COLONELS.

(a) EXTENSION OF AUTHORITY.—Subsection (a) of section 402 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1639; 10 U.S.C. 523 note) is amended by striking out "and 1995" and inserting in lieu thereof "through 1997"

(b) LIMITATION.—The table in subsection (b) of such section is amended to read as follows:

"Fiscal year:	Number of officers who may be serving on active duty in the grade of:	
	Major	Lieutenant colonel
1994	3,023	1,578
1995	3,157	1,634
1996	3,157	1,634
1997	3,157	1,634.".

(c) CLERICAL AMENDMENT.—The caption of subsection (b) of such section is amended by striking out "AND 1995.—" and inserting in lieu thereof "THROUGH 1997.—".

SEC. 403. RETENTION OF AUTHORIZED STRENGTH OF GENERAL OFFICERS ON ACTIVE DUTY IN THE MARINE CORPS FOR FISCAL YEARS AFTER FISCAL YEAR 1995.

Section 526(a)(4) of title 10, United States Code, is amended by striking out "before October 1, 1995," and all that follows through "that date".

SEC. 404. EXCEPTION TO LIMITATION ON NUMBER OF GENERAL OFFICERS AND FLAG OFFICERS SERVING ON ACTIVE DUTY.

Section 525(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) Subject to subparagraph (C), an officer while serving in a position referred to in subparagraph (B), if serving in the grade of general or admiral, is in addition to the number that would otherwise be permitted for that officer's armed force for that grade under paragraph (1) or (2).

"(B) Subparagraph (A) applies to the following positions:

"(i) Commander in Chief of a combatant command.

"(ii) Commander, United States Forces, Korea.

"(iii) Deputy Commander in Chief, United States European Command, but only while the Commander in Chief of such command is also the Supreme Allied Commander Europe.

"(C) Subparagraph (A) does not apply to an officer serving in a position referred to in subparagraph (B) unless the Secretary of Defense, when considering that officer for recommendation to the President for appointment to such position, concurrently considered one officer from each of the other armed forces (other than the Coast Guard) for recommendation to the President for appointment to the position.

"(D) The Chairman of the Joint Chiefs of Staff may recommend officers to the Secretary of Defense for consideration by the President for appointment to any of the positions referred to in subparagraph (B).

"(E) This paragraph shall cease to be effective at the end of September 30, 1997.".

SEC. 405. TEMPORARY EXCLUSION OF SUPERINTENDENT OF NAVAL ACADEMY FROM COUNTING TOWARD NUMBER OF SENIOR ADMIRALS AUTHORIZED TO BE ON ACTIVE DUTY.

(a) GRADE RELIEF.—If the next officer appointed to serve as Superintendent of the United States Naval Academy after April 1, 1994, is an officer described in subsection (b), that officer, while so serving, shall not be counted for purposes of the limitations contained in section 525(b)(2) of title 10, United States Code.

(b) QUALIFYING OFFICER.—Subsection (a) applies in the case of a retired officer who—

(1) holds the grade of admiral on the retired list;

(2) is ordered to active duty pursuant to section 688 of title 10, United States Code, to serve as Superintendent of the United States Naval Academy; and

(3) is appointed pursuant to section 601 of that title to have the grade of admiral while serving on active duty in that position.

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, 1995, as follows:

(1) The Army National Guard of the United States, 400,000.

(2) The Army Reserve, 242,000.

(3) The Naval Reserve, 109,000.

(4) The Marine Corps Reserve, 42,000.

(5) The Air National Guard of the United States, 115,581.

(6) The Air Force Reserve, 78,706.

(7) The Coast Guard Reserve, 8,000.

(b) WAIVER AUTHORITY.—The Secretary of Defense may increase the end strength authorized by subsection (a) by not more than 2 percent.

(c) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be reduced proportionately by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be increased proportionately by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1995, 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, 23,650.

(2) The Army Reserve, 11,940.

(3) The Naval Reserve, 17,510.

(4) The Marine Corps Reserve, 2,285.

(5) The Air National Guard of the United States, 9,098.

(6) The Air Force Reserve, 648.

Subtitle C—Military Training Student Loads

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) IN GENERAL.—For fiscal year 1995, the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 69,420.

(2) The Navy, 43,064.

(3) The Marine Corps, 25,377.

(4) The Air Force, 36,840.

(b) SCOPE.—The average military training student load authorized for an armed force under subsection (a) applies to the active and reserve components of that armed force.

(c) ADJUSTMENTS.—The average military training 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—Authorization of Appropriations

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 1995 a total of $70,790,397,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1995.

Subtitle E—Other Matters

SEC. 441. REPEAL OF REQUIRED REDUCTION IN RECRUITING PERSONNEL.

Section 431 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2400) is repealed.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

SEC. 501. SERVICE ON SUCCESSIVE SELECTION BOARDS.

(a) SERVICE ON SUCCESSIVE BOARDS AUTHORIZED.—Section 628 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) A special selection board convened under this section shall be composed in accordance with section 612 of this title or, in the case of a warrant officer, composed in accordance with section 573 of this title and regulations prescribed by the Secretary of the military department concerned, except that the prohibitions on service on successive selection boards set forth in sections 612(b) and 573(e) of this title do not apply to

service on successive selection boards authorized under paragraph (2).

"(2) An officer may serve on a selection board convened under section 611(a) of this title or, in the case of a warrant officer, section 573(a) of this title and on a successive special selection board convened under this section if the service on the successive board is approved by the Secretary of the military department concerned and the successive board does not consider any officer who was considered by the first board.".

(b) CONFORMING AMENDMENT.—Subsections (a)(1) and (b)(1) of section 628 of such title are amended by striking out "(composed in accordance with" and all that follows through "concerned)" and inserting in lieu thereof "(composed as provided in subsection (f))".

SEC. 502. PROMOTION AND OTHER CAREER MANAGEMENT MATTERS RELATING TO WARRANT OFFICERS ON ACTIVE-DUTY LISTS.

(a) EXCEPTION FROM MANDATORY CONSIDERATION BY PROMOTION SELECTION BOARD.—Section 575(d) of such title is amended by inserting "(except for warrant officers precluded from consideration under regulations prescribed by the Secretary concerned under section 577 of this title)" after "under consideration".

(b) SECRETARIAL SUBMISSION OF PROMOTION SELECTION BOARD REPORT.—Section 576(f)(1) of such title is amended by striking out the second sentence.

(c) PROMOTION FORMALITIES DEEMED COMPLETED.—Section 578 of such title is amended by adding at the end the following new subsections:

"(e) A warrant officer who is appointed to a higher grade under this section is considered to have accepted such appointment on the date on which the appointment is made unless the officer expressly declines the appointment.

"(f) A warrant who has served continuously as an officer since the officer took the oath of office set forth under section 3331 of title 5 is not required to take a new oath upon appointment to a higher grade under this section.".

(d) WARRANT OFFICERS SUBJECT TO MANAGEMENT AUTHORITIES.—Section 582(2) of such title is amended by inserting before the period at the end the following: "(other than such officers recalled to active duty before February 1, 1992, who have served continuously on active duty since such date)".

SEC. 503. ENLISTMENT OR RETIREMENT OF NAVY AND MARINE CORPS LIMITED DUTY OFFICERS HAVING TWICE FAILED OF SELECTION FOR PROMOTION.

(a) AUTHORITY.—Subsection (f) of section 6383 of title 10, United States Code, is amended to read as follows:

"(f)(1) An officer subject to discharge under subsection (b), (d), or (e) who is not eligible for retirement or for retention under paragraph (2) may, upon the officer's request and in the discretion of the Secretary of the Navy, be enlisted in the grade prescribed by the Secretary.

"(2) If an officer subject to discharge under subsection (b) or (d) is within two years of qualifying for retirement under section 6323 of this title as of the date on which the officer is to be discharged, the officer shall be retained on active duty until becoming qualified for retirement under that section (unless sooner retired or discharged under another provision of law) and shall then be retired.".

(b) CONFORMING AMENDMENTS.—Section 6383 of such title is amended—

(1) in subsection (i), by striking out "or the discharge under subsection (d)" and inserting in lieu thereof "or the discharge under subsection (b) or (d)";

(2) by striking out subsection (g);

(3) by redesignating subsections (h), (i), and (j) as subsections (g), (h), and (i), respectively; and

(4) in subsections (a), (b), and (d), by striking out "Except as provided in subsection (i)," each place it appears and inserting in lieu thereof "Except as provided in subsection (h),".

SEC. 504. EDUCATIONAL REQUIREMENTS FOR APPOINTMENT IN RESERVE COMPONENTS IN GRADES ABOVE FIRST LIEUTENANT OR LIEUTENANT (JUNIOR GRADE).

Section 596(a) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a) IN GENERAL.—"; and

(2) by striking out "an accredited educational institution" and inserting in lieu thereof "an educational institution described in paragraph (2)"; and

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

"(2) An educational institution referred to in paragraph (1) is—

"(A) an accredited educational institution; or

"(B) an unaccredited educational institution if at least three accredited educational institutions generally grant baccalaureate degree credit for completion of courses of the unaccredited institution equivalent to the baccalaureate degree credit granted by the unaccredited institution for the completion of such courses.".

SEC. 505. LIMITED EXCEPTION FROM BACCALAUREATE DEGREE REQUIREMENT FOR ALASKA SCOUT OFFICERS.

Section 596 of title 10, United States Code, is amended—

(1) by adding at the end of subsection (b) the following new paragraph:

"(5) The appointment or recognition of an individual referred to in subsection (c) in a higher grade (not above major) of the Alaska Army National Guard while such individual is serving in a Scout unit or a Scout supporting unit."; and

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

"(c) PERSONS COVERED BY ALASKA SCOUT EXCEPTION.—Subsection (b)(5) applies to a member of the Alaska Army National Guard who resides permanently at a location in Alaska that is more than 50 miles from the cities of Anchorage, Fairbanks, and Juneau, Alaska, by paved road.".

SEC. 506. ORIGINAL APPOINTMENTS OF LIMITED DUTY OFFICERS OF THE NAVY AND MARINE CORPS SERVING IN TEMPORARY GRADES.

Section 5589 of title 10, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f) Original appointments as regular officers of the Navy or Marine Corps may be made from among officers serving on active duty in a higher grade pursuant to a temporary appointment in that grade under section 5596 of this title. The grade in which an officer is appointed under this subsection shall be the grade in which the officer is serving pursuant to the temporary appointment. The officer's date of rank for the grade of the original appointment shall be the same as the date of rank for the grade of the temporary appointment.".

SEC. 507. SELECTION FOR DESIGNATED JUDGE ADVOCATE POSITIONS.

(a) To the extent that selection for the positions described in subsection (b) is not governed by Chapter 36 of title 10, United States Code, the Secretary of Defense shall prescribe regulations to ensure that officers selected to serve in such positions are selected for such service by boards governed, insofar as practicable, by the procedures prescribed for selection boards under Chapter 36 of title 10, United States Code.

(b) The positions referred to in subsection (a) are—

(1) the Judge Advocate General and Assistant Judge Advocate General of the Army,

(2) the Judge Advocate General and Deputy Judge Advocate General of the Navy,

(3) the Staff Judge Advocate to the Commandant of the Marine Corps, and

(4) the Judge Advocate General and Deputy Judge Advocate General of the Air Force.

Subtitle B—Reserve Component Matters

SEC. 511. REVIEW OF OPPORTUNITIES FOR ORDERING INDIVIDUAL RESERVES TO ACTIVE DUTY WITH CONSENT.

(a) REVIEW REQUIRED.—The Secretary of Defense shall—

(1) review the opportunities for individual members of the reserve components of the Armed Forces to be ordered to active duty, with the consent of the members concerned, during peacetime in positions traditionally filled by active duty personnel; and

(2) identify and remove any impediments, in regulations or other administrative rules, to increasing such opportunities.

(b) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the results of the review. The report shall contain—

(1) a plan for increasing the opportunities for individual members of the reserve components of the Armed Forces to be ordered to active duty, with the consent of the members concerned, during peacetime in positions traditionally filled by active duty personnel; and

(2) any additional legislation that the Secretary considers necessary in order to increase such opportunities.

SEC. 512. INCREASED PERIOD OF ACTIVE DUTY SERVICE FOR SELECTED RESERVE FORCES MOBILIZED OTHER THAN DURING WAR OR NATIONAL EMERGENCY.

(a) REVISION TO PERIOD OF EXTENSION OF ACTIVE DUTY.—Section 673b of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "90 days." and inserting in lieu thereof "180 days."; and

(2) by striking out subsection (i).

(b) REPORT REQUIRED.—(1) Not later than April 1, 1995, the Secretary of Defense shall submit to the congressional defense committees a report on increasing the authority of the President to order units and members of the reserve components to active duty without the consent of the members concerned.

(2) The report shall include the following:

(A) An analysis of options for increased presidential authority.

(B) An assessment of the effects of each option on recruiting, retention, employer support for the reserve components, and the families of members of the reserve components.

(C) Programs that the Secretary recommends to mitigate any negative effects.

(D) Any option that the Secretary recommends.

(E) Any proposed legislation that the Secretary considers necessary to implement any recommended option.

SEC. 513. REPEAL OF OBSOLETE PROVISIONS PERTAINING TO TRANSFER OF REGULAR ENLISTED MEMBERS TO RESERVE COMPONENTS.

(a) ARMY.—Section 3914 of title 10, United States Code, is amended by striking out the second and third sentences.

(b) AIR FORCE.—Section 8914 of such title, is amended by striking out the second and third sentences.

SEC. 514. SENSE OF THE SENATE CONCERNING THE TRAINING AND MODERNIZATION OF THE RESERVE COMPONENTS.

(a) FINDINGS.—(1) The force structure specified in the Pentagon's Bottom Up Review assumes increased reliance on the reserve components of the Armed Forces;

(2) The mobilization of the reserve components for the Persian Gulf War was handicapped by training, readiness, and equipment shortfalls;

(3) The mobilization of the Army reserve components for the Persian Gulf War was handicapped by lack of a standard readiness evaluation system, which resulted in a lengthy reevaluation of training and equipment readiness of Army National Guard and Reserve units before they could by deployed;

(4) Funding and scheduling constraints continue to limit the opportunity for combat units of the Army National Guard to carry out adequate maneuver training;

(5) Funding constraints continue to handicap the readiness and modernization of the reserve components and their interoperability with the active forces: Now, therefore

(b) PURPOSE.—It is the sense of the Senate that the Department of Defense should establish a standard readiness and evaluation system and that it should provide in its annual budget submissions adequate resources to ensure that National Guard and reserve units are trained and modernized to the standards needed for them to carry out the full range of missions required of them under the Bottom Up Review.

Subtitle C—Other Matters

SEC. 521. REVIEW OF CERTAIN DISMISSALS FROM THE UNITED STATES MILITARY ACADEMY.

(a) REVIEW REQUIRED.—The Secretary of the Army shall promptly carry out a thorough review of the dismissals from the Corps of Cadets of the United States Military Academy of James Webster Smith in 1874 and Johnson Chesnut Whittaker in 1882.

(b) PURPOSES OF REVIEW.—The purpose of each review shall be to determine the validity of the original proceedings and the extent, if any, to which racial prejudice or other improper factors now known may have tainted the original proceedings.

(c) CORRECTION OF RECORDS.—If the Secretary determines that the dismissal of James Webster Smith or Johnson Chesnut Whittaker was in error or an injustice, the Secretary may correct that person's military records (including the records of proceedings in such case).

(d) POSTHUMOUS COMMISSION.—Upon recommendation of the Secretary in the case of James Webster Smith or Johnson Chesnut Whittaker, the President may issue in the name of James Webster Smith or Johnson Chesnut Whittaker, as the case may be, a posthumous commission as an officer in the regular Army in the grade of second lieutenant. Sections 1521(b) and 1523 of title 10, United States Code, shall apply with respect to a commission so issued.

SEC. 522. TRANSITIONAL COMPENSATION AND OTHER BENEFITS FOR DEPENDENTS OF MEMBERS SEPARATED FOR DEPENDENT ABUSE.

(a) REQUIREMENT.—Subsection (a) of section 1058 of title 10, United States Code, as added by section 554(a)(1) of Public Law 103-160 (197 Stat. 1663), is amended by amending subsection (e) to read as follows:

"(e) COMMENCEMENT AND DURATION OF PAYMENT.—(1) Payment of transitional compensation under this section—

"(A) in the case of a member convicted by a court-martial for a dependent-abuse offense, may commence as of the date of the approval of the court-martial sentence by the person acting under section 860(c) of this title (article 60(c) of the Uniform Code of Military Justice) if the sentence, as approved, includes a dismissal, dishonorable discharge, bad conduct discharge, or forfeiture of all pay and allowances; and

"(B) in the case of a member being considered under applicable regulations for administrative separation from active duty in accordance with such regulations (if the basis for the separation includes a dependent-abuse offense), may commence as of the date on which the separation action is initiated by a commander of the member pursuant to such regulations, as determined by the Secretary concerned.

"(2) Transitional compensation with respect to a member may be paid for a period of 36 months, except that, if as of the date on which payment of transitional compensation commences the unserved portion of the member's period of obligated active duty service is less than 36 months, the period for which transitional compensation is paid shall be equal to the greater of—

"(A) the unserved portion of the member's period of obligated active duty service; or

"(B) 12 months.

"(3)(A) If a member is sentenced by a court-martial to receive punishment that includes a dismissal, dishonorable discharge, bad conduct discharge, or forfeiture of all pay and allowances as a result of a conviction by a court-martial for a dependent-abuse offense and each such punishment applicable to the member under the sentence is remitted, set aside, or mitigated to a lesser punishment that does not include any such punishment, any payment of transitional compensation that has commenced under this section on the basis of such sentence in that case shall cease.

"(B) If administrative separation of a member from active duty is proposed on a basis that includes a dependent-abuse offense and the proposed administrative separation is disapproved by competent authority under applicable regulations, payment of transitional compensation in such case shall cease.

"(C) Cessation of payments under subparagraph (A) or (B) shall be effective as of the first day of the first month following the month in which the Secretary concerned notifies the recipient of such transitional compensation in writing that payment of the transitional compensation will cease. The recipient may not be required to repay amounts of transitional compensation received before that effective date (except to the extent necessary to recoup any amount that was erroneous when paid).".

(c) HEALTH, COMMISSARY, AND OTHER BENEFITS.—Such section is further amended—

(1) by redesignating subsections (j) and (k) as subsections (k) and (l), respectively; and

(2) by inserting after subsection (i) the following new subsection (j):

"(j) HEALTH, COMMISSARY, AND OTHER BENEFITS.—(1) A dependent or former dependent entitled to payment of monthly transitional compensation under this section shall, while receiving payments in accordance with this section, be entitled to receive medical and dental care, to use commissary and exchange stores, and to receive any other benefit that a dependent of a member of the armed forces is entitled to receive on the basis of being a dependent of a member of the armed forces to the same extent and in the same manner as a dependent of a member of the armed forces on active duty for a period of not more than 30 days.

"(2) If a dependent or former dependent eligible or entitled to receive a particular benefit under this subsection is eligible or entitled to receive that benefit under another provision of law, the eligibility or entitlement of that dependent or former dependent to such benefit shall be determined under such other provision of law instead of this subsection.".

(c) CONFORMING AMENDMENTS.—(1) The heading for such section is amended to read as follows:

"§ 1058. Dependents of members separated for dependent abuse: transitional compensation and other benefits".

(2) The table of sections at the beginning of chapter 53 of such title is amended by striking out the item relating to section 1058 (as added by section 554(a)(2) of Public Law 103-160 (107 Stat. 1066)) and inserting in lieu thereof the following:

"1058. Dependents of members separated for dependent abuse: transitional compensation and other benefits.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1995.

(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 1995 shall not be made.

(b) INCREASE IN BASIC PAY, BAS, AND BAQ.—Effective on January 1, 1995, the rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased by 2.6 percent.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. EXTENSION OF CERTAIN BONUSES FOR RESERVE FORCES.

(a) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(b) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(c) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(d) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(e) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(i) of title 37, United States Code,

is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

SEC. 612. EXTENSION AND MODIFICATION OF CERTAIN BONUSES AND SPECIAL PAY FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1998,".

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1998,".

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended—

(1) by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1998,"; and

(2) by striking out "$6,000" and inserting in lieu thereof "$15,000".

SEC. 613. EXTENSION OF AUTHORITY RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1994" and inserting in lieu thereof "September 30, 1995".

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(c) ENLISTMENT BONUSES FOR CRITICAL SKILLS.—Sections 308a(c) and 308f(c) of title 37, United States Code, are each amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(d) SPECIAL PAY FOR ENLISTED MEMBERS OF THE SELECTED RESERVE ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(e) 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, 1995" and inserting in lieu thereof "October 1, 1996".

(f) SPECIAL PAY FOR CRITICALLY SHORT WARTIME HEALTH SPECIALISTS IN THE SELECTED RESERVES.—Section 613(d) of the National Defense Authorization Act, Fiscal Year 1989 (37 U.S.C. 302 note) is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(g) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(h) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of title 37, United States Code, is amended by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1996,".

(i) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of title 37, United States Code, is amended by striking out "October 1, 1995" and inserting in lieu thereof "October 1, 1996".

Subtitle C—Travel and Transportation Allowances

SEC. 621. RESPONSIBILITY FOR PREPARATION OF TRANSPORTATION MILEAGE TABLES.

Section 404(d)(1)(A) of title 37, United States Code, is amended by striking out "the Secretary of the Army" and inserting in lieu thereof "the Secretary of Defense".

Subtitle D—Retired Pay and Survivor Benefits

SEC. 631. CLARIFICATION OF CALCULATION OF RETIRED PAY FOR OFFICERS WHO RETIRE IN A GRADE LOWER THAN THE GRADE HELD AT RETIREMENT.

(a) PREVENTION OF RETIRED PAY BASED ON GRADE HIGHER THAN RETIRED GRADE.—Section 1401a(f) of title 10, United States Code, is amended—

(1) in the first sentence, by inserting "based on the grade in which the member is retired" after "at an earlier date";

(2) in the second sentence, by inserting ", except that such computation may not be based on a rate of basic pay for a grade higher than the grade in which the member is retired" before the period at the end; and

(3) by striking out the third sentence.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to the computation of the retired pay of a member of the armed forces who retires on or after the date of the enactment of this Act.

SEC. 632. CREDITING OF RESERVE SERVICE OF ENLISTED MEMBERS FOR COMPUTATION OF RETIRED PAY.

(a) ARMY.—(1) Section 3925 of title 10, United States Code, is amended—

(A) in subsection (a), by striking out "and of computing his retired pay under section 3991 of this title,"; and

(B) by striking out subsection (c).

(2) Section 3991 of such title is amended—

(A) in subsection (a)—

(i) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) FORMULA.—The monthly retired pay of a member entitled to such pay under this subtitle by reason of retirement under a provision of law referred to in paragraph (3) is computed by multiplying the retired pay base (as computed under section 1406(c) or 1407 of this title) by the retired pay multiplier prescribed in section 1409 of this title for the number of years credited to the member under section 1405 of this title."; and

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

"(3) APPLICABILITY.—Paragraph (1) applies to a member retired under the authority of section 3911, 3914, 3917, 3918, 3920, or 3924 of this title."; and

(B) in subsection (b), by striking out paragraph (3).

(3) The text of section 3992 of such title is amended to read as follows:

"(a) RECOMPUTATION REQUIRED.—An enlisted member or warrant officer of the Army who is advanced on the retired list under section 3964 of this title is entitled to recompute the member's or officer's retired pay in accordance with this section.

"(b) FORMULA.—To recompute an enlisted member's retired pay or a warrant officer's retired pay, multiply the retired pay base (as computed under section 1406(c) or 1407 of this title) by the retired pay multiplier prescribed in section 1409 of this title for the number of years credited to the member or officer under section 1405 of this title.

"(c) ROUNDING TO NEXT LOWER DOLLAR.—The amount computed under subsection (b), if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(b) NAVY AND MARINE CORPS.—The table in section 6333(a) of title 10, United States Code, is amended by striking out "his years of active service in the armed forces" in formula C under the column designated "Column 2" and inserting in lieu thereof "the years of service credited to him under section 1405".

(c) AIR FORCE.—(1) Section 8925 of title 10, United States Code, is amended—

(A) in subsection (a), by striking out "and of computing his retired pay under section 8991 of this title,"; and

(B) by striking out subsection (c).

(2) Section 8991 of such title is amended—

(A) in subsection (a)—

(i) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) FORMULA.—The monthly retired pay of a member entitled to such pay under this subtitle by reason of retirement under a provision of law referred to in paragraph (3) is computed by multiplying the retired pay base (as computed under section 1406(e) or 1407 of this title) by the retired pay multiplier prescribed in section 1409 of this title for the number of years credited to the member under section 1405 of this title."; and

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

"(3) APPLICABILITY.—Paragraph (1) applies to a member retired under the authority of section 8911, 8914, 8917, 8918, 8920, or 8924 of this title."; and

(B) in subsection (b), by striking out paragraph (3).

(3) The text of section 8992 of such title is amended to read as follows:

"(a) RECOMPUTATION REQUIRED.—An enlisted member or warrant officer of the Air Force who is advanced on the retired list under section 8964 of this title is entitled to recompute the member's or officer's retired pay in accordance with this section.

"(b) FORMULA.—To recompute an enlisted member's retired pay or a warrant officer's retired pay, multiply the retired pay base (as computed under section 1406(e) or 1407 of this title) by the retired pay multiplier prescribed in section 1409 of this title for the number of years credited to the member or officer under section 1405 of this title.

"(c) ROUNDING TO NEXT LOWER DOLLAR.—The amount computed under subsection (b), if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(d) CONFORMING AMENDMENT.—Section 1405 of such title is amended by adding at the end the following new subsection:

"(c) EXCLUSION OF TIME REQUIRED TO BE MADE UP.—Time required to be made up by an enlisted member of the Army or Air Force under section 972 of this title may not be counted in determining years of service under subsection (a).".

(e) EFFECTIVE DATE.—This section shall apply to the computation of the retired or retainer pay of any enlisted member who retires or is transferred to the Fleet Reserve or the Fleet Marine Corps Reserve on or after the date of the enactment of this Act.

SEC. 633. FORFEITURE OF ANNUITY OR RETIRED PAY OF MEMBERS CONVICTED OF ESPIONAGE.

(a) FORFEITURE.—Section 8312(b)(2)(A) of title 5, United States Code, is amended—

(1) by striking out "or article 106 (spies)" and inserting in lieu thereof ", article 106 (spies), or article 106a (espionage)"; and

(2) by striking out "or article 106" and inserting in lieu thereof ", article 106, or article 106a".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to persons convicted of espionage under section 906a of title 10, United States Code (article 106a of the Uniform Code of Military Justice), on or after the date of the enactment of this Act.

SEC. 634. COMPUTATION OF RETIRED PAY TO PREVENT PAY INVERSIONS.

Section 1401a(f) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(f) PREVENTION OF PAY INVERSIONS.—"; and

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

"(2)(A) Subject to subparagraph (B), for the purpose of computing the monthly retired pay of a member or former member of an armed force under paragraph (1), the Secretary concerned may waive any provision of a regulation that, as such provision was in effect on the earlier date applicable to the member or former member under paragraph (1), required a member to serve for a minimum period in a grade as a condition for retirement in that grade.

"(B) Any waiver under subparagraph (A) shall apply in the case of a member or former member only to that part of the minimum period of service provided for a grade in the regulation that exceeds the minimum period of service in such grade that was authorized by a provision of this title to be required as a condition for retirement in that grade (as such provision of this title was in effect on the earlier date applicable to the member or former member under paragraph (1)).

"(C) The Secretary concerned may waive the provision of a regulation under subparagraph (A) in the case of a particular member or former member or for any group of members or former members.".

SEC. 635. COST-OF-LIVING INCREASES IN SBP CONTRIBUTIONS TO BE EFFECTIVE CONCURRENTLY WITH PAYMENT OF RELATED RETIRED PAY COST-OF-LIVING INCREASES.

(a) SURVIVOR BENEFIT PLAN.—Section 1452(h) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(h)"; and

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

"(2)(A) Notwithstanding paragraph (1), when the initial payment of an increase in retired pay under section 1401a of this title (or any other provision of law) to a person is later than the effective date of that increase by reason of the application of subsection (b)(2)(B) of such section, then the amount of the reduction in the person's retired pay shall be effective on the date of that initial payment of the increase in retired pay rather than the effective date of the increase in retired pay.

"(B) Subparagraph (A) may not be construed as delaying, for purposes of determining the amount of a monthly annuity under section 1451 of this title, the effective date of an increase in a base amount under subsection (h) of such section from the effective date of an increase in retired pay under section 1401a of this title to the date on which the initial payment of that increase in retired pay is made in accordance with subsection (b)(2)(B) of such section 1401a.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect with respect to retired pay payable for months beginning on or after the date of the enactment of this Act.

SEC. 636. REQUIREMENT FOR EQUAL TREATMENT OF CIVILIAN AND MILITARY RETIREES IN THE EVENT OF DELAYS IN COST-OF-LIVING ADJUSTMENTS.

(a) CIVIL SERVICE ANNUITIES.—(1) Section 8340 of title 5, United States Code, is amended—

(A) in subsection (b), by striking out "Except as provided in subsection (c)" and inserting in lieu thereof "Except as provided in subsections (c) and (h)"; and

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

"(h)(1) Whenever, by law, there is a difference between the date on which a cost-of-living adjustment under this section is to take effect and the date on which a corresponding cost-of-living adjustment of the retired pay of members and former members of the uniformed services under section 1401a of title 10 is to take effect, then, notwithstanding subsection (b) and any other provision of law, the date on which the cost-of-living adjustment under this section takes effect shall be the earlier of the two dates.

"(2) Whenever, by law, there is a difference between the first month for which a cost-of-living adjustment taking effect under this section is payable and the first month for which a corresponding cost-of-living adjustment of the retired pay of members and former members of the uniformed services taking effect under section 1401a of title 10 is payable, then the first month for which the cost-of-living adjustment under this section is first payable shall (notwithstanding the effective date provided for such adjustment in subsection (b) of this section or in any other law) be the earlier of the two months.

"(3) For purposes of this subsection, a cost-of-living adjustment of the retired pay of members and former members of the uniformed services under section 1401a of title 10 corresponds to a cost-of-living adjustment under this section when, without regard to any provision of law other than subsection (b) of this section and section 1401a(b)(1) of title 10, the cost-of-living adjustments under this section and under section 1401a of title 10 would take effect on the same date.".

(2) Section 8462 of title 5, United States Code, is amended—

(A) in subsection (b)(1), by striking out "Except as provided in subsection (c)" and inserting in lieu thereof "Except as provided in subsections (c) and (f)"; and

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

"(f)(1) Whenever, by law, there is a difference between the date on which a cost-of-living adjustment under this section is to take effect and the date on which a corresponding cost-of-living adjustment of the retired pay of members and former members of the uniformed services under section 1401a of title 10 is to take effect, then, notwithstanding subsection (b)(1) and any other provision of law, the date on which the cost-of-living adjustment under this section takes effect shall be the earlier of the two dates.

"(2) Whenever, by law, there is a difference between the first month for which a cost-of-living adjustment taking effect under this section is payable and the first month for which a corresponding cost-of-living adjustment of the retired pay of members and former members of the uniformed services taking effect under section 1401a of title 10 is payable, then the first month for which the cost-of-living adjustment under this section is first payable shall (notwithstanding the effective date provided for such adjustment in subsection (b)(1) of this section or in any other law) be the earlier of the two months.

"(3) For purposes of this subsection, a cost-of-living adjustment of the retired pay of members and former members of the uniformed services under section 1401a of title 10 corresponds to a cost-of-living adjustment under this section when, without regard to any provision of law other than subsection (b)(1) of this section and section 1401a(b)(1) of title 10, the cost-of-living adjustments under this section and under section 1401a of title 10 would take effect on the same date.".

(b) UNIFORMED SERVICES RETIRED PAY.—Section 1401a of title 10, United States Code, is amended—

(1) in subsection (b)(1), by inserting (except as provided in subsection (i))" after "Effective on December 1 of each year"; and

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

"(i)(1) Whenever, by law, there is a difference between the date on which a cost-of-living adjustment under this section is to take effect and the date on which a corresponding cost-of-living adjustment of annuities of retired employees of the United States under section 8340 or 8462 of title 5 is to take effect, then, notwithstanding subsection (b) and any other provision of law, the date on which the cost-of-living adjustment under this section takes effect shall be the earlier (or earliest) such date.

"(2) Whenever, by law, there is a difference between the first month for which a cost-of-living adjustment taking effect under this section is payable and the first month for which a corresponding cost-of-living adjustment of annuities of retired employees of the United States taking effect under section 8340 or 8462 of title 5 is payable, then the first month for which the cost-of-living adjustment under this section is first payable shall (notwithstanding the effective date provided for such adjustment in subsection (b)(1) of this section or in any other law) be the earlier (or earliest) such month.

"(3) For purposes of this subsection, a cost-of-living adjustment of annuities of retired employees of the United States under section 8340 or 8462 of title 5 corresponds to a cost-of-living adjustment under this section when, without regard to any provision of law other than subsection (b)(1) of this section and sections 8340(b) and 8462(b)(1) of title 5, the cost-of-living adjustments under this section and under sections 8340 and 8462 of title 5 would take effect on the same date.".

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 1998.

Subtitle E—Defense Conversion, Reinvestment, and Transition Assistance Matters

SEC. 641. ELIGIBILITY OF MEMBERS RETIRED UNDER TEMPORARY SPECIAL RETIREMENT AUTHORITY FOR SERVICEMEN'S GROUP LIFE INSURANCE.

(a) ELIGIBILITY.—Section 1965(5) of title 38, United States Code, is amended—

(1) by striking out "and" at the end of subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (E); and

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

"(D) a person transferred to the Retired Reserve of a uniformed service under the temporary special retirement authority provided in section 1331a of title 10 who has not received the first increment of retirement pay or has not reached sixty-one years of age; and".

(b) INSURANCE COVERAGE.—Section 1967(a) of such title is amended—

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

(2) by adding "and" at the end of paragraph (3);

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

"(4) any member assigned to the Retired Reserve of a uniform service who meets the qualifications set forth in section 1965(5)(D) of this title;"; and

(4) in the second sentence, by inserting after "section 1965(5)(C) of this title," the following: "or the first day a member of the

Reserves meets the qualifications of section 1965(5)(D) of this title,".

(c) DURATION OF COVERAGE.—Section 1968(a) of such title is amended—

(1) in the matter above paragraph (1), by striking out "section 1965(5)(B) or (C)" and inserting in lieu thereof "subparagraphs (B), (C), or (D) of section 1965(5)";

(2) in paragraph (4)—

(A) by striking out "or" at the end of subparagraph (A);

(B) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; or"; and

(C) by adding at the end the following new subparagraph:

"(C) unless on the date of such separation or release the member is transferred to the Retired Reserve of a uniformed service under the temporary special retirement authority provided in section 1331a of title 10, in which event the insurance, unless converted to an individual policy under terms and conditions set forth in section 1977(e) of this title, shall, upon timely payment of premiums under terms prescribed by the Secretary directly to the administrative office established under section 1966(b) of this title, continue in force until receipt of the first increment of retirement pay by the member or the member's sixty-first birthday, whichever occurs earlier."; and

(3) by adding at the end the following:

"(6) with respect to a member of the Retired Reserve who meets the qualifications of section 1965(5)(D) of this title, at such time as the member receives the first increment of retirement pay, or the member's sixty-first birthday, whichever occurs earlier, subject to the timely payment of the initial and subsequent premiums, under terms prescribed by the Secretary, directly to the administrative office established under section 1966(b) of this title.".

(d) DEDUCTIONS.—Section 1969 of such title is amended—

(1) in subsection (a)(2)—

(A) by striking out "or is assigned" and inserting in lieu thereof "is assigned"; and

(B) by inserting after "section 1965(5)(C) of this title," the following: "or is assigned to the Retired Reserve and meets the qualifications of section 1965(5)(D) of this title,"; and

(2) in subsection (e), by striking out "section 1965(5)(C)" in the first sentence and inserting in lieu thereof "subparagraph (C) or (D) of section 1965(5)".

SEC. 642. ANNUAL PAYMENTS FOR MEMBERS RETIRED UNDER GUARD AND RESERVE TRANSITION INITIATIVE.

(a) ANNUAL PAYMENT FOR ONE TO FIVE YEARS.—Subsection (d) of section 4416 of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102-484; 10 U.S.C. 1162 note) is amended—

(1) by striking out "for 5 years" and inserting in lieu thereof "for a period of years prescribed by the Secretary concerned";

(2) by striking out "5-year"; and

(3) by adding at the end the following: "A period prescribed for purposes of this subsection may not be less than one year nor more than five years.".

(b) COMPUTATION OF ANNUAL PAYMENT.—Subsection (e) of such section is amended by adding at the end the following:

"(3) In the case of a member who will attain 60 years of age within one year after the date on which an annual payment would otherwise be made to the member under this section, the amount of the payment made on that date shall be computed under this paragraph instead of paragraph (1). The amount of such payment shall be equal to 1/12 of the product of—

"(A) the amount computed for the member under paragraph (1); and

"(B) the number equal to 1/30 of the total number of days in the period beginning on such date and ending on the day before the date of the member's 60th birthday.".

(c) COORDINATION WITH RETIRED PAY.—Such section is further amended by adding at the end the following:

"(i) COORDINATION WITH RETIRED PAY.—Fifty percent of the monthly amount of retired pay payable under chapter 67 of this title to a member who receives one or more annual payments under this section shall be deducted and withheld from such monthly amount of retired pay. The deductions shall be terminated when the total amount so deducted and withheld equals the total amount paid to the member under this section. The amount deducted and withheld from the last monthly payment of retired pay before termination of deductions may be less than 50 percent of the monthly amount.".

SEC. 643. INCREASED ELIGIBILITY AND APPLICATION PERIODS FOR TROOPS-TO-TEACHERS PROGRAM.

(a) PERIOD OF ELIGIBILITY.—Subsection (c) of section 1151 of title 10, United States Code, is amended—

(1) in paragraph (1)(A), by striking out "seven-year period beginning on October 1, 1992," and inserting in lieu thereof "nine-year period beginning on October 1, 1990,"; and

(2) by striking out paragraph (4).

(b) APPLICATION PERIOD.—Subsection (e)(1) of such section is amended by striking out "submitted" in the first sentence and all that follows through the end of the second sentence and inserting in lieu thereof "timely submitted to the Secretary of Defense. An application is timely submitted if the application is submitted not later than the latest date applicable to the applicant under this paragraph. An application shall be submitted not later than one year after the date of the discharge or release of the applicant from active duty. In the case of an applicant discharged or released from active duty before January 19, 1994, an application shall be submitted not later than one year after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995. In the case of an applicant becoming educationally qualified for teacher placement assistance in accordance with subsection (c)(2), an application shall be submitted not later than one year after the date on which the applicant becomes educationally qualified.".

SEC. 644. ASSISTANCE FOR ELIGIBLE MEMBERS TO OBTAIN EMPLOYMENT WITH LAW ENFORCEMENT AGENCIES.

(a) REVISED PROGRAM AUTHORITY.—Section 1152 of title 10, United States Code, is amended to read as follows:

"§ 1152. Assistance to eligible members and former members to obtain employment with law enforcement agencies

"(a) PLACEMENT PROGRAM.—The Secretary of Defense may enter into an agreement with the Attorney General to establish or participate in a program to assist eligible members and former members of the armed forces to obtain employment as law enforcement officers with State law enforcement agencies, local law enforcement agencies, or Indian tribes that perform law enforcement functions (as determined by the Secretary of the Interior) following the discharge or release of such members or former members from active duty.

"(b) ELIGIBLE MEMBERS.—Any member or former member who, during the 6-year period beginning on October 1, 1993, is separated from the armed forces with an honorable discharge or is released from service on active duty characterized as honorable by the Secretary concerned shall be eligible to participate in a program covered by an agreement referred to in subsection (a).

"(c) SELECTION.—In the selection of applicants for participation in a program covered by an agreement referred to in subsection (a), preference shall be given to a member or former member who—

"(1) is selected for involuntary separation, is approved for separation under section 1174a or 1175 of this title, or retires pursuant to the authority provided in section 4403 of Public Law 102-484 (10 U.S.C. 1293 note); and

"(2) has a military occupational specialty, training, or experience related to law enforcement (such as service as a member of the military police) or satisfies such other criteria for selection as, in accordance with the agreement, the Secretary, the Attorney General, or a participating State or local law enforcement agency or participating Indian tribe may prescribe.

"(d) GRANTS TO FACILITATE EMPLOYMENT.—(1) The Secretary may provide funds to the Attorney General for grants under this section to reimburse State law enforcement agencies, local law enforcement agencies, or Indian tribes that perform law enforcement functions (as determined by the Secretary of the Interior) for costs, including salary and fringe benefits, of employing members or former members pursuant to a program referred to in subsection (a).

"(2) No grant with respect to an eligible member or former member may exceed a total of $50,000.

"(3) Any grant with respect to an eligible member or former member shall be disbursed within 5 years after the date of the placement of a member or former member with a participating law enforcement agency or Indian tribe.

"(4) Preference in awarding grants through existing law enforcement hiring programs shall be given to State or local law enforcement agencies or Indian tribes that agree to hire eligible members and former members.

"(e) ADMINISTRATIVE EXPENSES.—Ten percent of the amount, if any, appropriated for a fiscal year to carry out a program established pursuant to subsection (a) may be used to administer the program.

"(f) REQUIREMENT FOR APPROPRIATION.—No member or former member may be selected to participate in the program established by this section unless a sufficient amount of appropriated funds are available at the time of the selection to satisfy the obligations to be incurred by the United States under an agreement referred to in subsection (a) that applies with respect to such member or former member.".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 58 of title 10, United States Code, is amended to read as follows:

"1152. Assistance to eligible members and former members to obtain employment with law enforcement agencies.".

SEC. 645. TREATMENT OF RETIRED AND RETAINER PAY OF MEMBERS OF CADRE OF CIVILIAN COMMUNITY CORPS.

Section 159(c)(3) of the National and Community Service Act of 1990 (42 U.S.C. 12619(c)(3)) is amended by adding at the end the following: "In the case of a member of the permanent cadre who was recommended for appointment in accordance with section

162(a)(2)(A) and is entitled to retired or retainer pay, section 5532 of title 5, United States Code, shall not apply to reduce the member's retired or retainer pay by reason of the member being paid as a member of the cadre.".

Subtitle F—Other Matters

SEC. 651. DISABILITY COVERAGE FOR OFFICER CANDIDATES GRANTED EXCESS LEAVE.

(a) ELIGIBILITY FOR RETIREMENT.—Section 1201 of title 10, United States Code, is amended—

(1) by inserting "(a) MEMBERS ON ACTIVE DUTY ENTITLED TO PAY.—" before "Upon a determination"; and

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

"(b) MEMBERS ON EXCESS LEAVE.—(1) Upon a determination by the Secretary concerned that a member referred to in paragraph (2) is unfit to perform the duties of the member's office, grade, rank, or rating because of a physical disability incurred during a period described in such paragraph, the Secretary may retire the member, with retired pay computed under section 1401 of this title, if the Secretary also makes the determinations described in paragraphs (1), (2), and (3) of subsection (a) with regard to such member.

"(2) Paragraph (1) applies to a member of the armed forces who, during a period of authorized absence—

"(A) is participating in a program leading to appointment, designation, or assignment in the armed forces in an officer category; and

"(B) is not entitled to basic pay by reason of the application of section 502(b) of title 37 to such absence.".

(b) ELIGIBILITY FOR PLACEMENT ON TEMPORARY DISABILITY RETIRED LIST.—Section 1202 of such title is amended—

(1) by striking out "or any other members" and inserting in lieu thereof "any other members"; and

(2) by inserting after "more than 30 days," the following: "or any member referred to in section 1201(b)(2) of this title".

(c) ELIGIBILITY FOR SEPARATION.—Section 1203 of such title is amended—

(1) by inserting "(a) MEMBERS ON ACTIVE DUTY ENTITLED TO PAY.—" before "Upon a determination";

(2) by striking out the second sentence (relating to transfer to inactive status); and

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

"(b) MEMBERS ON EXCESS LEAVE.—Upon a determination by the Secretary concerned that a member referred to in paragraph (2) of section 1201(b) of this title is unfit to perform the duties of the member's office, grade, rank, or rating because of a physical disability incurred during a period described in such paragraph, the Secretary may separate the member, with severance pay computed under section 1212 of this title, if the Secretary also makes the determinations described in paragraphs (1), (2), (3), and (4) of subsection (a) with regard to such member.

"(c) TRANSFER TO INACTIVE STATUS LIST.—If a member authorized to be separated under subsection (a) or (b) is eligible for transfer to the inactive status list under section 1209 of this title, and so elects, the member shall be transferred to that list instead of being separated.".

(d) CONFORMING AMENDMENTS.—(1) Chapter 61 of title 10, United States Code, is amended—

(A) by striking out the heading of section 1201 and inserting in lieu thereof the following:

"§ 1201. Regulars, members on active duty for more than 30 days, certain members on excess leave: retirement";

(B) by striking out the heading of section 1202 and inserting in lieu thereof the following:

"§ 1202. Regulars, members on active duty for more than 30 days, certain members on excess leave: temporary disability retired list";

and

(C) by striking out the heading of section 1203 and inserting in lieu thereof the following:

"§ 1203. Regulars, members on active duty for more than 30 days, certain members on excess leave: separation".

(2) The table of sections at the beginning of such chapter is amended by striking out the items relating to sections 1201, 1202, and 1203 and inserting in lieu thereof the following:

"1201. Regulars, members on active duty for more than 30 days, certain members on excess leave: retirement

"1202. Regulars, members on active duty for more than 30 days, certain members on excess leave: temporary disability retired list.

"1203. Regulars, members on active duty for more than 30 days, certain members on excess leave: separation.".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act and apply with respect to physical disabilities incurred on or after such date.

SEC. 652. USE OF MORALE, WELFARE, AND RECREATION FACILITIES BY MEMBERS OF RESERVE COMPONENTS AND DEPENDENTS.

Section 1065 of title 10, United States Code, is amended to read as follows:

"§ 1065. Use of certain morale, welfare, and recreation facilities by members of reserve components and dependents

"(a) MEMBERS OF THE SELECTED RESERVE.—Members of the Selected Reserve in good standing (as determined by the Secretary concerned) shall be permitted to use MWR retail facilities on the same basis as members on active duty.

"(b) RETIREES UNDER AGE 60.—Members of the reserve components who would be eligible for retired pay under chapter 67 of this title but for the fact that the member is under 60 years of age shall be permitted to use MWR retail facilities on the same basis as retired members and retired former members of the Regular Army, Regular Navy, Regular Air Force, and Regular Marine Corps.

"(c) MEMBERS OF READY RESERVE NOT IN SELECTED RESERVE.—Subject to such regulations as the Secretary of Defense may prescribe, members of the Ready Reserve (other than members of the Selected Reserve) may be permitted to use MWR retail facilities on the same basis as members serving on active duty.

"(d) DEPENDENTS.—(1) Dependents of members referred to in subsection (a) shall be permitted to use MWR retail facilities on the same basis as dependents of members on active duty.

"(2) Dependents of members referred to in subsection (b) shall be permitted to use MWR retail facilities on the same basis as dependents of retired members and retired former members of the Regular Army, Regular Navy, Regular Air Force, and Regular Marine Corps.

"(e) MWR RETAIL FACILITY DEFINED.—In this section, the term 'MWR retail facilities' means exchange stores and other revenue generating facilities operated by nonappropriated fund activities of the Department of Defense for the morale, welfare, and recreation of members of the armed forces.".

SEC. 653. SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR DEPARTMENT OF DEFENSE PERSONNEL OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—Chapter 53 of Title 10, United States Code, is amended by adding at the end the following new section:

"§ 1060a. Special supplemental food program

"(a) AUTHORITY.—The Secretary of Defense may carry out a program to provide special supplemental food benefits to members of the armed forces on duty at stations outside the United States (and its territories and possessions) and to eligible civilians serving with, employed by, or accompanying the armed forces outside the United States (and its territories and possessions).

"(b) FEDERAL PAYMENTS AND COMMODITIES.—For the purpose of obtaining Federal payments and commodities in order to carry out the program referred to in subsection (a), the Secretary of Agriculture shall make available to the Secretary of Defense from funds appropriated for such purpose, the same payments and commodities as are made for the special supplemental food program in the United States under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

"(c) PROGRAM ADMINISTRATION.—(1)(A) The Secretary of Defense shall administer the program referred to in subsection (a) and, except as provided in subparagraph (B), shall determine eligibility for program benefits under the criterion published by the Secretary of Agriculture under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

"(B) The Secretary of Defense shall prescribe regulations governing computation of income eligibility standards for families of individuals participating in the program under this section.

"(2) The program benefits provided under the program shall be similar to benefits provided by State and local agencies in the United States.

"(d) DEPARTURE FROM STANDARDS.—The Secretary of Defense may authorize departures from standards prescribed by the Secretary of Agriculture regarding the supplemental foods to be made available in the program when local conditions preclude strict compliance or when such compliance is highly impracticable.

"(e) REGULATIONS.—The Secretary of Defense shall prescribe regulations to administer the program authorized by this section.

"(f) DEFINITIONS.—In this section:

"(1) The term 'eligible civilian' means—

"(A) a dependent of a member of the armed forces residing with the member outside the United States;

"(B) an employee of a military department who is a national of the United States and is residing outside the United States in connection with such individual's employment or a dependent of such individual residing with the employee outside the United States; or

"(C) an employee of a Department of Defense contractor who is a national of the United States and is residing outside the United States in connection with such individual's employment or a dependent of such individual residing with the employee outside the United States.

"(2) The term 'national of the United States' means—

"(A) a citizen of the United States; or

"(B) a person who, though not a citizen of the United States, owes permanent allegiance to the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22))).

"(3) The term 'dependent' has the meaning given such term in subparagraph (A), (D), (E), and (I) of section 1072(2) of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 53 of title 10, United States Code, is amended by adding at the end the following new item:

"1060a. Special supplemental food program.".

SEC. 654. REIMBURSEMENT FOR CERTAIN LOSSES OF HOUSEHOLD EFFECTS CAUSED BY HOSTILE ACTION.

(a) AUTHORITY TO REIMBURSE.—Chapter 163 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2738. Reimbursement for certain losses of household effects caused by hostile action

"(a) AUTHORITY TO REIMBURSE.—The Secretary concerned or, subject to appeal to the Secretary, the Judge Advocate General of an armed force under the Secretary's jurisdiction, or the Chief Counsel of the Coast Guard, as appropriate, if designated by the Secretary, may reimburse a member of the armed forces in an amount not more than $100,000 for a loss described in subsection (b).

"(b) COVERED LOSSES.—This section applies with respect to a loss of household effects sustained during a move made incident to a change of permanent station when, as determined by the Secretary, the loss was caused by a hostile action incident to war or a warlike action by a military force.

"(c) LIMITATION.—The Secretary may provide reimbursement under this section for a loss described in subsection (b) only to the extent that the loss is not reimbursed under insurance or under the authority of another provision of law.

"(d) APPLICABILITY OF OTHER AUTHORITIES AND REQUIREMENTS.—Subsections (b), (d), (e), (f), and (g) of section 2733 of this title shall apply to a request for a reimbursement under this section as if the request were a claim against the United States.".

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

"2738. Reimbursement for certain losses of household effects caused by hostile action.".

(c) EFFECTIVE DATE.—(1) Section 2738 of title 10, United States Code, as added by subsection (a), applies with respect to losses incurred after June 30, 1990.

(2) In the case of a loss incurred after June 30, 1990, and before the date of the enactment of this Act, a request for reimbursement shall be filed with the Secretary of the military department concerned not later than two years after such date of enactment.

SEC. 655. PAYMENT FOR TRANSIENT HOUSING FOR RESERVES PERFORMING CERTAIN TRAINING DUTY.

Section 404 of title 37, United States Code, is amended—

(1) by redesignating subsection (j) as subsection (k); and

(2) by inserting after subsection (i) the following new subsection (j):

"(j)(1) In the case of a member of a reserve component performing annual training duty or inactive-duty training who is not otherwise entitled to travel and transportation allowances in connection with such duty under subsection (a) of this section, the Secretary concerned may reimburse the member for housing service charge expenses incurred by the member in occupying transient government housing during the performance of such duty.

"(2) Any payment or other benefit under this section shall be provided in accordance with regulations prescribed by the Secretaries concerned.

"(3) The Secretary may pay service charge expenses under paragraph (1) out of funds appropriated for operation and maintenance for the reserve component concerned.".

SEC. 656. STUDY OF OFFSET OF DISABILITY COMPENSATION BY RECEIPT OF SEPARATION BENEFITS AND INCENTIVES.

(a) STUDY.—(1) The Comptroller General shall carry out a study of the offset of the amount of disability compensation from the Department of Veterans Affairs that is received by an individual separated from the Armed Forces by the amount of any of the following benefits:

(A) Separation pay under section 1174 of title 10, United States Code.

(B) A special separation benefit under a special separation benefits program carried out under section 1174a(a) of such title.

(C) A voluntary separation incentive under section 1175 of such title.

(2) In carrying out the study, the Comptroller General shall—

(A) determine the purposes for the availability of the benefits referred to in paragraph (1);

(B) determine the justifications for the offset referred to in that paragraph;

(C) assess the effect of the offset by—

(i) determining the number of members of the Armed Forces who will separate from the Armed Forces during the period beginning on the date of the enactment of this Act and ending on September 30, 1999;

(ii) determining the number of such members who will be provided a benefit referred to in that paragraph, and the average amount of the benefit to be provided;

(iii) determining the number of such members who will be entitled to disability compensation from the Department of Veterans Affairs, and the average monthly amount of the compensation to which the members will be entitled; and

(iv) evaluating the extent, if any, to which the offset affects the capacity of members who are separated from the Armed Forces to meet financial obligations (including obligations relating to housing and medical care) of such members that arise as a result of the service of the members in the Armed Forces or the separation of such members from that service;

(D) determine the extent, if any, to which the offset of disability compensation by the amount of a benefit referred to in subparagraph (B) or (C) of paragraph (1) reduces the effectiveness of the benefits in meeting the purposes determined under subparagraph (A) of this paragraph; and

(E) determine the cost of the repeal of the offset.

(b) REPORT.—(1) The Comptroller General shall submit to the Committees on Armed Services and the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the results of the study required under subsection (a). The report shall include the recommendations of the Comptroller General on improvements to the provision of the benefits referred to in subsection (a)(1).

(2) The Comptroller General shall submit the report not later than 180 days after the date of the enactment of this Act.

TITLE VII—HEALTH CARE PROVISIONS

SEC. 701. REVISION OF DEFINITION OF DEPENDENTS TO INCLUDE YOUNG PEOPLE BEING ADOPTED BY MEMBERS OR FORMER MEMBERS.

(a) ELIGIBILITY FOR HEALTH BENEFITS.—Section 1072 of title 10, United States Code, is amended—

(1) in paragraph (2)(D), by striking out the matter above clause (i) and inserting in lieu thereof the following:

"(D) a child who—"; and

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

"(6) The term 'child', with respect to a member or former member of a uniformed service, means the following:

"(A) An unmarried natural child.

"(B) An unmarried adopted child.

"(C) An unmarried stepchild.

"(D) An unmarried person—

"(i) who is placed in the home of the member or former member by a placement agency (recognized by the Secretary of Defense) in anticipation of the legal adoption of the person by the member or former member; and

"(ii) who otherwise meets the requirements specified in paragraph (2)(D).".

(b) CONFORMING AMENDMENT.—Section 401(b)(1)(B) of title 37, United States Code, is amended by striking out "placement agency for the purpose of adoption" and inserting in lieu thereof "placement agency (recognized by the Secretary of Defense) in anticipation of the legal adoption of the child by the member".

SEC. 702. AVAILABILITY OF DEPENDENTS' DENTAL PROGRAM OUTSIDE THE UNITED STATES.

Section 1076a of title 10, United States Code, is amended—

(1) by redesignating subsection (g) as subsection (h); and

(2) by inserting after subsection (f) the following new subsection (g):

"(g) CARE OUTSIDE THE UNITED STATES.—The Secretary shall exercise the authority provided under subsection (a) to establish basic dental benefit plans for providing dental benefits outside the United States for spouses and children of members of the uniformed services accompanying the members on permanent assignments to duty outside the United States.".

SEC. 703. CONDITIONS UNDER WHICH MEDICAL AND DENTAL CARE OF ABUSED DEPENDENTS IS AUTHORIZED.

Section 1076(e)(1)(A) of title 10, United States Code, is amended to read as follows:

"(A) a member of a uniformed service is convicted by a court-martial or a civil court for an offense involving abuse of a dependent of the member, as determined in accordance with regulations prescribed by the administering Secretary for such uniformed service, and—

"(i) in the case of a court-martial conviction, the member receives a dishonorable or bad-conduct discharge or is dismissed or administratively discharged from a uniformed service as a result of the conviction; or

"(ii) in the case of a civil court conviction, the member is administratively discharged from a uniformed service as a result of the conviction; and".

SEC. 704. COORDINATION OF BENEFITS WITH MEDICARE.

Section 1086(d) of title 10, United States Code, is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3)(A) Subject to subparagraph (B), if a person described in paragraph (2) receives

medical or dental care for which payment may be made under medicare and a plan contracted for under subsection (a), the amount payable for that care under the plan shall be the amount equal to the excess of the total amount of the charges imposed by the provider or providers of such care over the sum of—

"(i) the amount paid for that care under medicare; and

"(ii) the total of all amounts paid or payable by third party payers other than medicare.

"(B) The amount payable for care under a plan pursuant to subparagraph (A) may not exceed the total amount that would be paid under the plan if payment for that care were made solely under the plan.

"(C) In this paragraph:

"(i) The term 'medicare' means title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

"(ii) The term 'third party payer' has the meaning given such term in section 1095(h)(1) of this title.".

SEC. 705. AUTHORITY FOR REIMBURSEMENT OF PROFESSIONAL LICENSE FEES UNDER RESOURCE SHARING AGREEMENTS.

Section 1096 of title 10, United States Code, is amended by adding at the end the following:

"(d) REIMBURSEMENT FOR LICENSE FEES.—In any case in which it is necessary for a member of the uniformed services to pay a professional license fee imposed by a government in order to provide health care services at a facility of a civilian health care provider pursuant to an agreement entered into under subsection (a), the Secretary of Defense may reimburse the member for up to $500 of the amount of the license fee paid by the member.".

SEC. 706. CHIROPRACTIC HEALTH CARE DEMONSTRATION PROGRAM.

(a) REQUIREMENT FOR PROGRAM.—(1) Not later than 120 days after the date of enactment of this Act, the Secretary of Defense, in consultation with the secretaries of the military departments, shall develop and carry out a demonstration program to evaluate the feasibility and advisability of furnishing chiropractic care through the medical care facilities of the Armed Forces.

(2) In carrying out the program, the Secretary of Defense shall—

(A) subject to paragraph (3), designate not less than 10 major military medical treatment facilities of the Department of Defense to furnish chiropractic care under the program; and

(B) enter into agreements with such number of chiropractors as the Secretary determines sufficient for the purposes of the program to furnish chiropractic care at such facilities under the program.

(3) The Secretary may not designate under paragraph (2) any treatment facility that is located on a military installation scheduled for closure or realignment under a base closure law.

(b) PROGRAM PERIOD.—The Secretary shall carry out the demonstration program in fiscal years 1995 through 1997.

(c) REPORTING REQUIREMENTS.—(1) Not later than January 30, 1995, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the demonstration program. The report shall—

(A) identify the treatment facilities designated pursuant to subsection (a)(2)(A); and

(B) include a discussion of the plan for the conduct of the program.

(2) Not later than May 1, 1995, the Secretary of Defense shall submit to the committees referred to in paragraph (1) a plan for evaluating the program, including a schedule for conducting progress reviews and for submitting a final report to the committees.

(3) The Secretary shall submit to the committees referred to in paragraph (1) a final report in accordance with the plan submitted to such committees pursuant to paragraph (2).

(d) OVERSIGHT ADVISORY COMMITTEE.—(1)(A) Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall establish an oversight advisory committee to assist and advise the Secretary with regard to the development and conduct of the demonstration program.

(B) The oversight advisory committee shall include the following members:m

(i) The Comptroller General of the United States, or a designee from within the General Accounting Office.

(ii) The Assistant Secretary of Defense for Health Affairs, or a designee.

(iii) The Surgeon General of the Army, or a designee.

(iv) The Surgeon General of the Navy, or a designee.

(v) The Surgeon General of the Air Force, or a designee.

(vi) Not fewer than four independent representatives of the chiropractic health care profession, appointed by the Secretary of Defense.

(2) The oversight advisory committee shall assist the Secretary of Defense regarding—

(A) issues involving the professional credentials of the chiropractors participating in the program;

(B) the granting of professional practice privileges for the chiropractors at the treatment facilities participating in the program;

(C) the preparation of the reports required under subsection (c); and

(D) the evaluation of the program.

(e) DEFINITION.—For purposes of this section, the term "base closure law" means each of the following:

(1) 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).

(2) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(3) Section 2687 of title 10, United States Code.

SEC. 707. IMPLEMENTATION OF ANNUAL HEALTH CARE SURVEY REQUIREMENT.

Section 724 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2440; 10 U.S.C. 1071 note) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection (b):

"(b) EXEMPTION.—An annual survey under subsection (a) shall be treated as not a collection of information for the purposes for which such term is defined in section 3502(4) of title 44.".

SEC. 708. STUDY AND REPORT ON FINANCIAL RELIEF FOR CERTAIN MEDICARE-ELIGIBLE MILITARY RETIREES WHO INCUR MEDICARE LATE ENROLLMENT PENALTIES.

(a) STUDY.—The Secretary of Defense, in consultation with the Secretary of Health and Human Services, shall conduct a study regarding possible financial relief from late enrollment penalties for military retirees and dependents of such retirees who reside within the service area of a base closure site and who have failed to timely enroll in medicare part B due to reliance upon the military treatment facility located at such site.

(b) REPORT.—Not later than March 31, 1995, the Secretary of Defense shall report to Congress the results of the study under paragraph (1). Such report shall also—

(1) identify by base closure site the number of military retirees within a 65 mile catchment area who have failed to enroll in medicare part B and are subjected to late enrollment penalties;

(2) determine the estimated aggregate amount of the penalties by base closure site;

(3) describe the characteristics of the population that are subject to the penalties, such as age and income level;

(4) address the appropriateness of waiving such penalties;

(5) identify the Department of Defense funds that should be used to pay the penalties if waiving such penalties is not recommended;

(6) outline a program for a special medicare part B enrollment period for affected retirees living near bases already closed and bases which are designated for closure in the future; and

(7) include legislative recommendations for implementing a program which removes the financial burden from the medicare-eligible beneficiaries who have been or will be adversely impacted by base-closure actions.

(c) DEFINITIONS.—For purposes of this section:

(1) The term "base closure" means a base closure under a base closure law (within the meaning given such term in section 2825(d) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 2687 note)).

(2) The term "medicare part B" means the public health insurance program under part B of title XVIII of the Social Security Act.

(3) The term "military treatment facility" means a facility of a uniformed service referred to in section 1074(a) of title 10, United States Code, in which health care is provided.

SEC. 709. ELIGIBILITY FOR PARTICIPATION IN DEMONSTRATION PROGRAMS FOR SALE OF PHARMACEUTICALS.

Subparagraph (B) of section 702(c)(2) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1079 note) is amended to read as follows:

"(B) either—

"(i) resides in an area that is adversely affected (as determined by the Secretary) 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; or

"(ii) can demonstrate to the satisfaction of the Secretary that the person obtained pharmaceuticals at a health care facility referred to in clause (i) before the closure of the facility.".

SEC. 710. COST ANALYSIS OF TIDEWATER TRICARE DELIVERY OF PEDIATRIC HEALTH CARE TO MILITARY FAMILIES.

(a) COST ANALYSIS REQUIRED.—Not later than July 1, 1995, the Assistant Secretary of Defense (Health Affairs) shall determine the amount of the expenditures made by the Department of Defense for pediatric care for each of fiscal years 1992, 1993, and 1994 under the program for delivery of health care services in the Tidewater region of Virginia carried out pursuant to section 712(b) of Public Law 102-190 (105 Stat. 1402). The Assistant Secretary shall determine the total amount

of such expenditures and the amount of such expenditures for each case.

(b) USE OF ANALYSIS.—In establishing any managed care system involving the furnishing of pediatric care by the Department of Defense (including the furnishing of pediatric care under the Civilian Health and Medical Program of the Uniformed Services), the Assistant Secretary shall consider the amounts determined under subsection (a) in determining the appropriate standards, limitations, and requirements to apply to the cost of pediatric care under the system.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Use of Merit Based Selection Procedures

SEC. 801. POLICY FOR MERIT BASED AWARD OF CONTRACTS AND GRANTS.

(a) POLICY.—Section 2301 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e)(1) It is the policy of Congress that the Department of Defense should not be required by legislation to award a new contract or grant to a specific non-Federal Government entity. It is further the policy of Congress that any program, project, or technology identified in legislation be procured through merit-based selection procedures.

"(2) A provision of law may not be construed as requiring the Department of Defense to award a new contract or grant to a specific non-Federal Government entity unless that provision of law—

"(A) specifically refers to this subsection;

"(B) specifically identifies the particular non-Federal Government entity to be awarded the contract or grant; and

"(C) sets forth the national defense purpose to be fulfilled by requiring the department to award a new contract or grant to the specified non-Federal Government entity.

"(3) The head of an agency may not award a contract or make a grant pursuant to a provision of law that authorizes or requires the awarding of the contract or the making of the grant, as the case may be, in a manner that is inconsistent with the policy set forth in paragraph (1) until—

"(A) the Secretary of Defense submits to Congress a notice in writing of the intent to award such contract or to make such grant; and

"(B) a period of 180 days elapses after the date on which the notice is received by Congress.

"(4) For purposes of this subsection—

"(A) a contract is a new contract unless the work provided for in the contract is a continuation of the work provided for in a preceding contract; and

"(B) a grant is a new grant unless the work funded by the grant is substantially a continuation of the work for which funding is provided in a preceding grant.

"(4) Paragraph (3) does not apply to the Secretary of Transportation or the Administrator of the National Space and Aeronautics Administration.".

SEC. 802. CONTINUATION OF EXPIRING REQUIREMENT FOR ANNUAL REPORT ON THE USE OF COMPETITIVE PROCEDURES FOR AWARDING CERTAIN CONTRACTS TO COLLEGES AND UNIVERSITIES.

Paragraph (3) of section 2361(c) of title 10, United States Code, is repealed.

Subtitle B—Acquisition Assistance Programs

SEC. 811. PROCUREMENT TECHNICAL ASSISTANCE PROGRAMS.

(a) FUNDING.—Of the amount authorized to be appropriated under section 301(5), $12,000,000 shall be available for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) SPECIFIC PROGRAMS.—Of the amounts made available pursuant to subsection (a), $600,000 shall be available for fiscal year 1995 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 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.

SEC. 812. PILOT MENTOR-PROTEGE PROGRAM.

Of the amounts authorized to be appropriated for fiscal year 1995 pursuant to title I of this Act, $50,000,000 shall be available for conducting the pilot Mentor-Protege Program established pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2301 note).

SEC. 813. INFRASTRUCTURE ASSISTANCE FOR HISTORICALLY BLACK COLLEGES AND OTHER MINORITY INSTITUTIONS OF HIGHER EDUCATION.

Of the amounts authorized to be appropriated for fiscal year 1995 pursuant to title II of this Act, $35,000,000 shall be available for such fiscal year for infrastructure assistance to historically Black colleges and universities and minority institutions under section 2323(c)(3) of title 10, United States Code.

SEC. 814. EXTENSION OF TEST PROGRAM FOR NEGOTIATION OF COMPREHENSIVE SMALL BUSINESS SUBCONTRACTING PLANS.

Section 834(e) 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, 1994" in the second sentence and inserting in lieu thereof "September 30, 1998".

SEC. 815. LIMITATION REGARDING ACQUISITION ASSISTANCE REGULATIONS REQUIRED BY PUBLIC LAW 103-160 BUT NOT ISSUED.

(a) LIMITATION ON THE USE OF FUNDS.—None of the funds authorized to be appropriated by this Act that are made available for program element 65104D activities may be expended until the Secretary of Defense takes the actions required by the following provisions of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160):

(1) Section 811(d)(1), relating to regulations that address the matters described in subsections (g) and (h)(2) of section 2323 of title 10, United States Code.

(2) Section 813(b)(1), relating to the Department of Defense policy regarding the pilot Mentor-Protege Program.

(b) ACTIONS REQUIRED.—(1) With respect to the regulations referred to in subsection (a)(1), the Secretary shall—

(A) publish proposed regulations within 15 days after the date of the enactment of this Act in accordance with section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b);

(B) provide a period of not less than 60 days for public comment on the proposed regulations; and

(C) publish the final regulations not later than 120 days after the date of the enactment of this Act.

(2) With respect to the action referred to in subsection (a)(2), the Secretary shall ensure that—

(A) within 30 days after the date of the enactment of this Act, the Department of Defense policy regarding the pilot Mentor-Protege Program is incorporated into the Department of Defense Supplement to the Federal Acquisition Regulation as an appendix; and

(B) any subsequent revision to such policy (or any successor to such policy) is published and maintained in such supplement as an appendix.

(c) PROGRAM ELEMENT 65104D ACTIVITIES DEFINED.—For purposes of this section, the program element 65104D activities referred to in subsection (a) are the activities described as program element 65104D in the materials submitted to Congress by the Secretary of Defense in support of the budget for fiscal year 1995 that was submitted to Congress pursuant to section 1105(a) of title 31, United States Code.

SEC. 816. TREATMENT UNDER SUBCONTRACTING PLANS OF PURCHASES FROM QUALIFIED NONPROFIT AGENCIES FOR THE BLIND OR SEVERELY DISABLED.

(a) REVISION AND EXTENSION OF AUTHORITY.—Section 2410d of title 10, United States Code, relating to credit under small business subcontracting plans for certain purchases, is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) by striking out "and" at the end of subparagraph (A);

(ii) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

(iii) by adding at the end the following new subparagraph:

"(C) a central nonprofit agency designated by the Committee for Purchase from People Who Are Blind or Severely Disabled under section 2(c) of such Act (41 U.S.C. 47(c).";

(B) by striking out paragraph (3); and

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

(2) in subsection (c), by striking out "September 30, 1994" and inserting in lieu thereof "September 30, 1997".

(b) CONFORMING AMENDMENT.—Section 2301(d) of such title is amended by striking out "approved commodities and services (as defined in such section)" and inserting in lieu thereof "commodities and services".

Subtitle C—Other Matters

SEC. 821. USE OF CERTAIN FUNDS PENDING SUBMISSION OF A NATIONAL TECHNOLOGY AND INDUSTRIAL BASE PERIODIC DEFENSE CAPABILITY ASSESSMENT AND A PERIODIC DEFENSE CAPABILITY PLAN.

(a) LIMITATION.—None of the funds authorized to be appropriated by this Act that are made available for program element 65104D activities may be expended until the Secretary of Defense submits to Congress—

(1) a national technology and industrial base periodic defense capability assessment required by section 2505 of title 10, United States Code; and

(2) and a periodic defense capability plan required by section 2506 of such title.

(b) PROGRAM ELEMENT 65104D ACTIVITIES DEFINED.—For purposes of this section, the program element 65104D activities referred to in subsection (a) are the activities described as program element 65104D in the materials submitted to Congress by the Secretary of Defense in support of the budget for fiscal year 1995 that was submitted to Congress pursuant to section 1105(a) of title 31, United States Code.

SEC. 822. DELEGATION OF INDUSTRIAL MOBILIZATION AUTHORITY.

Section 2538 of title 10, United States Code, is amended—

(1) by striking out "through the Secretary of Defense" each place it appears in subsections (a), (c), and (d) and inserting in lieu thereof "through the head of any department"; and

(2) in subsection (c)—

(A) by striking out "in the opinion of the Secretary of Defense" in the matter above paragraph (1) and inserting in lieu thereof "in the opinion of the head of any department"; and

(B) by striking out "Secretary" each place it appears in paragraphs (2) and (3) and inserting in lieu thereof "head of the department".

SEC. 823. PERMANENT AUTHORITY FOR THE DEPARTMENT OF DEFENSE TO SHARE EQUITABLY THE COSTS OF CLAIMS UNDER INTERNATIONAL ARMAMENTS COOPERATIVE PROGRAMS.

Subsection (c) of section 843 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2469; 10 U.S.C. 2350a note) is repealed.

SEC. 824. DETERMINATIONS OF PUBLIC INTEREST UNDER THE BUY AMERICAN ACT.

(a) CONSIDERATIONS.—Section 2533 of title 10, United States Code, is amended—

(1) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a) In determining under section 2 of title III of the Act of March 3, 1993 (41 U.S.C. 10a), popularly known as the 'Buy American Act', whether application of title III of such Act is inconsistent with the public interest, the Secretary of Defense shall consider the following:

"(1) The bids or proposals of small business firms in the United States which have offered to furnish American goods.

"(2) The bids or proposals of all other firms in the United States which have offered to furnish American goods.

"(3) The United States balance of payments.

"(4) The cost of shipping goods which are other than American goods.

"(5) Any duty, tariff, or surcharge which may enter into the cost of using goods which are other than American goods.

"(6) Any need to coordinate acquisition activities of the Department of Defense with obligations contained in international agreements and with the acquisition activities of major United States allies.

"(7) A need to ensure that the Department of Defense has access to advanced state-of-the-art commercial technology.

"(8) A need to protect the national technology and industrial base and to provide for a defense mobilization base.

"(9) A need to ensure that application of different rules of origin for United States end items and foreign end items does not result in an award to a firm other than a firm providing a product produced in the United States.

"(10) Any need—

"(A) to maintain the same source of supply for spare and replacement parts for an end item that qualifies as an American good; or

"(B) to maintain the same source of supply for spare and replacement parts in order not to impair integration of the military and commercial industrial base.

"(11) The national security interests of the United States."; and

(2) by redesignating subsection (c) as subsection (b).

(b) CONFORMING AND CLERICAL AMENDMENTS.—(1) The heading of section 2533 of such title is amended to read as follows:

"§ 2533. Determinations of public interest under the Buy American Act".

(2) The item relating to such section in the table of sections at the beginning of subchapter V of chapter 148 of such title is amended to read as follows:

"2533. Determinations of public interest under the Buy American Act.".

SEC. 825. DOCUMENTATION FOR AWARDS FOR COOPERATIVE AGREEMENTS OR OTHER TRANSACTIONS UNDER THE DEFENSE TECHNOLOGY REINVESTMENT PROGRAM.

At the time of the award for a cooperative agreement or other transaction under a program carried out under chapter 148 of title 10, United States Code, the head of the agency concerned shall include in the file pertaining to such agreement or transaction a brief explanation of the manner in which the award advances and enhances a particular national security objective set forth in section 2501(a) of such title or a particular policy objective set forth in section 2501(b) of such title.

SEC. 826. COMPTROLLER GENERAL ASSESSMENT OF EXTENT TO WHICH TECHNOLOGY AND INDUSTRIAL BASE PROGRAMS ATTAIN POLICY OBJECTIVES.

Not later than 180 days after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress an assessment of the extent to which awards for cooperative agreements and other transactions under programs carried out under chapter 148 of title 10, United States Code, have been made specifically to advance and enhance a particular national security objective set forth in section 2501(a) of such title or to achieve a particular policy objective set forth in section 2501(b) of such title.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Secretarial Matters

SEC. 901. ADDITIONAL ASSISTANT SECRETARY OF DEFENSE.

(a) ESTABLISHMENT OF POSITION.—Section 138(a) of title 10, United States Code, is amended by striking out "ten" and inserting in lieu thereof "eleven".

(b) EXECUTIVE LEVEL IV.—Section 5315 of title 5, United States Code, is amended by striking out "Assistant Secretaries of Defense (10)." and inserting in lieu thereof the following:

"Assistant Secretaries of Defense (11).".

SEC. 902. ORDER OF SUCCESSION TO SECRETARIES OF THE MILITARY DEPARTMENTS.

(a) ARMY.—Section 3017 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) The General Counsel of the Department of the Army.".

(b) NAVY.—Section 5017 of such title is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (5) and (6), respectively; and

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

"(3) The General Counsel of the Department of the Navy.".

(c) AIR FORCE.—Section 8017 of such title is amended—

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

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

"(3) The General Counsel of the Department of the Air Force.".

Subtitle B—Commission on Roles and Missions of the Armed Forces

SEC. 911. REVIEW OF RESERVE COMPONENTS.

Section 953(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1739) is amended—

(1) in subsection (d)—

(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 the following new paragraph:

"(9) the role of the National Guard and the other reserve components.";

(2) in subsection (e)(3), by inserting after "Department of Defense" the following: ", including the National Guard and the other reserve components"; and

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

"(h) RECOMMENDATIONS CONCERNING RESERVE COMPONENTS.—The Commission shall address the roles, missions, and functions of the reserve components within the total force of the armed forces, particularly in light of lower budgetary resources that will be available to the Department of Defense in the future. The Commission should employ or consult private citizens with extensive experience in matters concerning the National Guard and other reserve components.".

SEC. 912. SUPPORT BY FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

Section 957 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1741; 10 U.S.C. 111 note) is amended—

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

"(f) SUPPORT FROM FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.—Upon the request of the chairman of the Commission, the Secretary of Defense shall make available to the Commission, without reimbursement, the services of one or more federally funded research and development centers covered by sponsoring agreements of the Department of Defense. The cost of the services made available pursuant to this subsection may not exceed $20,000,000."; and

(2) by striking out the section heading and inserting in lieu thereof the following:

"SEC. 957. PERSONNEL MATTERS; EXPERT SERVICES.".

SEC. 913. REVISION IN COMPOSITION OF COMMISSION.

(a) REVISION.—Section 952(b) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 10 U.S.C. 111 note; 107 Stat. 1738) is amended—

(1) in the first sentence of paragraph (1), by striking out "seven" and inserting in lieu thereof "eight"; and

(2) in paragraph (2)—

(A) by inserting "(A)" before "The Commission"; and

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

"(B) The additional member of the Commission appointed under this paragraph after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995 shall have previous military experience and management experience with the reserve components.".

(b) APPOINTMENT.—The Secretary of Defense shall make the appointment required

as a result of the amendments made by subsection (a) not later than 15 days after the date of the enactment of this Act.

Subtitle C—Other Matters

SEC. 921. COMPOSITION OF RESERVE FORCES POLICY BOARD.

Section 175(a) of title 10, United States Code, is amended—

(1) in paragraph (4), by striking out "or Regular Marine Corps" and inserting in lieu thereof "and an officer of the Regular Marine Corps each";

(2) by striking out "and" at the end of paragraph (8);

(3) by striking out the period at the end of paragraph (9) and inserting in lieu thereof "; and"; and

(4) by adding at the end the following:

"(10) an officer of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps serving in a position on the Joint Staff who is designated by the Chairman of the Joint Chiefs of Staff.".

SEC. 922. CONTINUATION OF UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) CLOSURE PROHIBITED.—The Uniformed Services University of the Health Sciences may not be closed.

(b) BUDGETARY COMMITMENT TO CONTINUATION.—It is the sense of Congress that the Secretary of Defense should budget for the ongoing operation of the Uniformed Services University of the Health Sciences as an institution of professional education that is vital to the education and training each year of significant numbers of personnel of the uniformed services for careers as uniformed services health care providers.

(c) EVALUATION OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.—

(1) GAO REPORT.—By June 1, 1995, the Comptroller General of the United States shall submit to the appropriate Committees of the Congress a detailed report that—

(A) compares the cost of obtaining physicians from the Uniformed Services University of the Health Sciences with other sources of military physicians;

(B) assesses the retention rate needs of the military for physicians in relation to the respective retention rates of Uniformed Services University of the Health Sciences physicians and physicians obtained from other sources and the factors which contribute to retention rates among military physicians obtained from all sources;

(C) reviews the quality of the medical education provided at the Uniformed Services University of the Health Sciences with the quality of medical education provided by other sources of military physicians;

(D) reviews the overall issue of the special needs of military medicine and how these special needs are being met by Uniformed Services University of Health Sciences physicians and physicians obtained from other sources;

(E) assesses the extent to which the Uniformed Services University of the Health Sciences has responded to the 1990 report of the Inspector General of the Department of Defense and make recommendations as to resolution of any continuing issues relating to management and internal fiscal controls of the Uniformed Services University of the Health Sciences, including issues relating to the Henry M. Jackson Foundation for the Advancement of Military Medicine identified in the 1990 report; and

(F) makes such recommendations as the Comptroller General deems appropriate.

SEC. 923. JOINT DUTY CREDIT FOR CERTAIN DUTY PERFORMED DURING MILITARY OPERATIONS IN SUPPORT OF UNIFIED, COMBINED, OR UNITED NATIONS MILITARY OPERATIONS.

(a) CREDIT AUTHORIZED.—Section 664 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(i) SPECIAL AUTHORITY.—(1) The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, may give an officer who has completed service described in paragraph (2) credit for having completed a full tour of duty in a joint duty assignment, or credit countable for determining cumulative service in joint duty assignments, for the purposes of any provision of this title, notwithstanding the length of such service or whether such service is within the definition of the term 'joint duty assignment' prescribed pursuant to section 668 of this title.

"(2) Service referred to in paragraph (1) is service performed by an officer in combat or combat related military operations, under the operational control of the commander of a unified combatant command, the commander of combined forces of allied nations, or the United Nations, in which the officer gained significant experience in joint matters, as determined by the Secretary.

"(3) Officers for whom joint duty credit is granted pursuant to this subsection—

"(A) shall not be counted for the purposes of paragraphs (7), (8), (9), (11), or (12) of section 667 of this title and subsections (a)(3) and (b) of section 662 of this title; and

"(B) are not subject to the requirements of section 661(c) of this title relating to the sequence for completion of a joint professional military education school, completion of a full tour of duty in a joint duty assignment, and selection for a joint specialty.".

(b) APPLICABILITY.—Subsection (i) of section 664 of title 10, United States Code, as added by subsection (a), shall apply with respect to military operations conducted after July 1, 1992.

SEC. 924. ASSISTANCE FOR CERTAIN WORKERS DISLOCATED DUE TO REDUCTIONS BY THE UNITED STATES IN THE EXPORT OF DEFENSE ARTICLES AND SERVICES.

(a) ASSISTANCE UNDER DEFENSE CONVERSION ADJUSTMENT PROGRAM.—Section 325 of the Job Training Partnership Act (29 U.S.C. 1662d) is amended—

(1) in subsection (a)—

(A) by striking out "or by closures of United States military facilities" in the first sentence and inserting in lieu thereof ", by closures of United States military facilities, or by reductions in the export of defense articles and defense services as a result of United States policy (including reductions in the amount of defense articles and defense services under agreements to provide such articles or services or through termination or completion of any such agreements)"; and

(B) by striking out "or by closures of United States military facilities" in the second sentence and inserting in lieu thereof ", by closures of United States military facilities, or by reductions in the export of defense articles and defense services as a result of United States policy";

(2) in subsection (d), by striking out "or by the closure of United States military installations" and inserting in lieu thereof ", by closures of United States military facilities, or by reductions in the export of defense articles and defense services as a result of United States policy (including reductions in the amount of defense articles and defense services under agreements to provide such articles or services or through termination or completion of any such agreements)"; and

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

"(f) DEFINITION.—For purposes of this section, the term 'defense articles and defense services' means defense articles, defense services, or design and construction services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), including defense articles and defense services licensed or approved for export under section 38 of that Act (22 U.S.C. 2778).".

(b) ASSISTANCE UNDER DEFENSE DIVERSIFICATION PROGRAM.—Section 325A of the Job Training Partnership Act (29 U.S.C. 1662d-1) is amended—

(1) in subsection (b)(3)(A), by striking out "or the closure or realignment of a military installation" and inserting in lieu thereof ", the closure or realignment of a military installation, or reductions in the export of defense articles and defense services as a result of United States policy (including reductions in the amount of defense articles and defense services under agreements to provide such articles or services or through termination or completion of any such agreements)";

(2) in subsection (k)(1), by striking out "or by the closure of United States military installations" and inserting in lieu thereof ", the closure of United States military installations, or reductions in the export of defense articles and defense services as a result of United States policy (including reductions in the amount of defense articles and defense services under agreements to provide such articles or services or through termination or completion of any such agreements)"; and

(3) in subsection (o), by adding at the end the following new paragraph:

"(3) DEFENSE ARTICLES AND DEFENSE SERVICES.—The term 'defense articles and defense services' means defense articles, defense services, or design and construction services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), including defense articles and defense services licensed or approved for export under section 38 of that Act (22 U.S.C. 2778).".

Subtitle D—Professional Military Education

SEC. 931. AUTHORITY FOR MARINE CORPS UNIVERSITY TO AWARD THE DEGREE OF MASTER OF MILITARY STUDIES.

(a) AUTHORITY TO AWARD.—(1) Chapter 609 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 7102. Marine Corps University: master of military studies

"(a) AUTHORITY.—Upon the recommendation of the Director and faculty of the Marine Corps Command and Staff College, the President of the Marine Corps University may confer the degree of master of military studies upon graduates of the college who fulfill the requirements for the degree.

"(b) REGULATIONS.—The authority provided by subsection (a) shall be exercised under regulations prescribed by the Secretary of the Navy.".

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

"7102. Marine Corps University: master of military studies.".

(b) EFFECTIVE DATE.—The authority provided by section 7102(a) of title 10, United States Code, as added by subsection (a), shall become effective on the date on which the Secretary of Education determines that the requirements established by the Command and Staff College of the Marine Corps University for the degree of master of military

studies are in accordance with generally applicable requirements for a degree of master of arts.

SEC. 932. BOARD OF ADVISORS OF MARINE CORPS UNIVERSITY.

(a) BOARD.—(1) Chapter 609 of title 10, United States Code, as amended by section 931, is further amended by adding at the end the following new section:

"§ 7103. Marine Corps University: Board of Advisors

"(a) IN GENERAL.—A Board of Advisors to the President of the Marine Corps University is constituted annually of—

"(1) the chairman of the Committee on Armed Services of the Senate, or the designee of the chairman; and

"(2) six persons designated by the Secretary of the Navy.

"(b) TERMS.—(1) The persons designated by the Secretary of the Navy shall serve for 3 years each except that any member whose term of office has expired shall continue to serve until the successor to the member is designated.

"(2) Members may be reappointed for one or more successive terms.

"(3) If a member of the Board dies or resigns, the official who designated that member shall designate a successor to serve for the unexpired portion of the term of the member.

"(c) VISITS.—The Board shall visit the Marine Corps University semiannually upon the call of the President of the Marine Corps University. With the approval of the President of the University, the Board, or any of its members, may make other visits to the University in connection with the duties of the Board or to consult with the President of the University.".

(2) The table of sections at the beginning of such chapter, as amended by section 931, is further amended by adding at the end the following new item:

"7103. Marine Corps University: Board of Advisors.".

(b) INITIAL DESIGNATIONS OF MEMBERS.—Of the members of the Board of Advisors of the Marine Corps University initially designated under section 7103(a)(2) of title 10, United States Code, as added by subsection (a)—

(1) two shall be designated for a term of 3 years;

(2) two shall be designated for a term of 2 years; and

(3) two shall be designated for a term of 1 year.

SEC. 933. AUTHORITY FOR AIR UNIVERSITY TO AWARD THE DEGREE OF MASTER OF AIRPOWER ART AND SCIENCE.

(a) AUTHORITY TO AWARD.—(1) Chapter 901 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9317. Air University: master of airpower art and science

"(a) AUTHORITY.—Upon the recommendation of the faculty of the School of Advanced Airpower Studies of the Air University, the Commander of the university may confer the degree of master of airpower art and science upon graduates of the school who fulfill the requirements for the degree.

"(b) REGULATIONS.—The authority provided by subsection (a) shall be exercised under regulations prescribed by the Secretary of the Air Force.".

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

"9317. Air University: master of airpower art and science.".

(b) EFFECTIVE DATE.—The authority provided by section 9317(a) of title 10, United States Code, as added by subsection (a), shall become effective on the date on which the Secretary of Education determines that the requirements established by the School of Advanced Airpower Studies of the Air University for the degree of master of airpower art and science are in accordance with generally applicable requirements for a degree of master of arts or a degree of master of science.

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 1995 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 $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1002. EMERGENCY SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1994.

There is authorized to be appropriated as emergency supplemental appropriations for fiscal year 1994 for the incremental costs arising from ongoing United States operations in Somalia, Bosnia, Southwest Asia, and Haiti, $1,198,300,000 as follows:

(1) For Military Personnel:

(A) For the Army, $6,600,000.

(B) For the Navy, $19,400,000.

(C) For the Air Force, $18,400,000.

(2) For Operation and Maintenance:

(A) For the Army, $420,100,000.

(B) For the Navy, $104,800,000.

(C) For the Air Force, $560,100,000.

(D) For Defense-wide activities, $21,600,000.

(3) For Procurement:

(A) For Aircraft Procurement, Army, $20,300,000.

(B) For Other Procurement, Army, $200,000.

(C) For Other Procurement, Air Force, $26,800,000.

SEC. 1003. DATE FOR SUBMISSION OF FUTURE-YEARS MISSION BUDGET.

Section 222(a) of title 10, United States Code, is amended by striking out "at the same time" in the second sentence and inserting in lieu thereof "not later than 60 days after the date on which".

SEC. 1004. SUBMISSION OF FUTURE-YEARS DEFENSE PROGRAM IN ACCORDANCE WITH LAW.

If, as of the end of the 90-day period beginning on the date on which the President's budget for fiscal year 1996 is submitted to Congress, the Secretary of Defense has not submitted to Congress the fiscal year 1996 future-years defense program and, after consultation with the Inspector General of the Department of Defense, a certification that such program satisfies the requirements of section 221(b) of title 10, United States Code, then during the 30-day period beginning on the last day of such 90-day period the Secretary may not obligate more than 10 percent of the fiscal year 1995 advance procurement funds that are available for obligation as of the end of that 90-day period. If, as of the end of such 30-day period, the Secretary of Defense has not submitted to Congress the fiscal year 1996 future-years defense program together with such a certification, then the Secretary may not make any further obligation of fiscal year 1995 advance procurement funds until such program and certification are submitted to Congress. If the Secretary submits to Congress the fiscal year 1996 future-years defense program, together with such a certification, during the 30-day period described in the first sentence, the limitation on obligation of advance procurement funds prescribed in that sentence shall cease to apply effective as of the date of the submission of such program and certification.

Subtitle B—Matters Relating to Allies and Other Nations

SEC. 1011. REPEAL OF LIMITATION ON OVERSEAS MILITARY END STRENGTH.

Section 1302 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2545; 10 U.S.C. 113 note) is repealed.

SEC. 1012. AUTHORIZED END STRENGTH FOR MILITARY PERSONNEL IN EUROPE.

(a) END STRENGTH.—Paragraph (1) of section 1002(c) of the National Defense Authorization Act, 1985 (22 U.S.C. 1928 note) is amended to read as follows:

"(1) The end strength level of members of the Armed Forces of the United States assigned to permanent duty ashore in European member nations of NATO may not exceed a permanent ceiling of approximately 100,000 in any fiscal year.

"(2) Notwithstanding paragraph (1), the end strength level of members of the Armed Forces of the United States assigned to permanent duty ashore in European member nations of NATO may exceed 100,000 in a fiscal year if, before September 1 of that fiscal year, the President certifies to Congress that it is essential for the end strength level to exceed 100,000 in that fiscal year in order to attain national security objectives of the United States in Europe and that the number of personnel in excess of 100,000 does not exceed the number of additional personnel necessary to attain such objectives. In no event may the end strength level exceed 113,000 in any fiscal year.".

(b) CONFORMING AMENDMENT.—Section 1303 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2546) is repealed.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1995.

SEC. 1013. EXTENSION AND REVISION OF AUTHORITIES RELATING TO COOPERATIVE THREAT REDUCTION.

(a) FUNDING FOR FISCAL YEAR 1995.—Funds authorized to be appropriated under section 301(19) shall be available for cooperative

threat reduction with states of the former Soviet Union under the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103-160; 22 U.S.C. 5951 et seq.).

(b) SEMI-ANNUAL REPORTS.—Section 1207 of such Act (22 U.S.C. 5956) is amended by striking out "and not later than October 30, 1994," and inserting in lieu thereof "October 30, 1994, April 30, 1995, and October 30, 1995,".

SEC. 1014. DEFENSE COOPERATION BETWEEN THE UNITED STATES AND ISRAEL.

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

(1) The President has made a commitment to maintaining the qualitative superiority of the Israeli Defense Force over any potential combination of potential adversaries.

(2) Despite the peace process in which Israel is engaged, Israel continues to face difficult threats to its national security.

(3) The threats are compounded by the proliferation of weapons of mass destruction and ballistic missiles.

(4) Congress recognizes the many benefits to the United States resulting from the strategic relationship that exists between the United States and Israel.

(5) Congress is supportive of the objective of the President to enhance United States-Israel military and technical cooperation, particularly in the areas of missile defense and counter-proliferation.

(6) Congress is supportive of the establishment of the United States-Israel Science and Technology Commission in 1993.

(7) Maintaining the qualitative superiority of the Israeli Defense Force and strengthening the defense ties and science and technology cooperation between the United States and Israel will help ensure that Israel has the military strength and political support necessary to take risks for peace while providing Arab states with an incentive to pursue negotiations instead of war.

(8) Israel continues to cooperate with the United States on numerous theater missile defense programs, including the Arrow Tactical Anti-Missile program and the boost phase intercept technology program.

(9) It is in the national interests of the United States and Israel to strengthen existing mechanisms for cooperation and to eliminate unnecessary barriers to further collaboration between the United States and Israel.

(b) SENSE OF CONGRESS.—It is the sense of Congress that Congress—

(1) encourages the President to ensure that any conventional defense system or technology offered for release to any NATO or other major non-NATO ally should concurrently be available for purchase by Israel unless such action would contravene United States national interests; and

(2) urges the President to make available to Israel, within existing technology transfer laws, regulations, and policies, advanced United States technology necessary for continued progress in cooperative United States-Israel research and development of theater missile defenses.

SEC. 1015. MILITARY-TO-MILITARY CONTACTS AND COMPARABLE ACTIVITIES.

(a) ACTIVITIES AUTHORIZED.—(1) Chapter 6 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 166b. Military-to-military contacts and comparable activities

"(a) AUTHORITY.—The Secretary of Defense may conduct military-to-military contacts and comparable activities that are designed to encourage a democratic orientation of defense establishments and military forces of other countries.

"(b) ADMINISTRATION.—The Secretary may provide funds appropriated for carrying out subsection (a) to the following officials for use as provided in subsection (c):

"(1) The commander of a combatant command, upon the request of the commander.

"(2) An officer designated by the Chairman of the Joint Chiefs of Staff, with respect to an area or areas not under the area of responsibility of a commander of a combatant command.

"(3) The head of any Department of Defense component.

"(c) AUTHORIZED ACTIVITIES.—An official provided funds under subsection (b) may use such funds for the following activities and expenses:

"(1) The activities of traveling contact teams, including any transportation expenses, translation services expenses, and administrative expenses that are related to such activities.

"(2) The activities of military liaison teams.

"(3) Exchanges of—

"(A) civilian or military personnel between the Department of Defense and defense ministries of foreign governments; and

"(B) military personnel between units of the armed forces and units of foreign armed forces.

"(4) Seminars and conferences held primarily in a theater of operations.

"(5) Distribution of publications primarily in a theater of operations.

"(6) Personnel expenses for Department of Defense civilian and military personnel to the extent that such expenses relate to participation in activities described in paragraphs (3), (4), and (5).

"(7) Reimbursement of military personnel appropriations accounts for the pay and allowances paid to National Guard personnel and other reserve components personnel for service while engaged in activities referred to in other paragraphs of this subsection.

"(d) RELATIONSHIP TO OTHER FUNDING.—Any amount provided during any fiscal year to an official under subsection (b) for activities or expenses referred to in subsection (c) shall be in addition to amounts otherwise available for such activities and expenses for that fiscal year.

"(e) LIMITATIONS.—(1) Funds may not be provided under this section for a fiscal year for any activity for which—

"(A) funding was proposed in the budget submitted to Congress for such fiscal year pursuant to section 1105(a) of title 31; and

"(B) Congress did not authorize appropriations.

"(2) An activity may not be conducted under this section with a foreign country unless the Secretary of State approves the conduct of such activity in that foreign country.

"(3) Funds may not be provided under this section for a fiscal year for any country which was not eligible in that fiscal year for assistance under chapter 5 of part II of the Foreign Assistance Act of 1961.

"(4) Funds may not be used under this section for the provision of military education or training, defense articles, or defense services to any country.

"(f) MILITARY-TO-MILITARY CONTACTS DEFINED.—In this section, the term 'military-to-military contacts' means contacts between members of the armed forces and members of foreign armed forces through activities described in subsection (c).".

(2) The table of sections at the beginning of chapter 6 of such title is amended by adding at the end the following new item:

"166b. Military-to-military contacts and comparable activities.".

(b) FUNDING.—Of the amount authorized to be appropriated under section 301(5) for operation and maintenance for Defense-wide activities, $46,300,000 shall be available to the Secretary of Defense for the purposes of carrying out activities under section 166b of title 10, United States Code, as added by subsection (a).

SEC. 1016. FOREIGN DISASTER RELIEF.

(a) AUTHORITY.—(1) Subchapter I of chapter 20 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 404. Foreign disaster relief

"(a) IN GENERAL.—The President may conduct disaster relief activities outside the United States to respond to manmade or natural disasters when necessary to prevent loss of lives.

"(b) FORMS OF ASSISTANCE.—Assistance provided under this section may include transportation, supplies, services, and equipment.

"(c) DETERMINATION REQUIRED.—No assistance may be furnished pursuant to this section unless the President determines that the provision of disaster relief is in the national interest of the United States and is necessary to prevent loss of lives.

"(d) REPORT REQUIRED.—Not later than 48 hours after the commencement of disaster relief activities, the President shall transmit to the Congress a report containing the determination required by subsection (c) and a description of the following:

"(1) The manmade or natural disaster for which disaster relief is necessary.

"(2) The threat to human lives presented by the disaster.

"(3) The United States military personnel and material resources that are involved or expected to be involved.

"(4) The disaster relief that is being provided or is expected to be provided by other nations or public or private relief organizations.

"(5) The anticipated duration of the disaster relief activities.".

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

"404. Foreign disaster relief.".

(b) FUNDING OF ACTIVITIES.—Of the amount authorized to be appropriated under subsection 301(5), $46,300,000 shall be available to the Secretary of Defense for the purpose of carrying out disaster relief activities under section 404 of title 10, United States Code, as added by subsection (a).

SEC. 1017. BURDENSHARING POLICY AND REPORT.

(a) POLICY.—It is the policy of the United States that the North Atlantic Treaty Organization (NATO) allies should assist the United States in paying the incremental cost incurred by the United States for maintaining members of the Armed Forces in assignments to permanent duty ashore in Europe solely for performing United States obligations for support of NATO.

(b) IMPLEMENTATION.—The President shall take all necessary actions to ensure the effective implementation of the burdensharing policy set forth in subsection (a).

(c) REPORT.—The Secretary of Defense shall include in the annual burdensharing report required by section 1002(d) of the Department of Defense Authorization Act, 1985 (22 U.S.C. 1928 note) the following matters:

(1) A specific enumeration and description of the United States military resources and military personnel assigned to permanent duty ashore in Europe primarily in support

of NATO and an analysis of the cost of providing and maintaining such resources and personnel in such assignment primarily for that purpose.

(2) A specific enumeration and description of the United States military resources and military personnel assigned to permanent duty ashore in Europe primarily in support of other United States interests in other regions of the world and an analysis of the cost of providing and maintaining such resources and personnel in such assignment primarily for that purpose.

(3) A specific enumeration and description of the offsets to United States costs of providing and maintaining United States military resources and military personnel in Europe that the United States has previously received from other NATO member nations, set out by country and by type of assistance, including both "in-kind" assistance and direct cash reimbursement, and the projected offsets for the five fiscal years following the fiscal year in which the report is submitted.

(4) A detailed identification of the costs associated with maintaining United States military personnel in assignments to permanent duty ashore in Europe for NATO and the difference in cost that would result from stationing such personnel at military bases within the United States and continuing to assign to such personnel the mission to perform United States obligations under NATO.

(5) A comparison of the defense spending by each NATO member country as a percentage of Gross Domestic Product (GDP) beginning in 1985 and the projected future defense spending as a percentage of Gross Domestic Product through 2000.

(6) A review of all actions taken by the United States to ensure the effective implementation of the United States burdensharing policy set forth in subsection (a).

(d) INCREMENTAL COST DEFINED.—In this section, the term "incremental cost", with respect to maintaining members of the Armed Forces in assignments to permanent duty ashore in Europe, includes the cost of transportation to and from duty stations in Europe, any variation in the cost of housing and food as compared to the cost of housing and food for members of the Armed Forces stationed in the United States, and any additional expenditures associated with infrastructure necessary to support United States forces in Europe.

SEC. 1018. REVIEW AND REPORT REGARDING DEPARTMENT OF DEFENSE PROGRAMS RELATING TO REGIONAL SECURITY AND HOST NATION DEVELOPMENT IN THE WESTERN HEMISPHERE.

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

(1) The political environment in the Western Hemisphere has been characterized in recent years by significant democratic advances and an absence of international strife; but democracy is fragile in some nations of the region.

(2) It is desirable for the Department of Defense to perform a positive role in influencing regional armed forces to make positive contributions to the democratic process and to domestic development programs.

(3) Congress receives a number of annual reports relating to specific authorities granted to the Secretary of Defense under title 10, United States Code, such as the authorities relating to the conduct of bilateral or regional cooperation programs under section 1051, participation of developing countries in combined exercises under section 2110, and the training of special operations forces with friendly forces under section 2011.

(4) The annual reports are replete with statistics and dollar figures and generally lacking in substance.

(5) Congress does not receive annual reports with respect to other authorities of the Secretary of Defense, such as that relating to Latin American cooperation under section 1050 of title 10, United States Code.

(6) Testimony before Congress, including in particular the testimony of the Commander in Chief, United States Southern Command, and the Commander in Chief, United States Atlantic Command, has emphasized the conduct of a large number of complementary programs under the leadership and supervision of those two commanders to foster appropriate military roles in democratic host nations and to assist countries in developing forces properly trained to address their security needs, including needs regarding illegal immigration, insurgencies, smuggling of illegal arms, munitions, and explosives across borders, and drug trafficking.

(7) Most of the programs referred to in paragraph (6) provide excellent and often unique training and experience to the United States forces involved.

(8) The expansion of the military-to-military contact program to the Western Hemisphere will provide another tool to encourage a democratic orientation of the defense establishments and military forces of countries in the region.

(9) There is a need to conduct a comprehensive review of the several authorities in title 10, United States Code, for the Secretary of Defense to engage in cooperative regional security programs with other countries in the Western Hemisphere in order to determine whether the authorities continue to be appropriate and necessary, particularly in the light of the changed circumstances in the region.

(10) There is a need to conduct a comprehensive review of the various programs carried out pursuant to such authorities to ensure that such programs are designed to meet the needs of the host nations involved and the regional objectives of the United States.

(11) There is a need to assess the strengths and weaknesses of the various regional security organizations, defense forums, and defense education institutions in the Western Hemisphere in order to identify any improvements needed to harmonize the defense policies of the United States and those of friendly nations of the region.

(b) REPORT REQUIRED.—Not later than May 1, 1995, the Secretary of Defense, shall—

(1) carry out a comprehensive review and assessment of the matters referred to in paragraphs (9), (10), and (11) of subsection (a); and

(2) after consultation with the Chairman of the Joint Chiefs of Staff and the commanders of the combatant commands responsible for regions in the Western Hemisphere, submit to the Committees on Armed Services of the Senate and House of Representatives a report on regional defense matters.

(c) CONTENT OF REPORT.—The report shall contain a detailed and comprehensive description, discussion, and analysis of the following matters:

(1) The Department of Defense plan to support United States strategic objectives in the Western Hemisphere.

(2) The external and internal threats to the national security of the nations of the region.

(3) The various regional security cooperative programs carried out by the Department of Defense in the region in 1994, including training and education programs in the host nations and in the United States and defense contacts set forth on a country-by-country basis, the statutory authority, if any, for such programs, and the strategic objectives served.

(4) The various regional security organizations, defense forums, and defense education institutions that the United States maintains or in which the United States participates.

(5) An assessment of the contribution that such programs, defense contacts, organizations, forums, and institutions make to the advancement of regional security, host nation security and national development, and the strategic objectives of the United States.

(6) The changes made or to be made in the programs, organizations, forums, and institutions as a result of the comprehensive review.

(7) Any recommended legislation considered necessary to improve the ability of the Department to achieve its strategic objectives.

(d) CLASSIFICATION OF REPORT.—The report shall be submitted in an unclassified form and may, if necessary, have a classified supplement.

SEC. 1019. PAYMENTS-IN-KIND FOR RELEASE OF UNITED STATES OVERSEAS MILITARY FACILITIES TO NATO HOST COUNTRIES.

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

(1) The United States has invested $6,500,000,000 in military infrastructure in North Atlantic Treaty Organization (NATO) countries.

(2) As part of an overall plan to reduce United States troop strength in Europe from 323,432 in 1987 to 100,000 by the end of 1996, the Department of Defense plans to close or reduce United States military presence at 867 military sites overseas.

(3) Most of the overseas military sites announced for closure are in Europe where the United States has already closed 434 such sites.

(4) When the United States closes military sites in Europe, the United States brings the military personnel home but leaves buildings, roads, sewers, and other real property improvements behind.

(5) Some allies have agreed to pay the United States for the residual value of the real property improvements left behind.

(6) Although the United States military drawdown has been rapid since 1990, European allies have been slow to pay the United States the residual value of the sites released by the United States.

(7) As of 1994, the United States has recouped only $33,300,000 in cash, and most of that was recovered in 1989.

(8) Although the United States has released to Germany over 60 percent of the military sites planned for closure by the United States in that country and the current value of United States facilities to be returned to the German government is estimated at approximately $2,700,000,000, the German government has budgeted only $25,000,000 for fiscal year 1994 for payment of compensation for the United States investment in such improvements.

(b) POLICY.—It is the sense of Congress that—

(1) the President should redouble efforts to recover the value of the United States investment in the military infrastructure of NATO countries;

(2) the President should enter into negotiations with the government of each NATO

host country with a presumption that payments to compensate the United States for the negotiated value of improvements will be made in cash and deposited in the Department of Defense Overseas Military Facility Investment Recovery Account;

(3) the President should enter into negotiations for payments-in-kind only as a last resort and only after informing the Congress that negotiations for cash payments have not been successful; and

(4) to the extent that in-kind contributions are received in lieu of cash payments in any fiscal year, the in-kind contributions should be used for projects which are identified priorities of the Department of Defense.

(c) REQUIREMENTS AND LIMITATIONS RELATING TO PAYMENTS-IN-KIND.—(1) Subsection (e) of section 2921 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2687 note) is amended—

(A) by inserting "(1)" after "NEGOTIATIONS FOR PAYMENTS-IN-KIND.—";

(B) by striking out "a written notice" and all that follows and inserting in lieu thereof "to the congressional defense committees (and one additional copy to each of the Subcommittees on Defense of the Committees on Appropriations of the Senate and the House of Representatives) a written notice regarding the intended negotiations."; and

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

"(2) The notice shall contain the following:

"(A) A justification for entering into negotiations for payments-in-kind with the host country.

"(B) The types of benefit options to be pursued by the Secretary in the negotiations.

"(C) A discussion of the adjustments that are intended to be made in the future-years defense program or in the budget of the Department of Defense for the fiscal year in which the notice is submitted or the following fiscal year in order to reflect costs that it may no longer be necessary for the United States to incur as a result of the payments-in-kind to be sought in the negotiations.".

(2) Such section is amended by adding at the end the following new subsection:

"(h) CONGRESSIONAL OVERSIGHT OF PAYMENTS-IN-KIND.—(1) Not less than 30 days before concluding an agreement for acceptance of military construction or facility improvements as a payment-in-kind, the Secretary of Defense shall submit to Congress a notification on the proposed agreement that contains the following matters:

"(A) A description of the military construction project or facility improvement project, as the case may be.

"(B) A certification that the project is needed by United States forces.

"(C) An explanation of how the project will aid in the achievement of the mission of those forces.

"(D) A certification that, if the project were to be carried out by the Department of Defense, appropriations would be necessary for the project and it would be necessary to provide for the project in the next future-years defense program.

"(2) Not less than 30 days before concluding an agreement for acceptance of host nation support or host nation payment of operating costs of United States forces as a payment-in-kind, the Secretary of Defense shall submit to Congress a notification on the proposed agreement that contains the following matters:

"(A) A description of each activity to be covered by the payment-in-kind.

"(B) A certification that the costs to be covered by the payment-in-kind are included in the budget of one or more of the military departments or that it will otherwise be necessary to provide for payment of such costs in a budget of one or more of the military departments.

"(C) A certification that, unless the payment-in-kind is accepted or funds are appropriated for payment of such costs, the military mission of the United States forces with respect to the host nation concerned will be adversely affected.".

Subtitle C—Nonproliferation and Counterproliferation of Weapon Systems and Related Systems

SEC. 1021. EXTENSION AND REVISION OF NONPROLIFERATION AUTHORITIES.

(a) EXTENSION OF NONPROLIFERATION AUTHORITIES.—Section 1505 of the National Defense Authorization Act for Fiscal Year 1993 (22 U.S.C. 5859a) is amended—

(1) in subsection (a), by striking out "during fiscal year 1994" and inserting in lieu thereof "during fiscal years 1994 and 1995"; and

(2) in subsection (e), by striking out "fiscal year 1994" and inserting in lieu thereof "fiscal years 1994 and 1995".

(b) ACTIVITIES FOR WHICH ASSISTANCE MAY BE PROVIDED.—Subsection (b)(4) of such section is amended by striking out "nuclear proliferation through joint technical projects and improved intelligence sharing" and inserting in lieu thereof "nuclear, biological, chemical, and missile proliferation through technical projects and improved information sharing".

(c) SOURCES OF ASSISTANCE.—Subsection (d) of such section is amended—

(1) in paragraph (1)—

(A) by inserting "for fiscal year 1994" after "under this section"; and

(B) by striking out "fiscal year 1994 or" and inserting in lieu thereof "fiscal year 1994. Funds provided as assistance under this section for fiscal year 1995 shall be derived from amounts made available to the Department of Defense for fiscal year 1995. Alternatively, funds provided as assistance under this section for a fiscal year referred to in this paragraph may be derived"; and

(2) in paragraph (3), by inserting after "$25,000,000" the following: "for fiscal year 1994 or $15,000,000 for fiscal year 1995".

SEC. 1022. JOINT COMMITTEE FOR THE REVIEW OF COUNTERPROLIFERATION PROGRAMS OF THE UNITED STATES.

(a) COMPOSITION.—Subsection (a) of section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat 1845) is amended—

(1) in paragraph (1)—

(A) by striking out "Non-Proliferation" in the matter above subparagraph (A) and inserting in lieu thereof "Counterproliferation";

(B) by striking out subparagraphs (B) and (E); and

(C) by redesignating subparagraphs (C), (D), and (F) as subparagraphs (B), (C), and (D), respectively;

(2) in paragraph (2), by adding at the end the following: "The Secretary of Energy shall serve as the Vice Chairman of the committee.";

(3) in paragraph (4), by adding at the end the following: "The Secretary of Energy may delegate to the Under Secretary of Energy responsible for national security programs of the Department of Energy the performance of the duties of the Vice Chairman of the committee."; and

(4) by striking out paragraph (5).

(b) PURPOSES OF COMMITTEE.—Subsection (b) of such section is amended—

(1) in paragraph (1)(A), by striking out "nonproliferation policy" and inserting in lieu thereof "counterproliferation policy"; and

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

"(3) To prioritize programs and funding.

"(4) To encourage and facilitate interagency and interdepartmental funding of programs in order to ensure necessary levels of funding to develop, operate, and field highly-capable systems.

"(5) To insure that Department of Energy programs are integrated with the operational needs of other departments and agencies of the Federal Government.

"(6) To ensure that Department of Energy national security programs include development of systems for deployment as well as research.".

(c) DUTIES.—Subsection (c) of such section is amended—

(1) in paragraph (1)—

(A) by striking out "(including counterproliferation capabilities) and technologies for support of United States nonproliferation policy" in the matter above subparagraph (A) and inserting in lieu thereof "and technologies for support of United States nonproliferation policy and counterproliferation policy";

(B) by inserting "and" at the end of subparagraph (D); and

(C) by striking out subparagraphs (F) and (G);

(2) by striking out paragraphs (2), (3), and (7);

(3) in paragraph (4), by striking out "to support fully the nonproliferation policy of the United States";

(4) by redesignating paragraphs (4), (5), and (6) as paragraphs (2), (3), and (4), respectively; and

(5) by adding at the end the following new paragraph (5):

"(5) assess each fiscal year the effectiveness of the committee actions during the preceding fiscal year, including, particularly, the status of recommendations made during such preceding fiscal year that were reflected in the budget submitted to Congress pursuant to section 1105(a) of title 31, United States Code, for the fiscal year following the fiscal year in which the assessment is made.".

(d) COMMITTEE RECOMMENDATIONS.—Subsection (e) of such section is amended to read as follows:

"(e) RECOMMENDATIONS.—The committee shall submit to the President and the heads of all appropriate departments and agencies of the Federal Government such programmatic recommendations regarding existing, planned, or new programs as the committee considers appropriate to encourage funding for capabilities and technologies at the level necessary to support United States counterproliferation policy.".

(e) EXTENSION OF COMMITTEE.—Subsection (f) of such section is amended by striking out "six months after the date on which the report of the Secretary of Defense under section 1606 is submitted to Congress" and inserting in lieu thereof "at the end of September 30, 1996".

SEC. 1023. REPORT ON COUNTERPROLIFERATION ACTIVITIES AND PROGRAMS.

(a) REPORT REQUIRED.—Not later than May 1, 1995, and not later than May 1 of each year thereafter, the Secretary of Defense shall submit to the appropriate committees of Congress a report of the findings of the Counterproliferation Program Review Committee established by section 1605 of the National Defense Authorization Act for Fiscal

Year 1994 (Public Law 103-160; 107 Stat 1845). The Secretary shall submit any special annex of the report to the committees of Congress that traditionally receive information in the annex in the performance of oversight functions of such committees.

(b) CONTENT OF THE REPORT.—The report shall include the following matters:

(1) A complete list, by specific program element, of the existing, planned, or newly proposed capabilities and technologies reviewed by the committee pursuant to section 1605(c) of Public Law 103-160.

(2) A complete description of the requirements and priorities established by the Counterproliferation Program Review Committee.

(3) A comprehensive discussion of the near-term, mid-term, and long-term programmatic options formulated by the committee for meeting requirements prescribed by the committee and for eliminating deficiencies identified by the committee, including the annual funding requirements and completion dates established for each such option.

(4) An explanation of the recommendations made pursuant to section 1605(c) of Public Law 103-160, together with a full discussion of the actions taken to implement such recommendations or otherwise taken on the recommendations.

(5) A discussion and assessment of the status of each committee recommendation during the fiscal year preceding the fiscal year in which the report is submitted, including, particularly, the status of recommendations made during such preceding fiscal year that were reflected in the budget submitted to Congress pursuant to section 1105(a) of title 31, United States Code, in the fiscal year of the report.

(6) Each specific Department of Energy program that the Secretary of Energy plans to develop to initial operating capability and each such program that the Secretary does not plan to develop to initial operating capability.

(7) For each technology program scheduled to reach initial operational capability, a recommendation from the Chairman of the Joint Chiefs of Staff that represents the views of the commanders of the unified and specified commands regarding the utility and requirement of the program.

(c) FORMS OF REPORT.—The report shall be submitted in both unclassified and classified forms, including an annex to the classified report for special compartmented information programs, special access programs, and special activities programs.

(d) DEFINITIONS.—In this section:

(1) The term "appropriate committees of Congress" means—

(A) the Committee on Armed Services, the Committee on Appropriations, and the Select Committee on Intelligence of the Senate; and

(B) the Committee on Armed Services, the Committee on Appropriations, and the Select Committee on Intelligence of the House of Representatives.

(2) The term "intelligence community" has the meaning given such term in section 3 of the National Security Act of 1947 (50 U.S.C. 401a).

SEC. 1024. AMOUNTS FOR COUNTERPROLIFERATION ACTIVITIES.

(a) COUNTERPROLIFERATION ACTIVITIES.—Of the amount authorized to be appropriated in section 201(4), $12,500,000 shall be available for counterproliferation activities.

(b) EDUCATION IN SUPPORT OF COUNTERPROLIFERATION ACTIVITIES.—Of the amount authorized to be appropriated in section 301(5), not more than $1,000,000 shall be available for providing education to members of the Armed Forces in matters relating to counterproliferation.

(c) ADDITIONAL AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) In addition to the transfer authority provided in section 1001, 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 1995 to counterproliferation programs, projects, and activities identified as areas for progress by the Joint Committee for the Review of Counterproliferation Programs established by section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1845). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary may transfer under the authority of this subsection may not exceed $100,000,000.

(3) The authority provided by this subsection to transfer authorizations—

(A) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(B) may not be used to provide authority for an item that has been denied authorization by Congress.

(4) A transfer made from one account to another under the authority of this subsection 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.

(5) The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this subsection.

(d) USE OF FUNDS FOR TECHNOLOGY DEVELOPMENT.—(1) Of the funds authorized to be appropriated by section 201(4) for a counterproliferation technology project in Program Element 602301E—

(A) $5,000,000 shall be available for a program to detect, locate, and disarm weapons of mass destruction that are hidden by a hostile state or terrorist or terrorist group in confined area outside the United States; and

(B) $10,000,000 shall be available for the training program referred to in paragraph (3).

(2) The Secretary of Defense shall make funds available for the program referred to in paragraph (1)(A) in a manner that, to the maximum extent practicable, ensures the effective utilization of existing resources of the national weapons laboratories.

(3)(A) The training program referred to in paragraph (1)(B) is a training program carried out jointly by the Secretary of Defense and the Director of the Federal Bureau of Investigation in order to expand and improve United States efforts to deter the possible proliferation and acquisition weapons of mass destruction by organized crime organizations in Eastern Europe, the Baltic countries, and the former Soviet Union.

(B) The funds available under paragraph (1)(B) for the program referred to in subparagraph (A) may not be obligated or expended for that program until the Secretary of Defense and the Director of the Federal Bureau of Investigation jointly submit to the congressional defense committees a report that—

(i) identifies the nature and extent of the threat posed to the United States by the possible proliferation and acquisition of weapons of mass destruction by organized crime organizations in Eastern Europe, the Baltic countries, and the former Soviet Union;

(ii) assesses the actions that the United States should undertake in order to assist law enforcement agencies of Eastern Europe, the Baltic countries, and the former Soviet Union in the efforts of such agencies to prevent and deter the theft of nuclear weapons material; and

(iii) contains an estimate of—

(I) the cost of undertaking such actions, including the costs of personnel, support equipment, and training;

(II) the time required to commence the carrying out of the program referred to in paragraph (1); and

(III) the amount of funds, if any, that will be required in fiscal years after fiscal year 1995 in order to carry out the program.

SEC. 1025. RESTRICTION RELATING TO REPORT ON PROLIFERATION OF FOREIGN MILITARY SATELLITES.

None of the funds available to the Department of Defense for travel may be expended for travel by the Assistant Secretary of Defense for International Security Policy until the Secretary of Defense submits to Congress the report required by section 1363 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2560) together with the certification required by section 211(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1584).

Subtitle D—Peace Operations

SEC. 1031. REPORTS ON REFORMING MULTILATERAL PEACE OPERATIONS.

(a) REPORTS REQUIRED.—The Secretary of Defense shall submit to the congressional defense committees two reports on United States proposals for improving United Nations management of peace operations. The Secretary shall submit the first report not later than December 1, 1994, and the second report not later than June 1, 1995.

(b) CONTENT OF REPORTS.—(1) Each report shall contain—

(A) a discussion of the status of implementation of United States proposals contained in section IV (relating to strengthening the United Nations) of the document entitled "The Clinton Administration's Policy on Reforming Multilateral Peace Operations" that was issued by the Executive Office of the President in May 1994; and

(B) an analysis of the results of such implementation.

(2) Each report shall cover, at a minimum, the following matters:

(A) The reconfiguration and expansion of the staff for the United Nations Department of Peacekeeping Operations.

(B) The elimination by the United Nations of lengthy, potentially disastrous delays after a peace operation has been authorized.

(C) The establishment by the United Nations of a professional peace operations training program for commanders and other military and civilian personnel.

(D) United States assistance to facilitate improvements by the United Nations in the matters described in subparagraphs (A) and (C) and the terms under which such assistance has been or is being provided.

(c) DEFINITION.—In this section, the term "peace operation" means an operation to maintain or restore international peace and security under chapter VI or chapter VII of the Charter of the United Nations.

SEC. 1032. SUPPORT FOR INTERNATIONAL PEACEKEEPING AND PEACE ENFORCEMENT.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the President should initiate consultations with the bipartisan leadership of Congress, including the leadership of the relevant committees, as far in advance as possible regarding international peacekeeping or peace enforcement activities of the United Nations that would involve the participation of United States combat forces and such consultations should continue throughout the duration of such activities;

(2) the consultations should take place prior to the vote by the United States on United Nations Security Council resolutions authorizing, extending, or revising the mandates for these types of activities;

(3) United Nations Security Council resolutions authorizing peacekeeping or peace enforcement activities should clearly state the threat to international peace and security presented by the conflict in question, as well as the political and military objectives, the anticipated duration, and an exit strategy for each activity;

(4) the United States should be fully reimbursed for troop contributions and assistance provided to United Nations peacekeeping and peace enforcement activities;

(5) the United Nations should rarely conduct peace enforcement operations in view of the complexity of such operations and the difficulty of achieving unity of command and expeditious decisionmaking through the United Nations;

(6) United States combat forces should be under the operational control of qualified commanders and should have clear and effective command and control arrangements, appropriate rules of engagement, and clear and unambiguous mission statements;

(7) United States combat forces should not be under the command and control of foreign commanders in peace enforcement operations conducted by the United Nations except in the most extraordinary circumstances; and

(8) the Secretary of Defense should have the lead responsibility within the executive branch for the management of peacekeeping and peace enforcement activities of the United Nations in which United States combat forces participate.

(b) SUPPORT AUTHORIZED.—(1) Section 403 of title 10, United States Code, is amended to read as follows:

"§ 403. International peacekeeping and international peace enforcement: support involving United States combat forces

"(a) AUTHORITY.—Notwithstanding any other provision of law, the Secretary of Defense may—

"(1) pay, out of funds in the Contributions for International Peacekeeping and Peace Enforcement Activities Fund established by subsection (g), the United States fair share (as determined by the Secretary) of assessments for international peacekeeping or international peace enforcement activities of the United Nations in which United States combat forces participate; and

"(2) furnish assistance, on a reimbursable basis, in support of such activities.

"(b) FORMS OF ASSISTANCE.—Assistance provided under this section may include supplies, services, and equipment.

"(c) DETERMINATION REQUIRED.—No assessment may be paid and no assistance may be furnished pursuant to this section unless the President determines that the provision of assistance is in the national interest of the United States.

"(d) ADVANCE NOTICE.—(1) In the case of any international peacekeeping or international peace enforcement operation of the United Nations in which United States combat forces are to participate, not less than 15 days before an initial deployment of United States combat forces, payment of a United Nations assessment, furnishing of assistance of a value in excess of $14,000,000, or waiver of reimbursement to the United States under subsection (e), the President shall transmit to the designated congressional committees a report, which may be classified in whole or in part, that contains the determination required by subsection (c) and the following matters:

"(A) A description of the threat to international peace and security presented by the conflict involved.

"(B) The United States interests that will be advanced by the operation and by the United States action.

"(C) The political and military objectives of the operation.

"(D) The exit criteria and likely duration of the operation.

"(E) The personnel and material resources that have been pledged, or are otherwise expected to be made available, by other nations to the United Nations for the operation.

"(F) The units of the armed forces that will participate.

"(G) The necessity for involvement of United States forces.

"(H) The command arrangements for those forces and, if any of the United States forces are to be placed under the operational control of foreign commanders, the justification for doing so.

"(I) The rules of engagement for the operation.

"(J) An assessment of the risks involved in the operation.

"(K) In the case of payment of an assessment, the amount to be paid and the terms under which the payment is to be made.

"(L) In the case of assistance, the supplies, services, or equipment to be provided by the United States and the terms under which such supplies, services, or equipment are to be provided.

"(M) In the case of a waiver of reimbursement, the justification for the waiver.

"(2) If the President determines that an unforeseen emergency requires the immediate deployment of United States combat troops or the immediate furnishing of assistance of a value in excess of $14,000,000 under this section, the President—

"(A) may waive the requirement of paragraph (1) that a report be transmitted at least 15 days in advance of the action; and

"(B) shall promptly notify the designated committees of such waiver and such deployment or transfer.

"(e) REIMBURSEMENT.—(1) The President shall require reimbursement from the United Nations or from any other source for the participation of any force of the armed forces in support of international peacekeeping or international peace enforcement activities of the United Nations or for the provision of assistance by the Secretary of Defense in support of such activities.

"(2) Any funds received as reimbursements shall be used as follows:

"(A) As a first priority, for the payment of the incremental costs of the military departments and Defense Agencies providing the participating United States forces or the supplies, services, or equipment involved.

"(B) As a second priority, for the payment of the incremental costs of any other United States forces that are operating in support of international peacekeeping or international peace enforcement activities but for which reimbursement is not possible.

"(3) After use of reimbursement funds for the purposes specified in paragraph (2), any remainder of such funds shall be credited to the Contributions for International Peacekeeping and Peace Enforcement Activities Fund established by subsection (g).

"(4) Reimbursements utilized for the payment of incremental costs shall be credited, at the option of the Secretary of the military department concerned or the head of the Defense Agency concerned, either to an appropriation, fund, or other account obligated to pay such costs or to an appropriate appropriation, fund, or other account available for paying such costs.

"(f) WAIVER OF REIMBURSEMENT.—The President may waive, in whole or in part, any reimbursement required under subsection (a)(2) or (e) in exceptional circumstances upon determining that such waiver is in the national interest of the United States.

"(g) ESTABLISHMENT OF ACCOUNT.—There is hereby established in the Treasury of the United States a fund to be known as the 'Contributions for International Peacekeeping and Peace Enforcement Activities Fund'. Amounts appropriated or otherwise credited to the Fund shall be available until expended for, and shall be used for, paying assessments for United Nations operations under this section.

"(h) AUTHORITY INAPPLICABLE WHEN UNITED STATES COMBAT FORCES NOT INVOLVED.—The authority in subsection (a) to pay United Nations assessments for international peacekeeping and international peace enforcement activities of the United Nations may not be construed as authorizing payment of United Nations assessments for any such activity in which United States combat forces do not participate.

"(i) COORDINATION WITH OTHER LAWS.—This section may not be construed as superseding any provision of the War Powers Resolution. This section does not provide authority for the participation of United States combat forces in any international peacekeeping or international peace enforcement operation.

"(j) DEFINITIONS.—In this section:

"(1) The term 'designated congressional committees' means the Committees on Armed Services, Appropriations, and Foreign Relations of the Senate and the Committees on Armed Services, Appropriations, and Foreign Affairs of the House of Representatives.

"(2) The term 'combat forces' means forces of the armed forces that have combat missions as primary missions.

"(3) The term 'international peacekeeping' means those activities performed pursuant to Chapter VI of the United Nations Charter.

"(4) The term 'international peace enforcement' means those activities performed pursuant to Chapter VII of the United Nations Charter.".

(2) The item relating to section 403 in the table of sections at the beginning of subchapter I of chapter 20 of such title is amended to read as follows:

"403. International peacekeeping and international peace enforcement: support involving United States combat forces.".

(c) AUTHORIZED SUPPORT FOR FISCAL YEAR 1995.—Not more than $300,000,000 is authorized to be appropriated for fiscal year 1995 for the Contributions for International Peacekeeping and Peace Enforcement Activities Fund under section 301(20).

Subtitle E—Reporting Requirements

SEC. 1041. REPORT ON OFFENSIVE BIOLOGICAL WARFARE PROGRAM OF THE STATES OF THE FORMER SOVIET UNION.

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

(1) The United States has identified nonproliferation as a high priority in the conduct of United States national security policy.

(2) The United States is seeking universal adherence to global regimes that control nuclear, chemical, and biological weapons and is promoting new measures that provide increased transparency of biological weapons-related activities and facilities in an effort to help deter violations of and enhance compliance with the Biological Weapons Convention (BWC).

(3) Questions continue to arise regarding offensive biological weapons research, development, testing production, and storage in the countries of the former Soviet Union as well as in other countries.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the President should continue to urge all signatories to the Biological Weapons Convention to comply fully with the terms of that convention and with other international agreements relating to the control of biological weapons; and

(2) as the President encourages increased transparency of biological weapons-related activities and facilities to deter violations of and enhance compliance with the Biological Weapons Convention, the President should also take appropriate actions to ensure that the United States is prepared to counter the effects of use of biological weapons by others.

(c) REPORT REQUIRED.—Not later than 120 days after the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the status of the offensive biological warfare program in the Russian Federation and the other independent states of the former Soviet Union.

(d) CONTENT OF REPORT.—The report shall include the following matters:

(1) An assessment of the extent of compliance of the independent states of the former Soviet Union with the Biological Weapons Convention and other international agreements relating to the control of biological weapons.

(2) An evaluation of the extent of control and oversight by the government of the Russian Federation over the former Soviet military and dual civilian-military biological warfare programs.

(3) The extent, if any, of the biological warfare agent stockpile in any of the independent states of the former Soviet Union.

(4) The extent and scope, if any, of continued biological warfare research, development, testing, and production by such state, including the sites and types of activity at those sites.

(5) An evaluation of the effectiveness of possible delivery systems of biological weapons, including tube and rocket artillery, bomber aircraft, and ballistic missiles.

(6) An evaluation of United States capabilities to detect and monitor biological warfare research, development, testing, production, and storage.

(7) On the basis of the assessment and evaluations referred to in other paragraphs of this subsection, recommendations by the Secretary of Defense and Chairman of the Joint Chiefs of Staff for the improvement of United States biological warfare defense and counter-measures.

(e) FORM OF REPORT.—The Secretary shall submit the report in classified and unclassified versions.

(f) DEFINITIONS.—In this section:

(1) The term "Biological Weapons Convention" means the Convention on the Prohibition, Production, and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction, done at Washington, London, and Moscow on April 10, 1972.

(2) The term "independent states of the former Soviet Union" has the same meaning given that term in section 3 of the FREEDOM Support Act (22 U.S.C. 5801).

SEC. 1042. TERMINATION OF CERTAIN DEPARTMENT OF DEFENSE REPORTING REQUIREMENTS.

(a) IMMEDIATE TERMINATION.—Except as provided in subsection (c), notwithstanding the date set forth in subsection (a) of section 1151 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1758; 10 U.S.C. 113 note), the reporting requirements referred to in subsection (b) are terminated effective on the date of the enactment of this Act.

(b) APPLICABILITY.—Subsection (a) applies to each reporting requirement specified in enclosures 1 and 2 of the letter, dated April 29, 1994, by which the Director for Administration and Management, Office of the Secretary Defense, citing the authority of the provision of law referred to in subsection (a), submitted a list of reporting requirements recommended for termination by the Department of Defense.

(c) PRESERVATION OF REQUIREMENTS.—(1) The reporting requirements set forth in the provisions of law referred to in paragraph (2) shall not terminate under subsection (a) of section 1151 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1758; 10 U.S.C. 113 note).

(2) Paragraph (1) applies to the following reports:

(A) Reports required under the following provisions of title 10, United States Code:

(i) Section 2662, relating to reports on real property transactions.

(ii) Section 2672a(b), relating to reports on urgent acquisitions of land.

(iii) Section 2687(b)(1), relating to notifications of certain base closures and realignments.

(iv) Section 2690(b)(2), relating to notifications of proposed conversions of heating facilities at United States installations in Europe.

(v) Section 2804(b), relating to reports on contingency military construction projects.

(vi) Section 2806(c)(2), relating to reports on contributions for NATO infrastructure in excess of amounts appropriated for such contributions.

(vii) Subsections (b) and (c) of section 2807, relating to notifications and reports on architectural and engineering services and construction design.

(viii) Section 2823(b), relating to notifications regarding disagreements between certain officials on the availability of locations for suitable alternative housing for the Department of Defense.

(ix) Subsections (b) and (c) of section 2825, relating to notifications regarding improvements of family housing or construction of replacement family housing.

(x) Section 2827(b), relating to notifications regarding relocation of military family housing units.

(xi) Section 2835(g)(1), relating to economic analyses on the cost effectiveness of leasing family housing to be constructed or rehabilitated.

(xii) Section 2861(a), relating to the annual report on military construction activities and family housing activities.

(xiii) Subsections (e) and (f) of section 2865, relating to notifications regarding unauthorized energy conservation construction projects and an annual report regarding energy conservation actions.

(B) Reports required under the following provisions of title 37, United States Code:

(i) Section 406(i), relating to the annual report regarding dependents accompanying members stationed outside the United States in relation to the eligibility of such members to receive travel and transportation allowances.

(ii) Section 1008(a), relating to the annual report by the President on adjustments of rates of pay and allowances for members of the uniformed services.

(C) Reports required under the following provisions of law:

(i) Section 326(a)(5) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2368; 10 U.S.C. 2301 note), relating to reports on use of certain ozone-depleting substances.

(ii) Subsections (e) and (f) of section 2921 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2687 note), relating to notifications regarding negotiations for payments-in-kind for the release of improvements at overseas military installations to host countries and an annual report on the status and use of the Department of Defense Overseas Military Facility Investment Recovery Account.

(iii) Section 1505(f)(3) of the Military Child Care Act of 1989 (title XV of Public Law 101–189; 103 Stat. 1594; 10 U.S.C. 113 note), relating to reports on closures of military child development centers.

(iv) Subsections (a) and (d) of section 7 of the Organotin Antifouling Paint Control Act of 1988 (Public Law 100–133; 102 Stat. 607; 33 U.S.C. 2406), relating to the annual report on the monitoring of estuaries and near-coastal waters for concentrations of organotin.

Subtitle F—Acceptance of Pre-release Services of Nonviolent Offenders

SEC. 1051. USE OF INMATE LABOR AT MILITARY INSTALLATIONS.

(a) USE OF INMATE LABOR AUTHORIZED.—Chapter 155 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2610. Acceptance of services of inmates of State and local correctional facilities

"(a) USE OF INMATE LABOR.—Subject to subsection (c), the Secretary of a military department may accept in accordance with this section the services of nonviolent offenders incarcerated in a correctional facility of a State or local government. Services so accepted shall be performed at a military installation in the vicinity of the correctional facility pursuant to an agreement entered into by the Secretary and the chief executive of the State or local government.

"(b) AUTHORIZED SERVICES.—The services authorized to be accepted are as follows:

"(1) Construction, maintenance, or repair of roads.

"(2) Construction of levees or other flood prevention structures.

"(3) Construction, maintenance, or repair of any other public ways or works.

"(4) Clearance, maintenance, or reforesting of public lands.

"(5) Custodial services.

"(c) CONDITIONS FOR ACCEPTANCE OF SERVICES.—The Secretary may accept the services

of nonviolent offenders for a military installation under this section only if the Secretary finds that—

"(1) Federal Government employees and contractor employees performing services at the installation will not be displaced;

"(2) no contract for the provision of services at the installation will otherwise be impaired; and

"(3) in the case of services in any skill, craft, or trade, there is no surplus of labor for hire in such skill, craft, or trade in the vicinity of the installation.

"(d) LIMITATION ON PAYMENTS TO CUSTODIAL GOVERNMENTS.—(1) Except as provided in paragraph (2), the Secretary of a military department may not compensate a State or local government for the costs incurred by such government in the provision of services accepted under this section.

"(2) The Secretary may—

"(A) reimburse a State or local government for administrative and other costs directly incurred by that government in making available and supervising offenders as they provide services accepted under this section; and

"(B) pay a nominal amount to the State or local government in order to support any alcohol and drug abuse treatment programs conducted by that government for the offenders who provide such services.

"(e) PROHIBITION ON COMPENSATION OF INMATES.—The Secretary may not compensate any offender for services accepted under this section.

"(f) SUPPORT AUTHORIZED.—The Secretary may provide equipment, supplies, or other materials to be used by offenders in the provision of services accepted under this section.

"(g) INAPPLICABILITY OF OTHER LAWS.—The following provisions of law shall not apply with respect to services accepted under this section:

"(1) Section 1342 of title 31.

"(2) The Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.).

"(3) The Act entitled 'An Act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes', approved March 3, 1931 (46 Stat. 1494; 40 U.S.C. 276a et seq.), commonly referred to as the 'Davis-Bacon Act'.

"(4) The Act entitled 'An Act to provide conditions for the purchases of supplies and the making of contracts by the United States, and for other purposes', approved June 30, 1936 (49 Stat. 2036; 41 U.S.C. 35 et seq.), commonly referred to as the 'Walsh-Healey Act'.

"(5) The Service Contract Act of 1965 (41 U.S.C. 351 et seq.).".

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

"2610. Acceptance of services of inmates of State and local correctional facilities.".

SEC. 1052. REVISION OF AUTHORITY FOR USE OF NAVY INSTALLATIONS TO PROVIDE EMPLOYMENT TRAINING TO NONVIOLENT OFFENDERS IN STATE PENAL SYSTEMS.

(a) SOURCES OF TRAINING.—Subsection (b) of section 1374 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1821; 10 U.S.C. 5013 note) is amended—

(1) by striking out the subsection caption and inserting in lieu thereof "SOURCES OF TRAINING.—"; and

(2) by inserting before the period at the end the following: "or may provide such training directly at such installations by agreement with the State concerned".

(b) LIABILITY AND INDEMNIFICATION.—Subsection (e) of such section is amended—

(1) by inserting "(1)" before "A nonprofit organization"; and

(2) by adding at the end the following:

"(2) In any case in which the Secretary provides prerelease employment training directly by agreement with the State concerned, the State shall—

"(A) be liable for any loss or damage to Federal Government property that may result from, or in connection with, the provision of the training except to the extent that the loss or damage results from a wrongful act or omission of Federal Government personnel; and

"(B) hold harmless and indemnify the United States from and against any suit, claim, demand, action, or liability arising out of any claim for personal injury or property damage that may result from, or in connection with, the provision of the training except to the extent that the personal injury or property damage results from a wrongful act or omission of Federal Government personnel.".

SEC. 1053. USE OF ARMY INSTALLATIONS TO PROVIDE EMPLOYMENT TRAINING TO NONVIOLENT OFFENDERS IN STATE PENAL SYSTEMS.

(a) DEMONSTRATION PROJECT AUTHORIZED.—The Secretary of the Army may conduct a demonstration project to test the feasibility of using Army facilities to provide employment training to nonviolent offenders in a State penal system prior to their release from incarceration. The demonstration project shall be limited to not more than three military installations under the jurisdiction of the Secretary.

(b) SOURCES OF TRAINING.—The Secretary may enter into a cooperative agreement with one or more private, nonprofit organizations for purposes of providing at the military installations included in the demonstration project the prerelease employment training authorized under subsection (a) or may provide such training directly at such installations by agreement with the State concerned.

(c) USE OF FACILITIES.—Under a cooperative agreement entered into under subsection (b), the Secretary may lease or otherwise make available to a nonprofit organization participating in the demonstration project at a military installation included in the demonstration project any real property or facilities at the installation that the Secretary considers to be appropriate for use to provide the prerelease employment training authorized under subsection (a). Notwithstanding section 2667(b)(4) of title 10, United States Code, the use of such real property or facilities may be permitted with or without reimbursement.

(d) ACCEPTANCE OF SERVICES.—Notwithstanding section 1342 of title 31, United States Code, the Secretary may accept voluntary services provided by persons participating in the prerelease employment training authorized under subsection (a).

(e) LIABILITY AND INDEMNIFICATION.—(1) A nonprofit organization participating in the demonstration project shall—

(A) be liable for any loss or damage to Federal Government property that may result from, or in connection with, the provision of prerelease employment training by the organization under the demonstration project; and

(B) hold harmless and indemnify the United States from and against any suit, claim, demand, action, or liability arising out of any claim for personal injury or property damage that may result from or in connection with the demonstration project.

(2) In any case in which the Secretary provides prerelease employment training directly by agreement with the State concerned, the State shall—

(A) be liable for any loss or damage to Federal Government property that may result from, or in connection with, the provision of the training except to the extent that the loss or damage results from a wrongful act or omission of Federal Government personnel; and

(B) hold harmless and indemnify the United States from and against any suit, claim, demand, action, or liability arising out of any claim for personal injury or property damage that may result from, or in connection with, the provision of the training except to the extent that the personal injury or property damage results from a wrongful act or omission of Federal Government personnel.

(f) REPORT.—Not later than two years after the date of the enactment of this Act, the Secretary shall submit to Congress a report evaluating the success of the demonstration project and containing such recommendations with regard to the termination, continuation, or expansion of the demonstration project as the Secretary considers appropriate.

Subtitle G—Discrimination and Sexual Harassment

SEC. 1056. DEPARTMENT OF DEFENSE POLICIES AND PROCEDURES ON DISCRIMINATION AND SEXUAL HARASSMENT.

(a) MILITARY DEPARTMENT POLICIES.—(1) Subject to paragraph (2), the Secretary of the Navy and the Secretary of the Air Force shall review and revise the regulations of the Department of the Navy and the Department of the Air Force, respectively, relating to equal opportunity policy and complaint procedures to ensure that the such regulations are substantially equivalent to the regulations of the Army on such matters.

(2) In revising regulations pursuant to paragraph (1), the Secretary of the Navy or the Secretary of the Air Force, as the case may be, may make such additions and modifications as the Secretary of Defense determines appropriate to strengthen the regulations beyond the substantial equivalent of the Army regulations in accordance with—

(A) the recommendations of the Department of Defense Task Force on Discrimination and Sexual Harassment; and

(B) the experience of the Army, Navy, Air Force, and Marine Corps regarding equal opportunity cases.

(3) The Secretary of the Army shall review the regulations of the Department of the Army relating to equal opportunity policy and complaint procedures and revise the regulations as the Secretary of Defense considers appropriate to strengthen the regulations in accordance with the recommendations and experience described in subparagraphs (A) and (B) of paragraph (2).

(b) REQUIREMENTS REGARDING REPORT OF TASK FORCE ON DISCRIMINATION AND SEXUAL HARASSMENT.—(1) The Department of Defense Task Force on Discrimination and Sexual Harassment shall transmit the report of the task force to the Secretary of Defense not later than October 1, 1994.

(2) The Secretary of Defense shall transmit to Congress the report of the task force not later than October 10, 1994.

(3) Not later than 45 days after receiving the report, the Secretary of Defense shall—

(A) review the recommendations for action contained in such report;

(B) determine which recommendations the Secretary approves for implementation and which recommendations the Secretary disapproves; and

(C) submit to Congress a report that—

(i) identifies the approved recommendations and the disapproved recommendations; and

(ii) explains the reasons for each such approval and disapproval.

(4) The Secretary of Defense shall implement the approved recommendations not later than April 1, 1995.

(c) The Advisory Board or the investigative capability of the Department of Defense should consider and include in its report—

(1) whether the Department of Defense should establish a separate unit to oversee all matters related to allegations of discrimination or sexual misconduct in the Department of Defense; and

(2) whether additional data collection and reporting procedures are needed to enhance the ability of the Department of Defense to deal with sexual misconduct.

(d) The Secretary of Defense shall ensure that regulations governing consideration of equal opportunity matters in performance evaluations include consideration of an individual's commitment to elimination of discrimination or of sexual harassment.

Subtitle H—Other Matters

SEC. 1061. REDESIGNATION OF UNITED STATES COURT OF MILITARY APPEALS AND THE COURTS OF MILITARY REVIEW.

(a) UNITED STATES COURT OF APPEALS FOR THE ARMED SERVICES.—Section 941 of title 10, United States Code (article 141 of the Uniform Code of Military Justice), is amended by striking out "United States Court of Military Appeals" and inserting in lieu thereof "United States Court of Appeals for the Armed Services".

(b) COURTS OF MILITARY CRIMINAL APPEALS.—Section 866 of title 10, United States Code (article 66 of the Uniform Code of Military Justice), is amended by striking out "Court of Military Review" each place it appears and inserting in lieu thereof "Court of Military Criminal Appeals".

(c) CONFORMING AMENDMENTS TO TITLE 10.—(1) The following sections of title 10, United States Code, are amended by striking out "Court of Military Appeals" each place it appears and inserting in lieu thereof "Court of Appeals for the Armed Services": sections 707(a)(2), 866(e), 867, 867a(a), 870, 871(c)(1), 873, 942, 943, 944, 945, and 946(b)(1).

(2) The following sections of title 10, United States Code, are amended by striking out "Court of Military Review" each place it appears and inserting in lieu thereof "Court of Military Criminal Appeals": sections 707(a)(2), 862(b), 867, 868, 869, 870, 871, and 873.

(3)(A) The heading of subchapter XII of chapter 47 of such title is amended to read as follows:

"SUBCHAPTER XII—UNITED STATES COURT OF APPEALS FOR THE ARMED SERVICES".

(B) The table of subchapters at the beginning of chapter 47 of such title is amended by striking out the item relating to subchapter XII and inserting in lieu thereof the following:

"XII. United States Court of Appeals for the Armed Services ..... 941 141".

(4)(A) The heading of section 866 of such title is amended to read as follows:

"§ 867. Art. 66. Review by Court of Military Criminal Appeals".

(B) The heading of section 867 of such title is amended to read as follows:

"§ 867. Art. 67. Review by the Court of Appeals for the Armed Services".

(C) The table of sections at the beginning of subchapter IX of chapter 47 of such title is amended by striking out the items relating to sections 866 and 867 (articles 66 and 67) and inserting in lieu thereof the following:

"866. 66. Review by Court of Military Criminal Appeals.

"867. 67. Review by the Court of Appeals for the Armed Services.".

(d) CONFORMING AMENDMENTS TO OTHER UNITED STATES CODE TITLES.—(1) The following provisions of the United States Code are amended by striking out "Court of Military Appeals" each place it appears and inserting in lieu thereof "Court of Appeals for the Armed Services":

(A) In title 5, sections 8334(a)(1), 8336(1), 8337(a), 8338(c), 8339(d)(7), and 8339(h) and the table in 8334(c).

(B) In title 18, sections 202(e)(2) and 6001(4).

(C) In title 28, sections 1259 and 2101(g).

(D) In title 44, section 906.

(2)(A) The heading of section 1259 of title 28, United States Code, is amended to read as follows:

"§ 1259. Court of Appeals for the Armed Services; certiorari".

(B) The table of sections at the beginning of chapter 81 of such title is amended by striking out the item relating to section 1259 and inserting in lieu thereof the following:

"1259. Court of Appeals for the Armed Services; certiorari.".

(e) CONFORMING AMENDMENT TO OTHER LAW.—Section 109 of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended by striking out "Court of Military Appeals" each place it appears in paragraphs (8) and (10) and inserting in lieu thereof "Court of Appeals for the Armed Services".

SEC. 1062. ASSISTANCE TO FAMILY MEMBERS OF CERTAIN POW/MIAS WHO REMAIN UNACCOUNTED FOR.

(a) SINGLE POINT OF CONTACT.—The Secretary of Defense shall designate an official of the Department of Defense to serve as a single point of contact within the department—

(1) for the immediate family members (or their designees) of any unaccounted-for Korean conflict POW/MIA; and

(2) for the immediate family members (or their designees) of any unaccounted-for Cold War POW/MIA.

(b) FUNCTIONS.—The official designated under subsection (a) shall serve as a liaison between the family members of unaccounted-for Korean conflict POW/MIAs and unaccounted-for Cold War POW/MIAs and the Department of Defense and other Federal departments and agencies that may hold information that may be related to such POW/MIAs. The functions of that official shall include assisting family members—

(1) with the procedures the family may follow in their search for information about the unaccounted-for Korean conflict POW/MIA or unaccounted-for Cold War POW/MIA, as the case may be;

(2) in learning where they may locate information about the unaccounted-for POW/MIA; and

(3) in learning how and where to identify classified records that contain pertinent information and that will be declassified.

(c) ASSISTANCE IN OBTAINING DECLASSIFICATION.—The official designated under subsection (a) shall seek to obtain the rapid declassification of any relevant classified records that are identified.

(d) REPOSITORY.—The official designated under subsection (a) shall provide for a centralized repository for all documents relating to unaccounted-for Korean conflict POW/MIAs and unaccounted-for Cold War POW/MIAs that are located as a result of the official's efforts.

(e) DEFINITIONS.—For purposes of this section:

(1) The term "unaccounted-for Korean conflict POW/MIA" means a member of the Armed Forces or civilian employee of the United States who, as a result of service during the Korean conflict, was at any time classified as a prisoner of war or missing-in-action or otherwise unaccounted for and whose person or remains have not been returned to the United States and who remains unaccounted for.

(2) The term "unaccounted-for Cold War POW/MIA" means a member of the Armed Forces or civilian employee of the United States who, as a result of service during the period from September 2, 1945, to August 21, 1991, was at any time classified as a prisoner of war or missing-in-action or otherwise unaccounted for and whose person or remains have not been returned to the United States and who remains unaccounted for.

(3) The term "Korean conflict" has the meaning given such term in section 101(9) of title 38, United States Code.

SEC. 1063. NATIONAL GUARD ASSISTANCE FOR CERTAIN YOUTH AND CHARITABLE ORGANIZATIONS.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—Chapter 5 of title 32, United States Code, is amended by adding at the end the following:

"§ 508. Assistance for certain youth and charitable organizations

"(a) AUTHORITY TO PROVIDE SERVICES.—Members and units of the National Guard may provide the services described in subsection (b) to an eligible organization in conjunction with training required under this chapter in any case in which—

"(1) the provision of such services does not adversely affect the quality of that training or otherwise interfere with the ability of a member or unit of the National Guard to perform the military functions of the member or unit;

"(2) the services to be provided are not commercially available, or any commercial entity that would otherwise provide such services has approved, in writing, the provision of such services by the National Guard;

"(3) National Guard personnel will enhance their military skills as a result of providing such services; and

"(4) the provision of the services will not result in a significant increase in the cost of the training.

"(b) AUTHORIZED SERVICES.—The services authorized to be provided under subsection (a) are as follows:

"(1) Ground transportation.

"(2) Air transportation in support of Special Olympics.

"(3) Administrative support services.

"(4) Technical training services.

"(5) Emergency medical assistance and services.

"(6) Communications services.

"(7) Security services.

"(c) OTHER AUTHORIZED ASSISTANCE.—Facilities and equipment of the National Guard, including military property of the United States issued to the National Guard and General Services Administration vehicles leased to the National Guard, and General Services Administration vehicles leased to the Department of Defense, may be used in connection with providing services to any eligible organization under this section.

"(d) ELIGIBLE ORGANIZATIONS.—The organizations eligible to receive services under this section are as follows:

"(1) The Boy Scouts of America.

"(2) The Girl Scouts of America.

"(3) The Boys Clubs of America.

"(4) The Girls Clubs of America.

"(5) The Young Men's Christian Association.

"(6) The Young Women's Christian Association.

"(7) The Civil Air Patrol.

"(8) The United States Olympic Committee.

"(9) The Special Olympics.

"(10) The Campfire Boys.

"(11) The Campfire Girls.

"(12) The 4-H Club.

"(13) The Police Athletic League.

"(14) Any other youth or charitable organization designated by the Secretary of Defense.".

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

"508. Assistance for certain youth and charitable organizations.".

SEC. 1064. DEFENSE MAPPING AGENCY.

(a) UNAUTHORIZED USE OF NAME.—Chapter 167 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2798. Unauthorized use of Defense Mapping Agency name, initials, or seal

"(a) No person may, except with the written permission of the Secretary of Defense, knowingly use the words 'Defense Mapping Agency', the initials 'DMA', the seal of the Defense Mapping Agency, or any colorable imitation of such words, initials, or seal in connection with any merchandise, retail product, impersonation, solicitation or commercial activity in a manner reasonably calculated to convey the impression that such use is approved, endorsed, or authorized by the Secretary of Defense.

"(b) Whenever it appears to the Attorney General that any person is engaged or about to engage in an act or practice which constitutes or will constitute conduct prohibited by subsection (a), the Attorney General may initiate a civil proceeding in a district court of the United States to enjoin such act or practice. Such court shall proceed as soon as practicable to hearing and determination of such action and may, at any time before such final determination, enter such restraining orders or prohibitions, or take such other action as is warranted, to prevent injury to the United States or to any person or class of persons for whose protection the action is brought.".

(b) LIMITATION ON LIABILITY RELATING TO NAVIGATIONAL AIDS.—Chapter 167 of such title, as amended by subsection (a), is further amended by adding at the end the following new section:

"§ 2799. Civil actions barred

"(a) CLAIMS BARRED.—No civil action may be brought against the United States on the basis of the content of a navigational aid prepared or disseminated by the Defense Mapping Agency.

"(b) NAVIGATIONAL AIDS COVERED.—Subsection (a) applies with respect to a navigational aid in the form of a map, a chart, or a publication and any other form or medium of product or information in which the Defense Mapping Agency prepares or disseminates navigational aids.".

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

"2798. Unauthorized use of Defense Mapping Agency name, initials, or seal.

"2799. Civil actions barred.".

(d) EFFECTIVE DATE.—Section 2799 of title 10, United States Code, as added by subsection (b), shall take effect on the date of the enactment of this Act and shall apply with respect to (1) civil actions brought before such date that are pending adjudication on such date, and (2) civil actions brought on or after such date.

SEC. 1065. TRANSFER OF NAVAL VESSELS TO BRAZIL.

(a) AUTHORITY.—The Secretary of the Navy is authorized to transfer to the Government of Brazil the "KNOX" class frigates, MILLER (FF 1091) and VALDEZ (FF 1096). Such transfers shall be on a lease basis under chapter 6 of the Arms Export Control Act (22 U.S.C. 2796 et seq.).

(b) WAIVER OF REQUIREMENTS FOR NOTIFICATION TO CONGRESS.—Section 62 of the Arms Export Control Act does not apply with respect to a lease authorized by subsection (a), except that section 62 of such Act shall apply to any renewal of the lease.

(c) COSTS OF TRANSFERS.—Any expense of the United States in connection with a transfer authorized by subsection (a) shall be charged to the Government of Brazil.

(d) EXPIRATION OF AUTHORITY.—The authority granted by subsection (a) shall expire at the end of the 2-year period beginning on the date of the enactment of this Act, except that leases entered into during that period may be renewed.

SEC. 1066. TRANSFERS OF M1A1 TANKS TO THE MARINE CORPS.

(a) TRANSFER REQUIRED.—Subject to subsection (b), as M1A1 tanks of the Army become excess to the requirements of the active component of the Army, the Secretary of the Army shall transfer to the Marine Corps, at no expense to the Army, as many of such tanks as are necessary to satisfy the requirements of the Marine Corps for tanks, as determined by the Secretary of Defense.

(b) TRANSFER LIMITS.—The Secretary of the Army shall transfer under subsection (a) 84 M1A1 tanks selected by the Secretary of the Army.

(c) EXCLUSION OF CERTAIN TRANSFERS.—If any of the tanks transferred under subsection (a) are transferred to the Marine Corps Reserve, the number of tanks not in excess of 48 that are so transferred shall not be counted for purposes of subsection (b).

(d) LIMITATION ON TRANSFERS TO ARMY NATIONAL GUARD.—After the date of the enactment of this Act, the Secretary of the Army shall transfer not more than one M1A1 tank to the National Guard for each M1A1 tank transferred to the Marine Corps until the Secretary has transferred the total number of tanks required in subsection (b). The tanks transferred to the Marine Corps shall be in a material condition comparable to the material condition of the tanks transferred to the National Guard.

(e) TREATMENT OF CERTAIN TRANSFERRED TANKS UNDER LIMITATIONS.—The transfer of a tank under section 112 shall not be counted for purposes of subsection (a), (b), (c), or (d).

SEC. 1067. LIMITATION REGARDING MERGER OF TELECOMMUNICATIONS SYSTEMS.

(a) LIMITATION.—Funds available to the Department of Defense may not be expended to merge defense telecommunications systems with the telecommunications system known as "FTS-2000" or with any other civil telecommunications system until—

(1) the Secretary of Defense submits to the congressional defense committees a report containing—

(A) a certification by the Secretary that the merged telecommunications systems, including the associated services, will provide assured, secure telecommunications support for Department of Defense activities; and

(B) a description of how the merger of the systems will be implemented and the merged systems will be managed to meet defense information infrastructure requirements, including requirements to support deployed forces and intelligence activities; and

(2) 30 days elapse after the date on which such report is received by the committees.

(b) DEFENSE TELECOMMUNICATIONS ACTIVITY DEFINED.—In this section, the term "defense telecommunications system" means a system of telecommunications equipment and services that, pursuant to section 2315 of title 10, United States Code, is exempt from the requirements of section 111 of the Federal Property and Administrative Services Act of 1949.

SEC. 1068. ACQUISITION OF STRATEGIC SEALIFT SHIPS.

(a) AMOUNT FOR SHIPBUILDING AND CONVERSION.—Notwithstanding section 102(3), there is hereby authorized to be appropriated for the Navy for fiscal year 1995, $5,532,007,000 for procurement for shipbuilding and conversion.

(b) NATIONAL DEFENSE SEALIFT FUND.—Notwithstanding section 302(2), there is hereby authorized to be appropriated for the Armed Forces and other activities and agencies of the Department of Defense $828,600,000 for providing capital for the National Defense Sealift Fund.

SEC. 1069. REQUIREMENT FOR SECRETARY OF DEFENSE TO SUBMIT RECOMMENDATIONS ON CERTAIN PROVISIONS OF LAW CONCERNING MISSING PERSONS.

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

(1) The families of American personnel who became prisoners of war or missing in action while serving in the Armed Forces of the United States and national veterans organizations have expressed concern to Congress for several years regarding provisions of chapter 10 of title 37, United States Code, relating to missing persons, that authorize the Secretaries of the military departments to declare missing Armed Forces personnel dead based solely on the passage of time.

(2) Proposed legislation concerning revisions to those provisions of law has been pending before Congress for several years.

(3) It is important for Congress to obtain the views of the Secretary of Defense with respect to the appropriateness of revising those provisions of law before acting further on proposed amendments to such provisions.

(b) RECOMMENDATIONS REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Secretaries of the military departments, the national POW/MIA family organizations, and the national veterans organizations, shall—

(1) conduct a review of the provisions of chapter 10 of title 37, United States Code, relating to missing persons; and

(2) submit to Congress the Secretary's recommendations as to whether those provisions of law should be amended.

SEC. 1070. CONTACT BETWEEN THE DEPARTMENT OF DEFENSE AND THE MINISTRY OF NATIONAL DEFENSE OF CHINA ON POW/MIA ISSUES.

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

(1) The Select Committee on POW/MIA Affairs of the Senate concluded in its final report, dated January 13, 1993, that "many

American POW's had been held in China during the Korean conflict and that foreign POW camps in both China and North Korea were run by Chinese officials" and, further, that "given the fact that only 26 Army and 15 Air Force personnel returned from China following the war, the committee can now firmly conclude that the People's Republic of China surely has information on the fate of other unaccounted for American POW's from the Korean conflict.".

(2) The Select Committee on POW/MIA Affairs recommended in such report that "the Departments of State and Defense form a POW/MIA task force on China similar to Task Force Russia.".

(3) Neither the Department of Defense nor the Department of State has held substantive discussions with officials from the People's Republic of China concerning unaccounted for American prisoners of war of the Korean conflict.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense should establish contact with officials of the Ministry of Defense of the People's Republic of China regarding unresolved issues relating to American prisoners of war and American personnel missing in action as a result of the Korean conflict.

SEC. 1071. DISCLOSURE OF INFORMATION CONCERNING UNACCOUNTED FOR UNITED STATES PERSONNEL FROM THE KOREAN CONFLICT, AND THE COLD WAR.

Section 1082 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 50 U.S.C. 401 note) is amended—

(1) in subsection (a), by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) Paragraph (1) applies to any record, live-sighting report, or other information in the custody of the official custodian referred to in subsection (d)(3) that may pertain to the location, treatment, or condition of (i) United States personnel who remain not accounted for as a result of service in the Armed Forces of the United States or other Federal Government service during the Korean conflict, the Vietnam era, or the Cold War, or (ii) their remains.";

(2) in subsection (c)—

(A) by striking out the first sentence in paragraph (1) and inserting in lieu thereof the following: "In the case of records or other information originated by the Department of Defense, the official custodian shall make such records and other information available to the public pursuant to this section not later than September 30, 1995.";

(B) in paragraph (2), by striking out "after March 1, 1992,"; and

(C) in paragraph (3), by striking out "a Vietnam-era POW/MIA who may still be alive in Southeast Asia," and inserting in lieu thereof "any United States personnel referred to in subsection (a)(2) who remain not accounted for but who may still be alive in captivity,";

(3) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) DEFINITIONS.—For purposes of this section:

"(1) The terms 'Korean conflict' and 'Vietnam era' have the meanings given those terms in section 101 of title 38, United States Code.

"(2) The term 'Cold War' shall have the meaning determined by the Secretary of Defense.

"(3) The term 'official custodian' means—

"(A) in the case of records, reports, and information relating to the Korean conflict or the Cold War, the Archivist of the United States; and

"(B) in the case of records, reports, and information relating to the Vietnam era, the Secretary of Defense."; and

(4) by striking out the section heading and inserting in lieu thereof the following new section heading:

"SEC. 1082. DISCLOSURE OF INFORMATION CONCERNING UNACCOUNTED FOR UNITED STATES PERSONNEL OF THE COLD WAR, THE KOREAN CONFLICT, AND THE VIETNAM ERA.".

SEC. 1072. REQUIREMENT FOR CERTIFICATION BY SECRETARY OF DEFENSE CONCERNING DECLASSIFICATION OF VIETNAM-ERA POW/MIA RECORDS.

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

(1) The Senate, by Senate Resolution 324, 102d Congress, 2d session, agreed to on July 2, 1992, unanimously requested the President to "expeditiously issue an Executive Order requiring all executive branch departments and agencies to declassify and publicly release without compromising United States national security all documents, files, and other materials pertaining to POW's and MIA's.".

(2) The President, in an executive order dated July 22, 1992, ordered declassification of all United States Government documents, files, and other materials pertaining to American personnel who became prisoners of war or missing in action in Southeast Asia.

(3) The President stated on Memorial Day of 1993 that all such documents, files, and other materials pertaining to the personnel covered by that executive order should be declassified by Veterans Day of 1993.

(4) The President declared on Veterans Day of 1993 that all such documents, files, and other materials had been declassified.

(5) Nonetheless, since that Veterans Day declaration in 1993, there have been found still classified more United States Government documents, files, and other materials pertaining to American personnel who became prisoners of war or missing in action in Southeast Asia.

(b) REVIEW AND CERTIFICATION.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall—

(1) conduct a review to determine whether there continue to exist in classified form documents, files, or other materials pertaining to American personnel who became prisoners of war or missing in action in Southeast Asia that should be declassified in accordance with Senate Resolution 324, 102d Congress, 2d session, agreed to on July 2, 1992, and the executive order of July 22, 1992; and

(2) certify to Congress that all documents, files, and other materials pertaining to such personnel have been declassified and specify in the certification the date on which the declassification was completed.

SEC. 1073. INFORMATION CONCERNING UNACCOUNTED FOR UNITED STATES PERSONNEL OF THE VIETNAM CONFLICT.

Not later than 45 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress the following information pertaining to United States personnel involved in the Vietnam conflict that remain not accounted for:

(1) A complete listing by name of all such personnel about whom it is possible that officials of the Socialist Republic of Vietnam can produce additional information or remains that could lead to the maximum possible accounting for those personnel, as determined on the basis of all information available to the United States Government.

(2) A complete listing by name of all such personnel about whom it is possible that officials of the Lao People's Democratic Republic can produce additional information or remains that could lead to the maximum possible accounting for those personnel, as determined on the basis of all information available to the United States Government.

SEC. 1074. REPORT ON POW/MIA MATTERS CONCERNING NORTH KOREA.

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

(1) The Select Committee on POW/MIA Affairs of the Senate concluded in its final report, dated January 13, 1994, that "it is likely that a large number of possible MIA remains can be repatriated and several records and documents on unaccounted for POW's and MIA's can be provided from North Korea once a joint working level commission is set up under the leadership of the United States.".

(2) The Select Committee recommended in such report that "the Departments of State and Defense take immediate steps to form this commission through the United Nations Command at Panmunjom, Korea" and that the "commission should have a strictly humanitarian mission and should not be tied to political developments on the Korean peninsula.".

(3) In August 1993, the United States and North Korea entered into an agreement concerning the repatriation of remains of United States personnel.

(4) The establishment of a joint working level commission with North Korea could enhance the prospects for results under the August 1993 agreement.

(b) REPORT.—The Secretary of Defense shall—

(1) at the end of January, May, and September of 1995, submit a report to Congress on the status of efforts to obtain information from North Korea concerning United States personnel involved in the Korean conflict who remain not accounted for and to obtain from North Korea any remains of such personnel; and

(2) actively seek to establish a joint working level commission with North Korea, consistent with the recommendations of the Select Committee on POW/MIA Affairs of the Senate set forth in the final report of the committee, dated January 13, 1993, to resolve the remaining issues relating to United States personnel who became prisoners of war or missing in action during the Korean conflict.

SEC. 1075. ELIMINATION OF DISPARITY BETWEEN EFFECTIVE DATES FOR MILITARY AND CIVILIAN RETIREE COST-OF-LIVING ADJUSTMENTS FOR FISCAL YEAR 1995.

(a) IN GENERAL.—The fiscal year 1995 increase in military retired pay shall (notwithstanding subparagraph (B) of section 1401a(b)(2) of title 10, United States Code) first be payable as part of such retired pay for the month of March 1995.

(b) DEFINITIONS.—For the purposes of subsection (a):

(1) The term "fiscal year 1995 increase in military retired pay" means the increase in retired pay that, pursuant to paragraph (1) of section 1401a(b) of title 10, United States Code, becomes effective on December 1, 1994.

(2) The term "retired pay" includes retainer pay.

(c) LIMITATION.—Subsection (a) shall be effective only if there is appropriated to the Department of Defense Military Retirement Fund (in an Act making appropriations for the Department of Defense for fiscal year 1995 that is enacted before March 1, 1995)

such amount as is necessary to offset increased outlays to be made from that fund during fiscal year 1995 by reason of the provisions of subsection (a).

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal year 1995 to the Department of Defense Military Retirement Fund the sum of $376,000,000 to offset increased outlays to be made from that fund during fiscal year 1995 by reason of the provisions of subsection (a).

SEC. 1076. MILITARY RECRUITING ON CAMPUS.

(a) DENIAL OF FUNDS.—(1) No funds available to the Department of Defense may be provided by grant or contract to any institution of higher education that has a policy of denying, or which effectively prevents, the Secretary of Defense from obtaining for military recruiting purposes—

(A) entry to campuses or access to students on campuses; or

(B) access to directory information pertaining to students.

(2) Students referred to in paragraph (1) are individuals who are 17 years of age or older.

(b) PROCEDURES FOR DETERMINATION.—The Secretary of Defense, in consultation with the Secretary of Education, shall prescribe regulations that contain procedures for determining if and when an educational institution has denied or prevented access to students or information described in subsection (a).

(c) DEFINITION.—For purposes of this section, the term "directory information" means, with respect to a student, the student's name, address, telephone listing, date and place of birth, level of education, degrees received, and the most recent previous educational institution enrolled in by the student.

SEC. 1077. STUDY ON CONVERGENCE OF GEOSAT AND EOS ALTIMETRY PROGRAMS.

(a) REQUIREMENT.—The Secretary of the Navy and the Administrator of the National Aeronautics and Space Administration shall jointly conduct a study on the convergence of the National Aeronautics and Space Administration Earth Observing System Altimetry mission with the Navy Geosat Follow-On program. The study shall assess whether a converged system, which may involve minor modifications to the Geosat Follow-On satellite, could—

(1) satisfy the needs of the Earth Observing System program for altimetry data;

(2) reduce the expenses of the National Aeronautics and Space Administration in satisfying such needs;

(3) be available in time to serve as the follow-on to the Topex/Poseidon mission; and

(4) continue to meet the requirements of the Navy for altimetry data at no additional cost to the Navy.

(b) CONSULTATION.—In concluding the study, the Secretary and the Administrator shall consult with appropriate members of the scientific community.

(c) REPORT.—The Secretary and the Administrator shall submit to the Committees on Armed Services, Commerce, Science, and Transportation and the Committees on Armed Services and Science, Space, and Technology of the House of Representatives a report on the results of the study conducted under subsection (a), together with the recommendations of the Secretary and the Administrator thereon. The Secretary and the Administrator shall submit not later than February 15, 1995.

SEC. 1078. VISAS FOR OFFICIALS OF TAIWAN.

Section 4(b)(6) of the Taiwan Relations Act (22 U.S.C. 3302(b)(6)) is amended—

(1) by inserting "(A)" immediately after "(6)"; and

(2) by adding at the end the following:

"(B) Whenever the president of Taiwan or any other high-level official of Taiwan shall apply to visit the United States for the purposes of discussions with United States Federal or State government officials concerning:

"(i) Trade or business with Taiwan that will reduce the United States-Taiwan trade deficit;

"(ii) Prevention of nuclear proliferation;

"(iii) Threats to the national security of the United States;

"(iv) The protection of the global environment;

"(v) The protection of endangered species; or

"(vi) Regional humanitarian disasters.

The official shall be admitted to the United States, unless the official is otherwise excludable under the immigration laws of the United States.".

SEC. 1079. SENSE OF THE SENATE CONCERNING PARTICIPATION IN ALLIED DEFENSE COOPERATION.

It is the sense of the Senate that the President should use existing authorities to the greatest extent possible to authorize the provision of the following types of assistance and cooperation to countries like Poland, Hungary and the Czech Republic who are making significant progress in working with NATO—

(1) Excess defense articles as defined in the Foreign Assistance Act of 1961 and the Arms Control Export Act;

(2) Loan materials, supplies and equipment for research and development purposes;

(3) Leases and loans of major defense equipment and other defense articles;

(4) Cooperative military airlift agreements;

(5) The procurement of communications support and related supplies and services;

(6) Actions to standardize equipment with North Atlantic Treaty Organization members.

SEC. 1080. INTERAGENCY PLACEMENT PROGRAM FOR FEDERAL EMPLOYEES AFFECTED BY REDUCTION IN FORCE ACTIONS.

(a) STUDY AND REPORT.—(1) No later than 6 months after the date of the enactment of this Act, the Office of Personnel Management, in consultation with the Department of Defense, shall conduct a study and submit a report to the Congress on—

(A) the feasibility of establishing a mandatory interagency placement program for Federal employees affected by reduction in force actions; and

(B) any action taken by the Office of Personnel Management under subsection (b).

(2) In conducting the study under this section, the Office of Personnel Management, in consultation with the Department of Defense, shall seek comments from all Federal agencies.

(b) AGREEMENTS TO ESTABLISH INTERAGENCY PLACEMENT PROGRAM.—(1) If, during the 6-month period after the date of the enactment of this Act, the Office of Personnel Management, in consultation with the Department of Defense, determines that a Government-wide interagency placement program for Federal employees affected by reduction in force actions is feasible, the Office of Personnel Management may enter into an agreement with each agency that agrees to participate, to establish such a program. A program established under this subsection shall not be required to be an interagency placement program as defined under subsection (c)(3).

(2) If the Office of Personnel Management makes a determination to establish a program as provided under paragraph (1), the Office shall include in the report submitted under subsection (a) each agency that decides not to participate in the program and the reasons of the agency for the decision.

(c) DEFINITIONS.—For purposes of this section—

(1) the term "agency" means an "Executive agency" as defined under section 105 of title 5, United States Code, and—

(A) includes the United States Postal Service and the Postal Rate Commission; and

(B) does not include the General Accounting Office;

(2) the term "Federal employees affected by reduction in force actions" means Federal employees who—

(A) are scheduled to be separated from service under a reduction in force pursuant to—

(i) regulations prescribed under section 3502 of title 5, United States Code; or

(ii) procedures established under section 3595 of title 5, United States Code; or

(B) are separated from service under such a reduction in force; and

(3) the term "interagency placement program" means a program that provides a system to require the offer of a position in an agency to an employee of another agency affected by a reduction in force action, if—

(A) the position cannot be filled through a placement program of the agency in which the position is located;

(B) the employee to whom the offer is made is well qualified for the offered position;

(C)(i) the classification of the offered position is equal to the classification of the employee's present or last held position; or

(ii) the basic rate of pay of the offered position is equal to the basic rate of pay of the employee's present or last held position; and

(D) the geographic location of the offered position is within the commuting area of—

(i) the residence of the employee; or

(ii) the location of the employee's present or last held position.

SEC. 1081. GEORGE C. MARSHALL EUROPEAN CENTER FOR SECURITY STUDIES.

(a) USE OF CONTRIBUTIONS.—Funds received by the United States Government from the Federal Republic of Germany as its fair share of the costs of the George C. Marshall European Center for Security Studies shall be credited to appropriations available to the Department of Defense for the George C. Marshall European Center for Security Studies. Funds so credited shall be merged with the appropriations to which credited and shall be available for the Center for the same purposes and the same period as the appropriations with which merged.

(b) WAIVER OF CHARGES.—(1) The Secretary of Defense may waive reimbursement of the costs of conferences, seminars, courses of instruction, or similar educational activities of the George C. Marshall European Center for Security Studies for military officers and civilian officials of cooperation partner states of the North Atlantic Cooperation Council or the Partnership for Peace if the Secretary determines that attendance by such personnel without reimbursement is in the national security interest of the United States.

(2) Costs for which reimbursement is waived pursuant to paragraph (1) shall be paid from appropriations available for the Center.

SEC. 1082. CHANGES IN NOTICE REQUIREMENTS UPON PENDING OR ACTUAL TERMINATION OF DEFENSE PROGRAMS.

(a) TIME FOR NOTICE REQUIREMENT AFTER SUBMISSION OF BUDGET.—Subsection (a) of section 4471 of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102-484; 106 Stat. 2753; 10 U.S.C. 2501 note) is amended—

(1) by striking out "As soon as reasonably practicable" and inserting in lieu thereof "Not later than 90 days"; and

(2) by striking out "and not more than 180 days after such date,".

(b) TIME FOR NOTICE REQUIREMENT AFTER ENACTMENT OF APPROPRIATIONS ACT.—Subsection (b) of such section is amended—

(1) by striking out "as soon as reasonably practicable" and inserting in lieu thereof "not later than 90 days"; and

(2) by striking out "and not more than 180 days after such date,".

(c) TIME FOR NOTICE REQUIREMENT ON WITHDRAWAL OF NOTIFICATION.—Subsection (f)(1) of such section is amended in the second sentence by striking out "as soon as reasonably practicable" and inserting in lieu thereof "not later than 90 days".

SEC. 1083. TRANSFER OF OBSOLETE VESSEL GUADALCANAL.

(a) AUTHORITY.—Notwithstanding subsections (a) and (d) of section 7306 of title 10, United States Code, but subject to subsections (b) and (c) of that section, upon the decommissioning of the USS Guadalcanal (LPH 7), the Secretary of the Navy may transfer the Guadalcanal to the not-for-profit organization Intrepid Museum Foundation, New York, New York.

(b) LIMITATIONS.—The transfer authorized by section (a) may be made only if the Secretary determines that the vessel Guadalcanal is of no further use to the United States for national security purposes.

(c) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the transfer authorized by this section as the Secretary considers appropriate.

SEC. 1084. STUDY OF SPOUSAL ABUSE INVOLVING ARMED FORCES PERSONNEL.

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

(1) The Department of Defense has sponsored several highly successful programs designed to curtail spousal abuse.

(2) The readiness of the Armed Forces would be enhanced by eliminating all forms of spousal abuse involving members of the Armed Forces.

(3) Available data on the frequency and causes of spousal abuse involving members of the Armed Forces is not comprehensive for the Armed Forces.

(b) STUDY AND REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall conduct a study on spousal abuse involving members of the Armed Forces of the United States and submit to Congress a report on the results of the study.

(c) CONTENT OF REPORT.—The report shall contain the following matters:

(1) The frequency of spousal abuse involving members of the Armed Forces.

(2) A discussion of the possible causes of such spousal abuse.

(3) A discussion of the procedures followed in responding to incidents of such spousal abuse.

(4) An analysis of the effectiveness of those procedures.

(5) A review of the existing programs for curtailing such spousal abuse.

(6) A strategy for the entire Armed Forces for curtailing spousal abuse involving members of the Armed Forces.

SEC. 1085. REVIEW OF THE PROCEDURES USED BY DEPARTMENT OF DEFENSE INVESTIGATIVE ORGANIZATIONS WHEN CONDUCTING AN INVESTIGATION INTO THE DEATH OF A MEMBER OF THE ARMED FORCES WHO, WHILE SERVING ON ACTIVE DUTY, DIED FROM A CAUSE DETERMINED TO BE SELF-INFLICTED.

SENSE OF CONGRESS.—It is the Sense of Congress that, upon receipt of the report required by section 1185 of the National Defense Authorization Act for Fiscal Year 1994, the Senate Committee on Armed Services should review that report and hold hearings related to the procedures employed by Department of Defense investigative organizations when conducting an investigation into the death of a member of the Armed Services who, while serving on active duty, died from a cause determined to be self-inflicted.

SEC. 1086. PUBLIC EDUCATION FACILITY OF THE ARMED FORCES INSTITUTE OF PATHOLOGY.

(a) PURPOSE.—It is the purpose of this section to—

(1) display and interpret the collections of the Armed Forces Institute of Pathology currently located at Walter Reed Medical Center; and

(2) designate a site for the relocation of the public education facility of the Armed Forces Institute of Pathology so that it may serve as a central resource of instruction about the critical health issues which confront all American citizens.

(b) SITE OF FACILITY.—The public education facility of Armed Forces Institute of Pathology shall be located on or near the Mall on land owned by the Federal Government or the District of Columbia in the District of Columbia.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting the authority or responsibilities of the National Capital Planning Commission or the Commission of Fine Arts.

(d) DEFINITION.—As used in this section, the term "the Mall" means—

(1) the land designated as "Union Square", United States Reservation 6A; and

(2) the land designated as the "Mall", United States Reservations 3, 4, 5, and 6.

(e) SENSE OF THE CONGRESS.—

(1) FINDINGS.—Congress finds that—

(A) the National Museum of Health and Medicine Foundation, Inc. (a private, nonprofit organization having for its primary purpose the relocation to the Mall and revitalization of the National Museum of Health and Medicine), the Armed Forces Institute of Pathology, and the Public Health Service have jointly supported planning to relocate the Museum to a site on land that is located east of and adjacent to the Hubert H. Humphrey Building (100 Independence Avenue, Southwest, in the District of Columbia); and

(B) the National Museum of Health and Medicine Foundation, Inc., is deserving of the encouragement and support of the American people in its effort to relocate the National Museum of Health and Medicine to a site on land the is located east of and adjacent to the Hubert H. Humphrey Building, and in its effort to raise funds for a revitalized Museum to inspire increasing numbers of Americans to lead healthy lives through improved public understanding of health and the medical sciences.

(2) LOCATION.—It is the sense of the Congress that, subject to appropriate approvals by the National Capital Planning Commission and the Commission of Fine Arts, the National Museum of Health and Medicine should be relocated to a site on land that is located east of and adjacent to the Hubert H. Humphrey Building for the purpose of educating the American public concerning health and the medical sciences.

SEC. 1087. ASSIGNMENTS OF EMPLOYEES BETWEEN FEDERAL AGENCIES AND FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

(a) AUTHORITY.—Section 3371(4) of title 5, United States Code, is amended—

(1) by striking out "or" at the end of subparagraph (B);

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; or"; and

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

"(D) a federally funded research and development center.".

(b) PROVISIONS GOVERNING ASSIGNMENTS.—Section 3372 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(e) Under regulations prescribed pursuant to section 3376 of this title—

"(1) an assignment of an employee of a Federal agency to an other organization or an institution of higher education, and an employee so assigned, shall be treated in the same way as an assignment of an employee of a Federal agency to a State or local government, and an employee so assigned, is treated under the provisions of this subchapter governing an assignment of an employee of a Federal agency to a State or local government, except that the rate of pay of an employee assigned to a federally funded research and development center may not exceed the rate of pay that such employee would be paid for continued service in the position in the Federal agency from which assigned; and

"(2) an assignment of an employee of an other organization or an institution of higher education to a Federal agency, and an employee so assigned, shall be treated in the same way as an assignment of an employee of a State or local government to a Federal agency, and an employee so assigned, is treated under the provisions of this subchapter governing an assignment of an employee of a State or local government to a Federal agency.".

SEC. 1088. BOSNIA AND HERZEGOVINA.

(a) PURPOSE.—To express the sense of Congress concerning the international efforts to end the conflict in Bosnia and Hercegovina.

(b) STATEMENTS.—The Congress makes the following statements of support:

(1) The Congress supports the use of international sanctions in the form of arms and economic embargoes imposed by the United Nations Security Council in appropriate circumstances.

(2) The Congress supports the imposition of an arms and economic embargo on the Government of Iraq by United Nations Security Council resolution 661 of August 6, 1990 to bring about compliance with a number of conditions, including in particular an end to Iraq's nuclear weapons program.

(3) The Congress supports the imposition of an arms, petroleum and economic embargo on Haiti by United Nations Security Council resolutions 875 of October 16, 1993 and 917 of May 17, 1994 to bring about compliance with the Governors Island Agreement.

(4) The Congress supports the imposition of an arms and civil aircraft embargo on Libya pursuant to United Nations Security Council resolution 748 of March 31, 1992 in order to convince Libya to renounce terrorism.

(c) FINDINGS.—The Congress makes the following findings:

(1) The United States took the lead in the United Nations Security Council to impose international sanctions in the form of arms and economic embargoes on Iraq, Haiti, and Libya.

(2) The security of the Republic of Korea with whom the United States has a mutual defense treaty and on whose territory there are more than 38,000 members of the United States Armed Forces is a vital interest of the United States.

(3) Should negotiations fail, the imposition of sanctions by the United Nations Security Council on North Korea, which would require the affirmative vote or abstention of China, Russia, Britain, and France, may be essential to stop North Korea's nuclear weapons development program and to end a nuclear threat to the Republic of Korea and Southeast Asia.

(4) The effective enforcement of sanctions on North Korea, once imposed by the United Nations Security Council, would require the cooperation of China, Russia, and Japan as well as other allies, including Britain and France, both permanent members of the United Nations Security Council.

(5) The United States voted for the international arms embargo imposed by United Nations Security Council resolution 713 of September 25, 1991 that was imposed on Yugoslavia.

(6) The imposition of the United Nations arms embargo on September 25, 1991 has not served to end the conflict in Bosnia and Hercegovina, has provided a battlefield advantage to the Bosnian Serbs, who possess artillery, tanks, and other weapons left behind by the former Yugoslav Army or provided by Serbia and Montenegro, and has deprived the Government of Bosnia and Hercegovina from acquiring the adequate means of defending itself and its citizens.

(7) Our NATO allies have committed ground forces to the United Nations Protection Force (UNPROFOR) in former Yugoslavia. At the present time France has 5,518 troops, Britain 3,435, the Netherlands 2,073, Canada 2,037, Turkey 1,696, Spain 1,417, and Belgium 1,000. Our NATO allies have thus far sustained 49 deaths and 936 wounded as a result of their participation in UNPROFOR.

(8) For the first time the so-called "contact group" composed of representatives of the United States, Russia, France and Britain is moving toward a unified position of using an incentives and disincentives "carrot and stick" strategy to bring about a peaceful settlement of the conflict in Bosnia and Hercegovina.

(d) It is the sense of the Congress that the United States should work with the NATO Member nations and the other permanent members of the United Nations Security Council to endorse the efforts of the contact group to bring about a peaceful settlement of the conflict in Bosnia Hercegovina, including the following:

(A) the preservation of an economically, politically and militarily viable Bosnian state capable of exercising its rights under the United Nations Charter as part of a peaceful settlement, the lifting of the United Nations arms embargo on the Government of Bosnia and Hercegovina so that it can exercise the inherent right of a sovereign state to self-defense;

(B) if the Bosnian Serbs, while the contact group's peace proposal is being considered and discussed, attack the safe areas designated by the United Nations Security Council, the partial lifting of the arms embargo on the Government of Bosnia and Hercegovina and the provision to that Government of defensive weapons and equipment appropriate and necessary to defend those safe areas;

(C) if the Bosnian Serbs do not respond constructively to the peace negotiations, the President or his representative shall promptly propose or support a resolution in the United Nations Security Council to terminate the international arms embargo on Bosnia and Hercegovina (and the orderly withdrawal of the United Nations Protection Force and humanitarian relief personnel). If the Security Council fails to pass such a resolution, the President shall within 5 days consult with Congress regarding unilateral termination of the arms embargo on the Government of Bosnia and Hercegovina.

SEC. 1089. PROVISION OF INTELLIGENCE AND OTHER ASSISTANCE WHERE DRUG TRAFFICKING THREATENS NATIONAL SECURITY.

(a) Notwithstanding any other provision of law, it shall not be unlawful for authorized employees or agents of a foreign country to damage, render inoperative, or destroy an aircraft in that country's territory or airspace, or to attempt to do so, if that aircraft is reasonably suspected to be primarily engaged in illicit narcotics trafficking, provided that the President of the United States prior to the actions described in this subparagraph being taken has determined:

(1) that such actions are necessary because of the extraordinary threat posed by drug trafficking to the national security of that country, and

(2) that the country has appropriate procedures in place to protect against innocent loss of life in the air and on the ground, which shall at a minimum include effective means to identify and warn aircraft prior to the use of force.

(b) It shall not be unlawful for authorized employees or agents of the United States to provide assistance, including but not limited to operational, intelligence, logistical, technical and administration assistance, for the actions of foreign countries set forth in subsection (a), nor shall the provision of such assistance give rise to any civil action seeking money damages or any other form of relief against the United States or its agents or employees.

SEC. 1090. ADMINISTRATION OF ATHLETICS PROGRAMS AT THE SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—(1) Chapter 403 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4357. Administration of athletics program

"(a) The position of athletic director of the Academy shall be a position in the civil service (as defined in section 2101(1) of title 5). However, a member of the armed forces may fill such position as an active duty assignment.

"(b) Under regulations prescribed by the Secretary of the Army, the Superintendent of the Academy shall establish and administer a nonappropriated fund account for the athletics program of the Academy. The Superintendent shall credit to such account all revenue received from the conduct of the athletics program of the Academy and all contributions received for such program.".

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

"4357. Administration of athletics program.".

(b) UNITED STATES NAVAL ACADEMY.—(1) Chapter 603 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 6975. Administration of athletics program

"(a) The position of athletic director of the Naval Academy shall be a position in the civil service (as defined in section 2101(1) of title 5). However, a member of the armed forces may fill such position as an active duty assignment.

"(b) Under regulations prescribed by the Secretary of the Navy, the Superintendent of the Naval Academy shall establish and administer a nonappropriated fund account for the athletics program of the Naval Academy. The Superintendent shall credit to such account all revenue received from the conduct of the athletics program of the Naval Academy and all contributions received for such program.".

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

"6975. Administration of athletics program.".

(c) UNITED STATES AIR FORCE ACADEMY.—(1) Chapter 903 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9356. Administration of athletics program

"(a) The position of athletic director of the Academy shall be a position in the civil service (as defined in section 2101(1) of title 5). However, a member of the armed forces may fill such position as an active duty assignment.

"(b) Under regulations prescribed by the Secretary of the Air Force, the Superintendent of the Academy shall establish and administer a nonappropriated fund account for the athletics program of the Academy. The Superintendent shall credit to such account all revenue received from the conduct of the athletics program of the Academy and all contributions received for such program.".

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

"9356. Administration of athletics program.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect 240 days after the date of the enactment of this Act.

SEC. 1091. REVIEW OF THE BOTTOM UP REVIEW AND THE FUTURE YEAR DEFENSE PROGRAM AND ESTABLISHMENT OF NEW FUNDING REQUIREMENTS AND PRIORITIES.

(a) FINDINGS.—Congress finds as follows:

(1) Whereas the Administration commissioned the Bottom Up Review to properly structure the Armed Forces of the United States for the Post-Cold War Era;

(2) Whereas the Secretary of Defense has testified that the Department of Defense's Future Years Defense Program includes $20 billion more in program funding requests during fiscal years 1996 through 1999 than the defense funding levels in the Administration's budget can support;

(3) Whereas, the Secretary of the Navy has testified that the Department of the Navy will only operate 330 ships rather than the 346 ships required by the Bottom Up Review;

(4) Whereas, in January 1994, in his Annual Report to the President and the Congress, the Secretary of Defense reported that the Air Force will field approximately 100 heavy bombers rather than the 184 required by the Bottom Up Review;

(5) Whereas the Department of Defense's plans for a major regional contingency in the Far East call for 5 Army divisions and the

plans for a major regional contingency in Southwest Asia call for 7 Army divisions, while the Bottom Up Review plans for an Army of only 10 active divisions;

(6) Whereas the Administration's budget assumes the Department of Defense will save at least $6 billion from procurement reform;

(7) Whereas the first and second rounds of the Base Realignment and Closure Commission have not yet achieved the level of savings initially estimated, and the 1995 base closure round may cost significantly more than is assumed in the Administration's budget.

(b) SENSE OF CONGRESS.—It is the Sense of Congress:

(1) that within 30 days after enactment of this legislation, the Secretary of Defense should initiate a review of the assumptions and conclusions of the President's Budget, the Bottom Up Review, and the Future Years Defense Program; and that not more than 180 days after the review is initiated the Secretary of Defense should submit to the President and to the Congress a report detailing the force structure required for an effective defense of the United States and its vital national interests;

(2) and that not more than 60 days after receipt of the report described in subsection (b)(1), the President should submit to the Congress a report detailing the steps the President will take to meet the force structure described in subsection (b)(1);

(3) and that the fiscal year 1996 budget submitted to the Congress by the President should reflect the funding level necessary to support the force structure described in subsection (b)(1).

SEC. 1092. GENOCIDE IN RWANDA.

(a) FINDINGS.—The Congress finds that—

(1) since April 6, 1994, elements of the Rwandan government forces, and their allied militias, have organized the massacres of more than 200,000 Rwandan civilians, of both Tutsi and Hutu ethnic origin;

(2) an estimated 2 million Rwandans have been internally displaced, and at least 500,000 have fled to neighboring countries;

(3) on April 26, 1994, the Senate agreed to Senate Resolution 207, deploring the massacres and urging prompt resolution of this crisis;

(4) the potential exists for retaliatory acts to be committed by elements within the Rwandan Patriotic Front against civilians;

(5) on June 8, 1994, the United Nations Security Council expanded and reinforced the United Nations Assistance Mission for Rwanda (UNAMIR) to 5,500 troops with a mandate to protect civilians;

(6) on June 22, 1994, the United Nations Security Council voted unanimously to support the deployment of military forces from France and Senegal for a temporary operation that would contribute to the security and protection of populations at risk in Rwanda.

(b) POLICY.—The Congress—

(1) calls upon the President to acknowledge that acts of genocide have been committed in Rwanda;

(2) urges the President to support the establishment of an impartial commission of experts to examine and analyze the evidence submitted of breaches of the Convention on Genocide, and other grave violations of international humanitarian law, committed in Rwanda;

(3) commends the Department of Defense for logistical help already provided and urges the Secretary of Defense to further expedite all United States military contributions to the humanitarian effort in Rwanda.

(4) implores the President to take the lead in the international community to expedite commitments of the necessary resources for, and to organize the speedy training and deployment of, the reinforced UNAMIR operation, with the mandate of protecting civilian populations at risk in Rwanda;

(5) strongly urges the President and the international community to expedite assistance needed for humanitarian operations in Rwanda, and neighboring states, for the support of Rwandan refugees;

(6) commends France and Senegal for cooperating with the Secretary General towards the fulfillment of the objectives of the United Nations in Rwanda; and

(7) urges France and Senegal pursuant to the United Nations Security Council resolution of June 22, 1994, to maintain the humanitarian character of their operation in Rwanda, with the view towards impartiality and neutrality.

SEC. 1093. STUDIES OF HEALTH CONSEQUENCES OF MILITARY SERVICE OR EMPLOYMENT IN SOUTHWEST ASIA DURING THE PERSIAN GULF WAR.

(a) EPIDEMIOLOGICAL STUDY.—

(1) IN GENERAL.—The Secretary of Defense shall award a grant under this subsection to one or more non-Federal entities selected for the award under subsection (c). The purpose of a grant is to permit the entity receiving the award to carry out the study described in paragraph (2).

(2) NATURE OF STUDY.—The purpose of the study referred to in paragraph (1) is to determine the nature and scope of the illnesses and symptoms suffered by the individuals referred in paragraph (3) as a result of service or employment in the Southwest Asia theater of operations during the Persian Gulf War.

(3) INDIVIDUALS COVERED BY STUDY.—Paragraph (2) applies to the following individuals:

(A) Individuals who served as members of the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War.

(B) Individuals who were civilian employees of the Department of Defense in that theater during that period.

(C) Where appropriate, individuals who were employees of contractors of the Department in that theater during that period.

(D) Where appropriate, the spouses and children of individuals described in subparagraph (A).

(4) STUDY DESIGN.—The study required under this subsection shall be designed—

(A) to assess the extent, if any, of the association between—

(i) the illnesses and symptoms suffered by individuals referred to in paragraph (3);

(ii) the exposure of the individuals referred to in subparagraphs (A), (B), and (C) of that paragraph to chemical and biological agents, drugs and vaccines, endemic biological diseases, pesticides, toxins, and other potentially hazardous materials; and

(iii) the experiences of such individuals with stress-producing battlefield and wartime conditions;

(B) to identify risk factors for predicting the illnesses or symptoms relating to such exposure that will arise within 3 years of the arrival of an individual referred to in subparagraph (A), (B), or (C) of paragraph (3) in the Southwest Asia theater of operations;

(C) to determine—

(i) the incidence, prevalence, and nature of the illnesses and symptoms suffered by the individuals referred to in paragraph (3), including—

(I) the incidence, prevalence, and nature of the illnesses and symptoms of such individuals before the commencement of the period of the Persian Gulf War and the incidence, prevalence, and nature of the illnesses of such individuals after the end of that period; and

(II) the incidence, prevalence, and nature of the illnesses, symptoms, and birth defects of any children conceived by such individuals before the commencement of that period and of any children conceived by such individuals during or after the end of that period; and

(ii) the incidence, prevalence, and nature of illnesses and symptoms of other individuals or groups of individuals, if any, who may suffer from an illness or symptom as a result of the service or employment of any person or group of persons in the Southwest Asia theater of operations during the Persian Gulf War; and

(D) to evaluate a comparison sample or to evaluation any other matter that the Secretary or the entity determines appropriate to the purposes of the study.

(5) REPORTS.—

(A) INTERIM REPORTS.—Not later than each of July 1, 1995, and July 1, 1996, the Secretary shall submit to the congressional defense committees and the Committees on Veterans' Affairs of the Senate and the House of Representatives an interim report on the results of the study carried out under this subsection.

(B) FINAL REPORT.—Not later than January 1, 1998, the Secretary shall submit to the committees referred to in subparagraph (A) a final report on the results of the study.

(C) FORM OF REPORTS.—The reports submitted under this paragraph shall be submitted in unclassified form.

(b) STUDIES OF HEALTH CONSEQUENCES OF ADMINISTRATION OF PYRIDOSTIGMINE BROMIDE.—

(1) IN GENERAL.—The Secretary of Defense shall award a grant under this subsection to one or more non-Federal entities selected for the award under subsection (c). The purpose of a grant is to permit the entity receiving the award to carry out a study or studies to determine the following:

(A) The long-term health consequences of the administration of pyridostigmine bromide as an antidote enhancer for chemical nerve agent toxicity during the Persian Gulf War.

(B) The short-term and long-term health consequences of the administration of pyridostigmine bromide under the chemical nerve agent pretreatment program of the Department of Defense and exposure to pesticides, environmental toxins, and other hazardous substances during battlefield conditions that prevailed in the Southwest Asia theater of operations during the Persian Gulf War.

(2) STUDIES.—The Secretary shall provide that an entity awarded a grant under this subsection shall carry out a study described in paragraph (3) or (4).

(3) RETROSPECTIVE STUDY.—A study referred to in paragraph (2) is a retrospective study on members of the Armed Forces who served in the Southwest Asia theater of operations during the Persian Gulf War in order to determine the following:

(A) The nature of the undiagnosed and chronic illnesses suffered by such members.

(B) The degree of association between such illnesses and—

(i) use of pyridostigmine bromide over a short period of time (as determined by the Secretary) during the Persian Gulf War;

(ii) use of pyridostigmine bromide over an extended period of time (as so determined) during that war; or

(iii) use of no pyridostigmine bromide.

(C) The degree of association between—

(i) such illnesses;

(ii) each extent of use of pyridostigmine bromide described in subparagraph (B);

(iii) receipt of other vaccinations or medications; and

(iv) exposure to pesticides, organophosphates, or carbamates.

(4) ANIMAL MODEL STUDY.—A study referred to in paragraph (2) is also a study using appropriate animal research models in order to determine whether use of pyridostigmine bromide in combination with exposure to pesticides or other organophosphates, carbamates, or relevant chemicals results in increased toxicity in animals and is likely to have a similar effect on humans.

(5) REPORTS.—

(A) ANIMAL STUDY REPORT.—Not later than January 1, 1996, the Secretary shall submit to the congressional defense committees and the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the study carried out under paragraph (4).

(B) INTERIM REPORTS ON RETROSPECTIVE STUDY.—Not later than each of July 1, 1995, and July 1, 1996, the Secretary shall submit to the committees referred to in subparagraph (A) an interim report on the results of the study carried out under paragraph (3).

(C) FINAL REPORT ON RETROSPECTIVE STUDY.—Not later than January 1, 1998, the Secretary shall submit to the committees referred to in subparagraph (A) a final report on the results of the study carried out under paragraph (3).

(D) FORM OF REPORTS.—The reports submitted under this paragraph shall be submitted in unclassified form.

(c) SELECTION OF STUDY ENTITIES.—

(1) IN GENERAL.—The Secretary of Defense shall select entities to which to award grants for the studies described in subsections (a) and (b) in accordance with this subsection.

(2) SUBMITTAL OF PROPOSALS.—An entity seeking to carry out a study under a grant under subsection (a) or (b) shall submit to the Secretary the following proposals:

(A) A proposal for a pilot study in order to determine the research design and research instrument to be used in the study.

(B) A proposal for the study.

(3) INDEPENDENT REVIEW.—The Secretary shall ensure that individuals described in paragraph (4)—

(A) review each proposal submitted to the Secretary under paragraph (2) for purposes of determining whether or not the proposal—

(i) addresses adequately the purposes of the study; and

(ii) meets the technical, scientific, and peer review requirements that apply to similar studies carried out under the direction of the Secretary of Health and Human Services; and

(B) submit to the Secretary recommendations for the selection by the Secretary of one or more entities to carry out the study.

(4) REVIEWING INDIVIDUALS.—Individuals referred to in paragraph (3) are any individuals who, as determined by the Secretary—

(A) are not employees of the Federal Government;

(B) have an expertise in epidemiology, toxicology, neurology, biology, biostatistics, post-traumatic stress disorder, or public health; and

(C) have no financial relationship with the Department of Defense or with any chemical company or pharmaceutical company whose productions may be addressed in the study.

(5) SELECTION.—The Secretary shall—

(A) select the entities that will carry out the studies described under subsections (a) and (b) from among the entities recommended for such selection under paragraph (3); and

(B) award such entities grants under the appropriate subsection.

(d) PERFORMANCE OF STUDIES.—

(1) PILOT STUDIES.—

(A) IMPLEMENTATION.—An entity to which the Secretary awards a grant for a study under subsection (a) or (b) shall carry out the pilot study for such study in accordance with the proposal for the pilot study submitted to the Secretary under subsection (c)(2)(A).

(B) RESPONSE TO RESULTS.—If an entity determines as a result of a pilot study under subparagraph (A) that revisions to the study proposed by the entity are necessary in order to meet the purposes of the study under this section, the entity shall submit to the Secretary a proposal for such revisions to the study.

(C) FINAL APPROVAL.—The Secretary shall—

(i) review any revisions to a proposal to a study that are submitted to the Secretary under subparagraph (B); and

(ii) approve the proposal for the study, as so revised, if the Secretary determines that the proposal meets the purposes of the study under this section.

(2) STUDIES.—An entity to which the Secretary awards a grant for a study under subsection (a) or (b) shall carry out the study in accordance the proposal for the study under this section.

(e) CONSULTATION.—The Secretary of Defense shall carry out this section in consultation with the Secretary of Veterans Affairs, the Secretary of Health and Human Services, the Administrator of the Environmental Protection Agency, the head of the Medical Follow-Up Agency of the Institute of Medicine, and the heads of other appropriate departments and agencies of the Federal Government.

(f) FUNDING.—Of the amount authorized to be appropriated pursuant to section 201, $10,000,000 shall be available for purposes of awarding grants for the studies described in subsections (a) and (b). Such funds shall be available for such purpose until expended.

(g) DEFINITION.—In this section, the term "Persian Gulf War" has the meaning given such term in section 101(33) of title 38, United States Code.

SEC. 1094. GRANTS FOR RESEARCH INTO THE HEALTH CONSEQUENCES OF THE PERSIAN GULF WAR.

(a) IN GENERAL.—(1) The Secretary of Defense shall award grants to appropriate nongovernmental entities for purposes of permitting such entities to carry out research to determine—

(A) the nature and causes of any illnesses suffered by the individuals referred to in paragraph (2) as a result of service or employment in the Southwest Asia theater of operations during the Persian Gulf War;

(B) the methods of transmission, if any, of such illnesses from such individuals to other individuals; and

(C) the appropriate treatment for such illnesses.

(2) The individuals referred to in paragraph (1)(A) are the following individuals:

(i) Individuals who served as members of the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War.

(ii) Civilian employees of the Department of Defense who were employed by the Department in that theater of operations during that period.

(iii) Employees of contractors of the Department who were employed in that theater of operations during that period.

(iv) The spouses and children of the individuals referred to in clauses (i) through (iii).

(3) In carrying out research under this section, such entities shall give particular consideration to the following:

(A) Illnesses or other effects associated with exposure to depleted uranium particles, mycotoxins, genetically-altered organisms, petrochemical toxicity, pesticide poisoning, anthrax vaccines, botulinum toxoids, and other chemical hazards and agents.

(B) Endemic viral, fungal, bacterial, and rickettsial diseases (including diseases arising from biological warfare activities).

(C) Illnesses or other effects associated with ingestion of silica or sand.

(D) Assessment of risks to reproductive capacity arising from the illnesses and diseases referred to in subparagraphs (A) through (C).

(E) Pediatric disorders.

(F) Birth deficiencies.

(G) Post-traumatic stress disorder.

(H) Somatoform disorders.

(I) Chronic fatigue syndrome.

(J) Multiple chemical sensitivities.

(b) AWARD PROCESS.—(1) The Secretary of Defense shall award grants under this section in consultation with the Secretary of Health and Human Services.

(2) An entity seeking a grant under this section to carry out the research described in subsection (a)(1) shall submit to the Secretary a proposal for the research.

(3) The Secretary shall ensure that appropriate individuals who are not employees of the Federal Government—

(A) review each proposal submitted to the Secretary under paragraph (2) for purposes of determining that the proposal—

(i) addresses adequately the purposes of the research for which the proposal is submitted; and

(ii) meets the technical, scientific, and peer review requirements that apply to similar research carried out under the direction of the Secretary of Health and Human Services; and

(B) submit to the Secretary recommendations for the selection by the Secretary of one or more entities so determined as recipients of a grant under subsection (a).

(4) The Secretary shall award grants under this section to entities selected by the Secretary for that purpose from among the entities identified in the recommendations under paragraph (3)(B).

(5) In awarding an entity a grant under paragraph (4), the Secretary shall ensure that the entity—

(A) carry out the research covered by the grant in accordance with the proposal submitted to the Secretary under paragraph (2); and

(B) not expose human beings to hazardous agents or materials as a result of the research.

(c) REPORTS.—(1) The Secretary of Defense and the Secretary of Health and Human Services shall submit to the congressional defense committees and the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the results of any research carried out under a grant awarded under this section.

(2) The Secretary of Defense and the Secretary of Health and Human Services shall submit a report under paragraph (1) on each of March 1, 1995, October 1, 1995, October 1, 1996, and October 1, 1997.

(3) Each report submitted under this subsection shall be submitted in unclassified form.

(d) FUNDING.—(1) Of the amount authorized to be appropriated by section 201, $10,000,000 shall be available for purposes of awarding grants under this section. Such funds shall be available for such purpose until expended.

(2) For each fiscal year in which activities under the study under this section will continue, the Secretary of Defense shall provide in the documents submitted to Congress in connection with the budget of the President for the fiscal year a request for such funds as the Secretary determines necessary in order to award grants under this section during that fiscal year.

SEC. 1095. COMPATABILITY OF HEALTH REGISTRIES.

The Secretary of Defense shall take appropriate actions to ensure that—

(1) the data collected by and the testing protocols of the Persian Gulf War Health Surveillance System are compatible with the data collected by and the testing protocols of the Persian Gulf War Veterans Health Registry; and

(2) information on individuals who register with the Department of Defense is provided to the Department of Veterans Affairs for incorporation into the Persian Gulf War Veterans Health Registry.

SEC. 1096. TECHNICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) Section 113(e)(2) is amended by striking out "section 104" and inserting in lieu thereof "section 108".

(2) Section 133a(b) is amended by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology".

(3) Section 580a(a) is amended by striking out "the date of the enactment of this section" and inserting in lieu thereof "November 30, 1993,".

(4)(A) The section 1058 added by section 554(a) of Public Law 103-160 (107 Stat. 1663) is redesignated as section 1059.

(B) The item relating to that section in the table of sections at the beginning of chapter 53 is revised to conform to the redesignation made by subparagraph (A).

(5)(A) The section 1058 added by section 1433(b) of Public Law 103-160 (107 Stat. 1834) is redesignated as section 1060.

(B) The item relating to that section in the table of sections at the beginning of chapter 53 is revised to conform to the redesignation made by subparagraph (A).

(6) Section 1141 is amended by striking out "on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1994" and inserting in lieu thereof "after November 29, 1993,".

(7) Section 1151(h)(3)(B)(v) is amended by inserting "school" after "For the fifth".

(8)(A) The heading of section 1482a is amended so that the first letter of the fifth word is lower case.

(B) The item relating to that section in the table of sections at the beginning of chapter 75 is revised to conform to the amendment made by subparagraph (A).

(9) Section 2399 is amended—

(A) in subsections (b)(5) and (c)(1), by striking out "section 138(a)(2)(B)" and inserting in lieu thereof "section 139(a)(2)(B)";

(B) in subsection (e)(3)(B), by striking out "solely as a representative of" and inserting in lieu thereof "solely in testing for";

(C) in subsection (g), by striking out "section 138" and inserting in lieu thereof "section 139"; and

(D) in subsection (h)(1), by striking out "section 138(a)(2)(A)" and inserting in lieu thereof "section 139(a)(2)(A)".

(10) Section 2502(d) is amended by striking out "Executive" and inserting in lieu thereof "executive".

(11)(A) Sections 2540 and 2541, as added by section 822(a) of Public Law 103-160 (107 Stat. 1705), are redesignated as sections 2539a and 2539b, respectively.

(B) The items relating to those sections in the table of sections at the beginning of subchapter V of chapter 148 are revised to conform to the redesignations made by subparagraph (A).

(12) Section 2865(a)(4) is amended by adding a period at the end.

(13) Sections 3022(a)(1), 5025(a)(1), and 8022(a)(1) are amended by striking out "section 137(c)" and inserting in lieu thereof "section 135(c)".

(14) Section 9511 is amended by striking out "In this subchapter" and inserting in lieu thereof "In this chapter".

(b) PUBLIC LAW 103-160.—Effective as of November 30, 1993, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160) is amended as follows:

(1) Section 507(d)(3) (107 Stat. 1647) is amended by inserting "note" after "10 U.S.C. 1293".

(2) Section 551(a)(1) (107 Stat. 1661) is amended by striking out "Section" and inserting in lieu thereof "Chapter".

(3) Section 554(b) (107 Stat. 1666) is amended—

(A) in paragraph (1), by striking out "Section 1058 of title 10, United States Code, as added by subsection (a)," and inserting in lieu thereof "The section of title 10, United States Code, added by subsection (a)(1)"; and

(B) in paragraph (2), by striking out "1058".

(4) Section 931(c)(1) (107 Stat. 1734) is amended by inserting closing quotation marks before the period at the end.

(5) Section 1314(3) (107 Stat. 1786) is amended by striking out "adding at the end" and inserting in lieu thereof "inserting after subsection (f)".

(6) Section 1433(d) (107 Stat. 1835) is amended by striking out "Section 1058 of title 10, United States Code, as added by subsection (a)," and inserting in lieu thereof "The section of title 10, United States Code, added by subsection (b)(1)".

(7) Section 1606(b)(4) (107 Stat. 1847) is amended by striking out "section 1604(e)" and inserting in lieu thereof "section 1605(e)".

(8) Section 2912(b)(2) (107 Stat. 1925) is amended by striking out "section 637(d)(1)" and inserting in lieu thereof "section 8(d)(1)".

(9) Section 2926(d) (107 Stat. 1932) is amended by striking out "Subsection (d)(1)(2)(C)(iii)" and inserting in lieu thereof "Subsection (d)(2)(C)(iii)".

(c) OTHER LAWS.—(1) Section 921 of Public Law 102-190 (10 U.S.C. 201 note; 105 Stat. 1452) is amended by striking out "section 136(b)(3)" in subsection (a) and inserting in lieu thereof "section 138(b)(3)".

(2) Section 908(c) of title 37, United States Code, is amended by striking out "section 1058" and inserting in lieu thereof "section 1060".

SEC. 1097. NORTH ATLANTIC TREATY ORGANIZATION.

(a) FINDINGS.—The Congress makes the following findings:

(1) The North Atlantic Treaty Organization has served as a bulwark of peace, security, and democracy for the United States and the members of the alliance since 1949.

(2) The unswerving resolve of the member states of the North Atlantic Treaty Organization to mutual defense against the threat of communist aggression was central to the demise of the Warsaw Pact.

(3) The North Atlantic Treaty Organization is the most successful international security organization in history, and is well suited to help marshal our cooperative political, diplomatic, economic, and humanitarian efforts, buttressed by credible military capability aimed at deterring conflict, and thus contributing to international peace and security.

(4) The threat of instability in Eastern and Central Europe, as well as in the Southern and Eastern Mediterranean, continues to pose a fundamental challenge to the interests of the member states of the North Atlantic Treaty Organization.

(5) North Atlantic Treaty Organization assets have been deployed in recent years for more than the territorial defense of alliance members; and the Rome Summit of October 1991 adopted a new strategic concept for the North Atlantic Treaty Organization that entertained the possibility of operations beyond the alliance's self-defense area.

(6) In Oslo in July 1992, and in Brussels in December 1992, the alliance embraced the deployment of North Atlantic Treaty Organization forces to peacekeeping operations under the auspices of the United Nations or the Conference on Security and Cooperation in Europe.

(7) The North Atlantic Treaty Organization should attempt to cooperate with and seek a mandate from international organizations such as the United Nations when considering responses to out of area crises.

(8) Not all members of the international community share a commonality of interests that would ensure timely action by the United Nations Security Council.

(9) The security interests of the member countries of the North Atlantic Treaty Organization must not be held hostage to indecision at the United Nations or a veto by a permanent member of the Security Council.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) it should be the policy of the United States that, in accordance with article 53 of the United Nations Charter, the North Atlantic Treaty Organization retains the right of autonomy of action regarding missions in addition to collective defense should the United Nations Security Council or the Conference on Security and Cooperation in Europe fail to act;

(2) while it is desirable to work with other international organizations and arrangements where feasible in dealing with threats to the peace, the North Atlantic Treaty Organization is not an auxiliary to the United Nations or any other organization; and

(3) the member states of the North Atlantic Treaty Organization reserve the right to act collectively in defense of their vital interests.

SEC. 1098. LIMITATION ON OBLIGATION OF FUNDS FOR MARK-6 GUIDANCE SETS FOR TRIDENT II MISSILES.

(a) LIMITATION.—Until the certification in subsection (b) has been provided to the congressional defense committees, funds appropriated for fiscal year 1995 for the Navy may not be obligated to procure more than 14 Mark-6 guidance sets for Trident II missiles.

(b) CERTIFICATION.—Before the Secretary of Defense may obligate funds for Mark-6 guidance sets in addition to the 14 sets authorized in subsection (a), he shall certify to the congressional defense committees that failure to procure such additional units would pose an unacceptable risk to the long-term readiness and reliability of the Trident II missile program.

SEC. 1099. MILITARY PLANNING FOR THE SIZE AND STRUCTURE OF A FORCE REQUIRED FOR A MAJOR REGIONAL CONTINGENCY ON THE KOREAN PENINSULA.

(a) FINDINGS.—Congress finds as follows:

(1) Whereas the Administration commissioned the Bottom-Up Review to properly size and structure the Armed Forces of the United States for the Post-Cold-War Era;

(2) Whereas the Bottom-Up Review itself cites the need for the Armed Forces of the United States to be large enough to prevail in two major regional conflicts, similar in nature to the 1991 war against Iraq, "nearly simultaneously";

(3) Whereas the Bottom-Up Review gives special consideration to a scenario that hypothesizes that the two "nearly simultaneous" conflicts would occur in Korea and the Persian Gulf;

(4) Whereas the United States sent 7 Army divisions, the equivalent of 10 Air Force tactical fighter wings, 70 heavy bombers, 6 Navy aircraft carrier battle groups, and 5 Marine Corps brigades to the Persian Gulf to fight the war against Iraq;

(5) Whereas the Bottom-Up Review asserts that the forces needed to fight two conflicts similar to that with Iraq can be drawn from a total military force of between 15 and 16 Army divisions, 20 Air Force tactical fighter wings, 184 heavy bombers, 11 active Navy aircraft carriers (along with one reserve/training carrier), and the equivalent of 12 Marine Corp brigades;

(6) Whereas the Bottom-Up Review recognizes that approximately 100,000 members of the United States Armed Forces will be stationed in Europe;

(7) Whereas the Bottom-Up Review recognizes that sizeable numbers of United States forces could be involved in peace enforcement and intervention operations at any one time;

(8) Whereas the Bottom-Up Review makes no specific recommendation as to the number of forces to be held in reserve to provide a rotation base either to relieve troops in the event one or both hypothetical conflicts result in lengthy deployments or to replace combat losses;

(9) Whereas military planners calculate that the number of United States forces needed to help defeat an invasion of South Korea by North Korea may exceed 430,000 United States military personnel;

(10) Whereas the size of the force military planners may request to help defend South Korea could exceed the levels that are consistent with the recommendations of Bottom-Up Review if the existing and future force requirements for a presence in Europe, possible peace enforcement operations, and an adequate rotation base, as well as a second regional conflict, must be fulfilled simultaneously.

(b) SENSE OF CONGRESS.—It is the Sense of Congress:

(1) that the force structure identified in the Bottom-Up Review may not be used to limit the size or structure of the force United States military commanders may request in preparation for a major regional contingency on the Korean peninsula;

(2) and that the Chairmen and Ranking Members of the House and Senate Committees on Armed Services and Chairmen and Ranking members of the House and Senate Appropriations Subcommittees on Defense should receive regular briefings from the Department of Defense of the situation on the Korean peninsula;

(3) and that the conclusions of the Bottom-Up Review should be continuously examined in light of the lessons learned from preparation for a major regional contingency on the Korean peninsula and from other military operations.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 1995".

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects in the total amount of $396,750,000 for the installations and locations inside the United States, and in the amounts for such installations and locations, set forth in the following table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Redstone Arsenal	$2,600,000
Georgia	Fort Benning	$6,550,000
	Fort Gordon	$44,750,000
Hawaii	Schofield Barracks	$25,000,000
Kentucky	Fort Campbell	$67,400,000
	Fort Knox	$8,500,000
Maryland	Adelphi Laboratory Center	$6,600,000
	Fort Ritchie	$3,600,000
New Jersey	Bayonne Military Ocean Terminal	$4,050,000
New York	United States Military Academy, West Point	$28,000,000
North Carolina	Fort Bragg	$29,000,000
	Sunny Point Military Ocean Terminal	$22,200,000
Oklahoma	Fort Sill	$18,000,000
South Carolina	Charleston Naval Weapons Station	$24,000,000
Texas	Fort Hood	$29,000,000
	Fort Sam Houston	$4,300,000
Virginia	Fort Myer	$7,300,000
Washington	Fort Lewis	$64,000,000
CONUS Classified	Classified Location	$1,900,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects in the total amount of $31,400,000 for the installation and location outside the United States, and in the amount, set forth in the following table:

Army: Outside the United States

Country or other	Installation or location	Amount
Kwajalein Atoll	Kwajalein	$6,400,000
Worldwide	Host Nation Support	$25,000,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) in the total amount of $117,750,000 at the installations, for the purposes, and in the amounts for such installations set forth in the following table:

Army: Family Housing

State	Installation	Purpose	Amount
Alaska	Fort Richardson	72 units	$5,000,000
Colorado	Fort Carson	145 units	$16,500,000
Georgia	Fort Stewart	128 units	$10,600,000
Hawaii	Helemano Military Reservation	Roadway improvements for family housing.	$3,500,000
	Schofield Barracks	190 units	$26,000,000
Kansas	Fort Riley	126 units	$12,600,000
Massachusetts	Natick Research Center	35 units	$4,150,000
New York	United States Military Academy, West Point.	56 units	$8,000,000
Texas	Fort Bliss	215 units	$21,400,000
	Fort Sam Houston	100 units	$10,000,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(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 $5,992,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may improve existing military family housing in an amount not to exceed $49,760,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1994, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $1,731,286,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $396,750,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $31,400,000.

(3) For unspecified minor military 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, $63,926,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $173,502,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,067,708,000, of which not more than $243,442,000 may be obligated or expended for the leasing of military family housing 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 2101 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2105. RELOCATION OF ARMY FAMILY HOUSING UNITS FROM FORT HUNTER LIGGETT, CALIFORNIA, TO FORT STEWART, GEORGIA.

Section 2102(a) of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102-190; 105 Stat. 1511) is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following new paragraph (1):

"(1) Fort Hunter Liggett, California, one hundred fifty-four units, $12,300,000."; and

(2) by striking out paragraph (5) and inserting in lieu thereof the following new paragraph (5):

"(5) Fort Stewart, Georgia, one hundred twenty-one units, $9,890,000.".

SEC. 2016. HIGHWAY SAFETY AT HAWTHORNE ARMY AMMUNITION PLANT, NEVADA.

(a) STUDY.—The Secretary of the Army shall carry out a study of traffic safety on the highway at the Hawthorne Army Ammunition Plant, Nevada. In carrying out the study, the Secretary shall—

(1) evaluate traffic safety on the highway, including traffic safety with respect to the rail and truck crossing of the highway at the Plant;

(2) evaluate the feasibility and desirability of constructing a vehicle bridge over the rail and truck crossing; and

(3) determine whether any construction required to improve traffic safety on the highway be funded as a military construction project or as a defense access road construction project.

(b) ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION DESIGN.—If the Secretary determines as a result of the study under subsection (a) that construction of a vehicle bridge over the rail and truck crossing referred to in paragraph (1) of that subsection is feasible and desirable, the Secretary should—

(1) obtain architectural and engineering activities and carry out construction design with respect to the construction of the bridge; or

(2) request that the Secretary of Transportation carry out the construction of the bridge as project for the construction of a defense access road under section 210 of title 23, United States Code.

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 in the total amount of $239,265,000 for the installations and locations inside the United States, and in the amounts for such installations and locations, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Yuma Marine Corps Air Station	$15,085,000
California	Camp Pendleton Amphibious Task Force	$10,700,000
	Camp Pendleton Marine Corp Base	$570,000
	China Lake Naval Air Warfare Center	$6,000,000
	El Centro Naval Air Facility	$3,000,000
	Lemoore Naval Air Station	$7,000,000
	North Island Naval Air Station	$18,830,000
	Port Hueneme Naval Construction Battalion Center	$9,650,000
	San Diego Marine Corps Recruit Depot	$1,090,000
	San Diego Naval Station	$4,100,000
	Twentynine Palms Marine Corps Air-Ground Combat Center	$2,900,000
Florida	Jacksonville Fleet and Industrial Supply Center	$2,200,000
	Pensacola Naval Air Station	$2,100,000
Hawaii	Kaneohe Bay	$4,900,000
Illinois	Great Lakes Navy Public Works Center	$13,000,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
New Jersey	Lakehurst Naval Air Warfare Center	$2,950,000
New Mexico	White Sands Naval Ordnance Missile Test Station	$1,390,000
North Carolina	Cherry Point Marine Corps Air Station	$2,100,000
	Camp Lejeune Marine Corp Base	$14,850,000
Rhode Island	Newport Naval Education and Training Center	$14,500,000
South Carolina	Parris Island Marine Corps Recruit Depot	$2,550,000
Texas	Ingleside Naval Station	$14,110,000
Virginia	Chesapeake Naval Security Group Activity	$1,150,000
	Dam Neck Fleet Combat Training Center	$1,600,000
	Norfolk Marine Corps Security Force Battalion Atlantic	$6,480,000
	Norfolk Naval Station	$16,430,000
	Quantico Marine Corps Combat Development Command	$19,900,000
Washington	Bremerton Puget Sound Naval Shipyard	$11,040,000
	Everett Naval Station	$21,690,000
	Whidbey Island Naval Air Station	$5,200,000
Various Locations	Aircraft Fire Rescue and Vehicle Maintenance Facilities	$2,200,000

(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 in the total amount of $50,810,000 for the installations and locations outside the United States, and in the amounts for such installations and locations, set forth in the following table:

Navy: Outside the United States

Country	Installation or location	Amount
Greece	Souda Bay, Crete Naval Support Activity	$3,050,000
Italy	Naples Naval Support Activity	$28,460,000
	Sigonella Naval Air Station	$13,750,000
Puerto Rico	Sabana Seca Naval Security Group Activity	$1,650,000
United Kingdom	Saint Mawgan Joint Maritime Communications Center	$3,900,000

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) in the total amount of $49,012,000 at the installations, for the purposes, and in the amounts for such installations and purposes set forth in the following table:

Navy: Family Housing

State	Installation	Purpose	Amount
California	Camp Pendleton Marine Corps Base	196 units	$28,552,000
	San Diego Naval Public Works Center	136 units	$18,262,000
Maryland	Patuxent River Naval Air Station	Housing Office	$863,000
Virginia	Norfolk Naval Public Works Center	Warehouse/Self Help Center	$555,000
Washington	Everett Naval Station	Housing Office	$780,000

(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 $24,681,000.

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 $155,602,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1994, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $1,507,349,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $239,265,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $50,810,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $7,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $43,380,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $229,295,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $937,599,000, of which not more than $114,336,000 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. AUTHORITY TO CARRY OUT CONSTRUCTION PROJECT, NAVAL SUPPLY CENTER, PENSACOLA, FLORIDA.

Funds appropriated by the Military Construction Appropriations Act, 1994 (Public Law 103–110; 107 Stat. 1037) that are available for construction of a cold storage facility at Naval Supply Center, Pensacola, Florida, in accordance with authorizations provided in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102–190; 105 Stat. 1514), as enacted, may be expended for the portion of the construction of such facility that is associated with Department of the Navy contract N62467–86–C–0421.

SEC. 2206. RELOCATION OF PASCAGOULA COAST GUARD STATION, MISSISSIPPI.

(a) AGREEMENT ON RELOCATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Navy and the Secretary of Transportation shall enter into an agreement that provides for the relocation of the activities and functions of Pascagoula Coast Guard Station to Pascagoula Naval Station, Pascagoula, Mississippi.

(b) CONDITIONS.—The agreement under subsection (a) shall include the following provisions:

(1) That the Navy not incur any construction costs relating to the relocation.

(2) That the design, construction, and location of Coast Guard facilities, and the conduct of activities by the Coast Guard, at Pascagoula Naval Station not interfere with the performance of the mission of the Navy.

SEC. 2207. AUTHORITY TO CARRY OUT CONSTRUCTION DESIGN FOR MAYPORT NAVAL STATION, FLORIDA.

(a) AUTHORITY TO CARRY OUT CONSTRUCTION DESIGN.—Subject to subsection (b), the Secretary of the Navy may carry out construction design activities in connection with the military construction projects that the Secretary identifies as necessary for the improvement of the facilities located at Mayport Naval Station, Florida, so that such facilities may be used as the homeport of a nuclear powered aircraft carrier.

(b) REQUIREMENT RELATING TO COMMENCEMENT OF DESIGN.—The Secretary may not carry out the construction design activities authorized under subsection (a) until the Secretary—

(1) completes a study that identifies the improvements to the facilities referred to in that subsection that are necessary so that such facilities may be used as the homeport of a nuclear powered aircraft carrier; and

(2) completes a programmatic environmental impact study on the effect of such improvements on the environment.

(c) CONSTRUCTION OF AUTHORITY.—This section may not be construed or interpreted as an authorization for the Secretary to commence or proceed with any military construction project relating to the improvement of the facilities of Mayport Naval Station, Florida, for the purpose referred to in subsection (a).

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 in the total amount of $412,004,000 for the installations and locations inside the United States, and in the amounts for such installations and locations, set forth in the following table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	$9,600,000
Alaska	Cape Lisburne Long Range Radar Site	$2,800,000
	Eielson Air Force Base	$3,300,000
	Elmendorf Air Force Base	$5,000,000
Arizona	Luke Air Force Base	$4,900,000
Arkansas	Little Rock Air Force Base	$4,800,000
California	Beale Air Force Base	$1,450,000
	Edwards Air Force Base	$7,050,000
	Travis Air Force Base	$3,600,000
	Vandenberg Air Force Base	$6,550,000
Colorado	Peterson Air Force Base	$1,750,000
	United States Air Force Academy	$3,600,000
Delaware	Dover Air Force Base	$10,500,000
Florida	Cape Canaveral Air Force Station	$10,450,000
Georgia	Moody Air Force Base	$14,300,000
	Robins Air Force Base	$21,200,000
Idaho	Mountain Home Air Force Base	$15,950,000
Illinois	Scott Air Force Base	$2,700,000
Kansas	McConnell Air Force Base	$500,000
Louisiana	Barksdale Air Force Base	$27,100,000
Maryland	Andrews Air Force Base	$10,800,000
Mississippi	Columbus Air Force Base	$3,400,000
	Keesler Air Force Base	$11,240,000
Missouri	Whiteman Air Force Base	$24,290,000
Montana	Malmstrom Air Force Base	$7,200,000
Nebraska	Offutt Air Force Base	$2,260,000
Nevada	Nellis Air Force Base	$10,500,000
New Jersey	McGuire Air Force Base	$17,000,000
New Mexico	Holloman Air Force Base	$10,950,000
	Kirtland Air Force Base	$31,000,000
North Carolina	Pope Air Force Base	$2,600,000
North Dakota	Ellsworth Air Force Base	$4,500,000
	Grand Forks Air Force Base	$5,200,000
	Minot Air Force Base	$10,350,000
Ohio	Wright-Patterson Air Force Base	$32,700,000
Oklahoma	Altus Air Force Base	$3,750,000
	Tinker Air Force Base	$9,643,000
	Vance Air Force Base	$11,680,000
South Carolina	Charleston Air Force Base	$11,400,000
South Dakota	Ellsworth Air Force Base	$1,450,000
Tennessee	Arnold Air Force Base	$1,900,000
Texas	Kelly Air Force Base	$8,950,000
	Lackland Air Force Base	$5,200,000
	Sheppard Air Force Base	$3,300,000
Washington	Fairchild Air Force Base	$8,850,000
Wyoming	F.E. Warren Air Force Base	$2,650,000
CONUS Classified	Classified Location	$2,141,000

(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 in the total amount of $38,273,000 for the installations and locations outside the United States, and in the amounts for such installations and locations, set forth in the following table:

Air Force: Outside the United States

Country	Installation or location	Amount
Germany	Ramstein Air Base	$12,350,000

Air Force: Outside the United States—Continued

Country	Installation or location	Amount
	Spangdahlem Air Base	$9,473,000
Greenland	Thule Air Base	$2,450,000
Portugal	Lajes Field	$2,850,000
United Kingdom	RAF Lakenheath	$7,100,000
Overseas Classified	Classified Location	$4,050,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) in the total amount of $172,310,000 at the installations, for the purposes, and in the amounts for such installations and purposes set forth in the following table:

Air Force: Family Housing

State or Country	Installation	Purpose	Amount
Alabama	Maxwell Air Force Base	25 units	$2,100,000
Arizona	Davis-Monthan Air Force Base	60 units	$5,940,000
California	Beale Air Force Base	76 units	$8,842,000
	Edwards Air Force Base	34 units	$4,629,000
	Los Angeles Air Force Base	50 units	$8,962,000
	Vandenberg Air Force Base	128 units	$16,460,000
District of Columbia	Bolling Air Force Base	100 units	$9,000,000
Florida	Patrick Air Force Base	75 units	$7,145,000
Idaho	Mountain Home Air Force Base	4 unit	$881,000
	Mountain Home Air Force Base	60 units	$5,712,000
Kansas	McConnell Air Force Base	70 units	$8,322,000
Louisiana	Barksdale Air Force Base	82 units	$8,236,000
Missouri	Whiteman Air Force Base	Housing Office	$567,000
New Mexico	Cannon Air Force Base	1 unit	$230,000
	Holloman Air Force Base	76 units	$7,733,000
	Kirtland Air Force Base	106 units	$10,058,000
North Carolina	Pope Air Force Base	120 units	$14,874,000
	Seymour Johnson Air Force Base	74 units	$6,025,000
North Dakota	Grand Forks Air Force Base	Housing Office	$709,000
South Carolina	Shaw Air Force Base	3 units	$631,000
Texas	Dyess Air Force Base	59 units	$7,077,000
Utah	Hill Air Force Base	138 units	$11,400,000
Virginia	Langley Air Force Base	148 units	$14,421,000
Washington	Fairchild Air Force Base	6 units	$1,035,000
Wyoming	F.E. Warren Air Force Base	106 units	$11,321,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $9,275,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $61,770,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1994, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,594,863,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $412,004,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $38,273,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $7,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $49,386,000.

(5) For the balance of the amount authorized under section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2593) for the construction of the climatic test chamber at Eglin Air Force Base, Florida, $20,000,000.

(6) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $243,355,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $824,845,000 of which not more than $112,757,000 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 the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2305. AUTHORIZATION OF MILITARY CONSTRUCTION PROJECTS AT TYNDALL AIR FORCE BASE, FLORIDA, FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

The table in section 2301 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103-160; 107 Stat. 1866) is amended in the item relating to Tyndall Air Force Base, Florida, by striking out "$2,600,000" in the column under the heading "Amount" and inserting in lieu thereof "$8,200,000".

SEC. 2306. REVISION OF AUTHORIZED FAMILY HOUSING PROJECT, TYNDALL AIR FORCE BASE, FLORIDA.

The table in section 2302(a) of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103-160; 107 Stat. 1869) is amended in the item relating to Tyndall Air Force Base, Florida, by striking out "Infrastructure" in the third column and inserting in lieu thereof "45 units".

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects in the total amount of $413,700,000 for the installations and locations inside the United States, and in the amounts for such installations and locations, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Chemical Agents and Munitions Destruction	Anniston Army Depot, Alabama	$5,000,000
	Pine Bluff Arsenal, Arkansas	$102,000,000
	Umatilla Army Depot, Oregon	$183,000,000
	Tooele Army Depot, Utah	$4,000,000
Defense Intelligence Agency	Bolling Air Force Base, Washington, District of Columbia	$600,000
Defense Logistics Agency	Defense Contract Management Office, El Segundo, California	$5,100,000
	Defense Construction Supply Center, Columbus, Ohio	$2,200,000
	Defense Fuel Support Point, Craney Island, Virginia	$3,652,000
	Headquarters, Defense Logistics Agency, Fort Belvoir, Virginia	$4,600,000
Defense Medical Facilities Office	McClellan Air Force Base, California	$10,280,000
	Fort McPherson, Georgia	$13,400,000
	Fort Dix, New Jersey	$2,000,000
National Security Agency	Fort Meade, Maryland	$20,258,000
Office of Secretary of Defense	Various Locations, Special Activities, Air Force	$5,300,000
Section 6 Schools	Naval Surface Warfare Center, Virginia	$1,560,000
Special Operations Force	Eglin Auxiliary Field No. 9, Florida	$21,750,000
	Fort Bragg, North Carolina	$16,000,000
	Kirtland Air Force Base, New Mexico	$9,600,000
	Naval Amphibious Base, Coronado, San Diego, California	$3,400,000

SEC. 2402. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(11)(A), the Secretary of Defense may construct or acquire family housing units (including land acquisition) at the installation, for the purpose, and in the amount set forth in the following table:

Defense Agencies: Family Housing

Location	Installation	Purpose	Amount
Belgium	National Security Agency	1 unit	$300,000

SEC. 2403. 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 2405(a)(11)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $50,000.

SEC. 2404. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(8), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code.

SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1994, 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 $3,252,058,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $152,700,000.

(2) 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 Public Law 101-189; 103 Stat. 1640), $120,000,000.

(3) For military construction projects at Elmendorf Air Force Base, Alaska, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2599), $66,000,000.

(4) For military construction projects at Fort Bragg, North Carolina, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2599), $75,000,000.

(5) For unspecified minor construction projects under section 2805 of title 10, United States Code, $22,348,000.

(6) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $8,511,000.

(7) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $51,960,000.

(8) For energy conservation projects authorized by section 2404, $50,000,000.

(9) For base closure and realignment activities as authorized by the Defense Authorization Amendments and Base Closure and Realignment Act (title II of Public Law 100-526; 10 U.S.C. 2687 note), $87,600,000.

(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 Public Law 101-510; 10 U.S.C. 2687 note):

(A) For military installations approved for closure or realignment in 1991, $398,700,000.

(B) For military installations approved for closure or realignment in 1993, $2,189,858,000.

(11) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $350,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $29,031,000, of which not more than $24,051,000 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 variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a) and subsection (b);

(2) $94,000,000 (the balance of the amount authorized for construction of a chemical munitions demilitarization facility at Pine Bluff Arsenal, Arkansas); and

(3) $167,000,000 (the balance of the amount authorized for construction of a chemical munitions demilitarization facility at Umatilla Army Depot, Oregon).

SEC. 2406. TERMINATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1993 PROJECT.

(a) TERMINATION OF AUTHORITY.—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2599) is amended by striking out the item relating to Fitzsimons Army Medical Center, Colorado.

(b) CONFORMING AMENDMENTS.—(1) Subsection (a) of section 2403 of such Act (106 Stat. 2600) is amended—

(A) in the matter above paragraph (1), by striking out "$2,567,146,000" and inserting in lieu thereof "$2,565,146,000"; and

(B) in paragraph (1), by striking out "$87,950,000" and inserting in lieu thereof "$85,950,000".

(2) Subsection (c) of such section is amended—

(A) by inserting "and" at the end of paragraph (4);

(B) by striking out "; and" at the end of paragraph (5) and inserting lieu thereof a period; and

(C) by striking out paragraph (6).

SEC. 2407. COMMUNITY IMPACT ASSISTANCE WITH REGARD TO NAVAL WEAPONS STATION, CHARLESTON, SOUTH CAROLINA.

Of the amount appropriated pursuant to the authorization of appropriations in section 2405(a)(10)(B), the Secretary of the Navy shall transfer $3,000,000 to the South Carolina Department of Highways and Public Transportation. Funds transferred pursuant to this section shall be used for making improvements to North Rhett Avenue, Charleston, South Carolina.

SEC. 2408. PLANNING AND DESIGN FOR CONSTRUCTION IN SUPPORT OF CONSOLIDATION OF OPERATIONS OF THE DEFENSE FINANCE AND ACCOUNTING SERVICE.

Of the amount authorized to be appropriated by section 2405(a)(7), $6,000,000 shall be available for planning and design activities relating to military construction in support of the consolidation of operations of the Defense Finance and Accounting Service.

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, 1994, 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 $219,000,000.

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, 1994, 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, $180,312,000; and

(B) for the Army Reserve, $37,870,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $17,355,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $240,003,000; and

(B) for the Air Force Reserve, $43,840,000.

SEC. 2602. AUTHORIZATION OF CERTAIN NATIONAL GUARD AND RESERVE PROJECTS FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

(a) FISCAL YEAR 1994 GUARD AND RESERVE PROJECTS.—Section 2601 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103-160; 107 Stat. 1878) is amended—

(1) in paragraph (1)(A), by striking out "$283,483,000" and inserting in lieu thereof "$287,958,000"; and

(2) in paragraph (2), by striking out "$25,013,000" and inserting in lieu thereof "$33,713,000".

(b) FISCAL YEAR 1993 AIR NATIONAL GUARD PROJECT.—Section 2601(3)(A) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2602) is amended by striking out "$305,759,000" and inserting in lieu thereof "$306,959,000".

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 1997; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 1998.

(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, 1997; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 1998 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Infrastructure program.

SEC. 2702. EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1992 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701(b) of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102-190; 105 Stat. 1535) authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2301, or 2601 of that Act, shall remain in effect until October 1, 1995, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1996, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
Colorado	Fort Carson	Family Housing New Construction (1 Unit)	$150,000
Georgia	Fort Benning	General Instruction Facility	$2,150,000
	Camp Merrill	Family Housing New Construction (40 units)	$4,550,000
	Fort Stewart	Family Housing New Construction (120 units)	$9,700,000
Oregon	Umatilla Depot Activity	Ammunition Demilitarization Support Facility	$3,600,000
	Umatilla Depot Activity	Ammunition Demilitarization Utilities	$7,500,000

Air Force: Extension of 1992 Project Authorization

State	Installation or location	Project	Amount
Alaska	Eareckson Air Force Station (formerly Shemya Air Force Station)	Hazardous Materials Storage	$4,000,000

Army National Guard: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
California	Stockton	Add/Alter Combined Support Maintenance Shop	$1,613,000
District of Columbia	Fort Belvoir	Army Aviation Support Facility	$2,765,000
Maryland	Towson	Direct Logistics Warehouse	$373,000
	Cheltenham	Armory	$3,300,000
Mississippi	West Point	Organizational Maintenance Shop	$1,270,000
	Tupelo	Organizational Maintenance Shop	$992,000
	Senatobia	Organizational Maintenance Shop	$723,000
Nevada	Washoe County	Organizational Maintenance Shop	$1,050,000
North Carolina	Camp Butler	Range, Modified Record Fire	$986,000
Rhode Island	Camp Varnum	Sewer and Water System	$578,000
	Camp Fogarty	Armory	$5,151,000
West Virginia	Huntington	Guard/Reserve Center	$2,983,000

Army Reserve: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
Massachusetts	Taunton	Reserve Center	$3,526,000
Ohio	Perrysburg	Reserve Center Addition	$2,749,000
Pennsylvania	Johnstown	Army/Marine Corps Aviation Facility	$30,224,000
Tennessee	Jackson	Joint Training Facility	$1,537,000
West Virginia	Huntington	Guard and Reserve Center	$6,617,000

SEC. 2703. CLARIFICATION OF EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1991 PROJECTS.

(a) CLARIFICATION.—The table relating to the extension of authorization of certain fiscal year 1991 projects of the Defense Agencies in section 2702(b) of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1882) is amended by inserting before the item relating to the Defense Logistics Agency, Defense Reutilization and Marketing Office, Fort Meade, Maryland, the following:

California	Defense Language Institute, Monterey	Audio Visual Facility	$2,322,000
	Defense Language Institute, Monterey	Print Plant	$1,860,000

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the provisions of the Military Construction Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1822) to which such amendment relates.

SEC. 2704. EXTENSION OF CERTAIN FISCAL YEAR 1991 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701(b) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1782), authorizations for the projects set forth in the table in subsection (b) as provided in section 2401(a) of that Act and extended by section 2702(a) of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102–190; 105 Stat. 1535) and section 2702 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1880), as amended by section 2703 of this Act, shall remain in effect until October 1, 1995, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1995, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

Defense Agencies: Extension of 1991 Project Authorizations

State	Installation or location	Project	Amount
California	Defense Language Institute, Monterey.	Audio Visual Instructional Media Facility	$2,322,000
	Defense Language Institute, Monterey.	Print Plant	$1,860,000
Maryland	Defense Logistics Agency, Defense Reutilization and Marketing Office, Fort Meade	Covered Storage	$9,500,000

SEC. 2705. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 1994; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. CLARIFICATION OF REQUIREMENT FOR NOTIFICATION OF CONGRESS OF IMPROVEMENTS IN FAMILY HOUSING UNITS.

Section 2825(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) The limitation contained in the first sentence of paragraph (1) does not apply to a project for the improvement of a family housing unit or units referred to in that sentence if the project (including the amount requested for the project) is identified in the budget materials submitted to Congress by the Secretary of Defense in connection with the submission to Congress of the budget for a fiscal year pursuant to section 1105 of title 31.".

SEC. 2802. AUTHORITY TO PAY CLOSING COSTS UNDER HOMEOWNERS ASSISTANCE PROGRAM.

Section 1013(c) of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3374(c)) is amended by inserting after the first sentence the following: "The Secretary may also pay a person who elects to receive a cash payment under clause (1) of the preced-

ing sentence an amount that the Secretary determines appropriate to reimburse the person for the costs incurred by the person in the sale of the property if the Secretary determines that such payment will benefit the person and is in the best interest of the Federal Government.".

Subtitle B—Base Closure Matters

SEC. 2811. PROHIBITION AGAINST CONSIDERATION IN BASE CLOSURE PROCESS OF ADVANCE CONVERSION PLANNING UNDERTAKEN BY POTENTIAL AFFECTED COMMUNITIES.

(a) DEPARTMENT OF DEFENSE RECOMMENDATIONS.—Subsection (c)(3) of section 2903 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—

(1) by inserting "(A)" before "In considering"; and

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

"(B) In considering military installations for closure or realignment, the Secretary may not take into account for any purpose any advance conversion planning undertaken by an affected community with respect to the anticipated closure or realignment of an installation.

"(C) For purposes of subparagraph (B), in the case of a community anticipating the economic effects of a closure or realignment of a military installation, advance conversion planning—

"(i) shall include community adjustment and economic diversification planning undertaken by the community before an anticipated selection of a military installation in or near the community for closure or realignment; and

"(ii) may include the development of contingency redevelopment plans, plans for economic development and diversification, and plans for the joint use (including civilian and military use, public and private use, civilian dual use, and civilian shared use) of the property or facilities of the installation after the anticipated closure or realignment.".

(b) COMMISSION RECOMMENDATIONS.—Subsection (d)(2) of such section is amended by adding at the end the following:

"(E) In making recommendations under this paragraph, the Commission may not take into account for any purpose any advance conversion planning undertaken by an affected community with respect to the anticipated closure or realignment of a military installation.".

SEC. 2812. CLARIFYING AND TECHNICAL AMENDMENTS TO BASE CLOSURE LAWS.

(a) CLARIFICATION OF SCOPE OF TERMINATION OF AUTHORITY UNDER 1988 ACT.—Section 202(c) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended—

(1) by striking out "The authority" and inserting in lieu thereof "(1) Except as provided in paragraph (2), the authority"; and

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

"(2) The termination of authority set forth in paragraph (1) shall not apply to the authority of the Secretary to carry out environmental restoration and waste management at, or disposal of property of, military installations closed or realigned under this title.".

(b) USE OF UNOBLIGATED FUNDS IN 1988 ACCOUNT FOR ENVIRONMENTAL RESTORATION AND PROPERTY DISPOSAL.—Section 207(a)(5) of such Act is amended—

(1) by striking out "Unobligated funds" and inserting in lieu thereof "(A) Except as provided in subparagraph (B), unobligated funds"; and

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

"(B) The Secretary may, after the termination of authority referred to in subparagraph (A), use any unobligated funds referred to in that subparagraph that are not transferred in accordance with that subparagraph to carry out environmental restoration and waste management at, or disposal of property of, military installations closed or realigned under this title.".

(c) CLARIFICATION OF DISPOSAL AUTHORITY.—

(1) UNDER 1988 ACT.—Section 204(b)(1) of such Act is amended in the matter above paragraph (1) by striking out "real property and facilities" and inserting in lieu thereof "real property, facilities, and personal property".

(2) UNDER 1990 ACT.—Section 2905(b)(1) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended in the matter above paragraph (1) by striking out "real property and facilities" and inserting in lieu thereof "real property, facilities, and personal property".

(d) DEFINITION OF REDEVELOPMENT AUTHORITY.—

(1) UNDER 1988 ACT.—Section 209(10) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended by striking out "and for" and inserting in lieu thereof "or for".

(2) UNDER 1990 ACT.—Section 2910(9) 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 "and for" and inserting in lieu thereof "or for".

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) shall take effect as if included in the amendments made by 2918 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1927).

(e) TECHNICAL AMENDMENTS FOR INTERNAL CONSISTENCY.—

(1) 1988 ACT.—Section 204(b)(3) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended—

(A) in subparagraph (A)(ii), by striking out "determines to be related to real property and"; and

(B) in subparagraph (E), by striking out "related" in the matter above clause (i).

(2) 1990 ACT.—Section 2905(b)(3)(A)(ii) 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 "determines to be related to real property and".

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) shall take effect as if included in the amendments made by 2902 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1909).

SEC. 2813. SENSE OF SENATE ON THE ACTIVITIES OF THE SECRETARY OF DEFENSE IN SUPPORT OF COMMUNITIES AFFECTED BY BASE CLOSURES.

(a) FINDINGS.—The Senate makes the following findings:

(1) The closure or realignment of a major military installation can cause severe economic disruption to the host community for the installation.

(2) Communities affected by the closure of a major military installation under a base closure law dedicate significant time, effort, and resources to planning for the economic redevelopment of the installation.

(3) The Federal Government can ease the disruption caused by the closure of a military installation by working cooperatively with the host community for the installation to implement the community's redevelopment plan for the installation.

(4) In recent years, the Federal Government has not always provided sufficient assistance to communities affected by the closure of a military installation under a base closure law in the efforts of such communities to provide for the economic redevelopment of the installation.

(5) In July 1993, the President issued a five-point plan for revitalizing base closure communities which emphasized the economic recovery of communities affected by the closure of a military installation under a base closure law.

(6) In November 1993, Congress agreed to the provisions of subtitle A of title XXIX of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1909), and the amendments made thereunder, in order to implement the plan referred to in paragraph (5) and to provide other assistance to communities attempting to redevelop military installations approved for closure under a base closure law.

(7) The Secretary of Defense is accepting public comment on the guidelines for implementation of the provisions of law referred to in paragraph (6).

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Secretary of Defense should—

(1) ensure that the regulations implementing the provisions of subtitle A of title XXIX of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1909), and the amendments made thereunder, reflect the intent of Congress that, to the maximum extent practicable, the Secretary take into consideration the redevelopment plans of affected communities when taking actions or implementing decisions on the closure of a military installation approved for closure under a base closure law;

(2) ensure that the regulations implementing such provisions reflect the intent of Congress to encourage and promote cooperation and dialogue between the Federal Government and communities affected by the closure of an installation throughout the base closure process; and

(3) develop a system of incentives or awards to encourage Department of Defense personnel to provide greater assistance to and cooperation with communities affected by the closure of an installation during the ongoing effort of revitalizing the economy of such communities.

Subtitle C—Land Transactions Generally

SEC. 2821. LAND TRANSFER, HOLLOMAN AIR FORCE BASE, NEW MEXICO.

(a) IN GENERAL.—Subject to subsections (c) through (g), not later than 90 days after the date of enactment of this Act, the Secretary of the Interior shall transfer to the Department of the Air Force, without reimbursement, jurisdiction and control of approximately 1,262 acres of public lands described in subsection (b). Such public lands are located in Otero County, New Mexico, and are contiguous to Holloman Air Force Base.

(b) DESCRIPTION OF LANDS TRANSFERRED.—The lands described in this subsection are as follows:

(1) T17S, R8E, Section 21:	S½ N½:	160 acres
	E½ NW¼ NE¼:	20 acres
	NE¼ NE¼:	40 acres
(2) T17S, R8E, Section 22:	W½:	320 acres
	W½ E½:	160 acres
(3) T17S, R8E, Section 27:	All that part north of New Mexico Highway 70 except for the E½ E½	192 acres more or less
(4) T17S, R8E, Section 28:	NE¼:	160 acres
	N½ SE¼:	80 acres
	SW¼ SE¼:	40 acres
	W½ SE¼ SE¼:	20 acres
(5) T17S, R8E, Section 33:	NW¼ NE¼:	40 acres
	NW¼ NE¼ NE¼:	10 acres
	W½ SW¼ NE¼:	20 acres

(c) USE OF TRANSFERRED LAND.—The lands transferred to the Department of the Air Force under subsection (a) shall be used by the Secretary of the Air Force for the construction of new evaporation ponds to support a wastewater treatment facility that the Secretary shall construct at Holloman Air Force Base.

(d) CATTLE GRAZING RIGHTS.—

(1) IN GENERAL.—The United States recognizes a grazing preference on the lands transferred to the Department of the Air Force under subsection (a).

(2) ADJUSTMENT OF GRAZING ALLOTMENT.—(A) The Secretary of the Air Force shall take such action as is necessary to ensure that—

(i) the boundary of the grazing allotment that contains the lands transferred to the Department of the Air Force is adjusted in such manner as to retain the portion of the allotment located south of United States Highway 70 in New Mexico and remove the portion of the lands that is located north of such highway; and

(ii) the grazing preference referred to in paragraph (1) is retained by means of transferring the preference for the area removed from the allotment under subparagraph (A) to public lands located south of such highway.

(B) The Secretary of the Air Force shall offer to enter into an agreement with each person who holds a permit for grazing on the lands transferred to the Department of the Air Force at the time of the transfer to provide for the continued grazing by livestock on the portion of the lands located south of such highway.

(e) ADDITIONAL REQUIREMENTS.—

(1) NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—The Secretary of the Air Force shall ensure that the transfer made pursuant to subsection (a) and the use specified in subsection (c) meet any applicable requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) ENVIRONMENTAL LAWS.—The Secretary of the Air Force shall use and manage the lands transferred under the authority in subsection (a) in such manner as to ensure compliance with applicable environmental laws (including regulations) of the Federal Government and State of New Mexico, and political subdivisions thereof.

(3) RESPONSIBILITY FOR CLEANUP OF HAZARDOUS SUBSTANCES.—Notwithstanding any other provision of law, the Secretary of the Air Force shall, upon the transfer of the lands under subsection (a), assume any existing or subsequent responsibility and liability for the cleanup of hazardous substances (as defined in section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(14))) located on or within the lands transferred.

(4) MINING.—The transfer of lands under subsection (a) shall be made in such manner as to ensure the continuation of valid, existing rights under the mining laws and the mineral leasing and geothermal leasing laws of the United States. Subject to the preceding sentence, upon the transfer of the lands, mining and mineral management activities shall be carried out in the lands in a manner consistent with the policies of the Department of Defense concerning mineral exploration and extraction on lands under the jurisdiction of the Department.

(f) RIGHTS-OF-WAY.—The transfer of lands under subsection (a) shall not affect the following rights-of-way:

(1) The right-of-way granted to the Otero County Electric Cooperative, numbered NMNM 58293.

(2) The right-of-way granted to U.S. West Corporation, numbered NMNM 59261.

(3) The right-of-way granted to the Highway Department of the State of New Mexico, numbered LC0 54403.

(g) PUBLIC ACCESS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary of the Air Force shall permit public access to the lands transferred under subsection (a).

(2) CONSTRUCTION SITE.—The Secretary of the Air Force may not permit public access to the immediate area affected by the construction of a wastewater treatment facility in the area with the legal description of T17S, R8E, Section 22, except that the Secretary of the Air Force shall permit public access on an adjoining unfenced parcel of land—

(A) located along the west boundary of such area; and

(B) that is 50 feet in width.

(3) PUBLIC USES.—Except as provided in paragraph (2), the Secretary of the Air Force shall permit, on the lands transferred under subsection (a), public uses that are consistent with the public uses on adjacent lands under the jurisdiction of the Secretary of the Interior.

(4) PERMIT NOT REQUIRED.—The Secretary of the Air Force may not require a permit for access authorized under this subsection to the lands transferred under subsection (a).

(5) ENTRY GATE.—The Secretary of the Air Force shall ensure that the entry gate to the lands transferred under subsection (a) that is located along United States Highway 70 shall be open to the public.

SEC. 2822. JOINT USE OF PROPERTY, PORT HUENEME, CALIFORNIA.

(a) AGREEMENT AUTHORIZED.—The Secretary of the Navy may enter into an agreement with the Oxnard Harbor District, Port Hueneme, California, a special district of the State of California (in this section referred to as the "District"), to provide for the joint use by Secretary and the District of a parcel of real property consisting of approximately 25 acres, together with improvements thereto, that comprises United States Navy Wharf Number 3, the location of the Naval Construction Battalion Center, Port Hueneme, California.

(b) PERIOD.—The agreement authorized under subsection (a) shall—

(1) be for an initial period of not more than 15 years; and

(2) contain an option for the District to extend the agreement for three additional periods of 5 years each.

(c) CONDITIONS.—The agreement authorized under subsection (a) shall be subject to the following conditions:

(1) That the District suspend operations in the joint use area during the periods when the Navy conducts operations at the Naval Construction Battalion Center.

(2) That the District carry out activities in the joint use area in a manner that does not interfere with the capability of the Secretary to carry out contingency operations at the Naval Construction Battalion Center.

(d) CONSIDERATION.—(1) As consideration for the use of the real property under subsection (a), the District—

(A) shall pay to the Secretary the fair market rental value (as determined by the Secretary) of the District's interest in the property; and

(B) may be required to furnish additional consideration as provided in paragraph (2).

(2) The Secretary may require that the agreement include a provision that the District—

(A) either—

(i) pay the Secretary an amount (as determined by the Secretary) equal to the cost to the Navy of replacing at the Naval Construction Battalion Center the facilities vacated by the Navy in the joint use area; or

(ii) construct the replacement facilities for the Navy; and

(B) pay the Secretary an amount (as determined by the Secretary) equal to the cost to the Navy of relocating Navy operations from the vacated facilities to the replacement facilities.

(e) NOTICE AND WAIT REQUIREMENTS.—The Secretary may not enter into the agreement 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 the House of Representatives a report containing an explanation of the terms of the proposed agreement and a description of the consideration that the Secretary expects to receive under the agreement.

(f) USE OF PROCEEDS.—(1) The Secretary may use amounts received under subsection (d)(1)(A) to pay for general supervision, administration and overhead expenses incurred by the Secretary under the agreement and for improvement, maintenance, repair, construction, or restoration of the port operations area or of roads and railways serving the area at the Naval Construction Battalion Center.

(2) The Secretary may use amounts received under subsection (d)(2) to pay for constructing new facilities, or making modifications to existing facilities, that are necessary to replace facilities vacated by the Navy in the joint use area and for relocating operations of the Navy from the vacated facilities to the replacement facilities.

(g) AUTHORITY TO REPLACE FACILITIES.—The Secretary may authorize the District to demolish existing facilities in the joint use area and, consistent with the restrictions required by subsection (c)(2), construct new facilities on the property for the joint use of the Navy and the District.

(h) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property subject to the agreement authorized under this section shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the District.

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the agreement authorized under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2823. LEASE OF PROPERTY, NAVAL RADIO RECEIVING FACILITY, IMPERIAL BEACH, CORONADO, CALIFORNIA.

(a) LEASE AUTHORIZED.—The Secretary of the Navy may lease to the Young Men's Christian Association of San Diego County, a California nonprofit public benefit corporation (in this section referred to as the "YMCA"), such interests in a parcel of real property (including any improvements thereon) consisting of approximately 45 acres at the Naval Radio Receiving Facility, Imperial Beach, Coronado, California, as the Secretary considers appropriate for the YMCA to operate and maintain a summer youth residence camp known as the YMCA San Diego Unified Recreational Facility (Camp SURF). Pursuant to the lease, the Secretary may authorize the YMCA to construct facilities on the parcel.

(b) LEASE TERMS.—The lease authorized in subsection (a) shall be for a period of 50 years, or such longer period as the Secretary determines to be in the best interests of the United States.

(c) CONSIDERATION.—As consideration for the lease of real property under subsection (a), the YMCA shall—

(1) agree to maintain and enhance the natural resources of the leased premises; and

(2) pay to the United States an amount in cash equal to the difference between the rental price prescribed by the Secretary under subsection (d) and the value of natural resources maintenance and enhancements performed by the YMCA, as determined by the Secretary.

(d) DETERMINATION OF RENTAL PRICE.—The Secretary may prescribe a rental price for the real property leased under subsection (a) that is less than the fair market rental value of such property.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the lease under subsection (a) as the Secretary considers necessary to protect the operation of the Naval Radio Receiving Facility, Imperial Beach, Coronado, California, and to protect the interests of the United States.

SEC. 2824. RELEASE OF REVERSIONARY INTEREST ON CERTAIN PROPERTY IN YORK COUNTY AND JAMES CITY COUNTY, VIRGINIA, AND NEWPORT NEWS, VIRGINIA.

(a) RELEASE AUTHORIZED.—The Secretary of the Navy may release the reversionary interest of the United States in the real property conveyed by the deed described in subsection (b).

(b) DEED DESCRIPTION.—The deed referred to in subsection (a) is a deed between the United States and the Commonwealth of Virginia dated August 17, 1966, which conveyed to the Commonwealth of Virginia certain parcels of land located in York County and James City County, Virginia, and the city of Newport News, Virginia.

(c) ADDITIONAL TERMS.—The Secretary may require such terms or conditions in connection with the release under this section as the Secretary considers appropriate to protect the interests of the United States and to ensure that the real property will continue to be used for public purposes.

(d) INSTRUMENT OF RELEASE.—The Secretary may execute and file in the appropriate office or offices a deed of release, amended deed, or other appropriate instrument effectuating the release of the reversionary interest under this section.

SEC. 2825. LAND TRANSFER, FORT DEVENS, MASSACHUSETTS.

(a) TRANSFER.—Notwithstanding any other provision of law and subject to subsection (b), the Secretary of the Army shall transfer administrative jurisdiction of approximately 800 acres of land at Fort Devens, Massachusetts, to the Secretary of the Interior for inclusion in the Oxbow National Wildlife Refuge, Massachusetts.

(b) LIMITATION ON TRANSFER.—The Secretary of the Army may not carry out the transfer referred to in subsection (a) unless the Secretary and the reuse authority for Fort Devens for the purposes 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), jointly determine that the transfer of the land under this section is consistent with the redevelopment plan prepared under section 2905(b) of such Act.

(c) ADMINISTRATION OF LAND.—The Secretary of the Interior shall administer the land transferred under this section in accordance with all laws applicable to areas in the National Wildlife Refuge System.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be transferred under this section shall be determined by a survey satisfactory to the Secretary of the Army and the Secretary of the Interior.

SEC. 2826. LAND CONVEYANCE, CORNHUSKER ARMY AMMUNITION PLANT, HALL COUNTY, NEBRASKA.

(a) CONVEYANCE AUTHORIZED.—Subject to subsection (b), the Secretary of the Army may convey to the Hall County, Nebraska, Board of Supervisors (in this section referred to as the "Board"), or the designee of the Board, all right, title and interest of the United States in and to the real property, together with any improvements thereon, located in Hall County, Nebraska, the site of the Cornhusker Army Ammunition Plant.

(b) REQUIREMENT RELATING TO CONVEYANCE.—The Secretary may not carry out the conveyance authorized under subsection (a) until the Secretary completes any environmental restoration required with respect to the property to be conveyed.

(c) UTILIZATION OF PROPERTY.—The Board or its designee, as the case may be, shall utilize the real property conveyed under subsection (a) in a manner consistent with the Cornhusker Army Ammunition Plant Reuse Committee Comprehensive Reuse Plan.

(d) CONSIDERATION.—In consideration for the conveyance under subsection (a), the Board or its designee, as the case may be, shall pay to the United States an amount equal to the fair market value of the real property to be conveyed, as determined by the Secretary.

(e) USE OF PROCEEDS.—(1) The Secretary shall deposit in the special account established under section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)) the amount received from the Board or its designee under subsection (d).

(2) Notwithstanding subparagraph (A) of such section 204(h)(2), the Secretary may use the entire amount deposited in the account under paragraph (1) for the purposes set forth in subparagraph (B) of such section 204(h)(2).

(f) 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 the survey shall be borne by the Board or its designee, as the case may be.

(g) 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. 2827. TRANSFER OR CONVEYANCE OF CERTAIN PARCELS OF PROPERTY THROUGH GENERAL SERVICES ADMINISTRATION.

(a) IN GENERAL.—(1) Subject to paragraph (2), the Administrator of General Services shall—

(A) transfer jurisdiction over all or a portion of a parcel of real property described in subsection (b) to another executive agency if the Administrator determines under subsection (c) that the transfer of jurisdiction to the agency is appropriate;

(B) convey all or a portion of such a parcel to a State or local government or nonprofit organization if the Administrator determines under subsection (d) that the conveyance to the government or organization is appropriate; or

(C) convey all or a portion of such a parcel to the entity specified to receive the conveyance under subsection (e) in accordance with that subsection.

(2) The Administrator shall carry out an action referred to in subparagraph (A), (B), or (C) of paragraph (1) only upon direction by the Secretary of Defense. The Secretary shall make the direction, if at all, in accordance with subsection (g).

(3) Upon the direction of the Secretary of Defense, the Secretary of the military department concerned shall transfer jurisdiction over an appropriate portion of a parcel of real property referred to in paragraph (1) to the Administrator in order to permit the Administrator to carry out the transfer of jurisdiction over or conveyance of the portion of the parcel under this section.

(b) COVERED PROPERTY.—(1) The parcels of real property referred to in subsection (a)(1) are the following:

(A) A parcel of real property, including any improvements thereon, consisting of approximately 337 acres and located in Tulsa, Oklahoma, the location of Air Force Plant No. 3.

(B) A parcel of real property, including any improvements thereon, consisting of approximately 2,900 acres and located in Calverton, New York, the location of the Naval Weapons Industrial Reserve Plant.

(C) A parcel of real property, including any improvements thereon, located in Johnson City (Westover), New York, the location of Air Force Plant No. 59.

(D) A parcel of real property, including any improvements thereon, consisting of approximately 4 acres and located in Dickinson, North Dakota, the location of a support complex, recreational facilities, and housing facilities for the Radar Bomb Scoring Site, Dickinson, North Dakota.

(E) A parcel of real property, including any improvements thereon, consisting of approximately 12 acres and located west of Finley, North Dakota, the location of a support complex, recreational facilities, and housing facilities for the Finley Air Force Station and Radar Bomb Scoring Site, Finley, North Dakota.

(F) A parcel of property, including any improvements thereon, consisting of approximately 440 acres located at the Hawthorne Army Ammunition Plant, Mineral County, Nevada, and commonly referred to as the Babbitt Housing Site.

(G) A parcel of real property, including any improvements thereon and the pier associated therewith, consisting of approximately 118 acres and located in Harpswell, Maine, the location of the Defense Fuel Supply Point, Casco Bay, Maine.

(2) The exact acreage and legal description of the real property referred to in paragraph (1) that is transferred or conveyed under this section shall be determined by a survey satisfactory to the Secretary of the military department concerned. The cost of the survey shall be borne by the Secretary concerned. The transferee or conveyee, if any, of the property under this section shall reimburse the Secretary concerned for the cost borne by that Secretary for the survey of the property.

(c) DETERMINATION OF TRANSFEREES.—(1) Subject to subsection (a)(2), the Administrator shall transfer jurisdiction over all or a portion of a parcel of real property referred to in subsection (b)(1) to an executive agency if the Administrator determines under this subsection that the transfer is appropriate.

(2) Not later than 5 days after the date of the enactment of this Act, the Administrator shall inform the heads of the executive agencies of the availability of the parcels of real property referred to in subsection (b)(1).

(3) The head of an executive agency having an interest in obtaining jurisdiction over any portion of a parcel of real property referred to in paragraph (2) shall notify the Administrator, in writing, of the interest within such time as the Administrator shall specify with respect to the parcel in order to permit the Administrator to determine under paragraph (4) whether the transfer of jurisdiction to the agency is appropriate.

(4)(A) The Administrator shall—

(i) evaluate in accordance with section 202(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483(a)) the notifications of interest, if any, received under paragraph (3) with respect to a parcel of real property; and

(ii) determine in accordance with that section the executive agency, if any, to which the transfer of jurisdiction is appropriate.

(B) The Administrator shall complete the determination under subparagraph (A) with respect to a parcel not later than 30 days after informing the heads of the executive agencies of the availability of the parcel.

(d) DETERMINATION OF CONVEYEES.—(1) Subject to subsection (a)(2), the Administrator shall convey all right, title, and interest of the United States in and to all or a portion of a parcel of real property referred to in paragraph (2) to a government or organization referred to in paragraph (3) if the Administrator determines under this subsection that the conveyance is appropriate.

(2) Paragraph (2) applies to any portion of a parcel of real property referred to in subsection (b)(1)—

(A) for which the Administrator receives no notification of interest from the head of an executive agency under subsection (c); or

(B) with respect to which the Administrator determines under paragraph (4)(B) of that subsection that a transfer of jurisdiction under this section would not be appropriate.

(3)(A) In the case of the property referred to in paragraph (2), the governments and organizations referred to in that paragraph are the following:

(i) The State government of the State in which the property is located.

(ii) Local governments affected (as determined by the Administrator) by operations of the Department of Defense at the property.

(iii) Nonprofit organizations located in the vicinity of the property and eligible under Federal law to be supported through the use of Federal surplus real property.

(B) In this paragraph, the term "nonprofit organization" means any organization listed in subsection (c)(3) of section 501 of the Internal Revenue Code of 1986 (26 U.S.C. 501) that is exempt from taxation under subsection (a) of that section.

(4) Not later than 5 days after completing the determination under subsection (c)(4)(B), the Administrator shall determine what, if any, parcels of property referred to in subsection (b)(1) are available for conveyance under this subsection and shall inform the appropriate governments and organizations of the availability of the parcels for conveyance under this section.

(5) A government or organization referred to in paragraph (4) shall notify the Administrator, in writing, of the interest of the government or organization, as the case may be, in the conveyance of all or a portion of the parcel of real property concerned to the government or organization. The government or organization shall notify the Administrator within such time as the Administrator shall specify with respect to the parcel in order to permit the Administrator to determine under paragraph (6) whether the conveyance of the parcel to the government or organization, as the case may be, is appropriate.

(6)(A) The Administrator shall—

(i) evaluate in accordance with section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) the notifications, if any, received under paragraph (5) with respect to a parcel of real property; and

(ii) determine in accordance with that section the government or organization, if any, to which the conveyance is appropriate.

(B) The Administrator shall complete the determination under subparagraph (A) with respect to a parcel not later than 70 days after notifying the governments and organizations concerned of the availability of the parcel for conveyance.

(e) ADDITIONAL CONVEYANCE AUTHORITY.—(1) Subject to subsection (g)(2), the Administrator shall, in lieu of transferring jurisdiction over or conveying the parcels of real property referred to in subsection (b)(1) in accordance with subsections (c) and (d), convey all or a portion of such parcels as follows:

(A) In the case of the parcel referred to in subparagraph (A) of subsection (b)(1), by conveying without consideration all right, title, and interest of the United States in and to the parcel to the City of Tulsa, Oklahoma.

(B) In the case of the parcel referred to in subparagraph (B) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to any economic development authority that the Governor of New York determines appropriate and identifies as such for the Administrator.

(C) In the case of the parcel referred to in subparagraph (C) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the Broome County Industrial Development Authority.

(D) In the case of the parcel referred to in subparagraph (D) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the North Dakota Board of Higher Education.

(E) In the case of the parcel referred to in subparagraph (E) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the City of Finley, North Dakota.

(F) In the case of the parcel referred to in subparagraph (F) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the government of Mineral County, Nevada.

(G) In the case of the parcel referred to in subparagraph (F) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the Town of Harpswell, Maine.

(2) The Administrator may require such additional terms and conditions in connection with a conveyance under this subsection as the Administrator and the Secretary of Defense jointly consider appropriate to protect the interests of the United States.

(f) REPORT BY ADMINISTRATOR.—(1) Not later than 125 days after the date of the enactment of this Act, the Administrator shall submit to the Committees on Armed Services of the Senate and House of Representatives and to the Secretary of Defense a report on the activities of the Administrator under this section.

(2) The report shall include with respect to each parcel of real property referred to in subsection (b)(1) the following information:

(A) The interest, if any, for all or a portion of the parcel that was expressed by executive agencies under subsection (c) or by governments or nonprofit organizations under subsection (d).

(B) The use, if any, proposed for the portion of the parcel under each expression of interest.

(C) The determination of the Administrator whether a transfer or conveyance of all or a portion of the parcel, as the case may be, to the agency, government, or organization was appropriate.

(D) The other disposal options, if any, that the Administrator has identified for the parcel.

(E) Any other matters that the Administrator considers appropriate.

(g) DESIGNATION OF AUTHORITY TO BE USED.—(1) If the Administrator submits the report required under subsection (f) within the time specified in that subsection, the Secretary of Defense may direct the Administrator under subsection (a)(2) to carry out the transfer or conveyance under subsection (c) or (d) of all or a portion of a parcel of property referred to in subsection (b)(1) in accordance with the determinations made by the Administrator with respect to the transfer or conveyance of the parcel under subsection (c) or (d), respectively.

(2) If the Administrator does not submit the report required under subsection (f) within the time specified in that subsection, the Secretary may direct the Administrator to carry out the conveyances of the parcels of property that are authorized under subsection (e) in accordance with such subsection (e).

Subtitle D—Changes to Existing Land Transaction Authority

SEC. 2831. MODIFICATIONS OF LAND CONVEYANCE, FORT A.P. HILL MILITARY RESERVATION, VIRGINIA.

(a) PARTICIPATION OF ADDITIONAL POLITICAL SUBDIVISIONS IN REGIONAL CORRECTIONAL FACILITY.—Subparagraph (B) of subsection (c)(3) of section 603 of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102-25; 105 Stat. 108) is amended to read as follows:

"(B) Subparagraph (A) shall not be construed to prohibit any political subdivision not named in such subparagraph from—

"(i) participating initially in the written agreement referred to in paragraph (2); or

"(ii) agreeing at a later date to participate as a member of the governmental entity referred to in paragraph (2)(A), or by contract with such entity, in the construction or operation of the regional facility to be constructed on the parcel of land conveyed under this section.".

(b) TIME FOR CONSTRUCTION AND OPERATION OF CORRECTIONAL FACILITY.—(1) Subsection (d)(1)(A)(i) of such section is amended by striking out "not later than 24 months after the date of the enactment of this Act" and inserting in lieu thereof "not later than April 1, 1997".

(2) The Secretary of the Army shall provide the recipient of the conveyance of property under section 603 of such Act with such legal instrument as is appropriate to modify, in accordance with the amendment made by paragraph (1), any statement of conditions contained in any existing instrument which conveyed the property to that recipient. The Secretary shall record the instrument in the appropriate office or officers of the Commonwealth of Virginia or political subdivision within the Commonwealth.

SEC. 2832. MODIFICATION OF CONVEYANCE OF ELECTRICITY DISTRIBUTION SYSTEM, FORT DIX, NEW JERSEY.

Section 2846 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103-160; 107 Stat. 1904) is amended—

(1) by striking out subsection (f); and

(2) by redesignating subsections (g) and (h) as subsections (f) and (g), respectively.

SEC. 2833. MODIFICATION OF LAND CONVEYANCE, FORT KNOX, KENTUCKY.

Section 2816 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189; 103 Stat. 1655) is amended—

(1) in subsection (c), by striking out "for the construction of up to four units of military family housing at Fort Knox, Kentucky" and inserting in lieu thereof "for improvements to military family housing at Fort Knox, Kentucky, in an amount not to exceed $255,000";

(2) by striking out subsection (d); and

(3) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

SEC. 2834. PRESERVATION OF CALVERTON PINE BARRENS, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, NEW YORK, AS NATURE PRESERVE.

(a) PRESERVATION AS NATURE PRESERVE REQUIRED.—Section 2854 of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2626) is amended—

(1) by redesignating subsections (a) and (b) as subsections (c) and (d); and

(2) by inserting before subsection (c), as so redesignated, the following new subsections (a) and (b):

"(a) PURPOSE.—It is the purpose of this section to ensure that the Calverton Pine Barrens is maintained and preserved, in perpetuity, as a nature preserve in its current undeveloped state.

"(b) PROHIBITION ON INCONSISTENT DEVELOPMENT.—(1) The Secretary of the Navy may not carry out or permit any commercial or residential development of the property referred to in paragraph (2) that is inconsistent with the purpose specified in subsection (a).

"(2) Paragraph (1) applies to any parcel of real property within the Calverton Pine Barrens that is under the jurisdiction of the Secretary.".

(b) CONFORMING AMENDMENTS.—Subsection (c) of such section, as redesignated by subsection (a)(1), is amended—

(1) by striking out "PROHIBITION.—" and inserting in lieu thereof "REVERSIONARY INTEREST.—"; and

(2) by striking out "for commercial purposes" and all that follows through the period and inserting in lieu thereof "in a manner inconsistent with the purpose specified in subsection (a) (as determined by the head of the department or agency making the conveyance).".

Subtitle E—Other Matters

SEC. 2841. JOINT CONSTRUCTION CONTRACTING FOR COMMISSARIES AND NONAPPROPRIATED FUND INSTRUMENTALITY FACILITIES.

(a) SINGLE CONTRACT CONSTRUCTION.—Section 2685 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) The Secretary of a military department may authorize a nonappropriated fund instrumentality of the United States to enter into a contract for construction of a shopping mall or similar facility for a commissary store and one or more nonappropriated fund instrumentality activities. The Secretary may use the proceeds of adjustments or surcharges authorized by subsection (a) to reimburse the nonappropriated fund instrumentality for the portion of the cost of the contract that is attributable to construction of the commissary store or to pay the contractor directly for that portion of such cost.

"(2) In paragraph (1), the term 'construction', with respect to a facility, includes acquisition, conversion, expansion, installation, or other improvement of the facility.".

(b) OBLIGATION OF ANTICIPATED PROCEEDS.—Subsection (c) of such section is amended by inserting "or (d)" after "subsection (b)" both places it appears.

SEC. 2842. NATIONAL GUARD FACILITY CONTRACTS SUBJECT TO PERFORMANCE SUPERVISION BY THE ARMY OR THE NAVY.

(a) CONTRACTS SUBJECT TO SUPERVISION.—Subsection (a) of section 2237 of title 10, United States Code, is amended by striking out "under any provision" and all that follows through "and (4)" and inserting in lieu thereof "under section 2233(a)(1)".

(b) CONFORMING AMENDMENT.—Subsection (b) of such section is amended by striking out "or (4)" and inserting in lieu thereof "(4), (5), or (6)".

SEC. 2843. WAIVER OF REPORTING REQUIREMENTS FOR CERTAIN REAL PROPERTY TRANSACTIONS IN THE EVENT OF WAR OR NATIONAL EMERGENCY.

Section 2662 of title 10, United States Code, is amended by adding at the end the following:

"(g)(1) Subsections (a) and (e) do not apply—

"(A) during a period described in paragraph (2); or

"(B) to transactions described in such subsections that are undertaken to restore Federal Government operations, to provide public assistance or relief, or to restore public order in relation to a major disaster declared in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

"(2) The periods referred to in paragraph (1)(A) are as follows:

"(A) A period of war declared by Congress.

"(B) A period of national emergency declared by the President in accordance with the National Emergencies Act (50 U.S.C. 1601 et seq.)

"(3) Not later than 30 days after taking an action for which prior notification would, except for this subsection, otherwise be required under subsection (a) or (e), the Secretary of the military department concerned or, in the case of an element of the Department of Defense not within a military department, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the action taken.".

SEC. 2844. REPORT ON USE OF FUNDS FOR ENVIRONMENTAL RESTORATION AT CORNHUSKER ARMY AMMUNITION PLANT, HALL COUNTY, NEBRASKA.

(a) REPORT REQUIRED.—The Secretary of the Army shall submit to Congress a report describing the manner in which funds available to the Army for operation and maintenance (including funds in the Defense Environmental Restoration Account established

under section 2703(a)(1) of title 10, United States Code) will be used by the Secretary for environmental restoration and maintenance of the real property that comprises the Cornhusker Army Ammunition Plant, Hall County, Nebraska.

(b) CONTENTS.—The report shall include the following:

(1) The funding plan for environmental restoration at the Cornhusker Army Ammunition Plant.

(2) A legal opinion stating whether any portion of the funds to be used for such environmental restoration may be used for the repair of the roads at the Plant in order to bring such roads into compliance with applicable State and local public works codes.

(3) A survey of the roads at the Plant that identifies which roads, if any, are in need of repair in order to bring the roads at the Plant into compliance with such codes.

(4) An estimate of the cost of the repair of the roads referred to in paragraph (3) in order to bring the roads into compliance.

(5) An explanation of the purpose, cost, and source of funds for any proposed preservation of documents or other materials relating to the cultural, historical, and natural resources associated with the Plant.

(c) SUBMISSION OF REPORT.—The Secretary shall submit the report required by this section not later than May 1, 1995.

SEC. 2845. DEPARTMENT OF DEFENSE LABORATORY REVITALIZATION DEMONSTRATION PROGRAM.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a Department of Defense Laboratory Revitalization Demonstration Program. Under the program the Secretary may carry out minor military construction projects in accordance with subsection (b) and other applicable law to improve Department of Defense laboratories covered by the program.

(b) INCREASED MAXIMUM AMOUNTS APPLICABLE TO MINOR CONSTRUCTION PROJECTS.—For purpose of any military construction project carried out under the program—

(1) the amount provided in subsection (a)(1) of section 2805 of title 10, United States Code, shall be deemed to be $3,000,000;

(2) the amount provided in subsection (b)(1) of such section shall be deemed to be $1,500,000; and

(3) the amount provided in subsection (c)(1) of such section shall be deemed to be $1,000,000.

(c) DESIGNATION OF COVERED LABORATORIES.—Not later than 30 days before commencing the program, the Secretary shall designate the Department of Defense laboratories that are to be covered by the program and notify Congress of the laboratories so designated. Only the designated laboratories may be covered by the program.

(d) REPORT.—Not later than September 30, 1998, the Secretary shall submit to Congress a report on the program. The report shall include the Secretary's conclusions and recommendations regarding the desirability and feasibility of extending the authority set forth in subsection (b) to cover all Department of Defense laboratories.

(e) EXCLUSIVITY OF PROGRAM.—Nothing in this section may be construed to limit any other authority provided by law for any military construction project at a Department of Defense laboratory covered by the program.

(f) DEFINITIONS.—In this section:

(1) The term "laboratory" includes—

(A) a research, engineering, and development center;

(B) a test and evaluation activity owned, funded, and operated by the Federal Government through the Department of Defense; and

(C) a supporting facility of a laboratory.

(2) The term "supporting facility", with respect to a laboratory, means any building or structure that is used in support of research, development, test, and evaluation at a laboratory.

(3) The term "Department of Defense laboratory" does not include a contractor owned laboratory.

(g) EXPIRATION OF AUTHORITY.—The Secretary may not carry out the program after September 30, 1999.

SEC. 2846. AGREEMENTS OF SETTLEMENT FOR RELEASE OF IMPROVEMENTS AT OVERSEAS MILITARY INSTALLATIONS.

(a) AGREEMENTS SUBJECT TO OMB REVIEW.—Subsection (g) of section 2921 of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 10 U.S.C. 2687 note) is amended by inserting after the first sentence the following: "The prohibition set forth in the preceding sentence shall apply only to agreements of settlement for improvements having a value in excess of $10,000,000.".

(b) REPORTS TO CONGRESS.—Such subsection, as amended by subsection (a), is further amended—

(1) by inserting "(1)" before "The Secretary of Defense"; and

(2) by adding at the end the following:

"(2) Each year, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on each proposed agreement of settlement that was not submitted by the Secretary to the Director of the Office of Management and Budget in the previous year under paragraph (1) because the value of the improvements to be released pursuant to the proposed agreement did not exceed $10,000,000.".

SEC. 2847. REVISIONS TO RELEASE OF REVERSIONARY INTEREST, OLD SPANISH TRAIL ARMORY, HARRIS COUNTY, TEXAS.

(a) CLERICAL AMENDMENTS.—Section 2820 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103-160; 107 Stat. 1894) is amended—

(1) in subsection (a), by striking out "1936" and inserting in lieu thereof "1956"; and

(2) in subsection (b)(1), by striking out "value" and inserting in lieu thereof "size".

(b) PAYMENT FOR SURVEY.—Subsection (c) of such section is amended by adding at the end the following: "The cost of the survey shall be borne by the State of Texas.".

SEC. 2848. TRANSFER OF JURISDICTION, AIR FORCE HOUSING AT RADAR BOMB SCORING SITE, HOLBROOK, ARIZONA.

(a) TRANSFER AUTHORIZED.—As part of the closure of an Air Force Radar Bomb Scoring Site located near Holbrook, Arizona, the Secretary of the Air Force may transfer without reimbursement the administrative jurisdiction, accountability and control of the housing units and associated support facilities used in connection with the site to the Secretary of the Interior for use in connection with the Petrified Forest National Park.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be transferred under subsection (a) shall be determined by a survey satisfactory to the Secretary of the Air Force and the Secretary of the Interior.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Air Force may require such additional terms and conditions in connection with the transfer of real property under subsection (a) as the Secretary considers appropriate.

SEC. 2849. ASSISTANCE FOR PUBLIC PARTICIPATION IN DEFENSE ENVIRONMENTAL RESTORATION ACTIVITIES.

(a) ESTABLISHMENT OF RESTORATION ADVISORY BOARDS.—Section 2705 of title 10, United States Code, is amended by adding after subsection (c) the following:

"(d) RESTORATION ADVISORY BOARD.—(1) In lieu of establishing a technical review committee under subsection (c), the Secretary may permit the establishment of a restoration advisory board in connection with any installation (or group of nearby installations) where the Secretary is planning or implementing environmental restoration activities.

"(2) The Secretary shall prescribe regulations regarding the characteristics, composition, funding and establishment of restoration advisory boards pursuant to this subsection, if the Secretary decides to use this authority. Prescription of regulations shall not be a precondition to establishment of a restoration advisory board or impact restoration advisory board established prior to the date of enactment of this section.

"(3) The Secretary may provide for the payment of routine administrative expenses of a restoration advisory board from funds available for the operation and maintenance of the installation (or installations) for which the board is established or from the funds available under subsection (e)(4).".

(b) ASSISTANCE FOR CITIZEN PARTICIPATION ON TECHNICAL REVIEW BOARDS AND RESTORATION ADVISORY BOARDS.—Such section is further amended by adding after subsection (d), as added by subsection (a), the following:

"(e) ASSISTANCE FOR CITIZEN PARTICIPATION.—(1)(A) Subject to subparagraph (B), the Secretary shall make available under paragraph (4) funds to facilitate the participation of individuals from the private sector on technical review committees and restoration advisory boards for the purpose of ensuring public input into the planning and implementation of environmental restoration activities at installations where such committees and boards are in operation.

"(B) A committee or advisory board for an installation is eligible for funding assistance under this subsection only if the committee or board is composed of individuals from the private sector who reside in a community in the vicinity of the installation and who are not potentially responsible parties with respect to environmental hazards at the installation.

"(2) Individuals who are local community members of a technical review committee or restoration advisory board may use funds made available under this subsection only—

"(A) to obtain technical assistance in interpreting scientific and engineering issues with regard to the nature of environmental hazards at an installation and the restoration activities proposed or conducted at the installation; and

"(B) to assist such members and affected citizens to participate more effectively in environmental restoration activities at the installation.

"(3) The members of a technical review committee or restoration advisory board may employ technical or other experts in accordance with regulations prescribed under subsections (d) and (e)(1) of title 10, United States Code as added by this section.

"(4)(A) Subject to subparagraph (B), the Secretary shall make funds available under this subsection using funds in the following accounts:

"(i) In the case of a military installation not closed pursuant to a base closure law, the Defense Environmental Restoration Account established in section 2703(a) of this title .

"(ii) In the case of a technical review committee or restoration advisory board established for a military installation to be closed, the Department of Defense Base Closure Account 1990 established under section 2906(a) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

"(B) The total amount of funds available under this subsection for fiscal year 1995 may not exceed $7,500,000.".

(c) INVOLVEMENT OF COMMITTEES AND BOARDS IN DEFENSE ENVIRONMENTAL RESTORATION PROGRAM.—Such section is further amended by adding after subsection (e), as added by subsection (b), the following:

"(f) INVOLVEMENT IN DEFENSE ENVIRONMENTAL RESTORATION PROGRAM.—If a technical review committee or restoration advisory board is established with respect to an installation, the Secretary shall consult with and seek the advice of the committee or board on the following issues:

"(1) Identifying environmental restoration activities and projects at the installation.

"(2) Monitoring progress on these activities and projects.

"(3) Collecting information regarding restoration priorities for the installation.

"(4) Addressing land use, level of restoration, acceptable risk, and waste management and technology development issues related to environmental restoration at the installation.

"(5) Developing environmental restoration strategies for the installation.".

(d) IMPLEMENTATION REQUIREMENTS.—Not later than 180 days after the date on which the Secretary announces a decision to establish restoration advisory boards, the Secretary of Defense shall—

(1) prescribe the regulations required under subsections (d) and (e)(1) of title 10, United States Code, as added by this section; and

(2) take appropriate actions to notify the public of the availability of funding under subsection (e) of such section, as so added.

"(e) REPORT.—The Secretary shall report to the Committees on Armed Services of the Senate and the House of Representatives by May 1, 1996, on the establishment of restoration advisory boards and funds expended for assistance for citizen participation.

SEC. 2850. SENSE OF THE SENATE ON AUTHORIZATION OF FUNDS FOR MILITARY CONSTRUCTION PROJECTS NOT REQUESTED IN THE PRESIDENT'S ANNUAL BUDGET REQUEST.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that, to the maximum extent practicable, the Senate should consider the authorization for appropriation of funds for a military construction project not included in the annual budget request of the Department of Defense only if:

(1) the project is consistent with past actions of the Base Realignment and Closure process;

(2) the project is included in the military construction plan of the military department concerned incorporated in the Future Years Defense Program;

(3) the project is necessary for reasons of the national security of the United States; and

(4) a contract for construction of the project can be awarded in that fiscal year.

(b) VIEWS OF THE SECRETARY OF DEFENSE.—In considering these criteria, the Senate should obtain the views of the Secretary of Defense. These views should include whether funds for a military construction project not included in the budget request can be offset by funds for other programs, projects, or activities, including military construction projects, in the budget request and, if so, the specific offsetting reductions recommended by the Secretary of Defense.

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) RESEARCH AND DEVELOPMENT.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for research and development in carrying out weapons activities necessary for national security programs in the amount of $1,187,818,000, to be allocated as follows:

(1) For core research and development, $795,551,000, to be allocated as follows:

(A) For operating expenses, $649,341,000.

(B) For capital equipment, $69,420,000.

(C) 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), $76,790,000, to be allocated as follows:

Project GPD-101, general plant projects, various locations, $8,500,000.

Project 95-D-102, Chemical and Metallurgy Research Building upgrades, Los Alamos National Laboratory, New Mexico, $3,300,000.

Project 94-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase V, various locations, $13,000,000.

Project 92-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase IV, various locations, $21,810,000.

Project 90-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase III, various locations, $7,700,000.

Project 88-D-106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $22,480,000.

(2) For inertial fusion, $176,473,000, to be allocated as follows:

(A) For operating expenses, $166,755,000.

(B) For capital equipment, $9,718,000.

(3) For technology transfer, $215,794,000, to be allocated as follows:

(A) For operating expenses, $209,794,000.

(B) For capital equipment, $6,000,000.

(b) TESTING.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for testing in carrying out weapons activities necessary for national security programs in the amount of $384,719,000, to be allocated as follows:

(1) For testing capabilities and readiness $374,719,000, to be allocated as follows:

(A) For operating expenses, $338,249,000.

(B) For capital equipment, $15,470,000.

(C) 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), $21,000,000, to be allocated as follows:

Project GPD-101, general plant projects, various locations, $4,000,000.

Project 93-D-102, Nevada support facility, North Las Vegas, Nevada, $17,000,000.

(2) For operating expenses for solar energy development, $10,000,000.

(c) STOCKPILE SUPPORT.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for stockpile support in carrying out weapons activities necessary for national security programs in the amount of $1,557,085,000, to be allocated as follows:

(1) For operating expenses for stockpile support, $1,487,085,000.

(2) For capital equipment, $15,880,000.

(3) 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), $54,120,000, to be allocated as follows:

Project GPD-121, general plant projects, various locations, $1,000,000.

Project 95-D-122, sanitary sewer upgrade Oak Ridge Y-12 Plant, Oak Ridge, Tennessee, $2,200,000.

Project 95-D-123, replace transportation safeguards, aviation facility, Albuquerque, New Mexico, $2,000,000.

Project 94-D-124, hydrogen fluoride supply system, Oak Ridge Y-12 Plant, Oak Ridge, Tennessee, $6,300,000.

Project 94-D-125, upgrade life safety, Kansas City Plant, Kansas City, Missouri, $1,000,000.

Project 94-D-127, emergency notification system, Pantex Plant, Amarillo, Texas, $1,000,000.

Project 94-D-128, environmental safety and health analytical laboratory, Pantex Plant, Amarillo, Texas, $1,000,000.

Project 93-D-122, life safety upgrades, Y-12 Plant, Oak Ridge, Tennessee, $5,000,000.

Project 88-D-122, facilities capability assurance program, various locations, $19,620,000.

Project 88-D-123, security enhancements, Pantex Plant, Amarillo, Texas, $15,000,000.

(d) PROGRAM DIRECTION.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for program direction in carrying out weapons activities necessary for national security programs in the amount of $169,852,000, to be allocated as follows:

(1) For operating expenses for weapons program direction, $167,498,000.

(2) For capital equipment, $2,354,000.

(e) RECONFIGURATION.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for nuclear weapons complex reconfiguration in carrying out weapons activities necessary for national security programs in the amount of $152,271,000, to be allocated as follows:

(1) For operating expenses for reconfiguration, $94,271,000.

(2) 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), $58,000,000, all of which to be allocated as follows:

Project 93-D-123, complex-21, various locations.

(f) ADJUSTMENTS.—Subject to section 3105, the total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a) through (e) reduced by the sum of—

(1) $131,077,000, for use of prior year balances; and

(2) $11,000,000, for savings resulting from procurement reform.

SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) CORRECTIVE ACTIVITIES.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for corrective activities in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,012,000, all of which to be allocated to a plant project (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto) as follows:

Project 92-D-403, tank upgrades project, Lawrence Livermore National Laboratory, California.

(b) ENVIRONMENTAL RESTORATION.—(1) Subject to paragraph (2), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for environmental restoration for operating expenses in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,531,969,000.

(2) Subject to subsection (h), the amount authorized to be appropriated pursuant to this subsection is the amount authorized to be appropriated in paragraph (1) reduced by $133,900,000, as a result of the productivity savings initiative.

(c) WASTE MANAGEMENT.—(1) Subject to paragraph (2), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for waste management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $2,913,045,000, to be allocated as follows:

(A) For operating expenses, $2,408,029,000.

(B) For capital equipment, $104,790,000.

(C) 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), $400,226,000, to be allocated as follows:

Project GPD-171, general plant projects, various locations, $23,742,000.

Project 95-D-401, radiological support facilities, Richland, Washington, $1,585,000.

Project 95-D-402, install permanent electrical service, Waste Isolation Pilot Plant, New Mexico, $700,000.

Project 95-D-403, hazardous waste storage facility, Mound Plant, Miamisburg, Ohio, $597,000.

Project 95-D-405, industrial landfill V and construction demolition landfill VII, Oak Ridge Y-12 Plant, Oak Ridge, Tennessee, $1,000,000.

Project 95-D-406, road 5-01 reconstruction, area 5, Nevada Test Site, Nevada, $2,338,000.

Project 95-D-407, 219-S secondary containment upgrade, Richland, Washington, $2,000,000.

Project 95-D-408, Phase II liquid effluent treatment and disposal, Richland, Washington, $7,100,000.

Project 94-D-400, high explosive wastewater treatment system, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,000,000.

Project 94-D-402, liquid waste treatment system, Nevada Test Site, Nevada, $3,292,000.

Project 94-D-404, Melton Valley storage tank capacity increase, Oak Ridge National Laboratory, Oak Ridge, Tennessee, $21,373,000.

Project 94-D-406, low-level waste disposal facilities, K-25, Oak Ridge, Tennessee, $6,000,000.

Project 94-D-407, initial tank retrieval systems, Richland, Washington, $17,700,000.

Project 94-D-408, office facilities—200 East, Richland, Washington, $4,000,000.

Project 94-D-411, solid waste operation complex, Richland, Washington, $42,200,000.

Project 94-D-416, solvent storage tanks installation, Savannah River, South Carolina, $1,700,000.

Project 94-D-417, intermediate-level and low-activity waste vaults, Savannah River, South Carolina, $300,000.

Project 93-D-174, plant drain waste water treatment upgrades, Y-12 Plant, Oak Ridge, Tennessee, $1,400,000.

Project 93-D-178, building 374 liquid waste treatment facility, Rocky Flats, Golden, Colorado, $3,300,000.

Project 93-D-181, radioactive liquid waste line replacement, Richland, Washington, $3,300,000.

Project 93-D-182, replacement of cross-site transfer system, Richland, Washington, $18,910,000.

Project 93-D-183, multi-tank waste storage facility, Richland, Washington, $95,305,000.

Project 93-D-187, high-level waste removal from filled waste tanks, Savannah River, Aiken, South Carolina, $26,525,000.

Project 92-D-177, tank 101-AZ waste retrieval system, Richland, Washington, $5,000,000.

Project 92-D-188, waste management ES&H, and compliance activities, various locations, $2,846,000.

Project 91-D-171, waste receiving and processing facility, module 1, Richland, Washington, $3,995,000.

Project 90-D-172, aging waste transfer line, Richland, Washington, $3,819,000.

Project 90-D-177, RWMC transuranic (TRU) waste characterization and storage facility, Idaho National Engineering Laboratory, Idaho, $11,747,000.

Project 90-D-178, TSA retrieval containment building, Idaho National Engineering Laboratory, Idaho, $7,594,000.

Project 89-D-173, tank farm ventilation upgrade, Richland, Washington, $800,000.

Project 89-D-174, replacement high-level waste evaporator, Savannah River, South Carolina, $18,000,000.

Project 89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina, $500,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, California, $9,500,000.

Project 83-D-148, nonradioactive hazardous waste management, Savannah River, South Carolina, $6,000,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $45,058,000.

(2) Subject to subsection (h), the total amount authorized to be appropriated pursuant to this subsection is the sum of the amounts authorized to be appropriated in paragraph (1) reduced by $160,800,000, as a result of the productivity savings initiative.

(d) TECHNOLOGY DEVELOPMENT.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for technology development in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $426,409,000, to be allocated as follows:

(1) For operating expenses, $400,974,000.

(2) For capital equipment, $25,435,000.

(e) TRANSPORTATION MANAGEMENT.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for transportation management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $20,684,000, to be allocated as follows:

(1) For operating expenses, $20,240,000.

(2) For capital equipment, $444,000.

(f) PROGRAM DIRECTION.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for program direction in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $84,948,000, to be allocated as follows:

(1) For operating expenses, $83,748,000.

(2) For capital equipment, $1,200,000.

(g) FACILITY TRANSITION AND MANAGEMENT.—(1) Subject to paragraph (2), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for facility transition and management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $791,857,000, to be allocated as follows:

(A) For operating expenses, $681,550,000.

(B) For capital equipment, $23,947,000.

(C) 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), $86,360,000, to be allocated as follows:

Project GPD-171, general plant projects, various locations, $20,495,000.

Project 95-D-453, primary highway route north of the Wye Barricade, Richland, Washington, $2,500,000.

Project 95-D-454, 324 facility compliance/renovation, Richland, Washington, $1,500,000.

Project 95-D-455, Idaho National Engineering Laboratory radio communications upgrade, Idaho National Engineering Laboratory, Idaho, $1,440,000.

Project 95-D-456, security facilities upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $986,000.

Project 94-D-122, underground storage tanks, Rocky Flats, Colorado, $2,500,000.

Project 94-D-401, emergency response facility, Idaho National Engineering Laboratory, Idaho, $5,219,000.

Project 94-D-412, 300 area process sewer piping upgrade, Richland, Washington, $7,800,000.

Project 94-D-415, medical facilities, Idaho National Engineering Laboratory, Idaho, $4,920,000.

Project 94-D-451, infrastructure replacement, Rocky Flats Plant, Golden, Colorado, $10,600,000.

Project 93-D-172, electrical upgrade, Idaho National Engineering Laboratory, Idaho, $7,800,000.

Project 93-D-184, 325 facility compliance/renovation, Richland, Washington, $1,000,000.

Project 93-D-186, 200 area unsecured core area fabrication shop, Richland, Washington, $4,000,000.

Project 92-D-125, master safeguards and security agreement/materials surveillance task force security upgrades, Rocky Flats Plant, Golden, Colorado, $2,100,000.

Project 92-D-181, INEL fire and life safety improvements, Idaho National Engineering Laboratory, Idaho, $6,000,000.

Project 92-D-182, INEL sewer system upgrade, Idaho National Engineering Laboratory, Idaho, $1,900,000.

Project 92-D-186, steam system rehabilitation, Phase II, Richland, Washington, $5,600,000.

(2) Subject to subsection (h), the total amount authorized to be appropriated pursuant to this subsection is the sum of the amounts authorized to be appropriated in paragraph (1) reduced by $5,000,000, as a result of the productivity savings initiative.

(h) PRIOR YEAR BALANCES.—Subject to section 3105, the total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a), (b)(2), (c)(2), (d), (e), (f), and (g)(2) reduced by the sum of—

(1) $240,300,000 for use of prior year balances; and

(2) $17,500,000 for savings resulting from procurement reform.

SEC. 3103. NUCLEAR MATERIALS SUPPORT AND OTHER DEFENSE PROGRAMS.

(a) MATERIALS SUPPORT.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for materials support in carrying out nuclear materials support necessary for national security programs in the amount of $887,225,000, to be allocated as follows:

(1) For reactor operations, $163,634,000.

(2) For processing of nuclear materials, $369,468,000.

(3) For support services, $167,776,000.

(4) For capital equipment, $39,427,000.

(5) 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), $88,950,000, to be allocated as follows:

Project GPD-146, general plant projects, various locations, $21,000,000.

Project 95-D-154, health physics site support facility, Savannah River, South Carolina, $2,000,000.

Project 95-D-155, upgrade site road infrastructure, Savannah River, South Carolina, $750,000.

Project 95-D-156, radio trunking system, Savannah River, South Carolina, $2,100,000.

Project 95-D-157, D-area powerhouse life extension, Savannah River, South Carolina, $4,000,000.

Project 95-D-158, disassembly basin upgrades K, L, and P, Savannah River, South Carolina, $13,000,000.

Project 93-D-147, domestic water system upgrade, Phases I and II, Savannah River, South Carolina, $11,300,000.

Project 93-D-148, replace high-level drain lines, Savannah River, South Carolina, $2,700,000.

Project 93-D-152, environmental modification for production facilities, Savannah River, South Carolina, $2,900,000.

Project 92-D-143, health protection instrument calibration facility, Savannah River, South Carolina, $3,000,000.

Project 90-D-149, plantwide fire protection, Phases I and II, Savannah River, South Carolina, $21,000,000.

Project 92-D-150, operations support facilities, Savannah River, South Carolina, $2,000,000.

Project 92-D-153, engineering support facility, Savannah River, South Carolina, $3,200,000.

(6) For program direction, $58,000,000.

(b) OTHER DEFENSE PROGRAMS.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for other defense programs in carrying out defense programs necessary for national security programs in the amount of $692,204,000, to be allocated as follows:

(1) For verification and control technology, $358,102,000, to be allocated as follows:

(A) For operating expenses, $342,229,000.

(B) For capital equipment, $15,873,000.

(2) For nuclear safeguards and security, $85,816,000, to be allocated as follows:

(A) For operating expenses, $82,421,000.

(B) For capital equipment, $3,395,000.

(3) For security investigations, $38,827,000.

(4) For security evaluations, $14,780,000.

(5) For the Office of Nuclear Safety, $24,679,000, to be allocated as follows:

(A) For operating expenses, $24,629,000.

(B) For capital equipment, $50,000.

(6) For worker and community transition, $120,000,000.

(7) For fissile material control and disposition, $50,000,000.

(c) NAVAL REACTORS.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for naval reactors in carrying out nuclear materials support and other defense programs necessary for national security programs in the amount of $730,651,000, to be allocated as follows:

(1) For naval reactors development, $698,651,000, to be allocated as follows:

(A) For operating expenses:

(i) For plant development, $146,700,000.

(ii) For reactor development, $348,951,000.

(iii) For reactor operation and evaluation, $136,000,000.

(iv) For program direction, $18,800,000.

(B) For capital equipment, $28,200,000.

(C) 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), $20,000,000, to be allocated as follows:

Project GPN-101, general plant projects, various locations, $6,200,000.

Project 95-D-200, laboratory systems and hot cell upgrades, various locations, $2,400,000.

Project 95-D-201, advanced test reactor radioactive waste system upgrades, Idaho National Engineering Laboratory, Idaho, $700,000.

Project 93-D-200, engineering services facilities, Knolls Atomic Power Laboratory, Niskayuna, New York, $7,900,000.

Project 92-D-200, laboratories facilities upgrades, various locations, $2,800,000.

(2) For enrichment materials, for operating expenses, $32,000,000.

(d) ADJUSTMENTS.—Subject to section 3105, the total amount that may be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a), (b), and (c) reduced by the sum of—

(1) $40,000,000, for recovery of overpayment to the Savannah River Pension Fund;

(2) $6,500,000, for savings resulting from procurement reform; and

(3) $369,700,000, for transfer and use of prior year balances for materials support and other defense programs.

SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $129,430,000.

SEC. 3105. GENERAL REDUCTION IN AUTHORIZATION OF APPROPRIATIONS.

The total amount authorized to be appropriated pursuant to sections 3101, 3102, 3103, and 3104 is the sum of the amounts authorized to be appropriated in such sections reduced by $220,000,000 for use of prior year balances from fiscal year 1994.

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 the 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 authorized by this title if the total estimated cost of the construction project does not exceed $2,000,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $2,000,000, 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 section 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to the 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 action and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 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. FUNDS TRANSFER AUTHORITY.

The Secretary of Energy may transfer funds appropriated pursuant to this title to other agencies of the Federal 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, 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 $3,000,000.

(2) In the case of any project in which the total estimated cost for advance planning and design exceeds $600,000, 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 $3,000,000, funds for such planning and design must be specifically authorized by law.

SEC. 3126. REQUIREMENT FOR COMPLETION OF CONCEPTUAL DESIGN TO PRECEDE REQUEST FOR CONSTRUCTION FUNDS.

(a) REQUIREMENT.—Before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.

(b) EXCEPTIONS.—The requirement in subsection (a) does not apply to requests for funds—

(1) for the costs of preparing a conceptual design for a construction project referred to in that subsection; or

(2) for emergency planning, design, and construction activities under section 3127.

SEC. 3127. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy under sections 3101, 3102, and 3103, including those funds authorized to be appropriated for advance planning and construction design, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, 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. 3128. 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 that are made available 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. 3129. AVAILABILITY OF FUNDS.

When so specified in an appropriation Act, amounts appropriated for operating expenses, plant projects, and capital equipment may remain available until expended.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. STOCKPILE STEWARDSHIP RECRUITMENT AND TRAINING PROGRAM.

(a) CONDUCT OF PROGRAM.—(1) As part of the stockpile stewardship program established pursuant to section 3138 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1946; 42 U.S.C. 2121 note), the Secretary of Energy shall conduct a stockpile stewardship recruitment and training program at the Sandia National Laboratories, the Lawrence Livermore National Laboratory, and the Los Alamos National Laboratory.

(2) The recruitment and training program shall be conducted in coordination with the Chairman of the Joint Nuclear Weapons Council established by section 179 of title 10, United States Code, and the directors of the laboratories referred to in paragraph (1).

(b) SUPPORT OF DUAL-USE PROGRAMS.—(1) As part of the recruitment and training program, the directors of the laboratories referred to in subsection (a)(1) may employ undergraduate students, graduate students, and postdoctoral fellows to carry out research sponsored by such laboratories for military or nonmilitary dual-use programs related to nuclear weapons stockpile stewardship.

(2) Of the amounts authorized to be appropriated to the Secretary of Energy pursuant to section 3101(a)(1) for weapons activities for core research and development and allocated by the Secretary for education initiatives, $4,000,000 shall be available for carrying out paragraph (1). The amount available under this paragraph shall be allocated equally among the laboratories referred to in subsection (a)(1).

(c) ESTABLISHMENT OF RETIREE CORPS.—As part of the training and recruitment program, the Secretary, in coordination with the directors of the laboratories referred to in subsection (a)(1), shall establish for the laboratories a retiree corps of retired scientists who have expertise in research and development of nuclear weapons. The directors may employ the retired scientists on a part-time basis to provide appropriate assistance on nuclear weapons issues, to contribute relevant information to be archived, and to help to provide training to other scientists.

(d) REPORT.—(1) Not later than February 1, 1995, the Secretary of Energy shall submit to the congressional defense committees a report on the demographic trends of the personnel of the laboratories referred to in subsection (a)(1) and on actions taken by the Department of Energy to remedy identified deficiencies in various skill areas.

(2) The report shall be prepared in coordination with the Chairman of the Joint Nuclear Weapons Council and the directors of the laboratories. Information included in the report shall be aggregated and compiled into statistical categories.

(3) The report shall include the following:

(A) An inventory of the weapons-related tasks that the laboratories need to perform to support their nuclear weapons responsibilities.

(B) An inventory of the skills necessary to complete the weapons-related tasks referred to in subparagraph (A).

(C) For each laboratory, the number of scientists needed in each skill area to perform such tasks.

(D) The number of the scientists providing services in each skill area at each laboratory, stated by age.

(E) An assessment of which skill areas are understaffed.

(F) The number of scientists entering the weapons program at each laboratory, and their skill areas.

(G) The number of full-time equivalent personnel with weapon skills, their distribution by skill and, for each such skill, their distribution by age.

(H) The number of scientists retiring from the weapons program in the 5-year period ending on the date of the report and the skill areas in which they worked in the year preceding their retirement.

(I) Based on the information contained in subparagraphs (A) through (H), a projection of the skills areas that will become understaffed in the five years following the date of the report.

(J) Alternative actions that may be taken to retain and recruit scientists for the weapons programs at the laboratories in order to preserve a sufficient skill base and to fulfill stockpile stewardship responsibilities.

(K) Any plans of the Secretary to take any of the alternative actions referred to in subparagraph (J).

SEC. 3132. DEFENSE INERTIAL CONFINEMENT FUSION PROGRAM.

Of the funds authorized to be appropriated by this title to the Department of Energy for fiscal year 1995, $176,473,000 shall be available for the defense inertial confinement fusion program.

SEC. 3133. PAYMENT OF PENALTIES.

The Secretary of Energy may pay to the Hazardous Substance Superfund established under section 9507 of the Internal Revenue Code of 1986 (26 U.S.C. 9507), from funds appropriated to the Department of Energy for environmental restoration and waste management activities pursuant to section 3102, stipulated civil penalties assessed under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.) in amounts as follows:

(1) $50,000, assessed against the Fernald Environmental Management Project, Ohio, under such Act.

(2) $50,000, assessed against the Portsmouth Gaseous Diffusion Plant, Ohio, under such Act.

SEC. 3134. WATER MANAGEMENT PROGRAMS.

From funds authorized to be appropriated pursuant to section 3102 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 Northglenn, in the State of Colorado, $11,415,000 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 section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)).

SEC. 3135. LIMITATION ON USE OF FUNDS FOR SPECIAL ACCESS PROGRAMS.

Not more than 20 percent of the funds appropriated or otherwise made available to the Department of Energy for fiscal year 1995 pursuant to this title that are available for limited access programs and special access program may be obligated for a limited access program or special access program until the Secretary of Energy submits to the congressional defense committees the annual reports required to be submitted in that fiscal year under subsections (a) and (b) of section 93 of the Atomic Energy Act of 1954 (42 U.S.C. 2122a).

SEC. 3136. PROTECTION OF NUCLEAR WEAPONS FACILITIES WORKERS.

Of the funds authorized to be appropriated by section 310(2) for environmental restoration and waste management activities, $11,000,000 shall be available to carry out activities authorized under section 3131 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1571; 42 U.S.C. 7274d), relating to worker protection at nuclear weapons facilities.

SEC. 3137. NATIONAL SECURITY PROGRAMS.

Notwithstanding any other provision of law, not more than 90 percent of the funds appropriated to the Department of Energy for national security programs under this title may be obligated for such programs until the Secretary of Energy submits to the congressional defense committees the five-year budget plan with respect to fiscal year 1995 required under section 3144 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1681; 42 U.S.C. 7271b).

SEC. 3138. SCHOLARSHIP AND FELLOWSHIP PROGRAM FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

Of the funds authorized to be appropriated to the Department of Energy for fiscal year 1995 for environmental restoration and waste management, $1,000,000 shall be available for the Scholarship and Fellowship Program for Environmental Restoration and Waste Management carried out under section 3123 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1572; 42 U.S.C. 7274e).

SEC. 3139. HAZARDOUS MATERIALS MANAGEMENT AND HAZARDOUS MATERIALS EMERGENCY RESPONSE TRAINING PROGRAM.

Of the funds authorized to be appropriated to the Department of Energy for fiscal year 1995 under section 3102(d), not more than $14,000,000 shall be available to carry out a hazardous materials management and hazardous materials emergency response training program at Hanford Nuclear Reservation, Richland, Washington.

SEC. 3140. PROGRAMS FOR PERSONS WHO MAY HAVE BEEN EXPOSED TO RADIATION RELEASED FROM HANFORD NUCLEAR RESERVATION.

(a) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy under section 3101 for fiscal year 1995, $3,295,591 shall be available for activities relating to the Hanford Health Information Network established pursuant to the authority set forth in section 3138 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1834).

(b) LIMITATION ON RELEASE OF CERTAIN PERSONAL INFORMATION.—(1) Information referred to in paragraph (2) that is collected from an individual pursuant to operation of the Hanford Health Information Network shall be used only by the Network unless the individual, or a designated legal representative of the individual, authorizes in writing the use of the information for another purpose.

(2) Paragraph (1) applies to the following information:

(A) The name, address, telephone number, and medical information and records of each individual requesting assistance and information from the Network.

(B) Such other information or categories of information as the chief officers of the health departments of the States of Washington, Oregon, and Idaho jointly designate as information covered by this subsection.

SEC. 3141. SOLAR ENERGY ACTIVITIES AT NEVADA TEST SITE, NEVADA.

Of the funds authorized to be appropriated to the Department of Energy under section 3101, $10,000,000 shall be available for development of solar energy at the Nevada Test Site, Nevada.

Subtitle D—Other Matters

SEC. 3151. ACCOUNTING PROCEDURES FOR DEPARTMENT OF ENERGY FUNDS.

(a) IN GENERAL.—The Secretary of Energy shall prescribe procedures to account for the use of funds for the performance of the programs and activities of the Department of Energy for which funds are appropriated for national security programs of the Department of Energy. The procedures shall provide for such accounting for fiscal years beginning after fiscal year 1996.

(b) COVERED MATTERS.—The Secretary shall prescribe procedures under subsection (a)—

(1) to account for the funds appropriated to the Department for national security programs and activities of the Department that are not used for the purpose for which such funds were appropriated; and

(2) to provide an accounting for all encumbered funds, unencumbered funds, unobligated funds, costed funds, and uncosted obligations of the Department in that fiscal year.

SEC. 3152. APPROVAL FOR CERTAIN NUCLEAR WEAPONS ACTIVITIES.

(a) APPROVAL BY JOINT NUCLEAR WEAPONS COUNCIL.—Subsection (d) of section 179 of title 10, United States Code, is amended—

(1) by redesignating paragraphs (8) and (9) as paragraphs (9) and (10), respectively; and

(2) by inserting after paragraph (7) the following new paragraph (8):

"(8) Coordinating and approving activities initiated or conducted by the Department of Energy for the study, development, and production of nuclear warheads, including concept definition studies, feasibility studies, engineering development, hardware component fabrication, warhead production, and warhead retirement.".

(b) TECHNICAL AMENDMENTS.—Subsections (a)(3) and (b) of such section are amended by striking out "appointed" each place it appears and inserting in lieu thereof "designated".

SEC. 3153. STUDY OF FEASIBILITY OF CONDUCTING CERTAIN ACTIVITIES AT THE NEVADA TEST SITE, NEVADA.

Not later than April 1, 1995, the Secretary of Energy shall submit to Congress a report on the feasibility of conducting the following activities at the Nevada Test Site, Nevada:

(1) The demilitarization of large rocket motors, high energetic explosives and conventional ordnance.

(2) Disarmament and demilitarization of conventional weapons and components, generally.

(3) The conduct of experiments that assist in monitoring compliance with international agreements on the nonproliferation of nuclear weapons.

(4) The conduct of programs for the Department of Energy and the Department of Defense to develop simulator technologies for nuclear weapons design and effects, including advanced hydrodynamic simulators, fusion test facilities, and nuclear weapons effects simulators (such as the Decade and Jupiter simulators).

(5) The conduct of the stockpile stewardship program established pursuant to section 3138 of the National Defense Authorization Act for Fiscal Year 1994 (42 U.S.C. 2121 note).

(6) Experiments related to the nonproliferation of nuclear weapons, including experiments with respect to disablement of such weapons, nuclear forensics, sensors, and verification and monitoring.

SEC. 3154. NUCLEAR WEAPONS COUNCIL MEMBERSHIP.

Section 179(a)(1) title 10, United States Code, is amended to read as follows: "(3) Two senior representatives of the Department of Energy appointed by the Secretary of Energy.".

SEC. 3155. OFFICE OF FISSILE MATERIALS DISPOSITION.

(a) ESTABLISHMENT.—Title II of the Department of Energy Organization Act (42 U.S.C. 7131 et seq.) is amended by adding at the end the following:

"OFFICE OF FISSILE MATERIALS DISPOSITION

"SEC. 212. (a) There shall be within the Department an Office of Fissile Materials Disposition.

"(b) The Secretary shall designate the head of the Office. The head of the Office shall report to the Under Secretary.

"(c) The head of the Office shall be responsible for all activities of the Department relating to the management, storage, and disposition of fissile materials from weapons and weapons systems that are excess to the national security needs of the United States.".

(b) CONFORMING AMENDMENT.—The table of contents in the first section of such Act is amended by inserting after the item relating to section 210 the following new items:

"Sec. 211. Office of Minority Economic Impact.

"Sec. 212. Office of Fissile Materials Disposition.".

SEC. 3156. EXTENSION OF AUTHORITY TO LOAN PERSONNEL AND FACILITIES AT IDAHO NATIONAL ENGINEERING LABORATORY.

Section 1434 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456; 102 Stat. 2074), as amended by section 3136 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2641), is further amended—

(1) in the third sentence of subsection (a)(3), by striking out "fiscal years 1993 and 1994" and inserting in lieu thereof "fiscal years 1993, 1994, 1995, 1996, and 1997"; and

(2) in subsection (c), by striking out "September 30, 1994, with respect to the Idaho National Engineering Laboratory" and inserting in lieu thereof "September 30, 1997, with respect to the Idaho National Engineering Laboratory".

SEC. 3157. ELIMINATION OF REQUIREMENT FOR FIVE-YEAR PLAN FOR DEFENSE NUCLEAR FACILITIES.

Subsection (a) section 3135 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1575; 42 U.S.C. 7274g(a)) is amended—

(1) in paragraph (1)—

(A) by striking out "(A) defense nuclear facilities and (B) all other facilities owned or operated by the Department of Energy" in the first sentence and inserting in lieu thereof "all facilities owned or operated by the Department of Energy except defense nuclear facilities"; and

(B) by inserting "such" in the third sentence after "restoration at all";

(2) in paragraph (4), by striking out "The plan shall contain the following matter:" and inserting in lieu thereof "The plan shall include, with respect to the Department of Energy facilities required by paragraph (1) to be covered by the plan, the following matters:";

(3) by striking out paragraph (6); and

(4) by redesignating paragraph (7) as paragraph (6).

SEC. 3158. AUTHORITY FOR APPOINTMENT OF CERTAIN SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL.

(a) AUTHORITY.—(1) Notwithstanding any provision of title 5, United States Code, governing appointments in the competitive service and General Schedule classification and pay rates, or any other provision of law, the Secretary of Energy may—

(A) establish and set the rates of pay for not more than 200 positions in the Department of Energy for scientific, engineering, and technical personnel whose duties will relate to safety at defense nuclear facilities of the Department; and

(B) appoint persons to such positions.

(2) The rate of pay for a position established under paragraph (1) may not exceed the rate of pay payable for Level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(3) To the maximum extent practicable, the Secretary shall appoint persons under paragraph (1)(B) to the positions established under paragraph (1)(A) in accordance with the merit system principles set forth in section 2301 of such title.

(b) OPM REVIEW.—(1) The Secretary shall enter into an agreement with the Director of the Office of Personnel Management under which agreement the Director shall periodically evaluate the use of the authority set forth in subsection (a)(1).

(2) If the Director determines as a result of such evaluation that the Secretary of Energy is not appointing persons to positions under such authority in a manner consistent with the merit system principles set forth in section 2301 of title 5, United States Code, the Director shall notify the Secretary of that determination.

(3) Upon receipt of a notification under paragraph (2), the Secretary shall—

(A) take appropriate actions to appoint persons to positions under such authority in a manner consistent with such principles; or

(B) cease appointment of persons under such authority.

(c) TERMINATION.—(1) The authority provided under subsection (a)(1) shall terminate on September 30, 1997.

(2) An employee may not be separated from employment with the Department of Energy or receive a reduction in pay by reason of the termination of authority under paragraph (1).

SEC. 3159. DEPARTMENT OF ENERGY DECLASSIFICATION PRODUCTIVITY INITIATIVE.

Of the funds autorized to be appropriated to the Department of Energy under section 3103, $3,000,000 shall be available for the Department of Energy's Declassification Productivity Initiative.

SEC. 3160. SAFETY OVERSIGHT AND ENFORCEMENT AT DEFENSE NUCLEAR FACILITIES.

(a) FINDINGS.—Congress finds the following:

(1) Effective oversight of matters relating to nuclear safety at defense nuclear facilities and enforcement of nuclear safety standards at such facilities are critical to ensuring the safety of the public and the workers at such facilities.

(2) The Department of Energy has not devoted adequate attention historically to matters relating to nuclear safety at defense nuclear facilities.

(b) SAFETY AT DEFENSE NUCLEAR FACILITIES.—The Secretary of Energy shall take appropriate actions to ensure that—

(1) officials of the Department of Energy who are responsible for independent oversight of matters relating to nuclear safety at defense nuclear facilities and enforcement of nuclear safety standards at such facilities maintain independence from officials who are engaged in management of such facilities;

(2) the independent, internal oversight functions carried out by the Department include, at the minimum, activities relating to—

(A) the assessment of the safety of defense nuclear facilities;

(B) the assessment of the effectiveness of Department program offices in carrying out programs relating to the environment, safety, health, and security at defense nuclear facilities;

(C) the provision to the Secretary of oversight reports that—

(i) contain validated technical information; and

(ii) provide a clear analysis of the extent to which line programs governing defense nuclear facilities meet applicable goals for the environment, safety, health, and security at such facilities; and

(D) the development of clear performance standards to be used in assessing the adequacy of the programs referred to in subparagraph (C)(ii);

(3) the Department has a system for bringing issues relating to nuclear safety at defense nuclear facilities to the attention of the officials of the Department (including the Secretary of Energy) having authority to resolve such issues in an adequate and timely manner; and

(4) an adequate number of qualified personnel of the Department are assigned to oversee matters relating to nuclear safety at defense nuclear facilities and enforce nuclear safety standards at such facilities.

(c) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Energy shall submit to the congressional defense committees a report describing—

(1) the actions that the Secretary has taken or will take to fulfill the requirements set forth in paragraphs (1), (2), and (3) of subsection (b);

(2) the actions in addition to the actions described under paragraph (1) that the Secretary could take in order to fulfill such requirements; and

(3) the respective roles with regard to nuclear safety at defense nuclear facilities of the following officials:

(A) The Associate Deputy Secretary of Energy for Field Management.

(B) The Assistant Secretary of Energy for Defense Programs.

(C) The Assistant Secretary of Energy for Environmental Restoration and Waste Management.

SEC. 3161. CONDITIONS ON CONTRACTS BETWEEN THE FEDERAL GOVERNMENT AND CERTAIN LESSEES AND TRANSFEREES OF DEPARTMENT OF ENERGY PROPERTY.

(a) CONDITIONS.—Notwithstanding any other provision of law, the head of a department or agency of the United States may require as a condition of a contract with an entity described in subsection (b) that such entity certifies to the head of the department or agency the following:

(1) That no officer, director, employee, or agent of the entity has utilized in the preparation of the bid or solicitation for the contract—

(A) any records or systems of records of the Federal Government that are covered by section 552a of title 5, United States Code;

(B) any information or data of the Federal Government that has not been released or otherwise made generally available for preparation of bids or proposals on the contract; or

(C) any commercial information or data of another entity that has not been released or otherwise made generally available for that purpose.

(2) That the entity has returned, destroyed, or otherwise disposed of all documents received from the Federal Government by reason of any earlier contract between the Federal Government and the entity for the operation of the facility which is leased, or with respect to which property is transferred, to the entity pursuant to a provision of law referred to in subsection (b).

(b) COVERED ENTITIES.—Subsection (a) applies to any entity, or the affiliate, successor to, or assign of the entity, to which the Secretary of Energy leases a Department of Energy facility under section 646(c) of the Department of Energy Organization Act (42 U.S.C. 7256(d)) or to which the Secretary transfers personal property of such a facility under section 3155(a) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1953; 42 U.S.C. 7274l(c)).

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD AUTHORIZATION

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1995, $17,933,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. DISPOSAL OF OBSOLETE AND EXCESS MATERIALS CONTAINED IN THE NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL AUTHORIZED.—Subject to the conditions specified in subsection (b), the President may dispose of obsolete and excess materials currently contained in the National Defense Stockpile in order to modernize the stockpile. The materials subject to

disposal under this subsection and the quantity of each material authorized to be disposed of by the President are set forth in the following table:

AUTHORIZED STOCKPILE DISPOSALS

Material for disposal	Quantity
Aluminum	62,843 short tons.
Tungsten Group	51,336,478 pounds of contained tungsten.

(b) CONDITIONS ON DISPOSAL.—The authority of the President under subsection (a) to dispose of materials stored in the stockpile may not be used unless and until the Secretary of Defense certifies that the disposal of such materials will not adversely affect the capability of the National Defense Stockpile to supply the strategic and critical materials necessary 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, including any reconstitution of the military and industrial capabilities necessary to meet the planning assumptions used by the Secretary of Defense under section 14(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-5(b)).

SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.

Subject to such limitations as may be provided in appropriations Acts, during fiscal year 1995, the National Defense Stockpile Manager may obligate up to $54,200,000 of the funds in the National Defense Stockpile Transaction Fund established under subsection (a) of section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h) for the authorized uses of such funds under subsection (b)(2) of such section.

SEC. 3303. REPEAL OF ADVISORY COMMITTEE REQUIREMENT.

Section 3306 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2652; 50 U.S.C. 98h-1 note) is repealed.

SEC. 3304. ROTATION OF MATERIALS TO PREVENT TECHNOLOGICAL OBSOLESCENCE.

Section 6(a)(4) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e(a)(4)) is amended by inserting "or technological obsolescence" after "deterioration".

TITLE XXXIV—CIVIL DEFENSE

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated $129,658,000 for fiscal year 1995 for the purpose of carrying out the Federal Civil Defense Act of 1950 (50 U.S.C. 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 1995".

SEC. 3502. AUTHORIZATION OF EXPENDITURES.

(a) IN GENERAL.—Subject to subsection (b), the Panama Canal Commission is authorized to make such expenditures within the limits of funds and borrowing authority available to it in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as may be necessary under the Panama Canal Act of 1979 (22 U.S.C. 3601) for the operation, maintenance, and improvement of the Panama Canal for fiscal year 1995.

(b) LIMITATIONS.—For fiscal year 1995, the Panama Canal Commission may expend from funds in the Panama Canal Revolving Fund not more than $50,030,000 for administrative expenses, of which not more than—

(1) $11,000 may be used for official reception and representation expenses of the Supervisory Board of the Commission;

(2) $5,000 may be used for official reception and representation expenses of the Secretary of the Commission; and

(3) $30,000 may be used for official reception and representation expenses of the Administrator of the Commission.

(c) REPLACEMENT VEHICLES.—Funds available to the Panama Canal Commission shall be available for the purchase of not to exceed 43 passenger motor vehicles (including large heavy-duty vehicles to be used to transport Commission personnel across the isthmus of Panama). A vehicle may be purchased with such funds only as necessary to replace another passenger motor vehicle of the Commission. The purchase price of each vehicle may not exceed $19,500.

SEC. 3503. EXPENDITURES IN ACCORDANCE WITH OTHER LAWS.

Expenditures authorized under this Act may be made only in accordance with the Panama Canal Treaties of 1977 and any law of the United States implementing those treaties.

SEC. 3504. COSTS OF EDUCATIONAL SERVICES OBTAINED IN THE UNITED STATES.

Section 1321(e)(2) of the Panama Canal Act of 1979 (22 U.S.C. 3731(e)(2)) is amended by inserting "or the United States" after "schools in the Republic of Panama".

SEC. 3505. SPECIAL IMMIGRANT STATUS OF PANAMANIANS EMPLOYED BY THE UNITED STATES IN THE FORMER CANAL ZONE.

Section 101(a)(27)(F) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(27)(F)) is amended in clause (ii) by inserting "or continues to be employed by the United States Government in an area of the former Canal Zone" after "employment".

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1995

The text of the bill (H.R. 4301) to authorize appropriations for fiscal year 1995 for military activities of the Department of Defense, to prescribe personnel strengths for fiscal year 1995, and for other purposes, as passed by the Senate on July 1, 1994, is identical to S. 2182, this issue.

FEDERAL ACQUISITION STREAMLINING ACT OF 1994

The text of the bill (S. 2206) to revise and streamline the acquisition laws of the Federal Government, and for other purposes, as passed by the Senate on July 1, 1994, is as follows:

S. 2206

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 "Federal Acquisition Streamlining Act of 1994".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—CONTRACT FORMATION

Subtitle A—Competition Statutes

PART I—ARMED SERVICES ACQUISITIONS

SUBPART A—COMPETITION REQUIREMENTS

Sec. 1001. References to Federal Acquisition Regulation.
Sec. 1002. Establishment or maintenance of alternative sources of supply.
Sec. 1003. Clarification of approval authority for use of procedures other than full and open competition.
Sec. 1004. Task order contracts for advisory and assistance services.
Sec. 1005. Acquisition of expert services.

SUBPART B—PLANNING, SOLICITATION, EVALUATION, AND AWARD

Sec. 1011. Source selection factors.
Sec. 1012. Solicitation provision regarding evaluation of purchase options.
Sec. 1013. Prompt notice of award.
Sec. 1014. Post-award debriefings.
Sec. 1015. Protest file.
Sec. 1016. Award of costs and fees in agency settlement of protests.
Sec. 1017. Two-phase selection procedures.

SUBPART C—KINDS OF CONTRACTS

Sec. 1021. Secretarial determination regarding use of cost type or incentive contract.
Sec. 1022. Technical and conforming amendments.

SUBPART D—MISCELLANEOUS PROVISIONS FOR THE ENCOURAGEMENT OF COMPETITION

Sec. 1031. Repeal of requirement for annual report by advocates for competition.

PART II—CIVILIAN AGENCY ACQUISITIONS

SUBPART A—COMPETITION REQUIREMENTS

Sec. 1051. References to Federal Acquisition Regulation.
Sec. 1052. Establishment or maintenance of alternative sources of supply.
Sec. 1053. Clarification of approval authority for use of procedures other than full and open competition.
Sec. 1054. Task order contracts for advisory and assistance services.
Sec. 1055. Acquisition of expert services.
Sec. 1056. Continued occupancy of leased space.

SUBPART B—PLANNING, SOLICITATION, EVALUATION, AND AWARD

Sec. 1061. Solicitation, evaluation, and award.
Sec. 1062. Solicitation provision regarding evaluation of purchase options.
Sec. 1063. Prompt notice of award.
Sec. 1064. Post-award debriefings.
Sec. 1065. Protest file.
Sec. 1066. Award of costs and fees in agency settlement of protests.
Sec. 1067. Two-phase selection procedures.

SUBPART C—KINDS OF CONTRACTS

Sec. 1071. Agency head determination regarding use of cost type or incentive contract.
Sec. 1072. Multiyear contracting authority.
Sec. 1073. Severable services contracts crossing fiscal years.
Sec. 1074. Economy Act purchases.

PART III—ACQUISITIONS GENERALLY

Sec. 1091. Policy regarding consideration of contractor past performance.
Sec. 1092. Repeal of requirement for annual report on competition.

Subtitle B—Truth in Negotiations

PART I—ARMED SERVICES ACQUISITIONS

Sec. 1201. Stabilization of dollar threshold of applicability.
Sec. 1202. Exceptions to cost or pricing data requirements.
Sec. 1203. Limitation on authority to require a submission not otherwise required.
Sec. 1204. Additional special rules for commercial items.
Sec. 1205. Right of United States to examine contractor records.

Sec. 1206. Required regulations.
Sec. 1207. Consistency of time references.
Sec. 1208. Exception for transfers between divisions, subsidiaries, and affiliates.
Sec. 1209. Repeal of superseded provision.
PART II—CIVILIAN AGENCY ACQUISITIONS
Sec. 1251. Revision of civilian agency provisions to ensure uniform treatment of cost or pricing data.
Sec. 1252. Repeal of obsolete provision.
Subtitle C—Research and Development
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Sec. 1302. Elimination of inflexible terminology regarding coordination and communication of defense research activities.
Subtitle D—Procurement Protests
PART I—PROTESTS TO THE COMPTROLLER GENERAL
Sec. 1401. Protest defined.
Sec. 1402. Review of protests and effect on contracts pending decision.
Sec. 1403. Decisions on protests.
Sec. 1404. Regulations.
PART II—PROTESTS IN THE FEDERAL COURTS
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Sec. 1422. Jurisdiction of the United States Court of Federal Claims.
PART III—PROTESTS IN PROCUREMENTS OF AUTOMATIC DATA PROCESSING
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Sec. 1432. Authority of the General Services Administration Board of Contract Appeals.
Sec. 1433. Periods for certain actions.
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Sec. 1439. Definitions.
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Sec. 1501. Definitions.
Sec. 1502. Delegation of procurement functions.
Sec. 1503. Determinations and decisions.
Sec. 1504. Undefinitized contractual actions: restrictions.
Sec. 1505. Production special tooling and production special test equipment: contract terms and conditions.
Sec. 1506. Regulations for bids.
PART II—CIVILIAN AGENCY ACQUISITIONS
Sec. 1551. Definitions.
Sec. 1552. Delegation of procurement functions.
Sec. 1553. Determinations and decisions.
Sec. 1554. Cooperative purchasing.
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Subtitle A—Contract Payment
PART I—ARMED SERVICES ACQUISITIONS
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PART II—CIVILIAN AGENCY ACQUISITIONS
Sec. 2051. Contract financing.
Subtitle B—Cost Principles
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Sec. 2101. Allowable contract costs.
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Sec. 2151. Allowable contract costs.
PART III—ACQUISITIONS GENERALLY
Sec. 2191. Travel expenses of government contractors.
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Subtitle C—Audit and Access to Records
PART I—ARMED SERVICES ACQUISITIONS
Sec. 2201. Consolidation and revision of authority to examine records of contractors.
PART II—CIVILIAN AGENCY ACQUISITIONS
Sec. 2251. Authority to examine records of contractors.
Subtitle D—Cost Accounting Standards
Sec. 2301. Exceptions to coverage.
Sec. 2302. Repeal of obsolete deadline regarding procedural regulations for the Cost Accounting Standards Board.
Subtitle E—Administration of Contract Provisions Relating to Price, Delivery, and Product Quality
PART I—ARMED SERVICES ACQUISITIONS
Sec. 2401. Procurement of critical aircraft and ship spare parts; quality control.
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PART II—ACQUISITIONS GENERALLY
Sec. 2451. Section 3737 of the Revised Statutes: expansion of authority to prohibit setoffs against assignees; reorganization of section; revision of obsolete provisions.
Sec. 2452. Repeal of requirement for deposit of contracts with GAO.
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PART II—ACQUISITIONS GENERALLY
Sec. 2551. Claims jurisdiction of United States district courts and the United States Court of Federal Claims.
Sec. 2552. Contract Disputes Act improvements.
Sec. 2553. Extension of alternative dispute resolution authority.
Sec. 2554. Expedited resolution of contract administration complaints.
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Sec. 3001. Requirement for independent cost estimates and manpower estimates before development or production.
Sec. 3002. Enhanced program stability.
Sec. 3003. Repeal of requirement to designate certain major defense acquisition programs as defense enterprise programs.
Sec. 3004. Repeal of requirement for competitive prototyping in major programs.
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Subtitle B—Testing Statutes
Sec. 3011. Director of Operational Test and Evaluation to report directly to Secretary of Defense.
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Sec. 3021. Gratuitous services of officers of certain reserve components.
Sec. 3022. Authority to rent samples, drawings, and other information to others.
Sec. 3023. Civil Reserve Air Fleet.
Sec. 3024. Exchange of personnel.
Sec. 3025. Scientific investigation and research for the Navy.
Sec. 3026. Construction of combatant and escort vessels and assignment of vessel projects.
Sec. 3027. Repeal of requirement for construction of vessels on Pacific coast.
Sec. 3028. Authority to transfer by gift a vessel stricken from Naval Vessel Register.
Sec. 3029. Naval salvage facilities.
Subtitle D—Department of Defense Commercial and Industrial Activities
Sec. 3051. Accounting requirement for contracted advisory and assistance services.
Subtitle E—Fuel- and Energy-Related Laws
Sec. 3061. Liquid fuels and natural gas: contracts for storage, handling, or distribution.
Subtitle F—Fiscal Statutes
Sec. 3071. Disbursement of funds of military department to cover obligations of another agency of Department of Defense.
Subtitle G—Miscellaneous
Sec. 3081. Obligation of funds: limitation.
Sec. 3082. Repeal of requirements regarding product evaluation activities.
Sec. 3083. Codification and revision of limitation on lease of vessels, aircraft, and vehicles.
Sec. 3084. Soft drink supplies for exchange stores.
Sec. 3085. Repeal of preference for recycled toner cartridges.
TITLE IV—SIMPLIFIED ACQUISITION THRESHOLD AND SOCIOECONOMIC, SMALL BUSINESS, AND MISCELLANEOUS LAWS
Subtitle A—Simplified Acquisition Threshold
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PART II—SIMPLIFICATION OF PROCEDURES
Sec. 4011. Simplified acquisition procedures.
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Sec. 4021. Future enacted procurement laws.
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Sec. 4073. Office of Federal Procurement Policy Act.
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PART V—REVISION OF REGULATIONS
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Sec. 4105. Development of definitions regarding certain small business concerns.

Subtitle C—Miscellaneous Acquisition Laws

Sec. 4151. Prohibition on use of funds for documenting economic or employment impact of certain acquisition programs.
Sec. 4152. Restriction on use of noncompetitive procedures for procurement from a particular source.

TITLE V—ACQUISITION MANAGEMENT

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Sec. 5001. Performance based management.
Sec. 5002. Results oriented acquisition program cycle.
Sec. 5003. Defense acquisition pilot program designations.

Subtitle B—Civilian Agency Acquisitions

Sec. 5051. Performance based management.
Sec. 5052. Results-oriented acquisition process.

Subtitle C—Miscellaneous

Sec. 5091. Contractor exceptional performance awards.
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TITLE VI—STANDARDS OF CONDUCT

Subtitle A—Ethics Provisions

Sec. 6001. Amendments to Office of Federal Procurement Policy Act.
Sec. 6002. Amendments to title 18, United States Code.
Sec. 6003. Repeal of superseded and obsolete laws.
Sec. 6004. Implementation.

Subtitle B—Additional Amendments

Sec. 6051. Contracting functions performed by Federal personnel.
Sec. 6052. Repeal of executed requirement for study and report.
Sec. 6053. Interests of Members of Congress.
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Subtitle C—Whistleblower Protection

Sec. 6101. Armed services procurements.
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TITLE VII—DEFENSE TRADE AND COOPERATION

Sec. 7001. Purchases of foreign goods.
Sec. 7002. International cooperative agreements.
Sec. 7003. Acquisition, cross-servicing agreements, and standardization.

TITLE VIII—COMMERCIAL ITEMS

Sec. 8001. Definitions.
Sec. 8002. Preference for acquisition of commercial items and nondevelopmental items.
Sec. 8003. Acquisition of commercial items.
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Sec. 8006. Flexible deadlines for submission of offers of commercial items.
Sec. 8007. Advocates for acquisition of commercial and nondevelopmental items.
Sec. 8008. Provisions not affected.
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TITLE IX—MISCELLANEOUS PROVISIONS

Sec. 9001. Comptroller General review of the provision of legal advice for inspectors general.
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TITLE X—EFFECTIVE DATES AND IMPLEMENTATION

Sec. 10001. Effective dates.
Sec. 10002. Implementing regulations.
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TITLE XI—WAIVER OF THE APPLICATION OF THE PREVAILING WAGE-SETTING REQUIREMENTS TO VOLUNTEERS

Sec. 11001. Short title.
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TITLE I—CONTRACT FORMATION

Subtitle A—Competition Statutes

PART I—ARMED SERVICES ACQUISITIONS

Subpart A—Competition Requirements

SEC. 1001. REFERENCES TO FEDERAL ACQUISITION REGULATION.

Section 2304 of title 10, United States Code, is amended—

(1) in subsection (a)(1)(A), by striking out "modifications" and all that follows through "note)" and inserting in lieu thereof "Federal Acquisition Regulation"; and

(2) in subsection (g)(1), by striking out "regulations modified" and all that follows through "note)" and inserting in lieu thereof "Federal Acquisition Regulation".

SEC. 1002. ESTABLISHMENT OR MAINTENANCE OF ALTERNATIVE SOURCES OF SUPPLY.

Section 2304(b) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking out "or" at the end of subparagraph (B);

(B) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(C) by adding at the end the following new subparagraphs:

"(D) would ensure the continuous availability of a reliable source of supply of such property or service;

"(E) would satisfy projected needs for such property or service determined on the basis of a history of high demand for the property or service; or

"(F) in the case of medical supplies, safety supplies, or emergency supplies, would satisfy a critical need for such supplies.";

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

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

"(2) The determination required of the agency head in paragraph (1) may not be made for a class of purchases or contracts."; and

(4) in paragraph (4), as redesignated by paragraph (2), by striking out "paragraphs (1) and (2)" and inserting in lieu thereof "paragraphs (1) and (3)".

SEC. 1003. CLARIFICATION OF APPROVAL AUTHORITY FOR USE OF PROCEDURES OTHER THAN FULL AND OPEN COMPETITION.

Section 2304(f)(1)(B)(i) of title 10, United States Code, is amended by inserting before the semicolon at the end the following: "or by an official referred to in clause (ii), (iii), or (iv)".

SEC. 1004. TASK ORDER CONTRACTS FOR ADVISORY AND ASSISTANCE SERVICES.

(a) AUTHORITY.—

(1) IN GENERAL.—Chapter 137 of title 10, United States Code, is amended by inserting after section 2304 the following new section:

"§ 2304a. Task order contracts for advisory and assistance services

"(a) AUTHORITY TO AWARD.—(1) Subject to the requirements of this section, the head of an agency may enter into a contract for advisory and assistance services that does not procure or specify a firm quantity of services (other than a minimum or maximum quantity) and that provides for the issuance of task orders during the specified period of the contract.

"(2) Except as provided in subsection (h), the head of an agency may enter into a contract described in paragraph (1) only under the authority of this section.

"(b) LIMITATION ON CONTRACT PERIOD.—The period of a contract referred to in subsection (a), including all periods of extensions of the contract under options, modifications, or otherwise, may not exceed 5 years unless a longer period is specifically authorized in a law that is applicable to such contract.

"(c) CONTRACT PROCEDURES.—(1) The head of an agency may use procedures other than competitive procedures to enter into a contract referred to in subsection (a) only if an exception in subsection (c) of section 2304 of this title applies to the contract and the use of such procedures is approved in accordance with subsection (f) of such section.

"(2) The notice required by section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)) shall reasonably and fairly describe the general scope, magnitude, and duration of the proposed contract in a manner that would reasonably enable a potential offeror to decide whether to request the solicitation and consider submitting an offer.

"(3) The solicitation shall include the following:

"(A) The period of the contract, including the number of options to extend the contract and the period for which the contract may be extended under each option, if any.

"(B) The maximum quantity or dollar value of services to be procured under the contract.

"(C) A statement of work, specifications, or other description that reasonably describes the general scope, nature, complexity, and purposes of the services to be procured under the contract.

"(4)(A) The head of an agency may, on the basis of one solicitation, award separate contracts under this section for the same or similar services to two or more sources if the solicitation states that the head of the agency has the option to do so.

"(B) If, in the case of a contract for advisory and assistance services to be entered into under the authority of this section, the contract period is to exceed 3 years and the contract amount is estimated to exceed $10,000,000 (including all options), the solicitation shall—

"(i) provide for a multiple award authorized under subparagraph (A); and

"(ii) include a statement that the head of the agency may also elect to award only one contract if the head of the agency determines in writing that only one of the offerers is capable of providing the services required at the level of quality required.

"(C) Subparagraph (B) does not apply in the case of a solicitation for which the head

of an agency determines in writing that, because the services required under the contract are unique or highly specialized, it is not practicable to award more than one contract.

"(5) A contract referred to in subsection (a) shall contain the same information that is required by paragraph (3) to be included in the solicitation of offers for that contract.

"(d) ORDER PROCEDURES.—(1) The following actions are not required for a task order issued under a contract entered into in accordance with this section:

"(A) A separate notice for such order under section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) or section 8(e) of the Small Business Act (15 U.S.C. 637(e)).

"(B) Except as provided in paragraph (2), a competition (or a waiver of competition approved in accordance with section 2304(f) of this title) that is separate from that used for entering into the contract.

"(2)(A) When multiple contracts are awarded pursuant to subsection (c)(4), all contractors awarded such contracts shall be provided a fair opportunity to be considered, pursuant to procedures set forth in the contracts, for each task order in excess of $2,500 that is to be issued under any of the contracts unless—

"(i) the agency's need for the services ordered is of such unusual urgency that competition would result in unacceptable delays in fulfilling the agency's needs;

"(ii) only one such contractor is capable of providing the services required at the level of quality required because the services ordered are unique or so highly specialized;

"(iii) the task order should be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to a task order already issued on a competitive basis; or

"(iv) the order must be placed with a particular contractor in order to satisfy a minimum guarantee.

"(B) When a task order is issued in accordance with subparagraph (A), the order shall include a statement of work that clearly specifies all tasks to be performed under the order.

"(3) A protest is not authorized in connection with the issuance or proposed issuance of a task order except for a protest on the ground that the order increases the scope, period, or maximum value of the contract under which the order is issued.

"(e) INCREASES IN SCOPE, PERIOD, OR MAXIMUM VALUE OF CONTRACT.—(1) A task order may not increase the scope, period, or maximum value of the contract under which the order is issued. The scope, period, or maximum value of the contract may be increased only by modification of the contract.

"(2) Unless use of procedures other than competitive procedures is authorized by an exception in subsection (c) of section 2304 of this title and approved in accordance with subsection (f) of such section, competitive procedures shall be used for making such a modification.

"(3) Notice regarding the modification shall be provided in accordance with section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)).

"(4)(A) Notwithstanding the limitation on the contract period set forth in subsection (b) or in a solicitation or contract pursuant to subsection (c), a contract entered into by the head of an agency under this section may be extended on a sole-source basis for a period not exceeding 6 months if the agency head determines that—

"(i) the award of a follow-on contract has been delayed by circumstances that were not reasonably foreseeable at the time the initial contract was entered into; and

"(ii) the extension is necessary in order to ensure continuity of the receipt of services pending the award of, and commencement of performance under, the follow-on contract.

"(B) A contract may be extended under the authority of subparagraph (A) only once and only in accordance with the limitations and requirements of this subsection.

"(f) TASK ORDER OMBUDSMAN.—Each head of an agency who awards multiple contracts pursuant to subsection (c)(4) shall appoint or designate a task order ombudsman who shall be responsible for reviewing complaints from the contractors on such contracts and ensuring that all of the contractors are afforded a fair opportunity to be considered for task orders when required under subsection (d)(2). The task order ombudsman shall be a senior agency official who is independent of the contracting officer for the contracts and may be the agency's competition advocate.

"(g) INAPPLICABILITY TO CERTAIN CONTRACTS.—This section does not apply to a contract for the acquisition of property or services that includes acquisition of advisory and assistance services if the head of an agency entering into such contract determines that, under the contract, advisory and assistance services are necessarily incident to, and not a significant component of, the contract.

"(h) RELATIONSHIP TO OTHER CONTRACTING AUTHORITY.—Nothing in this section may be construed to limit the authority of the head of an agency to enter into single or multiple task order contracts, or single or multiple delivery order contracts, for property or services (other than advisory and assistance services) under other provisions of this chapter or under any other provision of law.

"(i) ADVISORY AND ASSISTANCE SERVICES DEFINED.—In this section, the term 'advisory and assistance services' has the meaning given such term in section 1105(g) of title 31.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2304 the following new item:

"2304a. Task order contracts for advisory and assistance services.".

(b) REPEAL OF SUPERSEDED PROVISION.—Section 2304 of title 10, United States Code, is amended by striking out subsection (j).

(c) CONFORMING AMENDMENT FOR PROFESSIONAL AND TECHNICAL SERVICES.—Section 2331 of title 10, United States Code, is amended by striking out subsection (c).

SEC. 1005. ACQUISITION OF EXPERT SERVICES.

Section 2304(c)(3) of title 10, United States Code, is amended—

(1) by striking out "or (B)" and inserting in lieu thereof "(B)"; and

(2) by inserting before the semicolon at the end the following: ", or (C) to procure the services of an expert for use, in any litigation or dispute (including any reasonably foreseeable litigation or dispute) involving the Federal Government, in any trial, hearing, or proceeding before any court, administrative tribunal, or agency, or in any part of an alternative dispute resolution process, whether or not the expert is expected to testify".

Subpart B—Planning, Solicitation, Evaluation, and Award

SEC. 1011. SOURCE SELECTION FACTORS.

Section 2305(a) of title 10, United States Code, is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)(i), by striking out "nonprice-related factors)" and inserting in lieu thereof "nonprice-related factors and subfactors)"; and

(B) in subparagraph (B)(ii), by striking out subclause (I) and inserting in lieu thereof the following:

"(I) either a statement that the proposals are intended to be evaluated with, and award made after, discussions with the offerors, or a statement that the proposals are intended to be evaluated, and award made, without discussions with the offerors (other than discussions conducted for the purpose of minor clarification) unless discussions are determined to be necessary; and"; and

(2) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3)(A) In prescribing the evaluation factors to be included in each solicitation for competitive proposals, the head of an agency—

"(i) shall clearly establish the relative importance assigned to the evaluation factors and subfactors, including the quality of the product or services to be provided (including technical capability, management capability, prior experience, and past performance of the offeror);

"(ii) shall include cost or price to the Government as an evaluation factor that must be considered in the evaluation of proposals; and

"(iii) shall disclose to offerors whether all evaluation factors other than cost or price, when combined, are—

"(I) significantly more important than cost or price;

"(II) approximately equal in importance to cost or price; or

"(III) significantly less important than cost or price.

"(B) Nothing in this paragraph prohibits an agency from—

"(i) providing additional information in a solicitation, including numeric weights for all evaluation factors; or

"(ii) stating in a solicitation that award will be made to the offeror that meets the solicitation's mandatory requirements at the lowest cost or price.".

SEC. 1012. SOLICITATION PROVISION REGARDING EVALUATION OF PURCHASE OPTIONS.

(a) OPTIONS FOR ADDITIONAL PURCHASES.—Subsection (a) of section 2305 of title 10, United States Code, as amended by section 1011, is further amended by adding at the end the following new paragraph:

"(4) The head of an agency, in issuing a solicitation for a contract to be awarded using sealed bid procedures, may not include in such solicitation a clause providing for the evaluation of prices for options to purchase additional property or services under the contract unless the head of the agency has determined that there is a reasonable likelihood that the options will be exercised.".

(b) REPEAL OF SUPERSEDED PROVISION.—Section 2301(a) of such title is amended—

(1) by striking out paragraph (7);

(2) by inserting "and" at the end of paragraph (5); and

(3) by striking out "; and" at the end of paragraph (6) and inserting in lieu thereof a period.

SEC. 1013. PROMPT NOTICE OF AWARD.

(a) SEALED BID PROCEDURES.—Section 2305(b)(3) of title 10, United States Code, is amended by adding at the end the following: "As soon as practicable after the date of contract award, the head of the agency shall, in accordance with procedures prescribed in the

Federal Acquisition Regulation, notify all offerors not awarded the contract that the contract has been awarded.".

(b) COMPETITIVE PROPOSALS PROCEDURES.—Section 2305(b)(4)(B) of title 10, United States Code, is amended in the second sentence by striking out "source and shall promptly notify" and inserting in lieu thereof "source. As soon as practicable after the date of contract award, the head of the agency shall, in accordance with procedures prescribed in the Federal Acquisition Regulation, notify".

SEC. 1014. POST-AWARD DEBRIEFINGS.

Section 2305(b) of title 10, United States Code, is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following new paragraph (5):

"(5)(A) When a contract is awarded by the head of an agency on the basis of competitive proposals, an unsuccessful offeror, upon written request received by the agency within 3 days after the date on which the unsuccessful offeror receives the notification of the contract award, shall be debriefed and furnished the basis for the selection decision and contract award. An employee of the agency shall debrief the offeror promptly after receipt of the request by the agency.

"(B) The debriefing shall include, at a minimum—

"(i) the agency's evaluation of the significant weak or deficient factors in the offeror's offer;

"(ii) the overall evaluated cost and technical rating of the offer of the contractor awarded the contract and the overall evaluated cost and technical rating of the offer of the debriefed offeror;

"(iii) the overall ranking of all offers;

"(iv) a summary of the rationale for the award;

"(v) in the case of a proposal for a commercial item other than a commercial component, the make and model of the item being provided in accordance with the offer of the contractor awarded the contract; and

"(vi) reasonable responses to questions posed by the debriefed offeror as to whether source selection procedures set forth in the solicitation, applicable regulations, and other applicable authorities were followed by the agency.

"(C) The debriefing may not include point-by-point comparisons of the debriefed offeror's offer with other offers and may not disclose any information that is exempt from disclosure under section 552 of title 5, including information relating to—

"(i) trade secrets;

"(ii) privileged or confidential manufacturing processes and techniques; and

"(iii) commercial and financial information that is privileged or confidential, including cost breakdowns, profit, indirect cost rates, and similar information.

"(D) Each solicitation for competitive proposals shall include a statement that information described in subparagraph (B) may be disclosed in post-award debriefings.

"(E) If, within one year after the date of the contract award and as a result of a successful procurement protest or otherwise, the agency seeks to fulfill the requirement under the contract either on the basis of a new solicitation of offers or on the basis of new best and final offers requested for that contract, the agency shall make available to all offerors—

"(i) the information provided in debriefings under this paragraph regarding the offer of the contractor awarded the contract; and

"(ii) the same information that would have been provided to the original offerors.

"(F) The contracting officer shall include a summary of the debriefing in the contract file.".

SEC. 1015. PROTEST FILE.

Section 2305 of title 10, United States Code, is amended by adding at the end the following:

"(e)(1) If, in the case of a solicitation for a contract issued by, or an award or proposed award of a contract by, the head of an agency, a protest is filed pursuant to the procedures in subchapter V of chapter 35 of title 31 and an actual or prospective offeror so requests, a file of the protest shall be established by the procuring activity and reasonable access shall be provided to actual or prospective offerors.

"(2) Information exempt from disclosure under the section 552 of title 5 may be redacted in a file established pursuant to paragraph (1) unless an applicable protective order provides otherwise.

"(3) Regulations implementing this subsection shall be consistent with the regulations regarding the preparation and submission of an agency's protest file (the so-called 'rule 4 file') for protests to the General Services Board of Contract Appeals under section 111 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 759).".

SEC. 1016. AWARD OF COSTS AND FEES IN AGENCY SETTLEMENT OF PROTESTS.

Section 2305 of title 10, United States Code, as amended by section 1015, is further amended by adding at the end the following new subsection:

"(f) If, in connection with a protest, the head of an agency determines that a solicitation, proposed award, or award does not comply with the requirements of law or regulation, the head of the agency may take—

"(1) any action set out in subparagraphs (A) through (F) of subsection (b)(1) of section 3554 of title 31; and

"(2) may pay costs described in paragraph (1) of section 3554(c) of title 31 within the limits referred to in paragraph (2) of such section.".

SEC. 1017. TWO-PHASE SELECTION PROCEDURES.

(a) PROCEDURES AUTHORIZED.—Chapter 137 of title 10, United States Code, is amended by inserting after section 2305 the following new section:

"§ 2305a. Two-phase selection procedures

"(a) PROCEDURES AUTHORIZED.—The head of an agency may use two-phase selection procedures for entering into a contract for the acquisition of property or services (other than a construction contract) when the head of the agency determines that three or more offers will be received for such contract, substantial design work must be performed before an offeror can develop a price or cost proposal for such contract, and the offerors will incur a substantial amount of expenses in preparing the offers.

"(b) PROCEDURES DESCRIBED.—Two-phase selection procedures consist of the following:

"(1) The head of the agency solicits proposals that—

"(A) include information on the offerors'—

"(i) technical approach; and

"(ii) technical qualifications; and

"(B) do not include—

"(i) detailed design information; or

"(ii) cost or price information.

"(2) The head of the agency evaluates the proposals on the basis of evaluation criteria set forth in the solicitation, except that the head of the agency does not consider cost-related or price-related evaluation factors.

"(3) The head of the agency selects at least three offerors as the most highly qualified to provide the property or services under the contract and requests the selected offerors to submit competitive proposals that include cost or price information.

"(4) The head of the agency awards the contract in accordance with section 2305(b)(4) of this title.

"(c) SOLICITATION TO STATE NUMBER OF OFFERORS TO BE SELECTED FOR PHASE TWO REQUESTS FOR COMPETITIVE PROPOSALS.—A solicitation issued pursuant to subsection (b)(1) shall state the maximum number of offerors that are to be selected to submit competitive proposals pursuant to subsection (b)(3).

"(d) RESOURCE COMPARISON CRITERION REQUIRED.—In using two-phase selection procedures for entering into a contract, the head of the agency shall establish a resource criterion or a financial criterion applicable to the contract in order to provide a consistent basis for comparing the offerors and their proposals.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2305 the following:

"2305a. Two-phase selection procedures.".

Subpart C—Kinds of Contracts

SEC. 1021. SECRETARIAL DETERMINATION REGARDING USE OF COST TYPE OR INCENTIVE CONTRACT.

Subsection (c) of section 2306 of title 10, United States Code, is repealed.

SEC. 1022. TECHNICAL AND CONFORMING AMENDMENTS.

(a) REPEAL OF UNNECESSARY CROSS REFERENCE.—Subsection (f) of section 2306 of title 10, United States Code, is repealed.

(b) CONFORMING AMENDMENT.—Such section is amended by redesignating subsections (d), (e), (g), and (h) as subsections (c), (d), (e), and (f), respectively.

(c) NEUTERIZATION OF REFERENCE.—Subsection (e)(1) of such section, as redesignated by subsection (b), is amended in the matter above clause (i) by striking out "whenever he finds" and inserting in lieu thereof "whenever the head of the agency finds".

Subpart D—Miscellaneous Provisions for the Encouragement of Competition

SEC. 1031. REPEAL OF REQUIREMENT FOR ANNUAL REPORT BY ADVOCATES FOR COMPETITION.

Subsection (c) of section 2318 of title 10, United States Code, is repealed.

PART II—CIVILIAN AGENCY ACQUISITIONS

Subpart A—Competition Requirements

SEC. 1051. REFERENCES TO FEDERAL ACQUISITION REGULATION.

Section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253) is amended—

(1) in subsection (a)(1)(A), by striking out "modifications" and all that follows through "of 1984" and inserting in lieu thereof "Federal Acquisition Regulation"; and

(2) in subsection (g)(1), by striking out "regulations modified" and all that follows through "of 1984," and inserting in lieu thereof "Federal Acquisition Regulation".

SEC. 1052. ESTABLISHMENT OR MAINTENANCE OF ALTERNATIVE SOURCES OF SUPPLY.

Section 303(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(b)) is amended—

(1) in paragraph (1)—

(A) by striking out "or" at the end of subparagraph (B);

(B) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(C) by adding at the end the following new subparagraphs:

"(D) would ensure the continuous availability of a reliable source of supply of such property or service;

"(E) would satisfy projected needs for such property or service determined on the basis of a history of high demand for the property or service; or

"(F) in the case of medical supplies, safety supplies, or emergency supplies, would satisfy a critical need for such supplies.";

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

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

"(2) The determination required of the agency head in paragraph (1) may not be made for a class of purchases or contracts."; and

(4) in paragraph (4), as redesignated by paragraph (2), by striking out "paragraphs (1) and (2)" and inserting in lieu thereof "paragraphs (1) and (3)".

SEC. 1053. CLARIFICATION OF APPROVAL AUTHORITY FOR USE OF PROCEDURES OTHER THAN FULL AND OPEN COMPETITION.

Section 303(f)(1)(B)(i) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(f)(1)(B)(i)) is amended by inserting before the semicolon at the end the following: "or by an official referred to in clause (ii), (iii), or (iv)".

SEC. 1054. TASK ORDER CONTRACTS FOR ADVISORY AND ASSISTANCE SERVICES.

(a) AUTHORITY.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) is amended by inserting after section 303G the following new section:

"TASK ORDER CONTRACTS FOR ADVISORY AND ASSISTANCE SERVICES

"SEC. 303H. (a) AUTHORITY TO AWARD.—(1) Subject to the requirements of this section, the head of an executive agency may enter into a contract for advisory and assistance services that does not procure or specify a firm quantity of services (other than a minimum or maximum quantity) and that provides for the issuance of task orders during the specified period of the contract.

"(2) Except as provided in subsection (h), the agency head may enter into a contract described in paragraph (1) only under the authority of this section.

"(b) LIMITATION ON CONTRACT PERIOD.—The period of a contract referred to in subsection (a), including all periods of extensions of the contract under options, modifications, or otherwise, may not exceed 5 years unless a longer period is specifically authorized in a law that is applicable to such contract.

"(c) CONTRACT PROCEDURES.—(1) An agency head may use procedures other than competitive procedures to enter into a contract referred to in subsection (a) only if an exception in subsection (c) of section 303 applies to the contract and the use of such procedures is approved in accordance with subsection (f) of such section.

"(2) The notice required by section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)) shall reasonably and fairly describe the general scope, magnitude, and duration of the proposed contract in a manner that would reasonably enable a potential offeror to decide whether to request the solicitation and consider submitting an offer.

"(3) The solicitation shall include the following:

"(A) The period of the contract, including the number of options to extend the contract and the period for which the contract may be extended under each option, if any.

"(B) The maximum quantity or dollar value of the services to be procured under the contract.

"(C) A statement of work, specifications, or other description that reasonably describes the general scope, nature, complexity, and purposes of the services to be procured under the contract.

"(4)(A) An agency head may, on the basis of one solicitation, award separate contracts under this section for the same or similar services to two or more sources if the solicitation states that the agency head has the option to do so.

"(B) If, in the case of a contract for advisory and assistance services to be entered into under the authority of this section, the contract period is to exceed 3 years and the contract amount is estimated to exceed $10,000,000 (including all options), the solicitation shall—

"(i) provide for a multiple award authorized under subparagraph (A); and

"(ii) include a statement that the agency head may also elect to award only one contract if the agency head determines in writing that only one of the offerers is capable of providing the services required at the level of quality required.

"(C) Subparagraph (B) does not apply in the case of a solicitation for which the agency head determines in writing that, because the services required under the contract are unique or highly specialized, it is not practicable to award more than one contract.

"(5) A contract referred to in subsection (a) shall contain the same information that is required by paragraph (3) to be included in the solicitation of offers for that contract.

"(d) ORDER PROCEDURES.—(1) The following actions are not required for a task order issued under a contract entered into in accordance with this section:

"(A) A separate notice for such order under section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) or section 8(e) of the Small Business Act (15 U.S.C. 637(e)).

"(B) Except as provided in paragraph (2), a competition (or a waiver of competition approved in accordance with section 303(f)) that is separate from that used for entering into the contract.

"(2)(A) When multiple contracts are awarded pursuant to subsection (c)(4), all contractors awarded such contracts shall be provided a fair opportunity to be considered, pursuant to procedures set forth in the contracts, for each task order in excess of $2,500 that is to be issued under any of the contracts unless—

"(i) the agency's need for the services ordered is of such unusual urgency that competition would result in unacceptable delays in fulfilling the agency's needs;

"(ii) only one such contractor is capable of providing the services required at the level of quality required because the services ordered are unique or highly specialized;

"(iii) the task order should be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to a task order already issued on a competitive basis; or

"(iv) the order must be placed with a particular contractor in order to satisfy a minimum guarantee.

"(B) When a task order is issued in accordance with subparagraph (A), the order shall include a statement of work that clearly specifies all tasks to be performed under the order.

"(3) A protest is not authorized in connection with the issuance or proposed issuance of a task order except for a protest on the ground that the order increases the scope, period, or maximum value of the contract under which the order is issued.

"(e) INCREASES IN SCOPE, PERIOD, OR MAXIMUM VALUE OF CONTRACT.—(1) A task order may not increase the scope, period, or maximum value of the contract under which the order is issued. The scope, period, or maximum value of the contract may be increased only by modification of the contract.

"(2) Unless use of procedures other than competitive procedures is authorized by an exception in subsection (c) of section 303 and approved in accordance with subsection (f) of such section, competitive procedures shall be used for making such a modification.

"(3) Notice regarding the modification shall be provided in accordance with section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)).

"(4)(A) Notwithstanding the limitation on the contract period set forth in subsection (b) or in a solicitation or contract pursuant to subsection (c), a contract entered into by the head of an agency under this section may be extended on a sole-source basis for a period not exceeding 6 months if the agency head determines that—

"(i) the award of a follow-on contract has been delayed by circumstances that were not reasonably foreseeable at the time the initial contract was entered into; and

"(ii) the extension is necessary in order to ensure continuity of the receipt of services pending the award of, and commencement of performance under, the follow-on contract.

"(B) A contract may be extended under the authority of subparagraph (A) only once and only in accordance with the limitations and requirements of this subsection.

"(f) TASK ORDER OMBUDSMAN.—Each agency head who awards multiple contracts pursuant to subsection (c)(4) shall appoint or designate a task order ombudsman who shall be responsible for reviewing complaints from the contractors on such contracts and ensuring that all of the contractors are afforded a fair opportunity to be considered for task orders when required under subsection (d)(2). The task order ombudsman shall be a senior agency official who is independent of the contracting officer for the contracts and may be the agency's competition advocate.

"(g) INAPPLICABILITY TO CERTAIN CONTRACTS.—This section does not apply to a contract for the acquisition of property or services that includes acquisition of advisory and assistance services if the agency head entering into such contract determines that, under the contract, advisory and assistance services are necessarily incident to, and not a significant component of, the contract.

"(h) RELATIONSHIP TO OTHER CONTRACTING AUTHORITY.—Nothing in this section may be construed to limit the authority of the head of an agency to enter into single or multiple task order contracts, or single or multiple delivery order contracts, for goods or services (other than advisory and assistance services) under other provisions of this title or under any other provision of law.

"(i) ADVISORY AND ASSISTANCE SERVICES DEFINED.—In this section, the term 'advisory and assistance services' has the meaning given such term in section 1105(g) of title 31, United States Code.".

(b) CLERICAL AMENDMENT.—The table of contents in the first section is amended by

inserting after the item relating to section 303G the following new item:

"Sec. 303H. Task order contracts for advisory and assistance services.".

SEC. 1055. ACQUISITION OF EXPERT SERVICES.

(a) EXCEPTION TO REQUIREMENT FOR USE OF COMPETITIVE PROCEDURES.—Section 303(c)(3) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)) is amended—

(1) by striking out "or (B)" and inserting in lieu thereof "(B)"; and

(2) by inserting before the semicolon at the end the following: ", or (C) to procure the services of an expert for use, in any litigation or dispute (including any reasonably foreseeable litigation or dispute) involving the Federal Government, in any trial, hearing, or proceeding before any court, administrative tribunal, or agency, or in any part of an alternative dispute resolution process, whether or not the expert is expected to testify".

(b) PROCUREMENT NOTICE.—

(1) AMENDMENT OF OFFICE OF FEDERAL PROCUREMENT POLICY ACT.—Section 18(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(c)) is amended—

(A) by striking out "or" at the end of subparagraph (D);

(B) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof "; or"; and

(C) by adding at the end the following:

"(F) the procurement is for the services of an expert for use in any litigation or dispute (including any reasonably foreseeable litigation or dispute) involving the Federal Government in any trial, hearing, or proceeding before any court, administrative tribunal, or agency, or in any part of an alternative dispute resolution process, whether or not the expert is expected to testify.".

(2) AMENDMENT OF SMALL BUSINESS ACT.—Section 8(g) of the Small Business Act (15 U.S.C. 637(c)) is amended—

(A) by striking out "or" at the end of subparagraph (D);

(B) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof "; or"; and

(C) by adding at the end the following:

"(F) the procurement is for the services of an expert for use in any litigation or dispute (including preparation for any foreseeable litigation or dispute) that involves or could involve the Federal Government in any trial, hearing, or proceeding before any court, administrative tribunal, or agency, or in any part of an alternative dispute resolution process, whether or not the expert is expected to testify.".

(c) REPEAL OF AMENDMENTS TO UNCODIFIED TITLE.—The following provisions of law are repealed:

(1) Section 532 of Public Law 101–509 (104 Stat. 1470) and the provision of law set out in quotes in that section.

(2) Section 529 of Public Law 102–393 (106 Stat. 1761) and the matters inserted and added by that section.

SEC. 1056. CONTINUED OCCUPANCY OF LEASED SPACE.

Section 303(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(d)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

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

"(2)(A) For the purposes of applying subsection (c)(1) in the case of a follow-on lease to be entered into for the purpose of providing for continued occupancy of particular space in leased real property by a Federal agency, space may be treated as being available only from the lessor of such space and may be acquired through the use of procedures other than competitive procedures (without the justification otherwise required by subsection (f)) if a written determination is made by the contracting officer that—

"(i) the occupying agency has a continuing need for the space;

"(ii) the space meets the needs of the agency; and

"(iii) the lessor is willing to continue to provide the space at a fair market price determined by the contracting officer on the basis of a market survey or an appraisal conducted in accordance with generally accepted real property appraisal standards.

"(B) The authority under subparagraph (A) to use procedures other than competitive procedures to enter into a follow-on lease may be exercised not more than once to provide for continued occupancy of particular space in real property by a particular Federal agency. The period of such follow-on lease may not exceed 5 years.

"(C) Nothing in this paragraph may be construed to prohibit the use of procedures other than competitive procedures to enter into a follow-on lease of real property for continued occupancy of particular space in real property by a Federal agency when an exception set forth in subsection (c) applies and the use of such procedures is justified and approved in accordance with subsection (f).".

Subpart B—Planning, Solicitation, Evaluation, and Award

SEC. 1061. SOLICITATION, EVALUATION, AND AWARD.

(a) CONTENT OF SOLICITATION.—Section 303A of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253a) is amended—

(1) in subsection (b)(1)(A)—

(A) by inserting "and significant subfactors" after "all significant factors"; and

(B) by striking out "(including price)" and inserting "(including cost or price, cost-related or price-related factors and subfactors, and noncost-related or nonprice-related factors and subfactors)";

(2) in subsection (b)(1)(B), by inserting "and subfactors" after "factors";

(3) in subsection (b)(2)(B), by striking out clause (i) and inserting in lieu thereof the following:

"(i) either a statement that the proposals are intended to be evaluated with, and award made after, discussions with the offerors, or a statement that the proposals are intended to be evaluated, and award made, without discussions with the offerors (other than discussions conducted for the purpose of minor clarification) unless discussions are determined to be necessary; and"; and

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

"(c)(1) In prescribing the evaluation factors to be included in each solicitation for competitive proposals, an agency head—

"(A) shall clearly establish the relative importance assigned to the evaluation factors and subfactors, including the quality of the product or services to be provided (including technical capability, management capability, prior experience, and past performance of the offeror);

"(B) shall include cost or price to the Government as an evaluation factor that must be considered in the evaluation of proposals; and

"(C) shall disclose to offerors whether all evaluation factors other than cost or price, when combined, are—

"(i) significantly more important than cost or price;

"(ii) approximately equal in importance to cost or price; or

"(iii) significantly less important than cost or price.

"(2) Nothing in this subsection prohibits an agency from—

"(A) providing additional information in a solicitation, including numeric weights for all evaluation factors; or

"(B) stating in a solicitation that award will be made to the offeror that meets the solicitation's mandatory requirements at the lowest price or cost.".

(b) EVALUATION AND AWARD.—Section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b) is amended—

(1) in subsection (a), by inserting ", and award a contract," after "competitive proposals";

(2) in subsection (c), by inserting "in accordance with subsection (a)" in the second sentence after "shall evaluate the bids"; and

(3) in subsection (d)—

(A) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) An agency head shall evaluate competitive proposals in accordance with subsection (a) and may award a contract—

"(A) after discussions with the offerors, provided that written or oral discussions have been conducted with all responsible offerors who submit proposals within the competitive range; or

"(B) based on the proposals received and without discussions with the offerors (other than discussions conducted for the purpose of minor clarification), provided that, as required by section 303A(b)(2)(B)(i), the solicitation included a statement that proposals are intended to be evaluated, and award made, without discussions, unless discussions are determined to be necessary.";

(B) by striking out paragraphs (2) and (3) and by redesignating paragraph (4) as paragraph (2); and

(C) in paragraph (2), as redesignated by subparagraph (B), by inserting "cost or" before "price" in the first sentence.

(c) APPLICABILITY.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to—

(A) solicitations for sealed bids or competitive proposals issued after the end of the 180-day period beginning on the date of the enactment of this Act; and

(B) contracts awarded pursuant to those solicitations.

(2) AUTHORITY TO APPLY AMENDMENTS EARLY.—The head of an executive agency may apply the amendments made by this section to solicitations issued before the end of the period referred to in paragraph (1). The head of the executive agency shall publish in the Federal Register notice of any such earlier date of application at least 10 days before that date.

SEC. 1062. SOLICITATION PROVISION REGARDING EVALUATION OF PURCHASE OPTIONS.

Section 303A of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253a), as amended by section 1061(a)(4), is further amended by adding at the end the following new subsection:

"(d) An agency head, in issuing a solicitation for a contract to be awarded using sealed bid procedures, may not include in such solicitation a clause providing for the evaluation of prices for options to purchase additional property or services under the

contract unless the agency head has determined that there is a reasonable likelihood that the options will be exercised.".

SEC. 1063. PROMPT NOTICE OF AWARD.

(a) SEALED BID PROCEDURES.—Subsection (c) of section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b) is amended by adding at the end the following: "As soon as practicable after the date of contract award, the agency head shall, in accordance with procedures prescribed in the Federal Acquisition Regulation, notify all offerors not awarded the contract that the contract has been awarded.".

(b) COMPETITIVE PROPOSALS PROCEDURES.—Paragraph (2) of section 303B(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b(d)), as redesignated by section 1061(b)(3)(B), is amended in the second sentence by striking out "source and shall promptly notify" and inserting in lieu thereof "source. As soon as practicable after the date of contract award, the agency head shall, in accordance with procedures prescribed in the Federal Acquisition Regulation, notify".

SEC. 1064. POST-AWARD DEBRIEFINGS.

Section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b) is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following new subsection (e):

"(e)(1) When a contract is awarded by the head of an executive agency on the basis of competitive proposals, an unsuccessful offeror, upon written request received by the agency within 3 days after the date on which the unsuccessful offeror receives the notification of the contract award, shall be debriefed and furnished the basis for the selection decision and contract award. An employee of the executive agency shall debrief the offeror promptly after receipt of the request by the agency.

"(2) The debriefing shall include, at a minimum—

"(A) the executive agency's evaluation of the significant weak or deficient factors in the offeror's offer;

"(B) the overall evaluated cost and technical rating of the offer of the contractor awarded the contract and the overall evaluated cost and technical rating of the offer of the debriefed offeror;

"(C) the overall ranking of all offers;

"(D) a summary of the rationale for the award;

"(E) in the case of a proposal for a commercial item other than a commercial component, the make and model of the item being provided in accordance with the offer of the contractor awarded the contract; and

"(F) reasonable responses to questions posed by the debriefed offeror as to whether source selection procedures set forth in the solicitation, applicable regulations, and other applicable authorities were followed by the executive agency.

"(3) The debriefing may not include point-by-point comparisons of the debriefed offeror's offer with other offers and may not disclose any information that is exempt from disclosure under section 552 of title 5, United States Code, including information relating to—

"(A) trade secrets;

"(B) privileged or confidential manufacturing processes and techniques; and

"(C) commercial and financial information that is privileged or confidential, including cost breakdowns, profit, indirect cost rates, and similar information.

"(4) Each solicitation for competitive proposals shall include a statement that information described in paragraph (2) may be disclosed in post-award debriefings.

"(5) If, within one year after the date of the contract award and as a result of a successful procurement protest or otherwise, the executive agency seeks to fulfill the requirement under the contract either on the basis of a new solicitation of offers or on the basis of new best and final offers requested for that contract, the agency head shall make available to all offerors—

"(A) the information provided in debriefings under this subsection regarding the offer of the contractor awarded the contract; and

"(B) the same information that would have been provided to the original offerors.

"(6) The contracting officer shall include a summary of the debriefing in the contract file.".

SEC. 1065. PROTEST FILE.

Section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b), as amended by section 1064(1), is further amended by adding at the end the following:

"(h)(1) If, in the case of a solicitation for a contract issued by, or an award or proposed award of a contract by, an agency head, a protest is filed pursuant to the procedures in subchapter V of chapter 35 of title 31, United States Code, and an actual or prospective offeror so requests, a file of the protest shall be established by the procuring activity and reasonable access shall be provided to actual or prospective offerors.

"(2) Information exempt from disclosure under section 552 of title 5, United States Code, may be redacted in a file established pursuant to paragraph (1) unless an applicable protective order provides otherwise.

"(3) Regulations implementing this subsection shall be consistent with the regulations regarding the preparation and submission of an agency's protest file (the so-called 'rule 4 file') for protests to the General Services Board of Contract Appeals under section 111 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 759).".

SEC. 1066. AWARD OF COSTS AND FEES IN AGENCY SETTLEMENT OF PROTESTS.

Section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b), as amended by section 1065, is further amended by adding at the end the following new subsection:

"(i) If, in connection with a protest, an agency head determines that a solicitation, proposed award, or award does not comply with the requirements of law or regulation, the agency head may take—

"(1) any action set out in subparagraphs (A) through (F) of subsection (b)(1) of section 3554 of title 31, United States Code; and

"(2) may pay costs described in paragraph (1) of section 3554(c) of such title within the limits referred to in paragraph (2) of such section.".

SEC. 1067. TWO-PHASE SELECTION PROCEDURES.

(a) PROCEDURES AUTHORIZED.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), as amended by section 1054, is further amended by inserting after section 303H the following new section:

"TWO-PHASE SELECTION PROCEDURES

"SEC. 303I. (a) PROCEDURES AUTHORIZED.—The head of an executive agency may use two-phase selection procedures for entering into a contract for the acquisition of property or services (other than a construction contract) when the agency head determines that three or more offers will be received for such contract, substantial design work must be performed before an offeror can develop a price or cost proposal for such contract, and the offerors will incur a substantial amount of expenses in preparing the offers.

"(b) PROCEDURES DESCRIBED.—Two-phase selection procedures consist of the following:

"(1) The agency head solicits proposals that—

"(A) include information on the offerors'—

"(i) technical approach; and

"(ii) technical qualifications; and

"(B) do not include—

"(i) detailed design information; or

"(ii) cost or price information.

"(2) The agency head evaluates the proposals on the basis of evaluation criteria set forth in the solicitation, except that the agency head does not consider cost-related or price-related evaluation factors.

"(3) The agency head selects at least three offerors as the most highly qualified to provide the property or services under the contract and requests the selected offerors to submit competitive proposals that include cost or price information.

"(4) The agency head awards the contract in accordance with section 303B(d).

"(c) SOLICITATION TO STATE NUMBER OF OFFERORS TO BE SELECTED FOR PHASE TWO REQUESTS FOR COMPETITIVE PROPOSALS.—A solicitation issued pursuant to subsection (b)(1) shall state the maximum number of offerors that are to be selected to submit competitive proposals pursuant to subsection (b)(3).

"(d) RESOURCE COMPARISON CRITERION REQUIRED.—In using two-phase selection procedures for entering into a contract, the agency head shall establish a resource criterion or a financial criterion applicable to the contract in order to provide a consistent basis for comparing the offerors and their proposals.".

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act, as amended by section 1054, is further amended by inserting after the item relating to section 303H the following new item:

"Sec. 303I. Two-phase selection procedures.".

Subpart C—Kinds of Contracts

SEC. 1071. AGENCY HEAD DETERMINATION REGARDING USE OF COST TYPE OR INCENTIVE CONTRACT.

Section 304(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254(b)) is amended by striking out the second sentence.

SEC. 1072. MULTIYEAR CONTRACTING AUTHORITY.

(a) AUTHORITY.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), as amended by section 1067, is further amended by inserting after section 303I the following new section:

"MULTIYEAR CONTRACTS

"SEC. 303J. (a) AUTHORITY.—The head of an executive agency may enter into a multiyear contract for the acquisition of property or services if—

"(1) funds are available and obligated for such contract, for the full period of the contract or for the first fiscal year in which the contract is in effect, and for the estimated costs associated with any necessary termination of such contract; and

"(2) the agency head determines that—

"(A) the need for the property or services is reasonably firm and continuing over the period of the contract; and

"(B) a multiyear contract will serve the best interests of the United States by encouraging effective competition or promoting economy in administration, performance, and operation of the agency's programs.

"(b) TERMINATION CLAUSE.—A multiyear contract entered into under the authority of this section shall include a clause that provides that the contract shall be terminated if funds are not made available for the continuation of such contract in any fiscal year covered by the contract. Amounts available for paying termination costs shall remain available for such purpose until the costs associated with termination of the contract are paid.

"(c) RULE OF CONSTRUCTION.—Nothing in this section is intended to modify or affect any other provision of law that authorizes multiyear contracts.".

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act, as amended by section 1067, is further amended by inserting after the item relating to section 303I the following new item:

"Sec. 303J. Multiyear contracts.".

SEC. 1073. SEVERABLE SERVICES CONTRACTS CROSSING FISCAL YEARS.

(a) AUTHORITY.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), as amended by section 1072, is further amended by inserting after section 303J the following new section:

"SEVERABLE SERVICES CONTRACTS FOR PERIODS CROSSING FISCAL YEARS

"SEC. 303K. (a) AUTHORITY.—The head of an executive agency may enter into a contract for procurement of severable services for a period that begins in one fiscal year and ends in the next fiscal year if (without regard to any option to extend the period of the contract) the contract period does not exceed one year.

"(b) OBLIGATION OF FUNDS.—Funds made available for a fiscal year may be obligated for the total amount of a contract entered into under the authority of subsection (a).".

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act, as amended by section 1072, is further amended by inserting after the item relating to section 303J the following new item:

"Sec. 303K. Severable services contracts for periods crossing fiscal years.".

SEC. 1074. ECONOMY ACT PURCHASES.

(a) REGULATIONS REQUIRED.—Not later than six months after the date of the enactment of this Act, the Federal Acquisition Regulation shall be revised to include regulations governing the exercise of the authority under section 1535 of title 31, United States Code, for Federal agencies to purchase goods and services under contracts entered into or administered by other agencies.

(b) CONTENT OF REGULATIONS.—The regulations prescribed pursuant to subsection (a) shall—

(1) require that each purchase described in subsection (a) be approved in advance by a contracting officer of the ordering agency with authority to contract for the goods or services to be purchased or by another official in a position specifically designated by regulation to approve such purchase;

(2) provide that such a purchase of goods or services may be made only if—

(A) the purchase is appropriately made under a contract that the agency filling the purchase order entered into, before the purchase order, in order to meet the requirements of such agency for the same or similar goods or services;

(B) the agency filling the purchase order is better qualified to enter into or administer the contract for such goods or services by reason of capabilities or expertise that is not available within the ordering agency; or

(C) the agency or unit filling the order is specifically authorized by law or regulations to purchase such goods or services on behalf of other agencies;

(3) prohibit any such purchase under a contract or other agreement entered into or administered by an agency not covered by the provisions of chapter 137 of title 10, United States Code, or title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) and not covered by the Federal Acquisition Regulation unless the purchase is approved in advance by the senior procurement official responsible for purchasing by the ordering agency; and

(4) prohibit any payment to the agency filling a purchase order of any fee that exceeds the actual cost or, if the actual cost is not known, the estimated cost of entering into and administering the contract or other agreement under which the order is filled.

(c) MONITORING SYSTEM REQUIRED.—The Administrator for Federal Procurement Policy shall ensure that, not later than one year after the date of the enactment of this Act, systems for collecting and evaluating procurement data are capable of collecting and evaluating appropriate data on procurements conducted under the regulations prescribed pursuant to subsection (a).

(d) TERMINATION.—This section shall cease to be effective one year after the date on which final regulations prescribed pursuant to subsection (a) take effect.

PART III—ACQUISITIONS GENERALLY

SEC. 1091. POLICY REGARDING CONSIDERATION OF CONTRACTOR PAST PERFORMANCE.

(a) POLICY.—Section 2 of the Office of Federal Procurement Policy Act (41 U.S.C. 401) is amended—

(1) by striking out "and" at the end of paragraph (12);

(2) by striking out the period at the end of paragraph (13) and inserting in lieu thereof "; and"; and

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

"(14) establishing policies and procedures that encourage the consideration of contractors' past performance in the selection of contractors.".

(b) GUIDANCE REQUIRED.—Section 6 of the Office of Federal Procurement Policy Act (41 U.S.C. 405) is amended by adding at the end the following:

"(j)(1) Congress makes the following findings:

"(A) Past contract performance of an offeror is one of the relevant factors that contracting officials of executive agencies should consider in entering into contracts.

"(B) It is appropriate for a contracting official to consider past contract performance of an offeror as an indicator of the likelihood that the offeror will successfully perform a contract to be entered into by that official.

"(2) The Administrator shall prescribe for executive agencies guidance regarding consideration of the past contract performance of offerors in awarding contracts. The guidance shall include—

"(A) standards for evaluating past performance with respect to cost (when appropriate), schedule, compliance with technical or functional specifications, and other relevant performance factors that facilitate consistent and fair evaluation by all executive agencies;

"(B) policies for the collection and maintenance of information on past contract performance that, to the maximum extent practicable, facilitate automated collection, maintenance, and dissemination of information and provide for ease of collection, maintenance, and dissemination of information by other methods, as necessary; and

"(C) policies for ensuring that—

"(i) offerors are afforded an opportunity to submit relevant information on past contract performance, including performance under contracts entered into by the executive agency concerned, contracts entered into by other departments and agencies of the Federal Government, contracts entered into by agencies of State and local governments, and contracts entered into by commercial customers; and

"(ii) such information submitted by offerors is considered.

"(3) The Administrator shall prescribe for all executive agencies guidance regarding the period for which information on past performance of offerors should be maintained and considered.

"(4) In the case of an offeror regarding whom there is no information on past contract performance or regarding whom information on past contract performance is not available, the offeror may not be evaluated favorably or unfavorably on the factor of past contract performance.".

SEC. 1092. REPEAL OF REQUIREMENT FOR ANNUAL REPORT ON COMPETITION.

Section 23 of the Office of Federal Procurement Policy Act (41 U.S.C. 419) is repealed.

Subtitle B—Truth in Negotiations

PART I—ARMED SERVICES ACQUISITIONS

SEC. 1201. STABILIZATION OF DOLLAR THRESHOLD OF APPLICABILITY.

(a) REPEAL OF REVERSION TO LOWER THRESHOLD.—Paragraph (1)(A) of section 2306a(a) of title 10, United States Code, is amended—

(1) in clause (i), by striking out "and before January 1, 1996,"; and

(2) in clause (ii), by striking out "or after December 31, 1995,".

(b) ADJUSTMENTS FOR CHANGES IN DOLLAR VALUES.—Section 2306a(a) of such title is amended by adding at the end the following new subparagraph:

"(7) Effective on October 1 of each year that is divisible by 5, each amount set forth in paragraph (1) shall be adjusted to the amount that is equal to the fiscal year 1994 constant dollar value of the amount set forth. Any amount, as so adjusted, that is not evenly divisible by $50,000 shall be rounded to the nearest multiple of $50,000. In the case of an amount that is evenly divisible by $25,000 but not evenly divisible by $50,000, the amount shall be rounded to the next higher multiple of $50,000.".

SEC. 1202. EXCEPTIONS TO COST OR PRICING DATA REQUIREMENTS.

(a) EXCEPTIONS STATED.—Subsection (b) of section 2306a of title 10, United States Code, is amended to read as follows:

"(b) EXCEPTIONS.—(1) Submission of cost and pricing data shall not be required under subsection (a)—

"(A) in the case of a contract, a subcontract, or a contract or subcontract modification, for which the price agreed upon is based on—

"(i) adequate price competition;

"(ii) established catalog or market prices of commercial items or of services customarily used for other than Government purposes, as the case may be, that are sold in substantial quantities to the general public; or

"(iii) prices set by law or regulation; or

"(B) in an exceptional case when the head of the agency concerned determines that the requirements of this section may be waived and states in writing the reasons for such determination.

"(2) Submission of cost and pricing data shall not be required under subsection (a) in the case of a modification of a contract or subcontract for a commercial item if—

"(A) the contract or subcontract being modified is a contract or subcontract for which submission of cost and pricing data may not be required by reason of paragraph (1)(A);

"(B) the modification is not a case in which paragraph (1)(A) prohibits the head of an agency from requiring submission of cost and pricing data; and

"(C) the modification would not change the contract or subcontract, as the case may be, from a contract or subcontract for the acquisition of a commercial item to a contract or subcontract for the acquisition of a noncommercial item.".

(b) CONFORMING AMENDMENT TO REFERENCE.—Subsection (a)(5) of such section is amended by striking out "subsection (b)(2)" and inserting in lieu thereof "subsection (b)(1)(B)".

SEC. 1203. LIMITATION ON AUTHORITY TO REQUIRE A SUBMISSION NOT OTHERWISE REQUIRED.

Subsection (c) of section 2306a of title 10, United States Code, is amended to read as follows:

"(c) LIMITATION ON AUTHORITY TO REQUIRE COST OR PRICING DATA.—When cost or pricing data are not required to be submitted under this section by reason of a $500,000 threshold set forth in subsection (a) (as adjusted pursuant to paragraph (7) of such subsection) or by reason of an exception set forth in paragraph (1)(A) or (2) of subsection (b), submission of such data may not be required unless the head of an agency concerned determines that such data are necessary for the evaluation by the agency of the reasonableness of the price of the contract or subcontract to which the data relate. In any case in which the head of an agency requires such data to be submitted in accordance with the preceding sentence, the agency head shall document in writing the reasons for such requirement.".

SEC. 1204. ADDITIONAL SPECIAL RULES FOR COMMERCIAL ITEMS.

Section 2306a of title 10, United States Code, is amended—

(1) by redesignating subsections (d), (e), (f), and (g) as subsections (e), (f), (g), and (i), respectively; and

(2) by inserting after subsection (c) the following new subsection (d):

"(d) ADDITIONAL EXCEPTION PROVISIONS REGARDING COMMERCIAL ITEMS.—(1) To the maximum extent practicable, the head of an agency shall conduct procurements of commercial items on a competitive basis.

"(2) In any case in which it is not practicable to conduct a procurement of a commercial item on a competitive basis and the procurement is not covered by an exception in subsection (b), the contracting officer shall nonetheless exempt a contract, subcontract, or modification of a contract or subcontract under the procurement from the requirements of subsection (a) if the contracting officer obtains, in accordance with standards and procedures set forth in the Federal Acquisition Regulation, information on prices at which the same or similar items have been sold in the commercial market that is adequate for evaluating the reasonableness of the price of the contract or subcontract for a commercial item, or the contract or subcontract modification, as the case may be. The contracting officer may obtain such information from the offeror or contractor or, when such information is not available from that source, from another source or sources.

"(3)(A) In accordance with procedures prescribed in the Federal Acquisition Regulation, the head of an agency shall have the right to examine all information provided by an offeror, contractor, or subcontractor pursuant to paragraph (2) and all books and records of such offeror, contractor, or subcontractor that directly relate to such information in order to determine whether the agency is receiving accurate information required under this section.

"(B) The right under subparagraph (A) shall expire 3 years after the date of award of the contract, or 3 years after the date of the modification of the contract, with respect to which the information was provided.".

SEC. 1205. RIGHT OF UNITED STATES TO EXAMINE CONTRACTOR RECORDS.

Section 2306a of title 10, United States Code, is amended by striking out subsection (g), as redesignated by section 1204(1), and inserting in lieu thereof the following:

"(g) RIGHT OF UNITED STATES TO EXAMINE CONTRACTOR RECORDS.—For the purpose of evaluating the accuracy, completeness, and currency of cost or pricing data required to be submitted by this section, the head of an agency shall have the rights provided by section 2313 of this title.".

SEC. 1206. REQUIRED REGULATIONS.

Section 2306a of title 10, United States Code, as amended by sections 1204 and 1205, is further amended by inserting after subsection (g) the following new subsection:

"(h) REQUIRED REGULATIONS.—The Secretary shall prescribe regulations concerning the types of information that offerors must submit for a contracting officer to consider in determining whether the price of a procurement to the Government is fair and reasonable when certified cost or pricing data are not required to be submitted under this section because the price of the procurement to the United States is not expected to exceed an applicable $500,000 threshold set forth in subsection (a) (as adjusted pursuant to paragraph (7) of such subsection). Such information, at a minimum, shall include appropriate information on the prices at which the same or similar items have previously been sold that is adequate for evaluating the reasonableness of the price of the proposed contract or subcontract for the procurement.".

SEC. 1207. CONSISTENCY OF TIME REFERENCES.

Section 2306a of title 10, United States Code, as amended by section 1204(1), is further amended—

(1) in subparagraphs (A)(ii) and (B)(ii) of subsection (e)(4), by inserting "or, if applicable consistent with paragraph (1)(B), another date agreed upon between the parties," after "(or price of the modification)"; and

(2) in subsection (i), by inserting "or, if applicable consistent with subsection (d)(1)(B), another date agreed upon between the parties" after "(or the price of a contract modification)".

SEC. 1208. EXCEPTION FOR TRANSFERS BETWEEN DIVISIONS, SUBSIDIARIES, AND AFFILIATES.

Subsection (i) of section 2306a of title 10, United States Code, as redesignated by section 1204(1), is amended to read as follows:

"(i) DEFINITIONS.—In this section:

"(1) The term 'cost or pricing data' means all facts that, as of the date of agreement on the price of a contract (or the price of a contract modification), a prudent buyer or seller would reasonably expect to affect price negotiations significantly. Such term does not include information that is judgmental, but does include the factual information from which a judgment was derived.

"(2) The term 'subcontract' includes a transfer of commercial items between divisions, subsidiaries, or affiliates of a contractor.".

SEC. 1209. REPEAL OF SUPERSEDED PROVISION.

Subsections (b) and (c) of section 803 of Public Law 101-510 (10 U.S.C. 2306a note) are repealed.

PART II—CIVILIAN AGENCY ACQUISITIONS

SEC. 1251. REVISION OF CIVILIAN AGENCY PROVISIONS TO ENSURE UNIFORM TREATMENT OF COST OR PRICING DATA.

(a) IN GENERAL.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) is amended—

(1) in section 304, by striking out subsection (d); and

(2) by inserting after section 304 the following new section:

"COST OR PRICING DATA: TRUTH IN NEGOTIATIONS

"SEC. 304A. (a) REQUIRED COST OR PRICING DATA AND CERTIFICATION.—(1) An agency head shall require offerors, contractors, and subcontractors to make cost or pricing data available as follows:

"(A) An offeror for a prime contract under this title to be entered into using procedures other than sealed-bid procedures shall be required to submit cost or pricing data before the award of a contract if—

"(i) in the case of a prime contract entered into after the date of the enactment of the Federal Acquisition Streamlining Act of 1994, the price of the contract to the United States is expected to exceed $500,000; and

"(ii) in the case of a prime contract entered into on or before the date of the enactment of the Federal Acquisition Streamlining Act of 1994, the price of the contract to the United States is expected to exceed $100,000.

"(B) The contractor for a prime contract under this chapter shall be required to submit cost or pricing data before the pricing of a change or modification to the contract if—

"(i) in the case of a change or modification made to a prime contract referred to in subparagraph (A)(i), the price adjustment is expected to exceed $500,000;

"(ii) in the case of a change or modification made to a prime contract that was entered into on or before the date of the enactment of the Federal Acquisition Streamlining Act of 1994, and that has been modified pursuant to paragraph (6), the price adjustment is expected to exceed $500,000; and

"(iii) in the case of a change or modification not covered by clause (i) or (ii), the price adjustment is expected to exceed $100,000.

"(C) An offeror for a subcontract (at any tier) of a contract under this title shall be required to submit cost or pricing data before the award of the subcontract if the prime contractor and each higher-tier subcontractor have been required to make available cost or pricing data under this section and—

"(i) in the case of a subcontract under a prime contract referred to in subparagraph (A)(i), the price of the subcontract is expected to exceed $500,000;

"(ii) in the case of a subcontract entered into under a prime contract that was entered

into on or before the date of the enactment of the Federal Acquisition Streamlining Act of 1994, and that has been modified pursuant to paragraph (6), the price of the subcontract is expected to exceed $500,000; and

"(iii) in the case of a subcontract not covered by clause (i) or (ii), the price of the subcontract is expected to exceed $100,000.

"(D) The subcontractor for a subcontract covered by subparagraph (C) shall be required to submit cost or pricing data before the pricing of a change or modification to the subcontract if—

"(i) in the case of a change or modification to a subcontract referred to in subparagraph (C)(i) or (C)(ii), the price adjustment is expected to exceed $500,000; and

"(ii) in the case of a change or modification to a subcontract referred to in subparagraph (C)(iii), the price adjustment is expected to exceed $100,000.

"(2) A person required, as an offeror, contractor, or subcontractor, to submit cost or pricing data under paragraph (1) (or required by the agency head concerned to submit such data in accordance with subsection (c)) shall be required to certify that, to the best of the person's knowledge and belief, the cost or pricing data submitted are accurate, complete, and current.

"(3) Cost or pricing data required to be submitted under paragraph (1) (or in accordance with subsection (c)), and a certification required to be submitted under paragraph (2), shall be submitted—

"(A) in the case of a submission by a prime contractor (or an offeror for a prime contract), to the contracting officer for the contract (or to a designated representative of the contracting officer); or

"(B) in the case of a submission by a subcontractor (or an offeror for a subcontract), to the prime contractor.

"(4) Except as provided under subsection (b), this section applies to contracts entered into by an agency head on behalf of a foreign government.

"(5) For purposes of paragraph (1)(C), a contractor or subcontractor granted a waiver under subsection (b)(1)(B) shall be considered as having been required to make available cost or pricing data under this section.

"(6)(A) Upon the request of a contractor that was required to submit cost or pricing data under paragraph (1) in connection with a prime contract entered into on or before the date of the enactment of the Federal Acquisition Streamlining Act of 1994, the agency head that entered into such contract shall modify the contract to reflect subparagraphs (B)(ii) and (C)(ii) of paragraph (1). All such modifications shall be made without requiring consideration.

"(B) An agency head is not required to modify a contract under subparagraph (A) if that agency head determines that the submission of cost or pricing data with respect to that contract should be required in accordance with subsection (c).

"(7) Effective on October 1 of each year that is divisible by 5, each amount set forth in paragraph (1) shall be adjusted to the amount that is equal to the fiscal year 1994 constant dollar value of the amount set forth. Any amount, as so adjusted, that is not evenly divisible by $50,000 shall be rounded to the nearest multiple of $50,000. In the case of an amount that is evenly divisible by $25,000 but not evenly divisible by $50,000, the amount shall be rounded to the next higher multiple of $50,000.

"(b) EXCEPTIONS.—(1) Submission of cost and pricing data shall not be required under subsection (a)—

"(A) in the case of a contract, a subcontract, or a contract or subcontract modification, for which the price agreed upon is based on—

"(i) adequate price competition;

"(ii) established catalog or market prices of commercial items or of services customarily used for other than Government purposes, as the case may be, that are sold in substantial quantities to the general public; or

"(iii) prices set by law or regulation; or

"(B) in an exceptional case when the agency head concerned determines that the requirements of this section may be waived and states in writing the reasons for such determination.

"(2) Submission of cost and pricing data shall not be required under subsection (a) in the case of a modification of a contract or subcontract for a commercial item if—

"(A) the contract or subcontract being modified is a contract or subcontract for which submission of cost and pricing data may not be required by reason of paragraph (1)(A);

"(B) the modification is not a case in which paragraph (1)(A) prohibits the agency head from requiring submission of cost and pricing data; and

"(C) the modification would not change the contract or subcontract, as the case may be, from a contract or subcontract for the acquisition of a commercial item to a contract or subcontract for the acquisition of a noncommercial item.

"(c) LIMITATION ON AUTHORITY TO REQUIRE COST OR PRICING DATA.—When cost or pricing data are not required to be submitted under this section by reason of a $500,000 threshold set forth in subsection (a) (as adjusted pursuant to paragraph (7) of such subsection) or by reason of an exception in paragraph (1)(A) or (2) of subsection (b), submission of such data may not be required unless the agency head concerned determines that such data are necessary for the evaluation by the agency of the reasonableness of the price of the contract or subcontract to which the data relate. In any case in which the agency head requires such data to be submitted in accordance with the preceding sentence, the agency head shall document in writing the reasons for such requirement.

"(d) ADDITIONAL EXCEPTION PROVISIONS REGARDING COMMERCIAL ITEMS.—(1) To the maximum extent practicable, an agency head shall conduct procurements of commercial items on a competitive basis.

"(2) In any case in which it is not practicable to conduct a procurement of a commercial item on a competitive basis and the procurement is not covered by an exception in subsection (b), the contracting officer shall nonetheless exempt a contract, subcontract, or modification of a contract or subcontract under the procurement from the requirements of subsection (a) if the contracting officer obtains, in accordance with standards and procedures set forth in the Federal Acquisition Regulation, information on prices at which the same or similar items have been sold in the commercial market that is adequate for evaluating the reasonableness of the price of the contract or subcontract for a commercial item, or the contract or subcontract modification, as the case may be. The contracting officer may obtain such information from the offeror or contractor or, when such information is not available from that source, from another source or sources.

"(3)(A) In accordance with procedures prescribed in the Federal Acquisition Regulation, an agency head shall have the right to examine all information provided by an offeror, contractor, or subcontractor pursuant to paragraph (2) and all books and records of such offeror, contractor, or subcontractor that directly relate to such information in order to determine whether the agency is receiving accurate information required under this section.

"(B) The right under subparagraph (A) shall expire 3 years after the date of award of the contract, or 3 years after the date of the modification of the contract, with respect to which the information was provided.

"(e) PRICE REDUCTIONS FOR DEFECTIVE COST OR PRICING DATA.—(1)(A) A prime contract (or change or modification to a prime contract) under which a certificate under subsection (a)(2) is required shall contain a provision that the price of the contract to the United States, including profit or fee, shall be adjusted to exclude any significant amount by which it may be determined by the agency head that such price was increased because the contractor (or any subcontractor required to make available such a certificate) submitted defective cost or pricing data.

"(B) For the purposes of this section, defective cost or pricing data are cost or pricing data which, as of the date of agreement on the price of the contract (or another date agreed upon between the parties), were inaccurate, incomplete, or noncurrent. If for purposes of the preceding sentence the parties agree upon a date other than the date of agreement on the price of the contract, the date agreed upon by the parties shall be as close to the date of agreement on the price of the contract as is practicable.

"(2) In determining for purposes of a contract price adjustment under a contract provision required by paragraph (1) whether, and to what extent, a contract price was increased because the contractor (or a subcontractor) submitted defective cost or pricing data, it shall be a defense that the United States did not rely on the defective data submitted by the contractor or subcontractor.

"(3) It is not a defense to an adjustment of the price of a contract under a contract provision required by paragraph (1) that—

"(A) the price of the contract would not have been modified even if accurate, complete, and current cost or pricing data had been submitted by the contractor or subcontractor because the contractor or subcontractor—

"(i) was the sole source of the property or services procured; or

"(ii) otherwise was in a superior bargaining position with respect to the property or services procured;

"(B) the contracting officer should have known that the cost and pricing data in issue were defective even though the contractor or subcontractor took no affirmative action to bring the character of the data to the attention of the contracting officer;

"(C) the contract was based on an agreement between the contractor and the United States about the total cost of the contract and there was no agreement about the cost of each item procured under such contract; or

"(D) the prime contractor or subcontractor did not submit a certification of cost and pricing data relating to the contract as required under subsection (a)(2).

"(4)(A) A contractor shall be allowed to offset an amount against the amount of a contract price adjustment under a contract provision required by paragraph (1) if—

"(i) the contractor certifies to the contracting officer (or to a designated representative of the contracting officer) that, to the best of the contractor's knowledge and belief, the contractor is entitled to the offset; and

"(ii) the contractor proves that the cost or pricing data were available before the date of agreement on the price of the contract (or price of the modification), or, if applicable consistent with paragraph (1)(B), another date agreed upon between the parties, and that the data were not submitted as specified in subsection (a)(3) before such date.

"(B) A contractor shall not be allowed to offset an amount otherwise authorized to be offset under subparagraph (A) if—

"(i) the certification under subsection (a)(2) with respect to the cost or pricing data involved was known to be false when signed; or

"(ii) the United States proves that, had the cost or pricing data referred to in subparagraph (A)(ii) been submitted to the United States before the date of agreement on the price of the contract (or price of the modification) or, if applicable under paragraph (1)(B), another date agreed upon between the parties, the submission of such cost or pricing data would not have resulted in an increase in that price in the amount to be offset.

"(f) INTEREST AND PENALTIES FOR CERTAIN OVERPAYMENTS.—(1) If the United States makes an overpayment to a contractor under a contract with an executive agency subject to this section and the overpayment was due to the submission by the contractor of defective cost or pricing data, the contractor shall be liable to the United States—

"(A) for interest on the amount of such overpayment, to be computed—

"(i) for the period beginning on the date the overpayment was made to the contractor and ending on the date the contractor repays the amount of such overpayment to the United States; and

"(ii) at the current rate prescribed by the Secretary of the Treasury under section 6621 of the Internal Revenue Code of 1986; and

"(B) if the submission of such defective data was a knowing submission, for an additional amount equal to the amount of the overpayment.

"(2) Any liability under this subsection of a contractor that submits cost or pricing data but refuses to submit the certification required by subsection (a)(2) with respect to the cost or pricing data shall not be affected by the refusal to submit such certification.

"(g) RIGHT OF UNITED STATES TO EXAMINE CONTRACTOR RECORDS.—For the purpose of evaluating the accuracy, completeness, and currency of cost or pricing data required to be submitted by this section, the head of an agency shall have the rights provided by section 304B(a)(2).

"(h) REQUIRED REGULATIONS.—The Federal Acquisition Regulation shall include regulations concerning the types of information that offerors must submit for a contracting officer to consider in determining whether the price of a procurement to the Government is fair and reasonable when certified cost or pricing data are not required to be submitted under this section because the price of the procurement to the United States is not expected to exceed an applicable $500,000 threshold set forth in subsection (a) (as adjusted pursuant to paragraph (7) of such subsection). Such information, at a minimum, shall include appropriate information on the prices at which the same or similar items have previously been sold that is adequate for evaluating the reasonableness of the price of a proposed contract or subcontract for the procurement.

"(i) DEFINITIONS.—In this section:

"(1) The term 'cost or pricing data' means all facts that, as of the date of agreement on the price of a contract (or the price of a contract modification) or, if applicable consistent with subsection (e)(1)(B), another date agreed upon between the parties, a prudent buyer or seller would reasonably expect to affect price negotiations significantly. Such term does not include information that is judgmental, but does include the factual information from which a judgment was derived.

"(2) The term 'subcontract' includes a transfer of commercial items between divisions, subsidiaries, or affiliates of a contractor.".

(b) TABLE OF CONTENTS.—The table of contents in the first section of such Act is amended by inserting after the item relating to section 304 the following:

"Sec. 304A. Cost or pricing data: truth in negotiations.".

SEC. 1252. REPEAL OF OBSOLETE PROVISION.

(a) REPEAL.—Section 303E of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253e) is repealed.

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act is amended by striking out the item relating to section 303E.

Subtitle C—Research and Development

SEC. 1301. RESEARCH PROJECTS.

(a) AUTHORIZED MEANS.—Subsection (b) of section 2358 of title 10, United States Code, is amended to read as follows:

"(b) AUTHORIZED MEANS.—The Secretary of Defense or the Secretary of a military department may perform research and development projects—

"(1) by contract entered into with, grant made to, or cooperative agreement entered into with educational or research institutions, private businesses, or other persons in accordance with the provisions of chapter 63 of title 31;

"(2) through one or more military departments;

"(3) by using employees and consultants of the Department of Defense; or

"(4) by mutual agreement with the head of any other department or agency of the Federal Government.".

(b) CAPTION AMENDMENT.—The caption of subsection (c) of such section is amended by striking out "MILITARY" and inserting in lieu thereof "DEPARTMENT OF DEFENSE".

(c) ADVANCED RESEARCH PROJECTS.—

(1) RESTORATION AND REVISION OF FORMER STATEMENT OF AUTHORITY.—Section 2371 of title 10, United States Code, is amended—

(A) by redesignating subsections (a), (b), (c), (d), (e), and (f) as subsections (b), (c), (d), (e), (f), and (g), respectively; and

(B) by inserting before subsection (b), as so redesignated, the following new subsection (a):

"(a) The Secretary of Defense, acting through the Advanced Research Projects Agency and such other elements of the Department of Defense as the Secretary may designate, and the Secretary of each military department, in carrying out basic, applied, and advanced research projects, may enter into other transactions, in addition to contracts, grants, and cooperative agreements authorized by section 2358 of this title.".

(2) CONFORMING AMENDMENTS.—Such section, as amended by paragraph (1), is further amended—

(A) in subsection (b)—

(i) in paragraph (1), by inserting "or subsection (a)" after "section 2358 of this title"; and

(ii) in paragraph (2), by striking out "subsection (d)" and inserting in lieu thereof "subsection (e)";

(B) in subsection (c), by inserting "section 2358 of this title or" after "under";

(C) in subsection (d)—

(i) in paragraph (1), by striking out "this section" and inserting in lieu thereof "section 2358 of this title or subsection (a)"; and

(ii) in paragraph (3), by striking out "this section" and inserting in lieu thereof "section 2358 of this title or subsection (a)";

(D) in subsection (e), by inserting "or subsection (a)" in the first sentence after "section 2358 of this title"; and

(E) in subsection (f)—

(i) in the first sentence, by striking out "under this section" and inserting in lieu thereof "under section 2358 of this title or subsection (a)";

(ii) in paragraph (4), by striking out "subsection (a)" and inserting in lieu thereof "subsection (b)"; and

(iii) in paragraph (5), by striking out "subsection (d)" and inserting in lieu thereof "subsection (e)".

SEC. 1302. ELIMINATION OF INFLEXIBLE TERMINOLOGY REGARDING COORDINATION AND COMMUNICATION OF DEFENSE RESEARCH ACTIVITIES.

Section 2364 of title 10, United States Code, is amended—

(1) in subsection (b)(5), by striking out "milestone 0, milestone I, and milestone II decisions" and inserting in lieu thereof "acquisition program decisions"; and

(2) in subsection (c), by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) The term 'acquisition program decisions' has the meaning given such term in regulations prescribed by the Secretary of Defense for the purposes of this section.".

Subtitle D—Procurement Protests

PART I—PROTESTS TO THE COMPTROLLER GENERAL

SEC. 1401. PROTEST DEFINED.

Paragraph (1) of section 3551 of title 31, United States Code, is amended to read as follows:

"(1) 'protest' means a written objection by an interested party—

"(i) to a solicitation or other request by a Federal agency for offers for a contract for the procurement of property or services;

"(ii) to the cancellation of such a solicitation or other request;

"(iii) to an award or proposed award of such a contract; or

"(iv) to a termination or cancellation of an award of such a contract, if the written objection contains an allegation that the termination or cancellation is based in whole or in part on improprieties concerning the award of the contract;".

SEC. 1402. REVIEW OF PROTESTS AND EFFECT ON CONTRACTS PENDING DECISION.

(a) PERIODS FOR CERTAIN ACTIONS.—Section 3553 of title 31, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking out "one working day of" and inserting in lieu thereof "one day after"; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking out "25 working days from" and inserting in lieu thereof "35 days after"; and

(ii) in subparagraph (C), by striking out "10 working days from" and inserting in lieu thereof "25 days after"; and

(2) in subsection (c)(3), by striking out "thereafter" and inserting in lieu thereof "after the making of such finding".

(b) SUSPENSION OF PERFORMANCE.—Subsection (d) of such section is amended to read as follows:

"(d)(1) A contractor awarded a Federal agency contract may, during the period described in paragraph (4), begin performance of the contract and engage in any related activities that result in obligations being incurred by the United States under the contract unless the contracting officer responsible for the award of the contract withholds authorization to proceed with performance of the contract.

"(2) The contracting officer may withhold an authorization to proceed with performance of the contract during the period described in paragraph (4) if the contracting officer determines in writing that—

"(A) a protest is likely to be filed; and

"(B) the immediate performance of the contract is not in the best interests of the United States.

"(3)(A) If the Federal agency awarding the contract receives notice of a protest in accordance with this section during the period described in paragraph (4)—

"(i) the contracting officer may not authorize performance of the contract to begin while the protest is pending; or

"(ii) if contract performance authorization to proceed was not withheld in accordance with paragraph (2) before receipt of the notice, the contracting officer shall immediately direct the contractor to cease performance under the contract and to suspend any related activities that may result in additional obligations being incurred by the United States under that contract.

"(B) Performance and related activities suspended pursuant to subparagraph (A)(ii) by reason of a protest may not be resumed while the protest is pending.

"(C) The head of the procuring activity may authorize the performance of the contract (notwithstanding a protest of which the Federal agency has notice under this section)—

"(i) upon a written finding that—

"(I) performance of the contract is in the best interests of the United States; or

"(II) urgent and compelling circumstances that significantly affect interests of the United States will not permit waiting for the decision of the Comptroller General concerning the protest; and

"(ii) after the Comptroller General is notified of that finding.

"(4) The period referred to in paragraphs (2) and (3)(A), with respect to a contract, is the period beginning on the date of the contract award and ending on the later of—

"(A) the date that is 10 days after the date of the contract award; or

"(B) the date that is 5 days after—

"(i) the debriefing date offered to an unsuccessful offeror for any debriefing that is requested and, when requested, is required; or

"(ii) in the case of a contract for which no debriefing is required, the date on which the unsuccessful offeror receives the notification of contract award.".

SEC. 1403. DECISIONS ON PROTESTS.

(a) PERIODS FOR CERTAIN ACTIONS.—Section 3554(a) of title 31, United States Code, is amended—

(1) in paragraph (1), by striking out "90 working days from" and inserting in lieu thereof "125 days after";

(2) in paragraph (2), by striking out "45 calendar days from" and inserting "65 days after";

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

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

"(3) An amendment to a protest that adds a new ground of protest, if timely made, should be resolved, to the maximum extent practicable, within the time limit established under paragraph (1) of this subsection for final decision of the initial protest. If an amended protest cannot be resolved within such time limit, the Comptroller General may resolve the amended protest through the express option under paragraph (2) of this subsection.".

(b) GAO RECOMMENDATIONS ON PROTESTS.—

(1) IMPLEMENTATION OF RECOMMENDATIONS.—Section 3554 of title 31, United States Code, is amended—

(A) in subsection (b), by adding at the end the following new paragraph:

"(3) If the Federal agency fails to implement fully the recommendations of the Comptroller General under this subsection with respect to a solicitation for a contract or an award or proposed award of a contract within 60 days after receiving the recommendations, the head of the procuring activity responsible for that contract shall report such failure to the Comptroller General not later than 5 working days after the end of such 60-day period.";

(B) by striking out subsection (c) and inserting in lieu thereof the following:

"(c)(1) If the Comptroller General determines that a solicitation for a contract or a proposed award or the award of a contract does not comply with a statute or regulation, the Comptroller General may recommend that the Federal agency conducting the procurement pay to an appropriate interested party the costs of—

"(A) filing and pursuing the protest, including reasonable attorney's fees and consultant and expert witness fees; and

"(B) bid and proposal preparation.

"(2) No party (other than a small business concern (within the meaning of section 3(a) of the Small Business Act)) may be paid, pursuant to a recommendation made under the authority of paragraph (1)—

"(A) costs for consultant and expert witness fees that exceed the rates provided under section 504(b)(1)(A) of title 5 for expert witnesses; or

"(B) costs for attorney's fees that exceed the rates provided for attorneys under section 504(b)(1)(A) of title 5.

"(3) If the Comptroller General recommends under paragraph (1) that a Federal agency pay costs to an interested party, the Federal agency shall—

"(A) pay the costs promptly; or

"(B) if the Federal agency does not make such payment, promptly report to the Comptroller General the reasons for the failure to follow the Comptroller General's recommendation.

"(4) If the Comptroller General recommends under paragraph (1) that a Federal agency pay costs to an interested party, the Federal agency and the interested party shall attempt to reach an agreement on the amount of the costs to be paid. If the Federal agency and the interested party are unable to agree on the amount to be paid, the Comptroller General may, upon the request of the interested party, recommend to the Federal agency the amount of the costs that the Federal agency should pay."; and

(C) by striking out subsection (e) and inserting in lieu thereof the following:

"(e)(1) The Comptroller General shall report promptly to the Committee on Governmental Affairs and the Committee on Appropriations of the Senate and to the Committee on Government Operations and the Committee on Appropriations of the House of Representatives any case in which a Federal agency fails to implement fully a recommendation of the Comptroller General under subsection (b) or (c). The report shall include—

"(A) a comprehensive review of the pertinent procurement, including the circumstances of the failure of the Federal agency to implement a recommendation of the Comptroller General; and

"(B) a recommendation regarding whether, in order to correct an inequity or to preserve the integrity of the procurement process, the Congress should consider—

"(i) private relief legislation;

"(ii) legislative rescission or cancellation of funds;

"(iii) further investigation by Congress; or

"(iv) other action.

"(2) Not later than January 31 of each year, the Comptroller General shall transmit to the Congress a report containing a summary of each instance in which a Federal agency did not fully implement a recommendation of the Comptroller General under subsection (b) or (c) during the preceding year. The report shall also describe each instance in which a final decision in a protest was not rendered within 125 days after the date the protest is submitted to the Comptroller General.".

(2) REQUIREMENT FOR PAYMENT IN ACCORDANCE WITH PRIOR GAO DETERMINATIONS.—Costs to which the Comptroller General declared an interested party to be entitled under section 3554 of title 31, United States Code, as in effect immediately before the enactment of this Act, shall, if not paid or otherwise satisfied by the Federal agency concerned before the date of the enactment of this Act, be paid promptly.

SEC. 1404. REGULATIONS.

(a) COMPUTATION OF PERIODS.—Section 3555 of title 31, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (d); and

(2) by inserting after subsection (a) the following new subsection (b):

"(b) The procedures shall provide that, in the computation of any period described in this subchapter—

"(1) the day of the act, event, or default from which the designated period of time begins to run not be included; and

"(2) the last day after such act, event, or default be included, unless—

"(A) such last day is a Saturday, a Sunday, or a legal holiday; or

"(B) in the case of a filing of a paper at the General Accounting Office or a Federal agency, such last day is a day on which weather or other conditions cause the closing of the General Accounting Office or Federal agency, in which event the next day that is not a Saturday, Sunday, or legal holiday shall be included.".

(b) ELECTRONIC FILINGS AND DISSEMINATIONS.—Such section, as amended by subsection (a), is further amended by inserting after subsection (b) the following new subsection:

"(c) The Comptroller General may prescribe procedures for the electronic filing and dissemination of documents and information required under this subchapter. In prescribing such procedures, the Comptroller General shall consider the ability of all parties to achieve electronic access to such documents and records.".

(c) REPEAL OF OBSOLETE DEADLINE.—Subsection (a) of such section is amended by striking out "Not later than January 15, 1985, the" and inserting in lieu thereof "The".

PART II—PROTESTS IN THE FEDERAL COURTS

SEC. 1421. NONEXCLUSIVITY OF REMEDIES.

Section 3556 of title 31, United States Code, is amended by striking out "a district court of the United States or the United States Claims Court" in the first sentence and inserting in lieu thereof "the United States Court of Federal Claims".

SEC. 1422. JURISDICTION OF THE UNITED STATES COURT OF FEDERAL CLAIMS.

(a) CLAIMS AGAINST THE UNITED STATES AND BID PROTESTS.—Section 1491 of title 28, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (e);

(2) in subsection (a)—

(A) by striking out "(a)(1)" and inserting in lieu thereof "(a) CLAIMS AGAINST THE UNITED STATES.—";

(B) in paragraph (2), by striking out "(2) To" and inserting in lieu thereof "(b) REMEDY AND RELIEF.—To"; and

(C) by striking out paragraph (3); and

(3) by inserting after subsection (b), as designated by paragraph (2)(B), the following new subsection (c):

"(c) BID PROTESTS.—(1) The United States Court of Federal Claims has jurisdiction to render judgment on an action by an interested party objecting to a solicitation by a Federal agency for bids or proposals for a proposed contract or to a proposed award or the award of a contract. The court has jurisdiction to entertain such an action without regard to whether suit is instituted before or after the contract is awarded.

"(2) To afford relief in such an action, the court may award any relief that the court considers proper, including declaratory and injunctive relief.

"(3) In exercising jurisdiction under this subsection, the court shall give due regard to the interests of national defense and national security and the need for expeditious resolution of the action.

"(4) The district courts of the United States do not have jurisdiction of any action referred to in paragraph (1).".

(b) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of such section is amended by inserting "**BID PROTESTS;**" after "**GENERALLY;**".

(2) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 91 of title 28, United States Code, is amended by striking out the item relating to section 1491 and inserting in lieu thereof the following:

"1491. Claims against United States generally; bid protests; actions involving Tennessee Valley Authority.".

PART III—PROTESTS IN PROCUREMENTS OF AUTOMATIC DATA PROCESSING

SEC. 1431. REVOCATION OF DELEGATIONS OF PROCUREMENT AUTHORITY.

Section 111(b)(3) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(b)(3)) is amended by inserting after the third sentence the following: "The Administrator may revoke a delegation of authority with respect to a particular contract before or after award of the contract, except that the Administrator may revoke a delegation after the contract is awarded only when there is a finding of a violation of law or regulation in connection with the contract award.".

SEC. 1432. AUTHORITY OF THE GENERAL SERVICES ADMINISTRATION BOARD OF CONTRACT APPEALS.

The first sentence of section 111(f)(1) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)(1)) is amended to read as follows: "Upon request of an interested party in connection with any procurement that is subject to this section (including any such procurement that is subject to delegation of procurement authority), the board of contract appeals of the General Services Administration (hereafter in this subsection referred to as the 'board') shall review, as provided in this subsection, any decision by a contracting officer that is alleged to violate a statute, a regulation, or the conditions of a delegation of procurement authority.".

SEC. 1433. PERIODS FOR CERTAIN ACTIONS.

(a) SUSPENSION OF PROCUREMENT AUTHORITY.—Section 111(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)) is amended—

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

"(C) If, in the case of a preaward protest, the board suspends the procurement authority of the Administrator or the Administrator's delegation of procurement authority, the Administrator or the delegate, as the case may be, may continue with the procurement action up to, but not including, the awarding of the contract if the Administrator or the delegate, as the case may be, determines that it is in the best interests of the United States to do so."; and

(2) in paragraph (3) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A)(i) If, with respect to an award of a contract, the board receives notice of a protest under this subsection within the period described in clause (ii), the board shall, at the request of an interested party, hold a hearing to determine whether the board should suspend the procurement authority of the Administrator or the Administrator's delegation of procurement authority for the protested procurement on an interim basis until the board can decide the protest.

"(ii) The period referred to in clause (i) is the period beginning on the date on which the contract is awarded and ending on the date that is 10 days after the date of the contract award or, if later, the date that is 5 days after—

"(I) the debriefing date offered to an unsuccessful offeror for any debriefing that is requested and, when requested, is required; or

"(II) in the case of a contract for which no debriefing is required, the date on which the unsuccessful offeror receives the notification of contract award.

"(iii) The board shall hold the requested hearing within 5 days after the date of the filing of the protest or, in the case of a request for debriefing under the provisions of section 2305(b)(5) of title 10, United States Code, or section 303B(e) of this Act, within 5 days after the later of the date of the filing of the protest or the date of the debriefing.".

(b) FINAL DECISION.—Paragraph (4)(B) of such section 111(f) is amended—

(1) by striking out "45 working days" and inserting in lieu thereof "65 days"; and

(2) by adding at the end the following: "An amendment which adds a new ground of protest should be resolved, to the maximum extent practicable, within the time limits established for resolution of the initial protest.".

SEC. 1434. DISMISSALS OF PROTESTS.

Section 111(f)(4) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)(4)) is amended by striking out subparagraph (C) and inserting in lieu thereof the following:

"(C) The board may dismiss a protest that the board determines—

"(i) is frivolous;

"(ii) has been brought in bad faith; or

"(iii) does not state on its face a valid basis for protest.".

SEC. 1435. AWARD OF COSTS.

Section 111(f)(5) is amended by striking out subparagraph (C) and inserting in lieu thereof the following:

"(C) Whenever the board makes such a determination, it may, in accordance with section 1304 of title 31, United States Code, further declare an appropriate prevailing party to be entitled to the cost of filing and pursuing the protest (including reasonable attorney's fees and consultant and expert witness fees), and bid and proposal preparation. However, no party (other than a small business concern (within the meaning of section 3(a) of the Small Business Act)) may be declared entitled to costs for consultant and expert witness fees that exceed the rates provided under section 504(b)(1)(A) of title 5, United States Code, for expert witnesses or to costs for attorney's fees that exceed the rates provided for attorneys under section 504(b)(1)(A) of title 5, United States Code.".

SEC. 1436. DISMISSAL AGREEMENTS.

Section 111(f)(5) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)(5)) is amended by adding at the end the following new subparagraphs:

"(D) Any agreement that provides for the dismissal of a protest and involves a direct or indirect expenditure of appropriated funds shall be submitted to the board and shall be made a part of the public record (subject to any protective order considered appropriate by the board) before dismissal of the protest. If a Federal agency is a party to a settlement agreement, the submission of the agreement submitted to the board shall include a memorandum, signed by the contracting officer concerned, that describes in detail the procurement, the grounds for protest, the Federal Government's position regarding the grounds for protest, the terms of the settlement, and the agency's position regarding the propriety of the award or proposed award of the contract at issue in the protest.

"(E) Payment of amounts due from an agency under subparagraph (C) or under the terms of a settlement agreement under subparagraph (D) shall be made from the appropriation made by section 1304 of title 31, United States Code, for the payment of judgments. The Federal agency concerned shall reimburse that appropriation account out of funds available for the procurement.".

SEC. 1437. JURISDICTION OF DISTRICT COURTS.

Section 111(f)(6)(C) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)(6)(C)) is amended by striking out "a district court of the United States or".

SEC. 1438. MATTERS TO BE COVERED IN REGULATIONS.

Section 111(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)) is amended by striking out paragraph (8) and inserting in lieu thereof the following:

"(7)(A) The board shall adopt and issue such rules and procedures as may be necessary to the expeditious disposition of protests filed under the authority of this subsection.

"(B) The procedures shall provide that, in the computation of any period described in this subsection—

"(i) the day of the act, event, or default from which the designated period of time begins to run not be included; and

"(ii) the last day after such act, event, or default be included, unless—

"(I) such last day is a Saturday, a Sunday, or a legal holiday; or

"(II) in the case of a filing of a paper at the board, such last day is a day on which weather or other conditions cause the closing of the board or Federal agency, in which event the next day that is not a Saturday, Sunday, or legal holiday shall be included.

"(C) The procedures may provide for electronic filing and dissemination of documents and information required under this subsection and in so providing shall consider the ability of all parties to achieve electronic access to such documents and records.

"(D) The procedures shall provide that if the board expressly finds that a protest or a portion of a protest is frivolous or has not been brought or pursued in good faith, or that any person has willfully abused the board's process during the course of a protest, the board may impose appropriate procedural sanctions, including dismissal of the protest.".

SEC. 1439. DEFINITIONS.

(a) PROTEST.—Section 111(f)(9)(A) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)(9)(A)) is amended to read as follows:

"(A) the term 'protest' means a written objection by an interested party—

"(i) to a solicitation or other request by a Federal agency for offers for a contract for the procurement of property or services;

"(ii) to the cancellation of such a solicitation or other request;

"(iii) to an award or proposed award of such a contract; or

"(iv) to a termination or cancellation of an award of such a contract, if the written objection contains an allegation that the termination or cancellation is based in whole or in part on improprieties concerning the award of the contract;".

(b) PREVAILING PARTY.—Section 111(f)(9) of such Act is amended—

(1) by striking out "and" at the end of subparagraph (A);

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

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

"(C) the term 'prevailing party', with respect to a determination of the board under paragraph (5)(B) that a challenged action of a Federal agency violates a statute or regulation or the conditions of a delegation of procurement authority issued pursuant to this section, means a party that demonstrated such violation.".

Subtitle E—Definitions and Other Matters

PART I—ARMED SERVICES ACQUISITIONS

SEC. 1501. DEFINITIONS.

Section 2302 of title 10, United States Code, is amended—

(1) by striking out paragraphs (3), (4), (5), and (7);

(2) by redesignating paragraph (6) as paragraph (5); and

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

"(3) The terms 'commercial item', 'commercial component', 'full and open competition', 'major system', 'nondevelopmental item', 'procurement', 'procurement system', 'responsible source', 'standards', and 'technical data', have the meanings given such terms in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

"(4) The term 'simplified acquisition threshold' has the meaning given that term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403), except that, in the case of any contract to be awarded and performed, or purchase to be made, outside the United States in support of a contingency operation, the term means an amount equal to two times the amount specified for that term in section 4 of such Act.".

SEC. 1502. DELEGATION OF PROCUREMENT FUNCTIONS.

(a) CONSOLIDATION OF DELEGATION AUTHORITY.—Section 2311 of title 10, United States Code, is amended to read as follows:

"§ 2311. Delegation

"(a) IN GENERAL.—Except to the extent expressly prohibited by another provision of law, the head of an agency may delegate, subject to his direction, to any other officer or official of that agency, any power under this chapter.

"(b) PROCUREMENTS FOR OR WITH OTHER AGENCIES.—Subject to subsection (a), to facilitate the procurement of property and services covered by this chapter by each agency named in section 2303 of this title for any other agency, and to facilitate joint procurement by those agencies—

"(1) the head of an agency may, within his agency, delegate functions and assign responsibilities relating to procurement;

"(2) the heads of two or more agencies may by agreement delegate procurement functions and assign procurement responsibilities from one agency to another of those agencies or to an officer or civilian employee of another of those agencies; and

"(3) the heads of two or more agencies may create joint or combined offices to exercise procurement functions and responsibilities.

"(c) APPROVAL OF TERMINATIONS AND REDUCTIONS OF JOINT ACQUISITION PROGRAMS.—(1) 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 and Technology from terminating or substantially reducing its participation in such program without the approval of the Under Secretary.

"(2) The regulations shall include the following provisions:

"(A) 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.

"(B) A provision that authorizes the Under Secretary of Defense for Acquisition and Technology 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.".

(b) CONFORMING REPEAL.—(1) Section 2308 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 137 of such title is amended by striking out the item related to section 2308.

SEC. 1503. DETERMINATIONS AND DECISIONS.

Section 2310 of title 10, United States Code, is amended to read as follows:

"§ 2310. Determinations and decisions

"(a) INDIVIDUAL OR CLASS DETERMINATIONS AND DECISIONS AUTHORIZED.—Determinations and decisions required to be made under this chapter by the head of an agency may be made for an individual purchase or contract or for a class of purchases or contracts. Such determinations and decisions are final.

"(b) WRITTEN FINDINGS REQUIRED.—(1) Each determination or decision under section 2306(e)(1), 2307(e), or 2313(d)(2) of this title shall be based on a written finding by the person making the determination or decision. The finding shall set out facts and circumstances that support the determination or decision.

"(2) Each finding referred to in paragraph (1) shall be final. The head of the agency making such finding shall maintain a copy of the finding for not less than 6 years after the date of the determination or decision.".

SEC. 1504. UNDEFINITIZED CONTRACTUAL ACTIONS: RESTRICTIONS.

(a) CLARIFICATION OF LIMITATION.—Subsection (b) of section 2326 of title 10, United States Code, is amended—

(1) in the subsection caption, by striking out "AND EXPENDITURE";

(2) in paragraph (1)(B), by striking out "or expended";

(3) in paragraph (2), by striking out "expend" and inserting in lieu thereof "obligate"; and

(4) in paragraph (3)—

(A) by striking out "expended" and inserting in lieu thereof "obligated"; and

(B) by striking out "expend" and inserting in lieu thereof "obligate".

(b) WAIVER AUTHORITY.—Such subsection is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting after paragraph (3) the following new paragraph (4):

"(4) The head of an agency may waive the provisions of this subsection with respect to a contract of that agency if such head of an agency determines that the waiver is necessary in order to support a contingency operation.".

(c) INAPPLICABILITY OF RESTRICTIONS TO CONTRACTS WITHIN THE SIMPLIFIED ACQUISITION THRESHOLD.—Section 2326(g)(1)(B) of title 10, United States Code, is amended by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold".

SEC. 1505. PRODUCTION SPECIAL TOOLING AND PRODUCTION SPECIAL TEST EQUIPMENT: CONTRACT TERMS AND CONDITIONS.

(a) REPEAL.—Section 2329 of title 10, United States Code, is repealed.

(b) TECHNICAL AMENDMENT.—The table of sections at the beginning of chapter 137 of such title is amended by striking out the item related to section 2329.

SEC. 1506. REGULATIONS FOR BIDS.

Section 2381(a) of title 10, United States Code, is amended by striking out "(a) The Secretary" and all that follows through the end of paragraph (1) and inserting in lieu thereof the following:

"(a) The Secretary of Defense or the Secretary of a military department may—

"(1) prescribe regulations for the preparation, submission, and opening of bids for contracts; and".

PART II—CIVILIAN AGENCY ACQUISITIONS

SEC. 1551. DEFINITIONS.

Section 309(c) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 259(c)) is amended by striking out "and 'supplies' " and inserting in lieu thereof "'supplies', 'commercial item', 'commercial component', 'nondevelopmental item', and 'simplified acquisition threshold' ".

SEC. 1552. DELEGATION OF PROCUREMENT FUNCTIONS.

(a) AUTHORITY.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) is amended—

(1) by redesignating sections 309 and 310 as sections 312 and 313, respectively; and

(2) by inserting after section 308 the following new section 309:

"DELEGATION

"SEC. 309. (a) IN GENERAL.—Except to the extent expressly prohibited by another provision of law, an agency head may delegate, subject to his direction, to any other officer or official of that agency, any power under this title.

"(b) PROCUREMENTS FOR OR WITH OTHER AGENCIES.—Subject to subsection (a), to facilitate the procurement of property and services covered by this title by each executive agency for any other executive agency, and to facilitate joint procurement by those executive agencies—

"(1) an agency head may, within his executive agency, delegate functions and assign responsibilities relating to procurement;

"(2) the heads of two or more executive agencies may by agreement delegate procurement functions and assign procurement responsibilities from one executive agency to another of those executive agencies or to an officer or civilian employee of another of those executive agencies; and

"(3) the heads of two or more executive agencies may create joint or combined offices to exercise procurement functions and responsibilities.".

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act is amended by striking out the items relating to sections 309 and 310 and inserting in lieu thereof the following:

"Sec. 309. Delegation.
"Sec. 312. Definitions.
"Sec. 313. Statutes not applicable.".

SEC. 1553. DETERMINATIONS AND DECISIONS.

(a) IN GENERAL.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), as amended by section 1552, is further amended by inserting after section 309 the following new section 310:

"DETERMINATIONS AND DECISIONS

"SEC. 310. (a) INDIVIDUAL OR CLASS DETERMINATIONS AND DECISIONS AUTHORIZED.—Determinations and decisions required to be made under this title by an agency head may be made for an individual purchase or contract or for a class of purchases or contracts. Such determinations and decisions are final.

"(b) WRITTEN FINDINGS REQUIRED.—(1) Each determination under section 305(e) shall be based on a written finding by the person making the determination or decision. The finding shall set out facts and circumstances that support the determination or decision.

"(2) Each finding referred to in paragraph (1) shall be final. The agency head making such finding shall maintain a copy of the finding for not less than 6 years after the date of the determination or decision.".

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act, as amended by section 1552, is further amended by inserting after the item relating to section 309 the following:

"Sec. 310. Determinations and decisions.".

SEC. 1554. COOPERATIVE PURCHASING.

Subsection (b) of section 201 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481), is amended to read as follows:

"(b)(1) The Administrator shall, as far as practicable, provide any of the services specified in subsection (a) of this section to any other Federal agency, mixed-ownership Government corporation (as defined in section 9101 of title 31, United States Code), or the District of Columbia, upon its request.

"(2)(A) The Administrator may provide for the use of Federal supply schedules or other contracts by any of the following entities upon request:

"(i) A State, any department or agency of a State, and any political subdivision of a State, including a local government.

"(ii) The District of Columbia.

"(iii) The Commonwealth of Puerto Rico.

"(iv) The government of an Indian tribe (as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e))).

"(B) Subparagraph (A) may not be construed to authorize an entity referred to in that subparagraph to order existing stock or inventory from federally owned and operated, or federally owned and contractor operated, supply depots, warehouses, or similar facilities.

"(3)(A) Upon the request of a qualified nonprofit agency for the blind or other severely handicapped that is to provide a commodity or service to the Federal Government under the Javits-Wagner-O'Day Act, the Administrator may provide any of the services specified in subsection (a) to such agency to the extent practicable.

"(B) A nonprofit agency receiving services under the authority of subparagraph (A) shall use the services directly in making or providing an approved commodity or approved service to the Federal Government.

"(C) In this paragraph:

"(i) 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)).

"(ii) 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 the Javits-Wagner-O'Day Act (41 U.S.C. 47) to be suitable for procurement by the Federal Government.

"(iii) 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.".

TITLE II—CONTRACT ADMINISTRATION

Subtitle A—Contract Payment

PART I—ARMED SERVICES ACQUISITIONS

SEC. 2001. CONTRACT FINANCING.

(a) REORGANIZATION OF PRINCIPAL AUTHORITY PROVISION.—Section 2307 of title 10, United States Code, is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"§ 2307. Contract financing";

(2) by striking out "(a) The head of an agency" and inserting in lieu thereof "(b) PAYMENT AUTHORITY.—The head of an agency";

(3) by striking out "(b) Payments" and inserting in lieu thereof "(d) PAYMENT AMOUNT.—Payments";

(4) by striking out "(c) Advance payments" and inserting in lieu thereof "(e) SECURITY FOR ADVANCE PAYMENTS.—Advance payments";

(5) by striking out "(d)(1) The Secretary of Defense" and inserting in lieu thereof "(f) CONDITIONS FOR PROGRESS PAYMENTS.—(1) The Secretary of Defense"; and

(6) by striking out "(e)(1) In any case" and inserting in lieu thereof "(h) ACTION IN CASE OF FRAUD.—(1) In any case".

(b) FINANCING POLICY.—Such section, as amended by subsection (a), is further amended by inserting after the section heading the following new subsection (a):

"(a) POLICY.—Payments authorized under this section and made for financing purposes should be made periodically or, when appropriate, on an advance basis and should be so made in a timely manner to facilitate contract performance while protecting the security interests of the Government. Government financing shall be provided only to the extent necessary to ensure prompt and efficient performance and only after the availability of private financing is considered. A contractor's use of funds received as contract financing and the contractor's financial condition shall be monitored. If the contractor is a small business concern, special attention shall be given to meeting the contractor's financial need.".

(c) PERFORMANCE-BASED PAYMENTS.—Such section, as amended by subsection (a), is further amended by inserting after subsection (b) the following new subsection (c):

"(c) PERFORMANCE-BASED PAYMENTS.—Whenever practicable, payments under subsection (b) shall be made on any of the following bases:

"(1) Performance measured by objective, quantifiable methods such as receipt of items by the Federal Government, work measurement, or statistical process controls.

"(2) Accomplishment of events defined in the program management plan.

"(3) Other quantifiable measures of results.".

(d) TERMINOLOGY CORRECTION.—Such section, as amended by subsection (a)(2), is further amended in subsection (b)(2) by striking out "bid".

(e) EFFECTIVE DATE OF LIEN RELATED TO ADVANCE PAYMENTS.—Such section, as amended by subsection (a)(4), is further amended in subsection (e) by inserting before the period at the end of the third sentence the following: "and is effective immediately upon the first advancement of funds without filing, notice, or any other action by the United States".

(f) CONDITIONS FOR PROGRESS PAYMENTS.—Such section, as amended by subsection (a)(5), is further amended in subsection (f)—

(1) in the first sentence of paragraph (1), by striking out "work, which" and all that follows through "accomplished" and inserting in lieu thereof "work accomplished that meets standards established under the contract"; and

(2) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) This subsection applies to a contract for an amount equal to or greater than the simplified acquisition threshold.".

(g) NAVY CONTRACTS.—Such section, as amended by subsection (a)(5), is further amended by inserting after subsection (f) the following new subsection (g):

"(g) CERTAIN NAVY CONTRACTS.—(1) The Secretary of the Navy shall provide that the rate for progress payments on any contract awarded by the Secretary for repair, maintenance, or overhaul of a naval vessel shall be not less than—

"(A) 95 percent, in the case of firms considered to be small businesses; and

"(B) 90 percent, in the case of all other firms.

"(2) The Secretary of the Navy may advance to private salvage companies such funds as the Secretary considers necessary to provide for the immediate financing of salvage operations. Advances under this paragraph shall be made on terms that the Secretary considers adequate for the protection of the United States.

"(3) The Secretary of the Navy shall ensure that, when partial, progress, or other payments are made under a contract for construction or conversion of a naval vessel, the United States is secured by a lien upon work in progress and on property acquired for performance of the contract on account of all payments so made. The lien is paramount to all other liens.".

(h) RELATIONSHIP TO PROMPT PAYMENT REQUIREMENTS.—Section 2307(f) of title 10, United States Code, as amended by subsection (f), is not intended to impair or modify procedures required by the provisions of chapter 39 of title 31, United States Code, and the regulations issued pursuant to such provisions of law, that relate to progress payment requests, as such procedures are in effect on the date of the enactment of this Act.

(i) CONFORMING AND CLERICAL AMENDMENTS.—

(1) CROSS REFERENCE.—Such section, as amended by subsection (a), is further amended in subsections (d) and (e) by striking out "subsection (a)" and inserting in lieu thereof "subsection (b)".

(2) TABLE OF CONTENTS.—The table of sections at the beginning of chapter 137 of title 10, United States Code, is amended by striking out the item relating to section 2307 and inserting in lieu thereof the following:

"2307. Contract financing.".

(j) REPEAL OF SUPERSEDED PROVISIONS.—

(1) PROGRESS PAYMENTS UNDER CERTAIN NAVY CONTRACTS.—

(A) REPEAL.—Section 7312 of title 10, United States Code, is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 633 of such title is amended by striking out the item relating to section 7312.

(2) ADVANCEMENT OF PAYMENTS FOR NAVY SALVAGE OPERATIONS.—

(A) REPEAL.—Section 7364 of such title is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 637 of such title is amended by striking out the item relating to section 7364.

(3) PARTIAL PAYMENTS UNDER NAVY CONTRACTS.—

(A) REPEAL.—Section 7521 of such title is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 645 of such title is amended by striking out the item relating to section 7521.

SEC. 2002. CONTRACTS: VOUCHERING PROCEDURES.

(a) REPEAL.—Section 2355 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 139 of such title is amended by striking out the item relating to section 2355.

PART II—CIVILIAN AGENCY ACQUISITIONS

SEC. 2051. CONTRACT FINANCING.

(a) REORGANIZATION OF PRINCIPAL AUTHORITY PROVISION.—Section 305 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 255) is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"CONTRACT FINANCING";

(2) by striking out "(a) Any executive agency" and inserting in lieu thereof "(b) PAYMENT AUTHORITY.—Any executive agency";

(3) by striking out "(b) Payments" and inserting in lieu thereof "(d) PAYMENT AMOUNT.—Payments"; and

(4) by striking out "(c) Advance payments" and inserting in lieu thereof "(e) SECURITY FOR ADVANCE PAYMENTS.—Advance payments".

(b) FINANCING POLICY.—Such section, as amended by subsection (a), is further amended by inserting after the section heading the following new subsection (a):

"(a) POLICY.—Payments authorized under this section and made for financing purposes should be made periodically or, when appropriate, on an advance basis and should be so made in a timely manner to facilitate contract performance while protecting the security interests of the Government. Government financing shall be provided only to the extent necessary to ensure prompt and efficient performance and only after the availability of private financing is considered. A contractor's use of funds received as contract financing and the contractor's financial condition shall be monitored. If the contractor is a small business concern, special attention shall be given to meeting the contractor's financial need.".

(c) PERFORMANCE-BASED PAYMENTS.—Such section, as amended by subsection (a), is further amended by inserting after subsection (b) the following new subsection (c):

"(c) PERFORMANCE-BASED PAYMENTS.—Whenever practicable, payments under subsection (b) shall be made on any of the following bases:

"(1) Performance measured by objective, quantifiable methods such as receipt of items by the Federal Government, work measurement, or statistical process controls.

"(2) Accomplishment of events defined in the program management plan.

"(3) Other quantifiable measures of results.".

(d) TERMINOLOGY CORRECTION.—Such section, as amended by subsection (a)(2), is further amended in subsection (b)(2) by striking out "bid".

(e) EFFECTIVE DATE OF LIEN RELATED TO ADVANCE PAYMENTS.—Such section, as amended by subsection (a)(4), is further amended in subsection (e) by inserting before the period at the end of the third sentence the following: "and is effective immediately upon the first advancement of funds without filing, notice, or any other action by the United States".

(f) REVISION OF CIVILIAN AGENCY PROVISION TO ENSURE UNIFORM REQUIREMENTS FOR PROGRESS PAYMENTS.—

(1) IN GENERAL.—Such section, as amended by subsection (a), is further amended by adding at the end the following:

"(f) CONDITIONS FOR PROGRESS PAYMENTS.—(1) The agency head shall ensure that any payment for work in progress (including materials, labor, and other items) under a contract of an executive agency that provides for such payments is commensurate with the work accomplished that meets standards established under the contract. The contractor shall provide such information and evidence as the agency head determines necessary to permit the agency head to carry out the preceding sentence.

"(2) The agency head shall ensure that progress payments referred to in paragraph (1) are not made for more than 80 percent of the work accomplished under the contract so long as the agency head has not made the contractual terms, specifications, and price definite.

"(3) This subsection applies to a contract for an amount equal to or greater than the simplified acquisition threshold.

"(g) ACTION IN CASE OF FRAUD.—(1) In any case in which the remedy coordination official of an executive agency finds that there is substantial evidence that the request of a contractor for advance, partial, or progress payment under a contract awarded by that executive agency is based on fraud, the remedy coordination official shall recommend that the agency head reduce or suspend further payments to such contractor.

"(2) An agency head receiving a recommendation under paragraph (1) in the case of a contractor's request for payment under a contract shall determine whether there is substantial evidence that the request is based on fraud. Upon making such a determination, the agency head may reduce or suspend further payments to the contractor under such contract.

"(3) The extent of any reduction or suspension of payments by an agency head under paragraph (2) on the basis of fraud shall be reasonably commensurate with the anticipated loss to the United States resulting from the fraud.

"(4) A written justification for each decision of the agency head whether to reduce or suspend payments under paragraph (2), and for each recommendation received by the agency head in connection with such decision, shall be prepared and be retained in the files of the executive agency.

"(5) Each agency head shall prescribe procedures to ensure that, before the agency head decides to reduce or suspend payments in the case of a contractor under paragraph (2), the contractor is afforded notice of the proposed reduction or suspension and an opportunity to submit matters to the head of the agency in response to such proposed reduction or suspension.

"(6) Not later than 180 days after the date on which an agency head reduces or suspends payments to a contractor under paragraph (2), the remedy coordination official of the executive agency shall—

"(A) review the determination of fraud on which the reduction or suspension is based; and

"(B) transmit a recommendation to the agency head whether the suspension or reduction should continue.

"(7) Each agency head who receives recommendations made by a remedy coordination official of the executive agency to reduce or suspend payments under paragraph (2) during a fiscal year shall prepare for such year a report that contains the recommendations, the actions taken on the recommendations and the reasons for such actions, and an assessment of the effects of such actions on the Federal Government. Any such report shall be available to any Member of Congress upon request.

"(8) An agency head may not delegate responsibilities under this subsection to any person in a position below level IV of the Executive Schedule.

"(9) In this subsection, the term 'remedy coordination official', with respect to an executive agency, means the person or entity in that executive agency who coordinates within that executive agency the administration of criminal, civil, administrative, and contractual remedies resulting from investigations of fraud or corruption related to procurement activities.".

(2) RELATIONSHIP TO PROMPT PAYMENT REQUIREMENTS.—The amendment made by paragraph (1) is not intended to impair or modify

procedures required by the provisions of chapter 39 of title 31, United States Code, and the regulations issued pursuant to such provisions of law, that relate to progress payment requests, as such procedures are in effect on the date of the enactment of this Act.

(g) CONFORMING AND CLERICAL AMENDMENTS.—

(1) REFERENCE.—Section 305 of the Federal Property and Administrative Services Act of 1949, as amended by subsection (a), is further amended in subsections (d) and (e) by striking out "subsection (a)" and inserting in lieu thereof "subsection (b)".

(2) TABLE OF CONTENTS.—The table of contents in the first section of such Act is amended by striking out the item relating to section 305 and inserting in lieu thereof the following:

"Sec. 305. Contract financing.".

Subtitle B—Cost Principles

PART I—ARMED SERVICES ACQUISITIONS

SEC. 2101. ALLOWABLE CONTRACT COSTS.

(a) UNALLOWABILITY OF COSTS TO INFLUENCE LOCAL LEGISLATIVE BODIES.—Subsection (e)(1)(B) of section 2324 of title 10, United States Code, is amended by striking out "or a State legislature" and inserting in lieu thereof ", a State legislature, or a legislative body of a political subdivision of a State".

(b) COMPTROLLER GENERAL EVALUATION.—Section 2324 of such title is amended by striking out subsection (l).

(c) COVERED CONTRACT DEFINED.—Subsection (m) of such section is amended to read as follows:

"(l)(1) In this section, the term 'covered contract' means a contract for an amount in excess of $500,000 that is entered into by the Department of Defense, except that such term does not include a fixed-price contract without cost incentives.

"(2) Effective on October 1 of each year that is divisible by 5, the amount set forth in paragraph (1) shall be adjusted to the amount that is equal to the fiscal year 1994 constant dollar value of the amount set forth. An amount, as so adjusted, that is not evenly divisible by $50,000 shall be rounded to the nearest multiple of $50,000. In the case of an amount that is evenly divisible by $25,000 but is not evenly divisible by $50,000, the amount shall be rounded to the next higher multiple of $50,000.".

SEC. 2102. CONTRACT PROFIT CONTROLS DURING EMERGENCY PERIODS.

(a) REPEAL.—Section 2382 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2382.

PART II—CIVILIAN AGENCY ACQUISITIONS

SEC. 2151. ALLOWABLE CONTRACT COSTS.

(a) REVISION OF CIVILIAN AGENCY PROVISION TO ENSURE UNIFORM TREATMENT OF CONTRACT COSTS.—Section 306 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 256) is amended to read as follows:

"ALLOWABLE COSTS

"SEC. 306. (a) INDIRECT COST THAT VIOLATES A FAR COST PRINCIPLE.—The head of an executive agency shall require that a covered contract provide that if the contractor submits to the executive agency 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 an executive agency's supplement to the Federal Acquisition Regulation, the cost shall be disallowed.

"(b) PENALTY FOR VIOLATION OF COST PRINCIPLE.—(1) If the agency head 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 agency head shall assess a penalty against the contractor in an amount equal to—

"(A) the amount of the disallowed cost allocated to covered contracts for which a proposal for settlement of indirect costs has been submitted; plus

"(B) interest (to be computed based on regulations issued by the agency head) to compensate the United States for the use of any funds which a contractor has been paid in excess of the amount to which the contractor was entitled.

"(2) If the agency head 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 agency head shall assess a penalty against the contractor in an amount equal to two times the amount of the disallowed cost allocated to covered contracts for which a proposal for settlement of indirect costs has been submitted.

"(c) WAIVER OF PENALTY.—In accordance with the Federal Acquisition Regulation, the agency head may waive a penalty under subsection (b) 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;

"(2) the amount of unallowable costs subject to the penalty is insignificant; or

"(3) the contractor demonstrates, to the contracting officer's satisfaction, that—

"(A) it has established appropriate policies and personnel training and an internal control and review system that provide assurances that unallowable costs subject to penalties are precluded from being included in the contractor's proposal for settlement of indirect costs; and

"(B) the unallowable costs subject to the penalty were inadvertently incorporated into the proposal.

"(d) APPLICABILITY OF CONTRACT DISPUTES PROCEDURE TO DISALLOWANCE OF COST AND ASSESSMENT OF PENALTY.—An action of an agency head 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.

"(e) SPECIFIC COSTS NOT ALLOWABLE.—(1) The following costs are not allowable under a covered contract:

"(A) Costs of entertainment, including amusement, diversion, and social activities, and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).

"(B) Costs incurred to influence (directly or indirectly) legislative action on any matter pending before Congress, a State legislature, or a legislative body of a political subdivision of a State.

"(C) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of any false certification) brought by the United States where the contractor is found liable or had pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of a false certification).

"(D) Payments of fines and penalties resulting from violations of, or failure to comply with, Federal, State, local, or foreign laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer authorizing in advance such payments in accordance with the Federal Acquisition Regulation.

"(E) Costs of membership in any social, dining, or country club or organization.

"(F) Costs of alcoholic beverages.

"(G) Contributions or donations, regardless of the recipient.

"(H) Costs of advertising designed to promote the contractor or its products.

"(I) Costs of promotional items and memorabilia, including models, gifts, and souvenirs.

"(J) Costs for travel by commercial aircraft which exceed the amount of the standard commercial fare.

"(K) Costs incurred in making any payment (commonly known as a 'golden parachute payment') which is—

"(i) in an amount in excess of the normal severance pay paid by the contractor to an employee upon termination of employment; and

"(ii) is paid to the employee contingent upon, and following, a change in management control over, or ownership of, the contractor or a substantial portion of the contractor's assets.

"(L) Costs of commercial insurance that protects against the costs of the contractor for correction of the contractor's own defects in materials or workmanship.

"(M) Costs of severance pay paid by the contractor to foreign nationals employed by the contractor under a service contract performed outside the United States, to the extent that the amount of severance pay paid in any case exceeds the amount paid in the industry involved under the customary or prevailing practice for firms in that industry providing similar services in the United States, as determined in accordance with the Federal Acquisition Regulation.

"(N) Costs of severance pay paid by the contractor to a foreign national employed by the contractor under a service contract performed in a foreign country if the termination of the employment of the foreign national is the result of the closing of, or the curtailment of activities at, a United States facility in that country at the request of the government of that country.

"(O) Costs incurred by a contractor in connection with any criminal, civil, or administrative proceeding commenced by the United States or a State, to the extent provided in subsection (k).

"(2)(A) Subject to the availability of appropriations, the head of an executive agency, in awarding a covered contract, may waive in accordance with the Federal Acquisition Regulation the application of the provisions of paragraphs (1)(M) and (1)(N) to that contract if the agency head 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 employees of the executive agency posted 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 the executive agency concerned shall include in the solicitation for a covered contract a statement indicating—

"(i) that a waiver has been granted under subparagraph (A) for the contract; or

"(ii) whether the agency head will consider granting such a waiver, and, if the agency head will consider granting a waiver, the criteria to be used in granting the waiver.

"(C) The agency head shall make the final determination regarding whether to grant a waiver under subparagraph (A) with respect to a covered contract before award of the contract.

"(3) The head of each executive agency shall implement this section with respect to contracts of that executive agency in accordance with the Federal Acquisition Regulation. The provisions of the Federal Acquisition applicable to the implementation of this section may include definitions, exclusions, limitations, and qualifications.

"(f) REQUIRED REGULATIONS.—(1) The Federal Acquisition Regulation referred to in section 25(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)(1)) shall contain provisions on the allowability of contractor costs. Such provisions shall define in detail and in specific terms those costs which are unallowable, in whole or in part, under covered contracts. The regulations shall, at a minimum, clarify the cost principles applicable to contractor costs of the following:

"(A) Air shows.

"(B) Membership in civic, community, and professional organizations.

"(C) Recruitment.

"(D) Employee morale and welfare.

"(E) Actions to influence (directly or indirectly) executive branch action on regulatory and contract matters (other than costs incurred in regard to contract proposals pursuant to solicited or unsolicited bids).

"(F) Community relations.

"(G) Dining facilities.

"(H) Professional and consulting services, including legal services.

"(I) Compensation.

"(J) Selling and marketing.

"(K) Travel.

"(L) Public relations.

"(M) Hotel and meal expenses.

"(N) Expense of corporate aircraft.

"(O) Company-furnished automobiles.

"(P) Advertising.

"(2) The Federal Acquisition Regulation shall require that a contracting officer not resolve any questioned costs until the contracting officer has obtained—

"(A) adequate documentation with respect to such costs; and

"(B) the opinion of the executive agency's contract auditor on the allowability of such costs.

"(3) The Federal Acquisition Regulation shall provide that, to the maximum extent practicable, an executive agency's contract auditor be present at any negotiation or meeting with the contractor regarding a determination of the allowability of indirect costs of the contractor.

"(4) The Federal Acquisition Regulation shall require that all categories of costs designated in the report of an executive agency's contract auditor as questioned with respect to a proposal for settlement be resolved in such a manner that the amount of the individual questioned costs that are paid will be reflected in the settlement.

"(g) APPLICABILITY OF REQUIRED REGULATIONS TO SUBCONTRACTORS.—The regulations prescribed to carry out subsections (e) and (f)(1) shall require, to the maximum extent practicable, that such regulations apply to all subcontractors of a covered contract.

"(h) CONTRACTOR CERTIFICATION REQUIRED.—(1) A proposal for settlement of indirect costs applicable to a covered contract shall include a certification by an official of the contractor that, to the best of the certifying official's knowledge and belief, all indirect costs included in the proposal are allowable. Any such certification shall be in a form prescribed by the agency head concerned.

"(2) The agency head concerned may, in an exceptional case, waive the requirement for certification under paragraph (1) in the case of any contract if the agency head—

"(A) determines in such case that it would be in the interest of the United States to waive such certification; and

"(B) states in writing the reasons for that determination and makes such determination available to the public.

"(i) PENALTIES FOR SUBMISSION OF COST KNOWN AS NOT ALLOWABLE.—The submission to an executive agency of a proposal for settlement of costs for any period after such costs have been accrued that includes a cost that is expressly specified by statute or regulation as being unallowable, with the knowledge that such cost is unallowable, shall be subject to the provisions of section 287 of title 18, United States Code, and section 3729 of title 31, United States Code.

"(j) CONTRACTOR TO HAVE BURDEN OF PROOF.—In a proceeding before a board of contract appeals, the United States Court of Federal Claims, or any other Federal court in which the reasonableness of indirect costs for which a contractor seeks reimbursement from the United States is in issue, the burden of proof shall be upon the contractor to establish that those costs are reasonable.

"(k) PROCEEDING COSTS NOT ALLOWABLE.—(1) Except as otherwise provided in this subsection, costs incurred by a contractor in connection with any criminal, civil, or administrative proceeding commenced by the United States or a State are not allowable as reimbursable costs under a covered contract if the proceeding (A) relates to a violation of, or failure to comply with, a Federal or State statute or regulation, and (B) results in a disposition described in paragraph (2).

"(2) A disposition referred to in paragraph (1)(B) is any of the following:

"(A) In the case of a criminal proceeding, a conviction (including a conviction pursuant to a plea of nolo contendere) by reason of the violation or failure referred to in paragraph (1).

"(B) In the case of a civil or administrative proceeding involving an allegation of fraud or similar misconduct, a determination of contractor liability on the basis of the violation or failure referred to in paragraph (1).

"(C) In the case of any civil or administrative proceeding, the imposition of a monetary penalty by reason of the violation or failure referred to in paragraph (1).

"(D) A final decision—

"(i) to debar or suspend the contractor,

"(ii) to rescind or void the contract, or

"(iii) to terminate the contract for default,

by reason of the violation or failure referred to in paragraph (1).

"(E) A disposition of the proceeding by consent or compromise if such action could have resulted in a disposition described in subparagraph (A), (B), (C), or (D).

"(3) In the case of a proceeding referred to in paragraph (1) that is commenced by the United States and is resolved by consent or compromise pursuant to an agreement entered into by a contractor and the United States, the costs incurred by the contractor in connection with such proceeding that are otherwise not allowable as reimbursable costs under such paragraph may be allowed to the extent specifically provided in such agreement.

"(4) In the case of a proceeding referred to in paragraph (1) that is commenced by a State, the agency head that awarded the covered contract involved in the proceeding may allow the costs incurred by the contractor in connection with such proceeding as reimbursable costs if the agency head determines, under regulations prescribed by such agency head, that the costs were incurred as a result of (A) a specific term or condition of the contract, or (B) specific written instructions of the agency.

"(5)(A) Except as provided in subparagraph (C), costs incurred by a contractor in connection with a criminal, civil, or administrative proceeding commenced by the United States or a State in connection with a covered contract may be allowed as reimbursable costs under the contract if such costs are not disallowable under paragraph (1), but only to the extent provided in subparagraph (B).

"(B)(i) The amount of the costs allowable under subparagraph (A) in any case may not exceed the amount equal to 80 percent of the amount of the costs incurred, to the extent that such costs are determined to be otherwise allowable and allocable under the Federal Acquisition Regulations.

"(ii) Regulations issued for the purpose of clause (i) shall provide for appropriate consideration of the complexity of procurement litigation, generally accepted principles governing the award of legal fees in civil actions involving the United States as a party, and such other factors as may be appropriate.

"(C) In the case of a proceeding referred to in subparagraph (A), contractor costs otherwise allowable as reimbursable costs under this paragraph are not allowable if (i) such proceeding involves the same contractor misconduct alleged as the basis of another criminal, civil, or administrative proceeding, and (ii) the costs of such other proceeding are not allowable under paragraph (1).

"(6) In this subsection:

"(A) The term 'proceeding' includes an investigation.

"(B) The term 'costs', with respect to a proceeding—

"(i) means all costs incurred by a contractor, whether before or after the commencement of any such proceeding; and

"(ii) includes—

"(I) administrative and clerical expenses;

"(II) the cost of legal services, including legal services performed by an employee of the contractor;

"(III) the cost of the services of accountants and consultants retained by the contractor; and

"(IV) the pay of directors, officers, and employees of the contractor for time devoted by such directors, officers, and employees to such proceeding.

"(C) The term 'penalty' does not include restitution, reimbursement, or compensatory damages.

"(l) COVERED CONTRACT DEFINED.—(1) In this section, the term 'covered contract' means a contract for an amount in excess of $500,000 that is entered into by an executive agency, except that such term does not include a fixed-price contract without cost incentives.

"(2) Effective on October 1 of each year that is divisible by 5, the amount set forth in paragraph (1) shall be adjusted to the amount that is equal to the fiscal year 1994 constant dollar value of the amount set forth. An amount, as so adjusted, that is not evenly divisible by $50,000 shall be rounded to the nearest multiple of $50,000. In the case of an amount that is evenly divisible by $25,000 but is not evenly divisible by $50,000, the amount shall be rounded to the next higher multiple of $50,000.".

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act is amended by striking out the item relating to section 306 and inserting in lieu thereof the following:

"Sec. 306. Allowable costs.".

PART III—ACQUISITIONS GENERALLY

SEC. 2191. TRAVEL EXPENSES OF GOVERNMENT CONTRACTORS.

Section 24 of the Office of Federal Procurement Policy Act (41 U.S.C. 420) is repealed.

SEC. 2192. UNALLOWABILITY OF ENTERTAINMENT COSTS UNDER COVERED CONTRACTS.

Not later than 90 days after the date of the enactment of this Act, the Federal Acquisition Regulatory Council shall amend the cost principle in the Federal Acquisition Regulation that is set out in section 31.205–14 of title 48, Code of Federal Regulations, relating to unallowability of entertainment costs—

(1) by inserting in the cost principle a statement that costs made specifically unallowable under that cost principle are not allowable under any other cost principle; and

(2) by striking out "(but see 31.205–1 and 31.205–13)".

Subtitle C—Audit and Access to Records

PART I—ARMED SERVICES ACQUISITIONS

SEC. 2201. CONSOLIDATION AND REVISION OF AUTHORITY TO EXAMINE RECORDS OF CONTRACTORS.

(a) AUTHORITY.—

(1) IN GENERAL.—Section 2313 of title 10, United States Code, is amended to read as follows:

"§ 2313. Examination of records of contractor

"(a) AGENCY AUTHORITY.—The head of an agency, acting through an authorized representative—

"(1) is entitled to inspect the plant and audit the records of—

"(A) a contractor performing a cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable contract, or any combination of such contracts, made by that agency under this chapter; and

"(B) a subcontractor performing any cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable subcontract under a contract referred to in subparagraph (A) or under any combination of such contracts; and

"(2) shall, for the purpose of evaluating the accuracy, completeness, and currency of cost or pricing data required to be submitted pursuant to section 2306a of this title with respect to a contract or subcontract, have the right to examine all records of the contractor or subcontractor related to—

"(A) the proposal for the contract or subcontract;

"(B) the discussions conducted on the proposal;

"(C) pricing of the contract or subcontract; or

"(D) performance of the contract or subcontract.

"(b) LIMITATION ON PREAWARD AUDITS RELATING TO INDIRECT COSTS.—The head of an agency may not perform a preaward audit to evaluate proposed indirect costs under any contract, subcontract, or modification to be entered into in accordance with this chapter in any case in which the contracting officer determines that the objectives of the audit can reasonably be met by accepting the results of an audit conducted by any other department or agency of the Federal Government within one year preceding the date of the contracting officer's determination.

"(c) SUBPOENA POWER.—(1) The Director of the Defense Contract Audit Agency (or any successor agency) may require by subpoena the production of records of a contractor, access to which is provided to the Secretary of Defense or Secretary of a military department by subsection (a).

"(2) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.

"(3) The authority provided by paragraph (1) may not be redelegated.

"(4) The Director (or any successor official) shall submit an annual report to the Secretary of Defense on the exercise of such authority during the preceding year and the reasons why such authority was exercised in any instance. The Secretary shall forward a copy of each such report to the Committees on Armed Services of the Senate and House of Representatives.

"(d) COMPTROLLER GENERAL AUTHORITY.—(1) Except as provided in paragraph (2), each contract awarded after using procedures other than sealed bid procedures shall provide that the Comptroller General and his representatives are entitled to examine any records of the contractor, or any of its subcontractors, that directly pertain to, and involve transactions relating to, the contract or subcontract.

"(2) Paragraph (1) does not apply to a contract or subcontract with a foreign contractor or foreign subcontractor if the head of the agency concerned determines, with the concurrence of the Comptroller General or his designee, that the application of that paragraph to the contract or subcontract would not be in the public interest. However, the concurrence of the Comptroller General or his designee is not required—

"(A) where the contractor or subcontractor is a foreign government or agency thereof or is precluded by the laws of the country involved from making its records available for examination; and

"(B) where the head of the agency determines, after taking into account the price and availability of the property and services from United States sources, that the public interest would be best served by not applying paragraph (1).

"(3) Paragraph (1) may not be construed to require a contractor or subcontractor to create or maintain any record that the contractor or subcontractor does not maintain in the ordinary course of business or pursuant to another provision of law.

"(e) LIMITATION.—The right of the head of an agency under subsection (a), and the right of the Comptroller General under subsection (d), with respect to a contract or subcontract shall expire three years after final payment under such contract or subcontract.

"(f) INAPPLICABILITY TO CERTAIN CONTRACTS.—This section is inapplicable with respect to the following contracts:

"(1) Contracts for utility services at rates not exceeding those established to apply uniformly to the public, plus any applicable reasonable connection charge.

"(g) RECORDS DEFINED.—In this section, the term 'records' includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form.".

(2) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 137 of title 10, United States Code, is amended to read as follows:

"2313. Examination of records of contractor.".

(b) REPEAL OF SUPERSEDED PROVISION.—

(1) REPEAL.—Section 2406 of title 10, United States Code, is repealed.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2406.

PART II—CIVILIAN AGENCY ACQUISITIONS

SEC. 2251. AUTHORITY TO EXAMINE RECORDS OF CONTRACTORS.

(a) AUTHORITY.—

(1) IN GENERAL.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), as amended by section 1251(a), is further amended by inserting after section 304A the following new section:

"EXAMINATION OF RECORDS OF CONTRACTOR

"SEC. 304B. (a) AGENCY AUTHORITY.—The head of an executive agency, acting through an authorized representative—

"(1) is entitled to inspect the plant and audit the records of—

"(A) a contractor performing a cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable contract, or any combination of such contracts, made by that executive agency under this title; and

"(B) a subcontractor performing any cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable subcontract under a contract referred to in subparagraph (A) or under any combination of such contracts; and

"(2) shall, for the purpose of evaluating the accuracy, completeness, and currency of cost or pricing data required to be submitted pursuant to section 304A with respect to a contract or subcontract, have the right to examine all records of the contractor or subcontractor related to—

"(A) the proposal for the contract or subcontract;

"(B) the discussions conducted on the proposal;

"(C) pricing of the contract or subcontract; or

"(D) performance of the contract or subcontract.

"(b) LIMITATION ON PREAWARD AUDITS RELATING TO INDIRECT COSTS.—The agency head may not perform a preaward audit to evaluate proposed indirect costs under any contract, subcontract, or modification to be entered into in accordance with this title in any case in which the contracting officer determines that the objectives of the audit can reasonably be met by accepting the results

of an audit conducted by any other department or agency of the Federal Government within one year preceding the date of the contracting officer's determination.

"(c) SUBPOENA POWER.—(1) The agency head may require by subpoena the production of records of a contractor, access to which is provided by subsection (a).

"(2) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.

"(3) The authority provided by paragraph (1) may not be delegated.

"(4) In the year following a year in which the head of an executive agency exercises the authority provided in paragraph (1), the agency head shall submit to the Committee on Governmental Affairs of the Senate and the Committee on Government Operations of the House of Representatives a report on the exercise of such authority during such preceding year and the reasons why such authority was exercised in any instance.

"(d) COMPTROLLER GENERAL AUTHORITY.—(1) Except as provided in paragraph (2), each contract awarded after using procedures other than sealed bid procedures shall provide that the Comptroller General and his representatives are entitled to examine any records of the contractor, or any of its subcontractors, that directly pertain to, and involve transactions relating to, the contract or subcontract.

"(2) Paragraph (1) does not apply to a contract or subcontract with a foreign contractor or foreign subcontractor if the agency head concerned determines, with the concurrence of the Comptroller General or his designee, that the application of that paragraph to the contract or subcontract would not be in the public interest. However, the concurrence of the Comptroller General or his designee is not required—

"(A) where the contractor or subcontractor is a foreign government or agency thereof or is precluded by the laws of the country involved from making its records available for examination; and

"(B) where the agency head determines, after taking into account the price and availability of the property and services from United States sources, that the public interest would be best served by not applying paragraph (1).

"(3) Paragraph (1) may not be construed to require a contractor or subcontractor to create or maintain any record that the contractor or subcontractor does not maintain in the ordinary course of business or pursuant to another provision of law.

"(e) LIMITATION.—The right of an agency head under subsection (a), and the right of the Comptroller General under subsection (d), with respect to a contract or subcontract shall expire three years after final payment under such contract or subcontract.

"(f) INAPPLICABILITY TO CERTAIN CONTRACTS.—This section is inapplicable with respect to the following contracts:

"(1) CONTRACTS.—For utility services at rates not exceeding those established to apply uniformly to the public, plus any applicable reasonable connection charge.

"(g) RECORDS DEFINED.—In this section, the term 'records' includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form.".

(2) CLERICAL AMENDMENT.—The table of contents in the first section of such Act, as amended by section 1251(b), is further amended by inserting after the item relating to section 304A the following:

"Sec. 304B. Examination of records of contractor.".

(b) REPEAL OF SUPERSEDED PROVISION.—Section 304 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254) is amended by striking out subsection (c).

Subtitle D—Cost Accounting Standards

SEC. 2301. EXCEPTIONS TO COVERAGE.

Section 26(f)(2) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(f)(2)) is amended—

(1) by inserting "(A)" after "(2)";

(2) by striking out ", other than contracts or subcontracts" and all that follows and inserting in lieu thereof a period; and

(3) by inserting at the end the following:

"(B) Subparagraph (A) does not apply to the following contracts or subcontracts:

"(i) Contracts or subcontracts where the price negotiated is based on established catalog or market prices of commercial items sold in substantial quantities to the general public.

"(ii) Contracts or subcontracts where the price negotiated is based on prices set by law or regulation.

"(iii) Any other firm fixed-price contract or subcontract for commercial items which is excepted from the requirement to provide cost or pricing data pursuant to subsection (b) or (d) of section 2306a of title 10, United States Code, or subsection (b) or (d) of section 304A of the Federal Property and Administrative Services Act of 1949.

"(C) In this paragraph, the term 'subcontract' includes a transfer of commercial items between divisions, subsidiaries, or affiliates of a contractor.".

SEC. 2302. REPEAL OF OBSOLETE DEADLINE REGARDING PROCEDURAL REGULATIONS FOR THE COST ACCOUNTING STANDARDS BOARD.

Section 26(f)(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(f)(3)) is amended in the first sentence by striking out "Not later than 180 days after the date of the enactment of this section, the Administrator" and inserting in lieu thereof "The Administrator".

Subtitle E—Administration of Contract Provisions Relating to Price, Delivery, and Product Quality

PART I—ARMED SERVICES ACQUISITIONS

SEC. 2401. PROCUREMENT OF CRITICAL AIRCRAFT AND SHIP SPARE PARTS; QUALITY CONTROL.

(a) REPEAL.—Section 2383 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2383.

SEC. 2402. CONTRACTOR GUARANTEES REGARDING WEAPON SYSTEMS.

Section 2403(h) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

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

"(2) The regulations shall include the following:

"(A) Guidelines for negotiating contractor guarantees that are reasonable and cost effective, as determined on the basis of the likelihood of defects and the estimated cost of correcting such defects.

"(B) Procedures for administering contractor guarantees.

"(C) Guidelines for determining the cases in which it may be appropriate to waive the requirements of this section.".

PART II—ACQUISITIONS GENERALLY

SEC. 2451. SECTION 3737 OF THE REVISED STATUTES: EXPANSION OF AUTHORITY TO PROHIBIT SETOFFS AGAINST ASSIGNEES; REORGANIZATION OF SECTION; REVISION OF OBSOLETE PROVISIONS.

Section 3737 of the Revised Statutes (41 U.S.C. 15) is amended to read as follows:

"SEC. 3737. (a) No contract or order, or any interest therein, shall be transferred by the party to whom such contract or order is given to any other party, and any such transfer shall cause the annulment of the contract or order transferred, so far as the United States is concerned. All rights of action, however, for any breach of such contract by the contracting parties, are reserved to the United States.

"(b) The provisions of subsection (a) shall not apply in any case in which the moneys due or to become due from the United States or from any agency or department thereof, under a contract providing for payments aggregating $1,000 or more, are assigned to a bank, trust company, or other financing institution, including any Federal lending agency, provided:

"(1) That, in the case of any contract entered into after October 9, 1940, no claim shall be assigned if it arises under a contract which forbids such assignment.

"(2) That, unless otherwise expressly permitted by such contract, any such assignment shall cover all amounts payable under such contract and not already paid, shall not be made to more than one party, and shall not be subject to further assignment, except that any such assignment may be made to one party as agent or trustee for two or more parties participating in such financing.

"(3) That, in the event of any such assignment, the assignee thereof shall file written notice of the assignment together with a true copy of the instrument of the assignment with—

"(A) the contracting officer or the head of his department or agency;

"(B) the surety or sureties upon the bond or bonds, if any, in connection with such contract; and

"(C) the disbursing officer, if any, designated in such contract to make payment.

"(c) Notwithstanding any law to the contrary governing the validity of assignments, any assignment pursuant to this section shall constitute a valid assignment for all purposes.

"(d) In any case in which moneys due or to become due under any contract are or have been assigned pursuant to this section, no liability of any nature of the assignor to the United States or any department or agency thereof, whether arising from or independently of such contract, shall create or impose any liability on the part of the assignee to make restitution, refund, or repayment to the United States of any amount heretofore since July 1, 1950, or hereafter received under the assignment.

"(e) Any contract of the Department of Defense, the General Services Administration, the Department of Energy, or any other department or agency of the United States designated by the President, except any such contract under which full payment has been made, may, upon a determination of need by the President, provide or be amended without consideration to provide that payments to be made to the assignee of any moneys due or to become due under such contract shall not be subject to reduction or setoff. Each such determination of need shall be published in the Federal Register.

"(f) If a provision described in subsection (e) or a provision to the same general effect

has been at any time heretofore or is hereafter included or inserted in any such contract, payments to be made thereafter to an assignee of any moneys due or to become due under such contract shall not be subject to reduction or setoff for any liability of any nature of the assignor to the United States or any department or agency thereof which arises independently of such contract, or hereafter for any liability of the assignor on account of—

"(1) renegotiation under any renegotiation statute or under any statutory renegotiation article in the contract;

"(2) fines;

"(3) penalties (which term does not include amounts which may be collected or withheld from the assignor in accordance with or for failure to comply with the terms of the contract); or

"(4) taxes, social security contributions, or the withholding or non withholding of taxes or social security contributions, whether arising from or independently of such contract.

"(g) Except as herein otherwise provided, nothing in this section shall be deemed to affect or impair rights of obligations heretofore accrued.".

SEC. 2452. REPEAL OF REQUIREMENT FOR DEPOSIT OF CONTRACTS WITH GAO.

Section 3743 of the Revised Statutes (41 U.S.C. 20) is repealed.

Subtitle F—Claims and Disputes

PART I—ARMED SERVICES ACQUISITIONS

SEC. 2501. CERTIFICATION OF CONTRACT CLAIMS.

(a) DOD CERTIFICATION REQUIREMENT IN CONFLICT WITH GOVERNMENTWIDE REQUIREMENT.—

(1) INAPPLICABILITY OF REQUIREMENT TO CONTRACT CLAIMS.—Section 2410 of title 10, United States Code, is amended to read as follows:

"§ 2410. Requests for equitable adjustment or other relief: certification

"(a) CERTIFICATION REQUIREMENT.—A request for equitable adjustment to contract terms or request for relief under Public Law 85–804 (50 U.S.C. 1431 et seq.) that exceeds the simplified acquisition threshold may not be paid unless a person authorized to certify the request on behalf of the contractor certifies, at the time the request is submitted, that—

"(1) the request is made in good faith, and

"(2) the supporting data are accurate and complete to the best of that person's knowledge and belief.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2410 and inserting in lieu thereof the following:

"2410. Requests for equitable adjustment or other relief: certification.".

(b) RESTRICTION ON LEGISLATIVE PAYMENT OF CLAIMS.—Section 2410 of title 10, United States Code, as amended by subsection (a), is further amended by adding at the end the following new subsection:

"(b) RESTRICTION ON LEGISLATIVE PAYMENT OF CLAIMS.—In the case of a contract of an agency named in section 2303(a) of this title, no provision of a law enacted after September 30, 1994, that directs the payment of a particular claim under such contract, a particular request for equitable adjustment to any term of such contract, or a particular request for relief under Public Law 85–804 (50 U.S.C. 1431 et seq.) regarding such contract may be implemented unless such provision of law—

"(1) specifically refers to this subsection; and

"(2) specifically states that this subsection does not apply with respect to the payment directed by that provision of law.".

(c) DEFINITION.—Section 2410, as amended by subsections (a) and (b), is further amended by adding at the end the following:

"(c) DEFINITION.—In this section, the term 'simplified acquisition threshold' has the meaning given that term in section 2302(4) of this title.".

(d) REPEAL OF RELATED PROVISIONS.—

(1) CERTIFICATION REGULATIONS FOR CONTRACT CLAIMS EXCEEDING $100,000.—

(A) REPEAL.—Section 2410e of title 10, United States Code, is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2410e.

(2) CONFORMING REPEAL.—Section 813(b) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484, 106 Stat. 2453), is repealed.

SEC. 2502. SHIPBUILDING CLAIMS.

(a) LIMITATION ON PERIOD FOR SUBMISSION.—

(1) INCREASED PERIOD.—Subsection (a) of section 2405 of title 10, United States Code, is amended—

(A) by striking out "after December 7, 1983," and inserting in lieu thereof "on or after the date of the enactment of the Federal Acquisition Streamlining Act of 1994"; and

(B) by striking out "18 months" and inserting in lieu thereof "6 years".

(2) SAVINGS PROVISION.—Notwithstanding the 6-year period provided in subsection (a) of section 2405 of title 10, United States Code, as amended by paragraph (1), the period applicable under such subsection in the case of a shipbuilding contract entered into after December 7, 1983, and before the date of the enactment of the Federal Acquisition Streamlining Act of 1994 shall continue to be 18 months.

(b) RESUBMISSION WITH CORRECTED CERTIFICATION.—Subsection (c) of such section is repealed.

PART II—ACQUISITIONS GENERALLY

SEC. 2551. CLAIMS JURISDICTION OF UNITED STATES DISTRICT COURTS AND THE UNITED STATES COURT OF FEDERAL CLAIMS.

(a) CONCURRENT JURISDICTION OF UNITED STATES DISTRICT COURTS UNDER THE LITTLE TUCKER ACT.—Subsection (a) of section 1346 of title 28, United States Code, is amended to read as follows:

"(a)(1) The district courts shall have original jurisdiction, concurrent with the United States Court of Federal Claims, of any civil action against the United States for the recovery of any internal-revenue tax alleged to have been erroneously or illegally assessed or collected, or any penalty claimed to have been collected without authority or any sum alleged to have been excessive or in any manner wrongfully collected under the internal-revenue laws.

"(2)(A) Except as provided in subparagraph (B), the district courts shall have original jurisdiction, concurrent with the United States Court of Federal Claims, of any other civil action or claim against the United States, not exceeding $10,000 in amount, founded either upon the Constitution, or any Act of Congress, or any regulation of an executive department, or upon any express or implied contract with the United States, or for liquidated or unliquidated damages in cases not sounding in tort.

"(B) The district courts shall not have jurisdiction over any civil action or claim against the United States or any Federal entity which relates in any manner to a contract to which the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.) applies, including a claim that seeks to establish the existence or nonexistence of such a contract, seeks to establish that such a contract is void, or seeks to determine and construe the terms of such a contract. The district courts do not have jurisdiction over any civil action or claim described in the preceding sentence pursuant to section 1331, 1334, or 1346(a)(2)(B) of this title, any provision of law giving a Federal entity the right to sue or be sued in its own name, or any other provision of law.".

(b) JURISDICTION OF THE UNITED STATES COURT OF FEDERAL CLAIMS UNDER THE TUCKER ACT.—Section 1491 of title 28, United States Code, as amended by section 1422, is further amended by inserting after subsection (c) the following:

"(d)(1) The United States Court of Federal Claims shall have jurisdiction over any civil action or claim against the United States which relates in any manner to a contract to which the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.) applies, including a civil action or claim that seeks to establish the existence or nonexistence of such a contract, seeks to establish that such contract is void, or seeks to determine and construe the terms of any such contract.

"(2) The jurisdiction of the United States Court of Federal Claims is, pursuant to section 1346(a)(2)(B) of this title, exclusive as to the district courts of the United States.".

SEC. 2552. CONTRACT DISPUTES ACT IMPROVEMENTS.

(a) PERIOD FOR FILING CLAIMS.—

(1) SIX-YEAR LIMITATION.—Section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) is amended in subsection (a) by inserting after the second sentence the following: "Each claim by a contractor against the government relating to a contract and each claim by the government against a contractor relating to a contract shall be submitted within 6 years after the occurrence of the event or events giving rise to the claim. The preceding sentence does not apply to a claim by the government against a contractor that is based on a claim by the contractor involving fraud.".

(2) LIMITATION ON APPLICABILITY TO EXISTING CONTRACTS.—Notwithstanding the third sentence of section 6(a) of the Contract Disputes Act of 1978, as added by paragraph (1), if a contract in existence on the date of the enactment of this Act requires that a claim referred to in that sentence be submitted earlier than 6 years after the occurrence of the event or events giving rise to the claim, then the claim shall be submitted within the period required by the contract. The preceding sentence does not apply to a claim by the Federal Government against a contractor that is based on a claim by the contractor involving fraud.

(b) INCREASED THRESHOLD FOR CERTIFICATION, DECISION, AND NOTIFICATION REQUIREMENTS.—Subsection (c) of such section is amended by striking out "$50,000" each place it appears and inserting in lieu thereof "$100,000".

(c) INCREASED MAXIMUM FOR APPLICABILITY OF ACCELERATED PROCEDURES.—Section 8(f) of the Contract Disputes Act of 1978 (41 U.S.C. 607(f)) is amended by striking out "$50,000" in the first sentence and inserting in lieu thereof "$150,000".

(d) INCREASED MAXIMUM FOR APPLICABILITY OF SMALL CLAIMS PROCEDURE.—Section 9(a) of the Contract Disputes Act of 1978 (41

U.S.C. 608(a)) is amended by striking out "$10,000" in the first sentence and inserting in lieu thereof "$50,000".

(e) REDUCED PERIOD FOR FILING ACTION IN COURT OF FEDERAL CLAIMS.—Section 10(a)(3) of such Act (41 U.S.C. 609(a)(3)) is amended by striking out "twelve months" and inserting in lieu thereof "90 days".

SEC. 2553. EXTENSION OF ALTERNATIVE DISPUTE RESOLUTION AUTHORITY.

(a) EXTENSION OF AUTHORITY.—Section 6(e) of the Contracts Disputes Act of 1978 (41 U.S.C. 605(e)) is amended by striking out "October 1, 1995" and inserting in lieu thereof "October 1, 1999".

(b) AVAILABILITY OF PROCEDURES TO SMALL BUSINESS GOVERNMENT CONTRACTORS.—Section 6(e) of such Act is amended by inserting after the first sentence the following: "In any case in which the contracting officer rejects a contractor's request for alternative dispute resolution proceedings, the contracting officer shall provide the contractor with a written explanation, citing one or more of the conditions in section 572(b) of title V, United States Code, or such other specific reasons that alternative dispute resolution procedures are inappropriate for the resolution of the dispute. In any case in which a contractor rejects a request of an agency for alternative dispute resolution proceedings, the contractor shall inform the agency in writing of the contractor's specific reasons for rejecting the request.".

SEC. 2554. EXPEDITED RESOLUTION OF CONTRACT ADMINISTRATION COMPLAINTS.

(a) REGULATIONS REQUIRED.—The Federal Acquisition Regulation shall include provisions that require a contracting officer—

(1) to make every reasonable effort to respond in writing within 30 days to any written request made to a contracting officer with respect to a matter relating to the administration of a contract that is received from a small business concern; and

(2) in the event that the contracting officer is unable to reply within the 30-day period, to transmit to the contractor within such period a written notification of a specific date by which the contracting officer expects to respond.

The provisions shall not apply to a request for a contracting officer's decision under the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.).

(b) RULE OF CONSTRUCTION.—Nothing in this provision shall be considered as creating any rights under the Contract Disputes Act (41 U.S.C. 601 et seq.).

(c) DEFINITION.—In this section, the term "small business concern" means a business concern that meets the requirements of section 3(a) of the Small Business Act (15 U.S.C. 632(a)) and the regulations promulgated pursuant to that section.

SEC. 2555. AUTHORITY FOR DISTRICT COURTS TO OBTAIN ADVISORY OPINIONS FROM BOARDS OF CONTRACT APPEALS IN CERTAIN CASES.

Section 10 of the Contract Disputes Act of 1978 (41 U.S.C. 609) is amended by adding at the end the following new paragraph:

"(f)(1) Whenever an action involving an issue described in paragraph (2) is pending in a district court of the United States, the district court may request a board of contract appeals to provide the court with an advisory opinion on the matters of contract interpretation at issue.

"(2) An issue referred to in paragraph (1) is any issue that could be the proper subject of a final decision of a contracting officer appealable under this Act.

"(3) A district court shall direct any request under paragraph (1) to the board of contract appeals having jurisdiction under this Act to adjudicate appeals of contract claims under the contract or contracts being interpreted by the court.

"(4) Within ninety days after receiving a request for an advisory opinion under paragraph (1), a board of contract appeals shall provide the advisory opinion to the district court making the request.".

TITLE III—SERVICE SPECIFIC AND MAJOR SYSTEMS STATUTES

Subtitle A—Major Systems Statutes

SEC. 3001. REQUIREMENT FOR INDEPENDENT COST ESTIMATES AND MANPOWER ESTIMATES BEFORE DEVELOPMENT OR PRODUCTION.

(a) CONTENT AND SUBMISSION OF ESTIMATES.—Section 2434 of title 10, United States Code, is amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations governing the content and submission of the estimates required by subsection (a). The regulations shall require—

"(1) that the independent estimate of the cost of a program—

"(A) be prepared by an office or other entity that is not under the supervision, direction, or control of the military department, Defense Agency, or other component of the Department of Defense that is directly responsible for carrying out the development or acquisition of the program; and

"(B) include all costs of development, procurement, and operations and support, without regard to funding source or management control; and

"(2) that the manpower estimate include the total personnel required to train for, operate, maintain, and support the program upon full operational deployment.".

(b) TERMINOLOGY CORRECTION.—Subsection (a) of such section is amended by striking out "full-scale engineering development" and inserting in lieu thereof "engineering and manufacturing development".

SEC. 3002. ENHANCED PROGRAM STABILITY.

(a) BASELINE DESCRIPTIONS AND DEVIATION REPORTING.—Section 2435 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out paragraph (2); and

(B) in paragraph (1)—

(i) by striking out "(1)"; and

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

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations governing—

"(1) the content of baseline descriptions, which shall include the program cost, the program schedule, and a program performance description;

"(2) the submission of reports on deviations of a program from the baseline description by the program manager to the Secretary of the military department concerned and the Under Secretary of Defense for Acquisition and Technology;

"(3) procedures for review of deviation reports within the Department of Defense; and

"(4) procedures for submission and approval of revised baseline descriptions.

"(c) BASELINE DESCRIPTION REQUIRED BEFORE OBLIGATION OF FUNDS.—(1) Except as provided in paragraph (2), no amount appropriated or otherwise made available to the Department of Defense may be obligated for a major defense acquisition program before a baseline description for the program is approved in accordance with the procedures prescribed pursuant to subsection (b)(4).

"(2) An obligation otherwise prohibited by paragraph (1) may be incurred if approved in advance by the Under Secretary of Defense for Acquisition and Technology.".

(b) TERMINOLOGY CORRECTION.—Subsection (a)(1) of such section, as redesignated by subsection (a)(1)(B)(ii), is amended by striking out "full-scale engineering development" and inserting in lieu thereof "engineering and manufacturing development".

SEC. 3003. REPEAL OF REQUIREMENT TO DESIGNATE CERTAIN MAJOR DEFENSE ACQUISITION PROGRAMS AS DEFENSE ENTERPRISE PROGRAMS.

Section 809 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2430 note) is amended—

(1) by striking out subsection (d); and

(2) by redesignating subsections (e), (f), (g), and (h) as subsections (d), (e), (f), and (g), respectively.

SEC. 3004. REPEAL OF REQUIREMENT FOR COMPETITIVE PROTOTYPING IN MAJOR PROGRAMS.

(a) REPEAL.—Section 2438 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 144 of such title is amended by striking out the item relating to section 2438.

SEC. 3005. REPEAL OF REQUIREMENT FOR COMPETITIVE ALTERNATIVE SOURCES IN MAJOR PROGRAMS.

(a) REPEAL.—Section 2439 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 144 of such title is amended by striking out the item relating to section 2439.

Subtitle B—Testing Statutes

SEC. 3011. DIRECTOR OF OPERATIONAL TEST AND EVALUATION TO REPORT DIRECTLY TO SECRETARY OF DEFENSE.

Section 139(c) of title 10, United States Code, is amended by inserting after "(c)" the following: "The Director reports directly, without intervening review or approval, to the Secretary of Defense and Deputy Secretary of Defense personally.".

SEC. 3012. RESPONSIBILITY OF DIRECTOR OF OPERATIONAL TEST AND EVALUATION FOR LIVE FIRE TESTING.

(a) CONDUCT OF LIVE FIRE TESTING.—Subsection (b) of section 139 of title 10, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and

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

"(6) conduct the live fire testing activities of the Department of Defense provided for under section 2366 of this title.".

(b) ANNUAL REPORT ON LIVE FIRE TESTING.—Subsection (f) of such section is amended by inserting "(including live fire testing activities)" in the first sentence after "operational test and evaluation activities".

SEC. 3013. REQUIREMENT FOR UNCLASSIFIED VERSION OF ANNUAL REPORT ON OPERATIONAL TEST AND EVALUATION.

Section 139(f) of title 10, United States Code, is amended by inserting after the second sentence the following new sentence: "If the Director submits the report to Congress in a classified form, the Director shall concurrently submit an unclassified version of the report to Congress.".

Subtitle C—Service Specific Laws

SEC. 3021. GRATUITOUS SERVICES OF OFFICERS OF CERTAIN RESERVE COMPONENTS.

Section 279 of title 10, United States Code, is amended—

(1) by striking out "Notwithstanding" and inserting in lieu thereof "(a) ACCEPTANCE BY SECRETARY OF A MILITARY DEPARTMENT.—Notwithstanding"; and

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

"(b) ACCEPTANCE BY SECRETARY OF DEFENSE.—Notwithstanding section 1342 of title 31, the Secretary of Defense may accept the gratuitous services of an officer of a reserve component (other than an officer of the Army National Guard of the United States or the Air National Guard of the United States) in consultation upon matters relating to the armed forces.".

SEC. 3022. AUTHORITY TO RENT SAMPLES, DRAWINGS, AND OTHER INFORMATION TO OTHERS.

Subchapter V of chapter 148 of title 10, United States Code, is amended in section 2541(a) by inserting "rent," after "sell," each place it appears in paragraphs (1) and (2).

SEC. 3023. CIVIL RESERVE AIR FLEET.

(a) DEFINITIONS.—Section 9511 of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting "'civil aircraft'," after "'person',";

(B) by striking out "meaning" and inserting in lieu thereof "meanings"; and

(C) by striking out "(49 U.S.C. 1301)" and inserting in lieu thereof "(49 U.S.C. App. 1301)";

(2) in paragraph (2), by striking out "passenger-cargo" and inserting in lieu thereof "passenger cargo";

(3) in paragraph (3), by striking out "cargo-capable" and inserting in lieu thereof "cargo capable";

(4) by striking out paragraph (5) and inserting in lieu thereof the following:

"(5) The term 'cargo convertible aircraft' means a passenger aircraft equipped or designed so that all or substantially all of the main deck of the aircraft can be readily converted for the carriage of property or mail.";

(5) by striking out paragraph (6);

(6) by redesignating paragraph (7) as paragraph (6);

(7) by redesignating paragraph (8) as paragraph (7) and—

(A) in subparagraph (A) of such paragraph, by inserting "under section 9512 of this title" after "and who contracts with the Secretary";

(B) by striking out "or" at the end of such subparagraph (A); and

(C) by inserting before the period at the end of such paragraph the following: ", or (C) who owns or controls existing aircraft, or will own or control new aircraft, and who contractually commits all or some of such aircraft to the Civil Reserve Air Fleet";

(8) by redesignating paragraphs (9), (10), (11), and (12) as paragraphs (8), (9), (10), and (11), respectively; and

(9) in paragraph (11), as so redesignated—

(A) by striking out "interoperability" and inserting in lieu thereof "compatibility"; and

(B) by striking out "a cargo-convertible, cargo-capable, or passenger-cargo combined aircraft" and inserting in lieu thereof "an aeromedical aircraft or a cargo convertible, cargo capable, or passenger cargo combined aircraft".

(b) CONSOLIDATION OF PROVISIONS RELATING TO CONTRACTUAL COMMITMENT OF AIRCRAFT.—Chapter 931 of such title is amended—

(1) by redesignating subsections (b) and (c) of section 9512 as subsections (c) and (d), respectively;

(2) by redesignating subsection (a) of section 9513 as subsection (b), transferring such subsection (as so redesignated) to section 9512, and inserting such subsection after subsection (a);

(3) by redesignating subsection (b) of section 9513 as subsection (e) and transferring such subsection (as so redesignated) to the end of section 9512;

(4) in subsection (c) of section 9512, as redesignated by paragraph (1), by striking out "the terms required by section 9513 of this title and";

(5) in subsection (e) of section 9512, as redesignated and transferred to such section by paragraph (3), by striking out "under section 9512 of this title" and inserting in lieu thereof "entered into under this section"; and

(6) by striking out the heading of section 9513.

(c) USE OF MILITARY INSTALLATIONS BY CONTRACTORS.—

(1) AUTHORITY.—Such chapter, as amended by subsection (b), is further amended by adding at the end the following new section 9513:

"§ 9513. Use of military installations by Civil Reserve Air Fleet contractors

"(a) CONTRACT AUTHORITY.—(1) The Secretary of the Air Force—

"(A) may, by contract entered into with any contractor, authorize such contractor to use one or more Air Force installations designated by the Secretary; and

"(B) with the consent of the Secretary of another military department, may, by contract entered into with any contractor, authorize the contractor to use one or more installations, designated by the Secretary of the Air Force, that is under the jurisdiction of the Secretary of such other military department.

"(2) The Secretary of the Air Force may include in the contract such terms and conditions as the Secretary determines appropriate to promote the national defense or to protect the interests of the United States.

"(b) PURPOSES OF USE.—A contract entered into under subsection (a) may authorize use of a designated installation as a weather alternate, a service stop not involving the enplaning or deplaning of passengers or cargo, or, in the case of an installation within the United States, for other commercial purposes. Notwithstanding any other provision of the law, the Secretary may establish different levels and types of uses for different installations for commercial operations not required by the Department of Defense and may provide in contracts under subsection (a) for different levels and types of uses by different contractors.

"(c) DISPOSITION OF PAYMENTS FOR USE.—Notwithstanding any other provision of law, amounts collected from the contractor for landing fees, services, supplies, or other charges authorized to be collected under the contract shall be credited to the appropriations of the armed forces having jurisdiction over the military installation to which the contract pertains. Amounts so credited to an appropriation shall be available for obligation for the same period as the appropriation to which credited.

"(d) HOLD HARMLESS REQUIREMENT.—A contract entered into under subsection (a) shall provide that the contractor agrees to indemnify and hold harmless the United States from all actions, suits, or claims of any sort resulting from, relating to, or arising out of any activities conducted, or services or supplies furnished, in connection with the contract.

"(e) RESERVATION OF RIGHT TO EXCLUDE CONTRACTOR.—A contract entered into under subsection (a) shall provide that the Secretary or, in the case of an installation under the jurisdiction of an armed force other than the Air Force, the Secretary concerned may at any time and without prior notice deny access to an installation designated under the contract if military exigencies require such action.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by striking out the item relating to section 9513 and inserting in lieu thereof the following:

"9513. Use of military installations by Civil Reserve Air Fleet contractors.".

SEC. 3024. EXCHANGE OF PERSONNEL.

(a) EXCHANGE AUTHORITY.—Subchapter II of chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2350k. Exchange of personnel

"(a) INTERNATIONAL EXCHANGE AGREEMENTS AUTHORIZED.—Under regulations prescribed by the Secretary of Defense, the Secretary and the secretaries of the military departments are each authorized to enter into agreements with the governments of foreign countries for the exchange of military and civilian personnel of the Department of Defense and military and civilian personnel of the defense departments or ministries of such foreign governments.

"(b) ASSIGNMENT OF PERSONNEL.—Pursuant to such agreements, personnel of the foreign defense departments or ministries may be assigned to positions in the Department of Defense, and personnel of the Department of Defense may be assigned to positions in foreign defense departments or ministries. Agreements for the exchange of personnel engaged in research and development activities may provide for assignments to positions in private industry that support the defense departments or ministries. The specific positions and the individuals to be assigned must be acceptable to both the sending government and the host government.

"(c) RECIPROCITY OF PERSONNEL QUALIFICATIONS REQUIRED.—Each government shall be required under an agreement authorized by subsection (a) to provide personnel having qualifications, training, and skills that are essentially equal to those of the personnel provided by the other government.

"(d) PAYMENT OF PERSONNEL COSTS.—Each government shall pay the salary, per diem, cost of living, travel, cost of language or other training, and other costs (except for cost of temporary duty directed by the host government and costs incident to the use of host government facilities in the performance of assigned duties) for its own personnel in accordance with the laws and regulations of such government that pertain to such matters.".

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

"2350k. Exchange of personnel.".

SEC. 3025. SCIENTIFIC INVESTIGATION AND RESEARCH FOR THE NAVY.

(a) REPEAL.—Section 7203 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 631 of such title is amended by striking out the item relating to section 7203.

SEC. 3026. CONSTRUCTION OF COMBATANT AND ESCORT VESSELS AND ASSIGNMENT OF VESSEL PROJECTS.

(a) REPEAL OF OBSOLETE AND INTERNALLY INCONSISTENT PROVISIONS.—Section 7299a of title 10, United States Code, is amended—

(1) by striking out subsection (a); and

(2) by redesignating subsections (b) and (c) as subsections (a) and (b), respectively.

(b) CONFORMING AMENDMENT.—Subsection (b) of such section, as redesignated by subsection (a)(2), is amended in paragraph (2) by striking out "subsection (a) or".

SEC. 3027. REPEAL OF REQUIREMENT FOR CONSTRUCTION OF VESSELS ON PACIFIC COAST.

(a) REPEAL.—Section 7302 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 633 of such title is amended by striking out the item relating to section 7302.

SEC. 3028. AUTHORITY TO TRANSFER BY GIFT A VESSEL STRICKEN FROM NAVAL VESSEL REGISTER.

Section 7306(a)(1) of title 10, United States Code, is amended by inserting "Territory," after "State,".

SEC. 3029. NAVAL SALVAGE FACILITIES.

Chapter 637 of title 10, United States Code, is amended—

(1) in section 7361—

(A) in subsection (a), by inserting "AUTHORITY TO PROVIDE FACILITIES BY CONTRACT OR OTHERWISE.—" after "(a)";

(B) in subsection (b), by inserting "CONTRACTS AFFECTING THE DEPARTMENT OF TRANSPORTATION.—" after "(b)"; and

(C) by striking out subsection (c) and inserting in lieu thereof the following new subsection (c):

"(c) LIMITATION ON TERM CONTRACTS.—Term contracts may be entered into for purposes of this section only after—

"(1) it has been demonstrated to the satisfaction of the Secretary of the Navy that available commercial salvage facilities are inadequate to meet national defense requirements; and

"(2) the Secretary of the Navy determines that adequate public notice of intent to exercise the authority under this subsection has been provided.";

(2) by designating the text of section 7362 as subsection (d) and transferring such text, as so designated, to the end of section 7361 of title 10, United States Code;

(3) in subsection (d) of section 7361 of such title, as so designated and transferred, by inserting before "The Secretary" the following: "COMMERCIAL USE OF NAVAL VESSELS AND EQUIPMENT.—";

(4) by designating the text of section 7363 as subsection (e) and transferring such text, as so designated, to the end of section 7361 of title 10, United States Code;

(5) in subsection (e) of section 7361 of such title, as so designated and transferred, by inserting before "Before any salvage vessel" the following: "CONDITIONS FOR TRANSFER OF EQUIPMENT.—";

(6) by designating the text of section 7365 as subsection (f) and transferring such text, as so designated, to the end of section 7361 of title 10, United States Code;

(7) in subsection (f) of section 7361 of such title, as so designated and transferred, by inserting before "The Secretary" the following: "SETTLEMENT OF CLAIMS.—";

(8) by designating the text of section 7367 as subsection (g) and transferring such text, as so designated, to the end of section 7361 of title 10, United States Code;

(9) in subsection (g) of section 7361 of such title, as so designated and transferred—

(A) by inserting before "Money received" the following: "DISPOSITION OF RECEIPTS.—"; and

(B) by striking out "this chapter" in the first sentence and inserting in lieu thereof "this section";

(10) by striking out the section headings for sections 7362, 7363, 7365, and 7367;

(11) by striking out the heading for section 7361 and inserting in lieu thereof the following:

"§ 7361. Navy support for salvage operations"; and

(12) in the table of sections at the beginning of such chapter—

(A) by striking out the item relating to section 7361 and inserting in lieu thereof the following:

"7361. Navy support for salvage operations."; and

(B) by striking out the items relating to sections 7362, 7363, 7365, and 7367.

Subtitle D—Department of Defense Commercial and Industrial Activities

SEC. 3051. ACCOUNTING REQUIREMENT FOR CONTRACTED ADVISORY AND ASSISTANCE SERVICES.

(a) FUNDING TO BE IDENTIFIED IN BUDGET.—Section 1105 of title 31, United States Code, is amended by adding at the end the following new subsection:

"(g)(1) The Director of the Office of Management and Budget shall establish the funding for advisory and assistance services for each department and agency as a separate object class in each budget annually submitted to the Congress under this section.

"(2)(A) In paragraph (1), except as provided in subparagraph (B), the term 'advisory and assistance services' means the following services when provided by nongovernmental sources:

"(i) Management and professional support services.

"(ii) Studies, analyses, and evaluations.

"(iii) Engineering and technical services.

"(B) In paragraph (1), the term 'advisory and assistance services' does not include the following services:

"(i) Routine automated data processing and telecommunications services unless such services are an integral part of a contract for the procurement of advisory and assistance services.

"(ii) Architectural and engineering services.

"(iii) Technical support of research and development activities.

"(iv) Research on basic mathematics or medical, biological, physical, social, psychological, or other phenomena.".

(b) REPEAL OF SOURCE LAW.—Section 512 of Public Law 102-394 (106 Stat. 1826) is repealed.

(c) REPEAL OF SUPERSEDED PROVISIONS.—

(1) TITLE 10.—

(A) REPEAL.—Section 2212 of title 10, United States Code, is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 131 of such title is amended by striking out the item relating to section 2212.

(2) TITLE 31.—

(A) REPEAL.—Section 1114 of title 31, United States Code, is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 11 of such title is amended by striking out the item relating to section 1114.

Subtitle E—Fuel- and Energy-Related Laws

SEC. 3061. LIQUID FUELS AND NATURAL GAS: CONTRACTS FOR STORAGE, HANDLING, OR DISTRIBUTION.

Section 2388(a) of title 10, United States Code, is amended by striking out "liquid fuels and natural gas" and inserting in lieu thereof "liquid fuels or natural gas".

Subtitle F—Fiscal Statutes

SEC. 3071. DISBURSEMENT OF FUNDS OF MILITARY DEPARTMENT TO COVER OBLIGATIONS OF ANOTHER AGENCY OF DEPARTMENT OF DEFENSE.

Subsection (c)(2) of section 3321 of title 31, United States Code, is amended by striking out "military departments of the" and inserting in lieu thereof "The".

Subtitle G—Miscellaneous

SEC. 3081. OBLIGATION OF FUNDS: LIMITATION.

Section 2202 of title 10, United States Code, is amended to read as follows:

"§ 2202. Obligation of funds: limitation

"The Secretary of Defense shall prescribe regulations governing the performance within the Department of Defense of the procurement, production, warehousing, and supply distribution functions, and related functions, of the Department of Defense.".

SEC. 3082. REPEAL OF REQUIREMENTS REGARDING PRODUCT EVALUATION ACTIVITIES.

(a) REPEAL.—Section 2369 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 139 of such title is amended by striking out the item related to section 2369.

SEC. 3083. CODIFICATION AND REVISION OF LIMITATION ON LEASE OF VESSELS, AIRCRAFT, AND VEHICLES.

(a) LIMITATION.—

(1) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2410l. Lease of vessels, aircraft, and vehicles

"The head of an agency named in paragraph (1), (2), (3), or (4) of section 2303(a) of this title may not enter into any contract with a term of 18 months or more, or extend or renew any contract for a term of 18 months or more, for any vessel, aircraft, or vehicle, through a lease, charter, or similar agreement without previously having considered all costs of such lease (including estimated termination liability) and determined in writing that such lease is in the best interest of the Government.".

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

"2410l. Lease of vessels, aircraft, and vehicles.".

(b) REPEAL OF SUPERSEDED PROVISION.—Section 9081 of Public Law 101-165 (103 Stat. 1147; 10 U.S.C. 2401 note) is repealed.

SEC. 3084. SOFT DRINK SUPPLIES FOR EXCHANGE STORES.

Section 2424 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) Paragraphs (1) and (2) of subsection (b) do not apply to contracts for the procurement of soft drinks that are manufactured in the United States. The Secretary of Defense shall prescribe in regulations the standards and procedures for determining whether a particular drink is a soft drink and whether the drink was manufactured in the United States.".

SEC. 3085. REPEAL OF PREFERENCE FOR RECYCLED TONER CARTRIDGES.

The following provisions of law, relating to a preference for procurement of recycled toner cartridges, are repealed:

(1) Section 630 of Public Law 102-393 (106 Stat. 1773) and the provision of law set out in quotes in that section (42 U.S.C. 6962(j)).

(2) Section 401 of Public Law 103-123 (107 Stat. 1238).

TITLE IV—SIMPLIFIED ACQUISITION THRESHOLD AND SOCIOECONOMIC, SMALL BUSINESS, AND MISCELLANEOUS LAWS

Subtitle A—Simplified Acquisition Threshold

PART I—ESTABLISHMENT OF THRESHOLD

SEC. 4001. SIMPLIFIED ACQUISITION THRESHOLD.

(a) TERM DEFINED.—Section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)) is amended to read as follows:

"(11) The term 'simplified acquisition threshold' means $100,000.".

(b) INTERIM REPORTING RULE.—Until October 1, 1999, procuring activities shall continue to report procurement awards with a dollar value of at least $25,000, but less than $100,000, in conformity with the procedures for the reporting of a contract award in excess of $25,000 that were in effect on October 1, 1992.

PART II—SIMPLIFICATION OF PROCEDURES

SEC. 4011. SIMPLIFIED ACQUISITION PROCEDURES.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended by adding at the end the following new section:

"SIMPLIFIED ACQUISITION PROCEDURES

"SEC. 29. (a) In order to promote efficiency and economy in contracting and to avoid unnecessary burdens for agencies and contractors, the Federal Acquisition Regulation shall provide for special simplified procedures for contracts for acquisition of property and services that are not in excess of the simplified acquisition threshold.

"(b) Regulations prescribed pursuant to subsection (a) shall include the following provisions:

"(1) A provision that a contract with an anticipated value not in excess of $2,500 is not subject to section 15(j) of the Small Business Act (15 U.S.C. 644(j)) and section 2 of title III of the Act of March 3, 1933 (commonly known as the 'Buy America Act') (41 U.S.C. 10a et seq.).

"(2) A provision that a civilian or military official, or employee of an agency, whose contracting authority does not exceed $2,500 is not a procurement official for the purposes of section 27 of this Act.

"(3) A provision that a purchase not in excess of $2,500 may be made without obtaining competitive quotations if the contracting officer determines that the price for the purchase is reasonable.

"(4) A requirement that purchases not in excess of $2,500 be distributed equitably among qualified suppliers.

"(5) A requirement that a contracting officer consider each responsive offer timely received from an eligible offeror.

"(c) A proposed purchase or contract for an amount above the simplified acquisition threshold may not be divided into several purchases or contracts for lesser amounts in order to use the simplified acquisition procedures required by subsection (a).

"(d) In using simplified acquisition procedures, the head of an executive agency shall promote competition to the maximum extent practicable.".

SEC. 4012. SMALL BUSINESS RESERVATION.

Section 15(j) of the Small Business Act (15 U.S.C. 644(j)) is amended to read as follows:

"(j)(1) Each contract for the purchase of goods and services that has an anticipated value in excess of $2,500 but not in excess of the simplified acquisition threshold and that is subject to simplified acquisition procedures prescribed pursuant to section 29 of the Office of Federal Procurement Policy Act shall be reserved exclusively for small business concerns unless the contracting officer is unable to obtain offers from two or more small business concerns that are competitive with market prices and are competitive with regard to the quality and delivery of the goods or services being purchased.

"(2) In carrying out paragraph (1), a contracting officer shall consider a responsive offer timely received from an eligible small business offeror.

"(3) Nothing in paragraph (1) shall be construed as precluding an award of a contract with a value not in excess of the simplified acquisition threshold under the authority of subsection (a) or (c) of section 8 of this Act, section 2323 of title 10, United States Code, or section 712 of the Business Opportunity Development Reform Act of 1988 (Public Law 100-656; 15 U.S.C. 644 note).".

SEC. 4013. FAST PAYMENT UNDER SIMPLIFIED ACQUISITION PROCEDURES.

(a) PAYMENT PROCEDURES.—The simplified acquisition procedures described in section 29(a) of the Office of Federal Procurement Policy Act (as added by section 4011) shall provide for use of the payment terms described in subsection (b), and for the disbursement of payment through electronic fund transfer, whenever circumstances permit.

(b) REQUIRED PAYMENT TERMS.—The payment terms for a purchase made pursuant to simplified acquisition procedures shall require payment, in accordance with the provisions of chapter 39 of title 31, United States Code, within 15 days after the date of the receipt of a proper invoice for products delivered or services performed, if—

(1) in the case of a purchase of property, title to the property vests in the Government upon delivery of the property to the Government or to a common carrier;

(2) in the case of property or services for which payment is due before the Government's acceptance of the property or services, the vendor provides commercial or other appropriate warranties assuring that the property or services purchased conform to the requirements set forth in the Government's purchase offer; and

(3) funds are available for making the payment.

(c) DISBURSEMENTS TO BE MATCHED WITH OBLIGATIONS.—The simplified acquisition procedures shall include procedures that ensure that each request for a disbursement is matched with a particular obligation before the disbursement is made under the payment terms provided for under subsection (a).

SEC. 4014. PROCUREMENT NOTICE.

(a) CONTINUATION OF EXISTING NOTICE THRESHOLDS.—Subsection (a) of section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) is amended—

(1) in paragraph (1), by striking out "the small purchase threshold" each place it appears and inserting in lieu thereof "$25,000"; and

(2) in paragraph (3)(B), by inserting after "(B)" the following: "in the case of a contract or order expected to exceed the simplified acquisition threshold,".

(b) CONTENT OF NOTICE.—Subsection (b) of such section is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and

(3) by adding at the end the following:

"(6) in the case of a contract in an amount estimated to exceed $25,000 but not to exceed the simplified acquisition threshold—

"(A) a description of the procedures to be used in awarding the contract; and

"(B) a statement specifying the periods for prospective offerors and the contracting officer to take the necessary preaward and award actions.".

(c) NOTICE NOT REQUIRED IN ELECTRONIC COMMERCE.—Subsection (c)(1) of such section, as amended by section 1055(b), is further amended—

(1) by redesignating subparagraphs (A), (B), (C), (D), (E) and (F) as subparagraphs (B), (C), (D), (E), (F), and (G), respectively; and

(2) by inserting above subparagraph (B), as so redesignated, the following new subparagraph (A):

"(A) the proposed procurement is conducted by means of electronic commerce pursuant to a system that, as determined by the Administrator for Federal Procurement Policy, has the capabilities described in subsections (a) and (b) of section 4015 of the Federal Acquisition Streamlining Act of 1994;".

(d) NOTICE UNDER THE SMALL BUSINESS ACT.—

(1) CONTINUATION OF EXISTING NOTICE THRESHOLDS.—Subsection (e) of section 8 of the Small Business Act (15 U.S.C. 637) is amended—

(A) in paragraph (1), by striking out "the small purchase threshold" each place it appears and inserting in lieu thereof "$25,000"; and

(B) in paragraph (3)(B), by inserting after "(B)" the following: "in the case of a contract or order estimated to exceed the simplified acquisition threshold,".

(2) CONTENT OF NOTICE.—Subsection (f) of such section is amended—

(A) by striking out "and" at the end of paragraph (4);

(B) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and

(C) by adding at the end the following:

"(6) in the case of a contract in an amount estimated to exceed the $25,000 but not to exceed the simplified acquisition threshold—

"(A) a description of the procedures to be used in awarding the contract; and

"(B) a statement specifying the periods for prospective offerors and the contracting officer to take the necessary preaward and award actions.".

SEC. 4015. ELECTRONIC COMMERCE FOR FEDERAL GOVERNMENT PROCUREMENTS.

(a) DEVELOPMENT AND IMPLEMENTATION OF SYSTEM.—The Administrator for Federal Procurement Policy, in consultation with the heads of appropriate Federal Government agencies having applicable technical and functional expertise, may take appropriate steps to develop and implement a Federal Governmentwide architecture or design for electronic commerce that provides interoperability among users.

(b) REQUIRED CAPABILITIES.—The requirements analysis prepared to implement the architecture or design of a system of electronic commerce referred to in subsection (a) shall have the following capabilities:

(1) The maximum practicable capability for electronic exchange of such procurement information as solicitations, offers, contracts, purchase orders, invoices, payments,

and other contractual documents between the private sector and the Federal Government.

(2) Capabilities that increase the access of businesses, including small business concerns, socially and economically disadvantaged small business concerns, and businesses owned predominantly by women, to Federal Government procurement opportunities.

(3) Easy access for potential Federal Government contractors.

(4) Use of nationally and internationally recognized data formats that broaden and ease electronic interchange of data.

(5) Use of Federal Government systems and networks and industry systems and networks.

(c) NOTICE AND SOLICITATION REGULATIONS.—In connection with implementation of the architecture or design referred to in subsection (a), the Federal Acquisition Regulatory Council shall ensure that the Federal Acquisition Regulation contains appropriate notice and solicitation provisions applicable to acquisitions conducted through such architecture or design. The provisions shall specify the required form and content of notices of acquisitions and the minimum periods for notifications of solicitations and for deadlines for the submission of offers under solicitations. Each minimum period specified for a notification of solicitation and each deadline for the submission of offers under a solicitation shall afford potential offerors a reasonable opportunity to respond.

(d) LIMITATION OF PUBLICATION REQUIREMENT.—The requirement in section 18(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(a)) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)) for publishing notice of a solicitation in the Commerce Business Daily shall not apply to acquisitions of a Federal agency or a component of a Federal agency that are made through electronic commerce and have a value not in excess of the simplified acquisition threshold if the Federal Acquisition Regulation contains the provisions specifically required by subsection (c) and the Administrator for Federal Procurement Policy certifies that such agency or component—

(1) has fully implemented the architecture or design referred to in subsection (a); and

(2) has procedures in place—

(A) to provide notice to potential offerors in accordance with the requirements of the Federal Acquisition Regulation prescribed pursuant to subsection (c); and

(B) to ensure that small business concerns are afforded an opportunity to respond to a solicitation of contract offers within the period specified in the solicitation.

(e) DEFINITION.—In this section, the term "simplified acquisition threshold" has the meaning given that term is section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)).

PART III—APPLICABILITY OF LAWS TO ACQUISITIONS NOT IN EXCESS OF SIMPLIFIED ACQUISITION THRESHOLD

SEC. 4021. FUTURE ENACTED PROCUREMENT LAWS.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 4011, is further amended by adding at the end the following new section:

"APPLICABILITY OF CERTAIN LAWS TO CONTRACTS NOT EXCEEDING SIMPLIFIED ACQUISITION THRESHOLD

"SEC. 30. (a) IN GENERAL.—The applicability of a provision of law described in subsection (b) to contracts not in excess of the simplified acquisition threshold may be waived on a class basis in the Federal Acquisition Regulation. Such a waiver shall not apply to a provision of law that expressly refers to this section and prohibits the waiver of that provision of law.

"(b) REFERENCED LAW.—A provision of law referred to in subsection (a) is any provision of law enacted after the date of the enactment of the Federal Acquisition Streamlining Act of 1994 that, as determined by the Administrator for Federal Procurement Policy, sets forth policies, procedures, requirements, or restrictions for the procurement of property or services by the Federal Government.".

SEC. 4022. ARMED SERVICES ACQUISITIONS.

(a) REQUIREMENT FOR CONTRACT CLAUSE REGARDING CONTINGENT FEES.—Section 2306(b) of title 10, United States Code, is amended by adding at the end the following: "This subsection does not apply to a contract that is not in excess of the simplified acquisition threshold.".

(b) PROHIBITION ON LIMITING SUBCONTRACTOR DIRECT SALES TO THE UNITED STATES.—Section 2402 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) This section does not apply to a contract that is not in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

(c) AUTHORITY TO EXAMINE BOOKS AND RECORDS OF CONTRACTORS.—Section 2313 of title 10, United States Code, as amended by section 2201, is further amended by adding at the end of subsection (f) the following:

"(2) A contract that is not in excess of the simplified acquisition threshold.".

(d) REQUIREMENT TO IDENTIFY SUPPLIERS AND SOURCES OF SUPPLIES.—Section 2384(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) The regulations prescribed pursuant to paragraph (1) do not apply to a contract that does not exceed the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

(e) PROHIBITION AGAINST DOING BUSINESS WITH CERTAIN OFFERORS OR CONTRACTORS.—Section 2393(d) of title 10, United States Code, is amended in the second sentence by striking out "above" and all that follows and inserting in lieu thereof "in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

(f) PROHIBITION ON PERSONS CONVICTED OF DEFENSE-CONTRACT RELATED FELONIES.—Section 2408(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) The prohibition in paragraph (1) does not apply with respect to the following:

"(A) A contract referred to in subparagraph (A), (B), (C), or (D) of such paragraph that is not in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).

"(C) A subcontract referred to in such subparagraph that is under a contract described in subparagraph (A).".

SEC. 4023. CIVILIAN AGENCY ACQUISITIONS.

(a) REQUIREMENT FOR CONTRACT CLAUSE REGARDING CONTINGENT FEES.—Section 304(a) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254(a)) is amended by adding at the end the following: "The preceding sentence does not apply to a contract that is not in excess of the simplified acquisition threshold.".

(b) PROHIBITION ON LIMITING SUBCONTRACTOR DIRECT SALES TO THE UNITED STATES.—Section 303G of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253g) is amended by adding at the end the following new subsection:

"(c) This section does not apply to a contract that is not in excess of the simplified acquisition threshold.".

(c) AUTHORITY TO EXAMINE BOOKS AND RECORDS OF CONTRACTORS.—Section 304B of the Federal Property and Administrative Services Act of 1949, as added by section 2251(a), is amended by adding at the end of subsection (f) the following:

"(2) A contract that is not in excess of the simplified acquisition threshold.".

SEC. 4024. ACQUISITIONS GENERALLY.

(a) LIMITATION ON USE OF FUNDS TO INFLUENCE CERTAIN FEDERAL ACTIONS.—Section 1352(e)(2)(B) of title 31, United States Code, is amended by striking out "$100,000" and inserting in lieu thereof "the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)))".

(b) REQUIREMENT FOR CONTRACT CLAUSE RELATING TO KICKBACKS.—Section 7 of the Anti-Kickback Act of 1986 (41 U.S.C. 57) is amended by adding at the end the following new subsection:

"(d) Subsections (a) and (b) do not apply to a prime contract that is not in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

(c) MILLER ACT.—

(1) IN GENERAL.—

(A) CONTRACTS NOT EXCEEDING SIMPLIFIED ACQUISITION THRESHOLD.—The Act of August 24, 1935 (40 U.S.C. 270a et seq.), commonly referred to as the "Miller Act", is amended by adding at the end the following new section:

"SEC. 5. This Act does not apply to a contract in an amount that is not in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

(B) CONFORMING AMENDMENT.—Subsection (a) of the first section of such Act is amended by striking out ", exceeding $25,000 in amount,".

(2) ALTERNATIVE PAYMENT PROTECTIONS.—

(A) PROTECTIONS TO BE SPECIFIED IN THE FAR.—The Federal Acquisition Regulation shall provide alternatives to payment bonds as payment protections for suppliers of labor and materials under contracts referred to in subparagraph (C).

(B) USE OF AUTHORIZED PROTECTIONS.—The contracting officer for a contract shall—

(i) select, from among the payment protections provided for in the Federal Acquisition Regulation pursuant to subparagraph (A), one or more payment protections which the offeror awarded the contract is to submit to the Federal Government for the protection of suppliers of labor and materials for such contract; and

(ii) specify in the solicitation of offers for such contract the payment protection or protections so selected.

(C) COVERED CONTRACTS.—

(i) APPLICABILITY.—The regulations required under subparagraph (A) and the requirements of subparagraph (B) apply with respect to contracts referred to in subsection (a) of the first section of the Miller Act that are in excess of $25,000 but not in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).

(ii) MILLER ACT REFERENCE.—The Miller Act referred to in subparagraph (A) is the Act of August 24, 1935 (40 U.S.C. 270a et seq.), commonly referred to as the "Miller Act".

(d) CONTRACT WORK HOURS AND SAFETY STANDARDS ACT.—

(1) IN GENERAL.—Section 103 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 329) is amended by adding at the end the following new subsection:

"(c) This title does not apply to a contract in an amount that is not in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

(2) CONFORMING AMENDMENT.—Section 107(a) of such Act (40 U.S.C. 333(a)) is amended by inserting after "It shall be a condition of each contract" the following: "(other than a contract referred to in section 103(c))".

(e) DRUG-FREE WORKPLACE ACT OF 1988.—Section 5152(a)(1) of the Drug-Free Workplace Act of 1988 (subtitle D of title V of the Anti-Drug Abuse Act of 1988; Public Law 100–690; 41 U.S.C. 701(a)(1)) is amended by striking out "of $25,000 or more from any Federal agency" and inserting in lieu thereof "in excess of the simplified acquisition threshold (as defined in section 4(11) of such Act (41 U.S.C. 403(11))) by any Federal agency".

(f) CERTAIN PROCUREMENT INTEGRITY REQUIREMENTS.—

(1) CERTIFICATION REQUIREMENT.—Subsection (e)(7)(A) of section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) is amended by striking out "$100,000" and inserting in lieu thereof "the simplified acquisition threshold".

(2) CONTRACT CLAUSE REQUIREMENT.—Subsection (g)(1) of such section is amended by inserting after "awarded by a Federal agency" the following: "(other than a contract in an amount that is not in excess of the simplified acquisition threshold)".

(g) SOLID WASTE DISPOSAL ACT.—Section 6002(a) of the Solid Waste Disposal Act (42 U.S.C. 6962(a)) is amended by striking out all that follows "with respect to any" and inserting in lieu thereof "contract in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

PART IV—CONFORMING AMENDMENTS

SEC. 4071. ARMED SERVICES ACQUISITIONS.

(a) SIMPLIFIED ACQUISITION PROCEDURES.—Section 2304(g) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "small purchases of property and services" and inserting in lieu thereof "purchases of property and services not in excess of the simplified acquisition threshold";

(2) by striking out paragraph (2);

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

(4) in paragraph (2), as so redesignated—

(A) by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold"; and

(B) by striking out "small purchase procedures" and inserting in lieu thereof "simplified procedures"; and

(5) in paragraph (3), as redesignated by paragraph (3), by striking out "small purchase procedures" and inserting in lieu thereof "the simplified procedures".

(b) SOLICITATION CONTENT REQUIREMENT.—Section 2305(a)(2) of title 10, United States Code, is amended by striking out "small purchases)" in the matter above subparagraph (A) and inserting in lieu thereof "purchases not in excess of the simplified acquisition threshold)".

(c) COST TYPE CONTRACTS.—Section 2306(e)(2)(A) of title 10, United States Code, is amended by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold".

SEC. 4072. CIVILIAN AGENCY ACQUISITIONS.

(a) SIMPLIFIED ACQUISITION PROCEDURES.—

(1) PROPERTY AND SERVICES GENERALLY.—Section 303(g) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)) is amended—

(A) in paragraph (1), by striking out "small purchases of property and services" and inserting in lieu thereof "purchases of property and services not in excess of the simplified acquisition threshold";

(B) by striking out paragraphs (2) and (5);

(C) in paragraph (3)—

(i) by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold"; and

(ii) by striking out "small purchase procedures" and inserting in lieu thereof "simplified procedures";

(E) in paragraph (4), by striking out "small purchase procedures" and inserting in lieu thereof "the simplified procedures"; and

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

"(2)(A) The Administrator of General Services shall prescribe regulations that provide special simplified procedures for acquisitions of leasehold interests in real property at rental rates that do not exceed the simplified acquisition threshold.

"(B) For purposes of subparagraph (A), the rental rate or rates under a multiyear lease do not exceed the simplified acquisition threshold if the average annual amount of the rent payable for the period of the lease does not exceed the simplified acquisition threshold.".

(b) SOLICITATION CONTENT REQUIREMENT.—Section 303A(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253a(b)) is amended by striking out "small purchases)" in the matter above paragraph (1) and inserting in lieu thereof "purchases not in excess of the simplified acquisition threshold)".

(c) COST TYPE CONTRACTS.—Section 304(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254(b)), as amended by section 1071, is further amended in the second sentence by striking out "either $25,000" and inserting in lieu thereof "either the simplified acquisition threshold".

SEC. 4073. OFFICE OF FEDERAL PROCUREMENT POLICY ACT.

Section 19(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 417(a)) is amended by striking out "procurements, other than small purchases," and inserting in lieu thereof "procurements in excess of the simplified acquisition threshold".

SEC. 4074. SMALL BUSINESS ACT.

(a) DEFINITION.—Section 3(m) of the Small Business Act (15 U.S.C. 632(m)) is amended by striking out "'small purchase threshold'" and inserting in lieu thereof "'simplified acquisition threshold'".

(b) USE OF SIMPLIFIED ACQUISITION THRESHOLD TERM.—Section 8(d)(2)(A) of the Small Business Act (15 U.S.C. 637(d)(2)(A)) is amended by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold".

PART V—REVISION OF REGULATIONS

SEC. 4081. REVISION REQUIRED.

(a) FEDERAL ACQUISITION REGULATION.—The Federal Acquisition Regulatory Council established by section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall review the Federal Acquisition Regulation to identify regulations that are applicable to acquisitions in excess of a specified amount that is less than $100,000. The Council shall amend the regulations so identified as necessary to provide that such regulations do not apply to acquisitions that are not in excess of the simplified acquisition threshold. The preceding sentence does not apply in the case of a regulation for which such an amendment would not be in the national interest, as determined by the Council.

(b) SUPPLEMENTAL REGULATIONS.—The head of each Federal agency that has issued regulations, policies, or procedures referred to in section 25(c)(2) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)(2)) shall identify any such regulations, policies, or procedures that are applicable to acquisitions in excess of a specified amount that is less than $100,000. The agency head shall amend the regulations so identified as necessary to provide that such regulations, policies, and procedures do not apply to acquisitions that are not in excess of the simplified acquisition threshold. The preceding sentence does not apply in the case of a regulation, policy, or procedure for which such an amendment would not be in the national interest, as determined by the agency head.

(c) COMPLETION OF ACTIONS.—All actions under this section shall be completed not later than 180 days after the date of the enactment of this Act.

(d) DEFINITIONS.—In this section:

(1) The term "simplified acquisition threshold" has the meaning given such term in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)), as amended by section 4001.

(2) The term "Federal agency" has the meaning given such term in section 3(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 472(b)).

Subtitle B—Socioeconomic and Small Business Laws

SEC. 4101. ACQUISITIONS GENERALLY.

(a) REPEAL OF EXECUTED REPORTING REQUIREMENT.—Section 306 of the Trade Agreements Act of 1979 (19 U.S.C. 2516) is repealed.

(b) WALSH-HEALEY ACT.—

(1) REPEAL OTHER THAN FOR CERTAIN DEFINITIONAL PURPOSES.—The Act of June 30, 1936 (41 U.S.C. 35 et seq.), commonly referred to as the "Walsh-Healey Act", is amended to read as follows:

"SECTION 1. (a) The Secretary of Labor may prescribe in regulations the standards for determining whether a contractor is a manufacturer of or a regular dealer in materials, supplies, articles, or equipment to be manufactured or used in the performance of a contract entered into by any executive department, independent establishment, or other agency or instrumentality of the United States, or by the District of Columbia, or by any corporation all the stock of which is beneficially owned by the United States, for the manufacture or furnishing of materials, supplies, articles, and equipment.

"(b) Any interested person shall have the right of judicial review of any legal question regarding the interpretation of the terms 'regular dealer' and 'manufacturer', as defined pursuant to subsection (a)."

(2) CONFORMING AMENDMENT.—Section 2304(h) of title 10, United States Code, is amended to read as follows:

"(h) For the purposes of the Act entitled 'An Act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes', approved March 3, 1931 (commonly referred to

as the 'Davis-Bacon Act') (40 U.S.C. 276a et seq.), purchases or contracts awarded after using procedures other than sealed-bid procedures shall be treated as if they were made with sealed-bid procedures.".

(c) REPEAL OF REDUNDANT REQUIREMENT REGARDING APPLICABILITY OF THE DAVIS-BACON ACT AND THE WALSH-HEALEY ACT.—Section 308 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 258) is repealed.

SEC. 4102. ACQUISITIONS FROM SMALL BUSINESSES.

(a) SET-ASIDE PRIORITY.—Section 15 of the Small Business Act (15 U.S.C. 644) is amended by striking out subsections (e) and (f).

(b) CERTIFICATE OF COMPETENCE.—Section 804 of Public Law 103-484 (106 Stat. 2447; 10 U.S.C. 2305 note) is repealed.

SEC. 4103. CONTRACTING PROGRAM FOR CERTAIN SMALL BUSINESS CONCERNS.

(a) PROCUREMENT PROCEDURES AUTHORIZED.—Section 8 of the Small Business Act (15 U.S.C. 637) is amended by inserting after subsection (b) the following new subsection:

"(c)(1) To facilitate the attainment of a goal for the participation of small business concerns owned and controlled by socially and economically disadvantaged individuals that is established for a Federal agency pursuant to section 15(g)(1), the head of the agency may enter into contracts using—

"(A) less than full and open competition by restricting the competition for such awards to small business concerns owned and controlled by socially and economically disadvantaged individuals described in subsection (d)(3)(C) of this section; and

"(B) a price evaluation preference not in excess of 10 percent when evaluating an offer received from such a small business concern as the result of an unrestricted solicitation.

"(2) Paragraph (1) does not apply to the Department of Defense.".

(b) IMPLEMENTATION THROUGH THE FEDERAL ACQUISITION REGULATION.—

(1) IN GENERAL.—The Federal Acquisition Regulation shall be amended to provide for uniform implementation of the authority provided in section 8(c) of the Small Business Act, as added by subsection (a).

(2) MATTERS TO BE ADDRESSED.—The provisions of the Federal Acquisition Regulation prescribed pursuant to paragraph (1) shall include—

(A) conditions for the use of advance payments;

(B) provisions for contract payment terms that provide for—

(i) accelerated payment for work performed during the period for contract performance; and

(ii) full payment for work performed;

(C) guidance on how contracting officers may use, in solicitations for various classes of products or services, a price evaluation preference pursuant to section 8(c)(1)(B) of the Small Business Act, as added by subsection (a), to provide a reasonable advantage to small business concerns owned and controlled by socially and economically disadvantaged individuals without effectively eliminating any participation of other small business concerns; and

(D)(i) procedures for a person to request the head of Federal agency to determine whether the use of competitions restricted to small business concerns owned and controlled by socially and economically disadvantaged individuals at a contracting activity of such agency has caused a particular industry category to bear a disproportionate share of the contracts awarded to attain the goal established for that contracting activity; and

(ii) guidance for limiting the use of such restricted competitions in the case of any contracting activity and class of contracts determined in accordance with such procedures to have caused a particular industry category to bear a disproportionate share of the contracts awarded to attain the goal established for that contracting activity.

(c) TERMINATION.—Section 8(c) of the Small Business Act, as added by subsection (a), shall cease to be effective at the end of September 30, 1999.

SEC. 4104. PROCUREMENT GOALS FOR SMALL BUSINESS CONCERNS OWNED BY WOMEN.

(a) GOALS.—Section 15 of the Small Business Act (15 U.S.C. 644) is amended—

(1) by striking out "and small business concerns owned and controlled by socially and economically disadvantaged individuals" each place it appears in the first sentence and fourth sentences of subsection (g)(1), the second sentence of subsection (g)(2), and paragraphs (1), (2)(A), (2)(D), and (2)(E) of subsection (h) and inserting in lieu thereof ", small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women";

(2) in subsection (g)—

(A) by inserting after the third sentence of paragraph (1) the following: "The Government-wide goal for participation by small business concerns owned and controlled by women shall be established at not less than 5 percent of the total value of all prime contract and subcontract awards for each fiscal year.";

(B) in the first sentence of paragraph (2), by striking out "and by small business concerns owned and controlled by socially and economically disadvantaged individuals," and inserting in lieu thereof ", by small business concerns owned and controlled by socially and economically disadvantaged individuals, and by small business concerns owned and controlled by women"; and

(C) in the fourth sentence of paragraph (2), by inserting after "including participation by small business concerns owned and controlled by socially and economically disadvantaged individuals" the following: "and by participation small business concerns owned and controlled by women"; and

(3) in subsection (h)(2)(F), by striking out "women-owned small business enterprises" and inserting in lieu thereof "small business concerns owned and controlled by women".

(b) SUBCONTRACT PARTICIPATION.—Section 8(d) of such Act (15 U.S.C. 637(d)) is amended—

(1) by striking out "and small business concerns owned and controlled by socially and economically disadvantaged individuals" both places it appears in paragraph (1), both places it appears in paragraph (3)(A), in paragraph (4)(D), in subparagraphs (A), (C), and (F) of paragraph (6), and in paragraph (10)(B) and inserting in lieu thereof ", small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women";

(2) by striking out subparagraph (D) in paragraph (3) and inserting in lieu thereof the following:

"(E) Contractors acting in good faith may rely on written representations by their subcontractors regarding their status as either a small business concern, a small business concern owned and controlled by socially and economically disadvantaged individuals, or a small business concern owned and controlled by women.";

(3) in paragraph (3), by inserting after subparagraph (C) the following new subparagraph (D):

"(D) The term 'small business concern owned and controlled by women' shall mean a small business concern—

"(i) which is at least 51 per centum owned by one or more women; or, in the case of any publicly owned business, at least 51 per centum of the stock of which is owned by one or more women; and

"(ii) whose management and daily business operations are controlled by one or more women."; and

(4) in paragraph (4)(E), by inserting "and for small business concerns owned and controlled by women" after "as defined in paragraph (3) of this subsection".

(c) MISREPRESENTATIONS OF STATUS.—(1) Subsection (d)(1) of section 16 of such Act (15 U.S.C. 645) is amended by striking out "or 'small business concern owned and controlled by socially and economically disadvantaged individuals'" and inserting in lieu thereof ", a 'small business concern owned and controlled by socially and economically disadvantaged individuals', or a 'small business concerns owned and controlled by women'".

(2) Subsection (e) of such section is amended by striking out "or 'small business concern owned and controlled by socially and economically disadvantaged individuals'" and inserting in lieu thereof ", a 'small business concern owned and controlled by socially and economically disadvantaged individuals', or a 'small business concerns owned and controlled by women'".

(d) DEFINITION.—Section 3 of such Act (15 U.S.C. 632) is amended by adding at the end the following new subsection:

"(n) For the purposes of this Act, a small business concern is a small business concern owned and controlled by women if—

"(1) at least 51 percent of small business concern is owned by one or more women or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

"(2) the management and daily business operations of the business are controlled by one or more women.".

SEC. 4105. DEVELOPMENT OF DEFINITIONS REGARDING CERTAIN SMALL BUSINESS CONCERNS.

(a) REVIEW REQUIRED.—

(1) DEFINITIONS TO BE IDENTIFIED.—The Administrator for Federal Procurement Policy shall conduct a comprehensive review of Federal laws, as in effect on November 1, 1994, to identify and catalogue all of the provisions in such laws that define (or describe for definitional purposes) the small business concerns set forth in paragraph (2) for purposes of authorizing the participation of such small business concerns as prime contractors or subcontractors in—

(A) contracts awarded directly by the Federal Government or subcontracts awarded under such contracts; or

(B) contracts and subcontracts funded, in whole or in part, by Federal financial assistance under grants, cooperative agreements, or other forms of Federal assistance.

(2) COVERED SMALL BUSINESS CONCERNS.—The small business concerns referred to in paragraph (1) are as follows:

(A) Small business concerns owned and controlled by socially and economically disadvantaged individuals.

(B) Minority-owned small business concerns.

(C) Small business concerns owned and controlled by women.

(D) Woman-owned small business concerns.

(b) MATTERS TO BE DEVELOPED.—On the basis of the results of the review carried out under subsection (a), the Administrator for Federal Procurement Policy shall develop—

(1) uniform definitions for the small business concerns referred to in subsection (a)(2);

(2) uniform agency certification standards and procedures for—

(A) determinations of whether a small business concern qualifies as a small business concern referred to in subsection (a)(2) under an applicable standard for purposes contracts and subcontracts referred to in subsection (a)(1); and

(B) reciprocal recognition by an agency of a decision of another agency regarding whether a small business concern qualifies as a small business concern referred to in subsection (a)(2) for such purposes; and

(3) such other related recommendations as the Administrator determines appropriate consistent with the review results.

(c) PROCEDURES AND SCHEDULE.—

(1) PARTICIPATION BY CERTAIN INTERESTED PARTIES.—The Administrator for Federal Procurement Policy shall provide for the participation in the review and activities under subsections (a) and (b) by representatives of—

(A) the Small Business Administration (including the Office of the Chief Counsel for Advocacy);

(B) the Minority Business Development Agency of the Department of Commerce;

(C) the Department of Transportation;

(D) the Environmental Protection Agency; and

(E) such other executive departments and agencies as the Administrator considers appropriate.

(2) CONSULTATION WITH CERTAIN INTERESTED PARTIES.—In carrying out subsections (a) and (b), the Administrator shall consult with representatives of organizations representing—

(A) minority-owned business enterprises;

(B) women-owned business enterprises; and

(C) other organizations that the Administrator considers appropriate.

(3) SCHEDULE.—Not later than 60 days after the date of the enactment of this Act, the Administrator shall publish in the Federal Register a notice which—

(A) lists the provisions of law identified in the review carried out under subsection (a);

(B) describes the matters to be developed on the basis of the results of the review pursuant to subsection (b);

(C) solicits public comment regarding the matters described in the notice pursuant to subparagraphs (A) and (B) for a period of not less than 60 days; and

(D) addresses such other matters as the Administrator considers appropriate to ensure the comprehensiveness of the review and activities under subsections (a) and (b).

(d) REPORT.—Not later than May 1, 1995, the Administrator for Federal Procurement Policy shall submit to the Committees on Small Business of the Senate and the House of Representatives a report on the results of the review carried out under subsection (a) and the actions taken under subsection (b). The report shall include a discussion of the results of the review, a description of the consultations conducted and public comments received, and the Administrator's recommendations with regard to the matters identified under subsection (b).

Subtitle C—Miscellaneous Acquisition Laws

SEC. 4151. PROHIBITION ON USE OF FUNDS FOR DOCUMENTING ECONOMIC OR EMPLOYMENT IMPACT OF CERTAIN ACQUISITION PROGRAMS.

(a) REVISION AND CODIFICATION.—

(1) IN GENERAL.—Subchapter I of chapter 134 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2247. Prohibition on use of funds for documenting economic or employment impact of certain acquisition programs

"No funds appropriated by the Congress may be obligated or expended to assist any contractor of the Department of Defense in preparing any material, report, lists, 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.".

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

"2247. Prohibition on use of funds for documenting economic or employment impact of certain acquisition programs.".

(b) REPEAL OF SUPERSEDED LAW.—Section 9048 of Public Law 102-396 (106 Stat. 1913) is repealed.

SEC. 4152. RESTRICTION ON USE OF NONCOMPETITIVE PROCEDURES FOR PROCUREMENT FROM A PARTICULAR SOURCE.

(a) ARMED SERVICES ACQUISITIONS.—Section 2304 of title 10, United States Code, as amended by section 1005(b), is further amended—

(1) in subsection (c)(5), by inserting "subject to subsection (j)," after "(5)"; and

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

"(j)(1) It is the policy of Congress that no legislation should be enacted that requires a procurement to be made from a specified non-Federal Government source.

"(2) A provision of law may not be construed as requiring a procurement to be made from a specified non-Federal Government source unless that provision of law—

"(A) specifically refers to this subsection;

"(B) specifically identifies the particular non-Federal Government source involved; and

"(C) specifically states that the procurement from that source is required by such provision of law in contravention of the policy set forth in paragraph (1).".

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253) is amended—

(1) in subsection (c)(5), by inserting "subject to subsection (h)," after "(5)"; and

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

"(h)(1) It is the policy of Congress that no legislation should be enacted that requires a procurement to be made from a specified non-Federal Government source.

"(2) A provision of law may not be construed as requiring a procurement to be made from a specified non-Federal Government source unless that provision of law—

"(A) specifically refers to this subsection;

"(B) specifically identifies the particular non-Federal Government source involved; and

"(C) specifically states that the procurement from that source is required by such provision of law in contravention of the policy set forth in paragraph (1).".

TITLE V—ACQUISITION MANAGEMENT

Subtitle A—Armed Services Acquisitions

SEC. 5001. PERFORMANCE BASED MANAGEMENT.

(a) POLICY AND GOALS FOR PERFORMANCE BASED MANAGEMENT OF PROGRAMS.—

(1) IN GENERAL.—Chapter 131 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2219. Performance based management: acquisition programs

"(a) CONGRESSIONAL POLICY.—It is the policy of Congress that—

"(1) the Department of Defense should achieve, on average, 90 percent of the cost and schedule goals established for the research and development programs and acquisition programs of the Department of Defense without reducing the performance or capabilities of the items being acquired; and

"(2) the average period necessary for converting an emerging technology into initial operational capability for the Department of Defense should not exceed 8 years.

"(b) ESTABLISHMENT OF GOALS.—(1) The Secretary of Defense shall approve or define the cost, performance, and schedule goals for major defense acquisition programs of the Department of Defense.

"(2) The Comptroller of the Department of Defense shall evaluate the cost goals proposed for each major defense acquisition program of the Department.

"(c) IDENTIFICATION OF NONCOMPLIANT PROGRAMS.—Whenever it is necessary to do so in order to implement the policy set out in subsection (a), the Secretary of Defense shall—

"(1) identify and consider whether there is a continuing need for programs that are significantly behind schedule, over budget, or not in compliance with performance or capability requirements taking into consideration—

"(A) the needs of the Department known as of the time of consideration;

"(B) the state of the technology or technologies relevant to the programs and to the needs of the Department;

"(C) the estimated costs and projected schedules necessary for the completion of such programs; and

"(D) other pertinent information; and

"(2) identify existing and potential research and development programs and acquisition programs that are suitable alternatives for programs considered pursuant to paragraph (1).

"(d) ANNUAL REPORTING REQUIREMENT.—The Secretary of Defense shall include in the annual report submitted to Congress pursuant to section 113(c) of this title an assessment of the progress made in implementing the policy stated in subsection (a). The Secretary shall use data from existing management systems in making the assessment.".

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

"2219. Performance based management: acquisition programs.".

(b) ENHANCED SYSTEM OF PERFORMANCE INCENTIVES.—Within one year after the date of the enactment of this Act, the Secretary of Defense shall review the incentives and personnel actions available to the Secretary for encouraging excellence in the defense acquisition workforce and provide an enhanced system of incentives for the encouragement of excellence in such workforce. The enhanced system of incentives shall, to the maximum extent consistent with applicable law—

(1) relate pay to performance (including the extent to which the performance of personnel in such workforce contributes to achieving the cost goals, schedule goals, and performance goals established for acquisition programs of the department pursuant to section 2219(b) of title 10, as added by subsection (a)); and

(2) provide for consideration, in personnel evaluations and promotion decisions, of the extent to which the performance of personnel in such workforce contributes to achieving the cost goals, schedule goals, and performance goals established for acquisition programs of the department pursuant to section 2219(b) of title 10, United States Code, as added by subsection (a).

(c) RECOMMENDED LEGISLATION.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress any recommended legislation that the Secretary considers necessary to carry out section 2219 of title 10, United States Code, as added by subsection (a), and otherwise to facilitate and enhance management of Department of Defense acquisition programs and the defense acquisition workforce on the basis of performance.

SEC. 5002. RESULTS ORIENTED ACQUISITION PROGRAM CYCLE.

The Secretary of Defense shall define in regulations a simplified acquisition program cycle that is results-oriented. The Secretary shall consider including in the regulations provisions for the following:

(1) Program phases as follows:

(A) An integrated decision team meeting which—

(i) may be requested by a potential user of the system or component to be acquired, the head of a laboratory, or a program office on such bases as the emergence of a new military requirement, cost savings opportunity, or new technology opportunity;

(ii) is conducted by an acquisition program executive officer; and

(iii) is usually completed within 1 to 3 months.

(B) A prototype development and testing phase which—

(i) includes operational tests and concerns relating to manufacturing operations and life cycle support;

(ii) is usually completed within 6 to 36 months; and

(iii) produces sufficient numbers of prototypes to assess operational utility.

(C) Product integration, development, and testing which—

(i) includes full-scale development, operational testing, and integration of components; and

(ii) is usually completed within 1 to 5 years.

(D) Production, integration into existing systems, or production and integration into existing systems.

(2) An acquisition program approval process for major program decisions which consists of the following:

(A) One major decision point—

(i) which occurs for an acquisition program before the program proceeds into product integration and development; and

(ii) at which the Under Secretary of Defense for Acquisition and Technology, in consultation with the Vice Chairman of the Joint Chiefs of Staff reviews the program, determines whether the program should continue to be carried out beyond product integration and development, and decides whether to commit to further development, to require further prototyping, or to terminate the program.

(B) Consideration of the potential benefits, affordability, needs, and risks of an acquisition program in the review of the acquisition program.

SEC. 5003. DEFENSE ACQUISITION PILOT PROGRAM DESIGNATIONS.

(a) PROGRAMS AND WAIVERS.—The National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160) is amended by inserting the following new section at the end of subtitle D of title VIII:

"SEC. 840. DEFENSE ACQUISITION PILOT PROGRAM DESIGNATIONS.

"(a) ELIGIBLE PROGRAMS.—The Secretary of Defense is authorized to designate the following defense acquisition programs for participation in the defense acquisition pilot program authorized by section 809 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2430 note):

"(1) Defense Personnel Support Center medical, clothing and textile, and subsistence programs with respect to the following:

"(A) All contracts for processed fruits and vegetables and frozen seafood items for both depot stock and direct vendor delivery.

"(B) All contracts in the subsistence prime vendor program for grocery items.

"(C) All contracts in the Mail Order Pharmacy Program, the prime vendor programs for pharmaceuticals and for medical surgical items for delivery to military hospitals.

"(D) All contracts in the medical electronic commerce program for acquisition for depot stock and direct vendor delivery.

"(E) All contracts for the following items: dress coats (small lots), dress coats, duffel bags, Navy work clothing, general purpose tents, suitcases, gloves for electrical workers, boot flyers, socks, drawers, undershirts, and items offered under the Broad Agency Announcements for Clothing and Textiles Advanced Business Practices Demonstration Program.

"(2) The Fire Support Combined Arms Tactical Trainer program with respect to all contracts directly related to the procurement of a training system (including related hardware, software, and subsystems) to perform collective training of field artillery gunnery team components with development of software as required to generate the training exercises and component interfaces.

"(3) The Joint Direct Attack Munition program (JDAM I) with respect to all contracts directly related to the development and procurement of a strap-on guidance kit, using an inertially guided, Global Positioning System updated guidance kit for inventory 1,000 and 2,000 pound bombs.

"(4) The Joint Primary Aircraft Training System (JPATS) with respect to all contracts directly related to the acquisition of a new primary trainer aircraft to fulfill Air Force and Navy joint undergraduate aviation training requirements, and an associated ground-based training system consisting of air crew training devices (simulators), courseware, a Training Management System, and contractor support for the life of the system.

"(5) The Commercial Derivatives Aircraft program with respect to all contracts directly related to the acquisition or upgrading of civil-derivative aircraft for use in (A) foreign military sales of Airborne Warning and Control Systems to foreign governments with modifications of a type customarily provided to commercial customers, or (B) future Air Force airlift and tanker requirements.

"(6) The Commercial Derivative Engine program with respect to all contracts directly related to the acquisition of (A) commercially derived engines (including spare engines), logistics support equipment, technical orders, management data, and initial spare parts for use in the C-17A production line, and (B) commercially derived engines to support the purchase of commercial-derivative aircraft to meet future Air Force airlift and tanker requirements, including engine replacement and upgrades.

"(b) WAIVER AUTHORITY.—Subject to section 809(c) of the National Defense Authorization Act for Fiscal Year 1991, the Secretary of Defense is authorized—

"(1) to apply any amendment or repeal of a provision of law made in the Federal Acquisition Streamlining Act of 1994 to the programs described in subsection (a) before the effective date of such amendment or repeal; and

"(2) to apply to a procurement of noncommercial items under such programs—

"(A) any authority provided in such Act (or in an amendment made by a provision of such Act) to waive a provision of law in the case of commercial items, and

"(B) any exception applicable under such Act (or an amendment made by a provision of such Act) in the case of commercial items,

before the effective date of such provision (or amendment) to the extent that the Secretary determines necessary to test the application of such waiver or exception to procurements of noncommercial items.

"(c) PILOT PROGRAM IMPLEMENTATION.—In exercising the authority provided in section 809 of the National Defense Authorization Act for 1991, and in accordance with sections 833 through 839 of this Act, the Secretary of Defense, shall take the following actions:

"(1) MISSION-ORIENTED PROGRAM MANAGEMENT.—For one or more of the defense acquisition programs designated for participation in the defense acquisition pilot program, prescribe and implement procedures which—

"(A) provide for interaction between the program manager and the commander of the operational command responsible for the requirement for the equipment acquired;

"(B) include provisions for a determination by the commander that items proposed for procurement fulfill the need defined in approved requirements documents; and

"(C) may include a role for the operational commander in decision making for program milestone decisions and performance of acceptance testing of items acquired.

"(2) SAVINGS OBJECTIVES.—Not later than 45 days after the date of enactment of the Federal Acquisition Streamlining Act of 1994, identify for each defense acquisition program participating in the pilot program quantitative measures and goals for reducing acquisition management costs.

"(3) PROGRAM PHASES.—For each defense acquisition program participating in the pilot program, incorporate in an approved acquisition strategy a program review process that provides senior acquisition officials with reports that—

"(A) contain essential information on program results at quarterly intervals;

"(B) reduce data requirements from the current major program review reporting requirements; and

"(C) include data on program costs estimates, actual expenditures, performance estimates, performance data from tests, and, consistent with existing statutes, the minimum necessary other data items required to ensure the appropriate expenditure of funds appropriated for that program.

"(4) PROGRAM WORK FORCE POLICIES.—With regard to the review of incentives and personnel actions required under section 836 of this Act—

"(A) not later than 60 days after the date of the enactment of the Federal Acquisition Streamlining Act of 1994—

"(i) complete the review; and

"(ii) on the basis of the review, define one or more systems that relate incentives, including pay, to achievement of budgets, schedules, and performance requirements;

"(B) not later than 120 days after the date of the enactment of the Federal Acquisition Streamlining Act of 1994—

"(i) apply such a system of incentives to not less than one defense acquisition program participating in the pilot program; and

"(ii) provide for an assessment of the effectiveness of that system; and

"(C) incorporate the results of actions taken pursuant to this paragraph into the development of regulations for the implementation of section 5001(b) of the Federal Acquisition Streamlining Act of 1994.

"(5) EFFICIENT CONTRACTING PROCESS.—Take any additional actions that the Secretary considers necessary to waive regulations, not required by statute, that affect the efficiency of the contracting process, including, in the Secretary's discretion, defining alternative techniques to reduce reliance on military specifications and standards in contracts for the defense acquisition programs participating in the pilot program.

"(6) CONTRACT ADMINISTRATION: PERFORMANCE BASED CONTRACT MANAGEMENT.—For at least one participating defense acquisition program for which a determination is made to make payments for work in progress under the authority of section 2307 of title 10, United States Code, define payment milestones on the basis of quantitative measures of results.

"(7) CONTRACTOR PERFORMANCE ASSESSMENT.—Collect and evaluate performance information on each contract entered into for a defense acquisition program participating in the pilot program, including information on cost, schedule, and technical performance for each contractor supporting a participating program.

"(d) APPLICABILITY.—(1) Subsection (b) applies with respect to—

"(A) a contract that is awarded or modified during the period described in paragraph (2); and

"(B) a contract that is awarded before the beginning of such period and is to be performed (or may be performed), in whole or in part, during such period.

"(2) The period referred to in paragraph (1) is the period that begins 45 days after the date of the enactment of the Federal Acquisition Streamlining Act of 1994 and ends on September 30, 1998.".

(b) RULE OF CONSTRUCTION.—Nothing in section 840 of the National Defense Authorization Act for Fiscal Year 1994, as added by subsection (a), shall be construed as authorizing the appropriation or obligation of funds for the programs designated for participation in the defense acquisition pilot program under the authority of subsection (a) of such section 840.

Subtitle B—Civilian Agency Acquisitions

SEC. 5051. PERFORMANCE BASED MANAGEMENT.

(a) POLICY AND GOALS FOR PERFORMANCE BASED MANAGEMENT OF PROGRAMS.—

(1) IN GENERAL.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 301 et seq.), as amended by sections 1552 and 1553, is further amended by adding at the end the following new section:

"PERFORMANCE BASED MANAGEMENT: ACQUISITION PROGRAMS

"SEC. 311. (a) CONGRESSIONAL POLICY.—It is the policy of Congress that the head of each executive agency should achieve, on average, 90 percent of the cost and schedule goals established for the research and development programs and acquisition programs of the agency without reducing the performance or capabilities of the items being acquired.

"(b) ESTABLISHMENT OF GOALS.—(1) The head of each executive agency shall approve or define the cost, performance, and schedule goals for major acquisition programs of the agency.

"(2) The chief financial officer of an executive agency shall evaluate the cost goals proposed for each major defense acquisition program of the agency.

"(c) IDENTIFICATION OF NONCOMPLIANT PROGRAMS.—Whenever it is necessary to do so in order to implement the policy set out in subsection (a), the head of an executive agency shall—

"(1) identify and consider whether there is a continuing need for programs that are significantly behind schedule, over budget, or not in compliance with performance or capability requirements taking into consideration—

"(A) the needs of the agency known as of the time of consideration;

"(B) the state of the technology or technologies relevant to the programs and to the needs of the agency;

"(C) the estimated costs and projected schedules necessary for the completion of such programs; and

"(D) other pertinent information; and

"(2) identify existing and potential research and development programs and acquisition programs that are suitable alternatives for programs considered pursuant to paragraph (1).".

(2) CLERICAL AMENDMENT.—The table of contents in the first section of such Act, as amended by sections 1552 and 1553, is further amended by inserting after the item relating to section 310 the following new item:

"Sec. 311. Performance based management: acquisition programs.".

(b) ANNUAL REPORTING REQUIREMENT.—Section 6 of the Office of Federal Procurement Policy Act (41 U.S.C. 405), as amended by section 1091, is further amended by adding at the end the following new subsection:

"(k) The Administrator shall submit to Congress, on an annual basis, an assessment of the progress made in executive agencies in implementing the policy stated in section 311(a) of the Federal Property and Administrative Services Act of 1949. The Administrator shall use data from existing management systems in making the assessment.".

(c) ENHANCED SYSTEM OF PERFORMANCE INCENTIVES.—Within one year after the date of the enactment of this Act, the Administrator for Federal Procurement Policy, in consultation with appropriate officials in other departments and agencies of the Federal Government, shall, to the maximum extent consistent with applicable law—

(1) establish policies and procedures for the heads of such departments and agencies to designate acquisition positions and manage employees (including the accession, education, training and career development of employees) in the designated acquisition positions;

(2) extend to the acquisition workforce of the entire executive branch the acquisition workforce policies contained in chapter 87 of title 10, United States Code, relating to the acquisition workforce of the Department of Defense; and

(3) review the incentives and personnel actions available to the heads of departments and agencies of the Federal Government for encouraging excellence in the acquisition workforce of the Federal Government and provide an enhanced system of incentives for the encouragement of excellence in such workforce which—

(A) relates pay to performance (including the extent to which the performance of personnel in such workforce contributes to achieving the cost goals, schedule goals, and performance goals established for acquisition programs pursuant to section 311(b) of the Federal Property and Administrative Services Act of 1949, as added by subsection (a)); and

(B) provides for consideration, in personnel evaluations and promotion decisions, of the extent to which the performance of personnel in such workforce contributes to achieving such cost goals, schedule goals, and performance goals.

(d) RECOMMENDED LEGISLATION.—Not later than one year after the date of the enactment of this Act, the Administrator for Federal Procurement Policy shall submit to Congress any recommended legislation that the Secretary considers necessary to carry out section 311 of the Federal Property and Administrative Services Act of 1949, as added by subsection (a), and otherwise to facilitate and enhance management of Federal Government acquisition programs and the acquisition workforce of the Federal Government on the basis of performance.

SEC. 5052. RESULTS-ORIENTED ACQUISITION PROCESS.

(a) DEVELOPMENT OF PROCESS REQUIRED.—The Administrator for Federal Procurement Policy, in consultation with the heads of appropriate Federal agencies, shall develop a results-oriented acquisition process for implementation by agencies in acquisitions of property and services by the Federal agencies. The process shall include the identification of quantitative measures and standards for determining the extent to which an acquisition of noncommercial items by a Federal agency satisfies the needs for which the items are being acquired.

(b) INAPPLICABILITY OF PROCESS TO DEPARTMENT OF DEFENSE.—The process developed pursuant to subsection (a) may not be applied to the Department of Defense.

Subtitle C—Miscellaneous

SEC. 5091. CONTRACTOR EXCEPTIONAL PERFORMANCE AWARDS.

The Office of Federal Procurement Policy Act, as amended by section 4021, is further amended by adding at the end the following:

"CONTRACTOR EXCEPTIONAL PERFORMANCE AWARDS

"SEC. 31. (a) ESTABLISHMENT.—There is hereby established an executive branch program to recognize and promote exceptional contract performance by Federal Government contractors.

"(b) SELECTION.—(1) The Administrator shall ensure the establishment of criteria for selection of contractors to receive exceptional performance awards under the program.

"(2) The head of an executive agency may select one or more agency contractors to receive an exceptional performance award under the program.

"(c) AWARD CEREMONY.—The Vice President, or the head of the executive agency selecting a contractor for an exceptional performance award, shall present the award to the contractor with such ceremony as the Vice President or head of the agency, as the case may be, considers appropriate.".

SEC. 5092. DEPARTMENT OF DEFENSE ACQUISITION OF INTELLECTUAL PROPERTY RIGHTS.

Section 2386 of title 10, United States Code, is amended by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) Technical data and computer software.

"(4) Releases for past infringement of patents or copyrights or for unauthorized use of technical data or computer software.".

TITLE VI—STANDARDS OF CONDUCT

Subtitle A—Ethics Provisions

SEC. 6001. AMENDMENTS TO OFFICE OF FEDERAL PROCUREMENT POLICY ACT.

(a) RECUSAL.—Subsection (c) of section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) is amended—

(1) in paragraph (1)—

(A) in the matter above subparagraph (A), by inserting "only" after "subsection (b)(1)"; and

(B) in subparagraph (A), by inserting "(including the modification or extension of a contract)" after "any procurement";

(2) by striking out paragraphs (2) and (3) and inserting in lieu thereof:

"(2) Whenever the head of a procuring activity approves a recusal under paragraph (1), a copy of the recusal request and the approval of the request shall be retained by such official for a period (not less than five years) specified in regulations prescribed in accordance with subsection (o).

"(3)(A) Except as provided in subparagraph (B), all recusal requests and approvals of recusal requests pursuant to this subsection shall be made available to the public on request.

"(B) Any part of a recusal request or an approval of a recusal request that is exempt from the disclosure requirements of section 552 of title 5, United States Code, under subsection (b)(1) of such section may be withheld from disclosure to the public otherwise required under subparagraph (A).'"; and

(3) in paragraph (4), by striking out "competing contractor" and inserting in lieu thereof "person".

(b) APPLICABILITY OF CERTIFICATION REQUIREMENT.—Subsection (e)(7)(A) of such section is amended by adding at the end the following: "However, paragraph (1)(B) does not apply with respect to a contract for less than $500,000.".

(c) RESTRICTIONS RESULTING FROM PROCUREMENT ACTIVITIES OF PROCUREMENT OFFICIALS.—Subsection (f) of such section is amended—

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

(2) by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) No individual who, in the year prior to separation from service as an officer or employee of the Government or an officer of the uniformed services in a covered position, participated personally and substantially in acquisition functions related to a contract, subcontract, or claim of $500,000 or more and—

"(A) engaged in repeated direct contact with the contractor or subcontractor on matters relating to such contract, subcontract, or claim; or

"(B) exercised significant ongoing decisionmaking responsibility with respect to the contractor or subcontractor on matters relating to such contract, subcontract, or claim,

shall knowingly accept or continue employment with such contractor or subcontractor for a period of 1 year following the individual's separation from service, except that such individual may accept or continue employment with any division or affiliate of such contractor or subcontractor that does not produce the same or similar products as the entity involved in the negotiation or performance of the contract or subcontract or the adjustment of the claim.

"(2) No contractor or subcontractor, or any officer, employee, agent, or consultant of such contractor or subcontractor shall knowingly offer, provide, or continue any employment for another person, if such contractor, subcontractor, officer, employee, agent, or consultant knows or should know that the acceptance of such employment is or would be in violation of paragraph (1).

"(3) The head of each Federal agency shall designate in writing as a 'covered position' under this section each of the following positions in that agency:

"(A) The position of source selection authority, member of a source selection evaluation board, or chief of a financial or technical evaluation team, or any other position, if the officer or employee in that position is likely personally to exercise substantial responsibility for ongoing discretionary functions in the evaluation of proposals or the selection of a source for a contract in excess of $500,000.

"(B) The position of procuring contracting officer, or any other position, if the officer or employee in that position is likely personally to exercise substantial responsibility for ongoing discretionary functions in the negotiation of a contract in excess of $500,000 or the negotiation or settlement of a claim in excess of $500,000.

"(C) The position of program executive officer, program manager, or deputy program manager, or any other position, if the officer or employee in that position is likely personally to exercise similar substantial responsibility for ongoing discretionary functions in the management or administration of a contract in excess of $500,000.

"(D) The position of administrative contracting officer, the position of an officer or employee assigned on a permanent basis to a Government Plant Representative's Office, the position of auditor, a quality assurance position, or any other position, if the officer or employee in that position is likely personally to exercise substantial responsibility for ongoing discretionary functions in the onsite oversight of a contractor's operations with respect to a contract in excess of $500,000.

"(E) A position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in operational or developmental testing activities involving repeated direct contact with a contractor regarding a contract in excess of $500,000.".

(d) DISCLOSURE OF PROPRIETARY OR SOURCE SELECTION INFORMATION TO UNAUTHORIZED PERSONS.—Subsection (l) of such section is amended—

(1) by inserting "who are likely to be involved in contracts, modifications, or extensions in excess of $25,000" in the first sentence after "its procurement officials"; and

(2) by striking out "(e)" each place it appears and inserting in each such place "(f)".

(e) RULES OF CONSTRUCTION.—Subsection (n) of such section is amended to read as follows:

"(n) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to—

"(1) authorize the withholding of any information from the Congress, any committee or subcommittee thereof, a Federal agency, any board of contract appeals of a Federal agency, the Comptroller General, or an inspector general of a Federal agency;

"(2) restrict the disclosure of information to, or receipt of information by, any person or class of persons authorized, in accordance with applicable agency regulations or procedures, to receive that information;

"(3) restrict a contractor from disclosing its own proprietary information or the recipient of information so disclosed by a contractor from receiving such information; or

"(4) restrict the disclosure or receipt of information relating to a Federal agency procurement that has been canceled by the agency and that the contracting officer concerned determines in writing is not likely to be resumed.".

(f) TERM TO BE DEFINED IN REGULATIONS.—Subsection (o)(2)(A) of such section is amended—

(1) by inserting "money, gratuity, or other" before "thing of value'"; and

(2) by inserting before the semicolon "and such other exceptions as may be adopted on a Governmentwide basis under section 7353 of title 5, United States Code".

(g) TERMS DEFINED IN LAW.—Subsection (p) of such section is amended—

(1) in paragraph (1) by striking out "clauses (i)-(viii)" and inserting in lieu thereof "clauses (i) through (vii)";

(2) in paragraph (3)—

(A) in subparagraph (A)—

(i) by striking out clause (i);

(ii) by redesignating clauses (ii), (iii), (iv), (v), (vi), (vii), and (viii) as clauses (i), (ii), (iii), (iv), (v), (vi), and (vii), respectively; and

(iii) in clause (i) (as redesignated by subclause (II) of this clause), by striking out "review and approval of a specification" and inserting in lieu thereof "approval or issuance of a specification, acquisition plan, procurement request, or requisition"; and

(B) in subparagraph (B), by striking out all after "includes" and inserting in lieu thereof the following: "any individual acting on behalf of, or providing advice to, the agency with respect to any phase of the agency procurement concerned, regardless of whether such individual is a consultant, expert, or adviser, or an officer or employee of a contractor or subcontractor (other than a competing contractor).'"; and

(3) in paragraph (6)(A), by inserting "nonpublic" before "information".

SEC. 6002. AMENDMENTS TO TITLE 18, UNITED STATES CODE.

Section 208(a) of title 18, United States Code, is amended—

(1) by inserting "(1)" before "Except as permitted"; and

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

"(2) Whoever knowingly aids, abets, counsels, commands, induces, or procures conduct prohibited by this section shall be subject to the penalties set forth in section 216 of this title.".

SEC. 6003. REPEAL OF SUPERSEDED AND OBSOLETE LAWS.

(a) REPEAL.—The following provisions of law are repealed:

(1) Sections 2207, 2397, 2397a, 2397b, and 2397c of title 10, United States Code.

(2) Section 281 of title 18, United States Code.

(3) Section 801 of title 37, United States Code.

(4) Part A of title VI of the Department of Energy Organization Act (42 U.S.C. 7211 through 7218).

(b) CLERICAL AMENDMENTS.—

(1) TITLE 10.—Part IV of subtitle A of title 10, United States Code, is amended—

(A) in the table of sections at the beginning of chapter 131, by striking out the item relating to section 2207; and

(B) in the table of sections for chapter 141, by striking out the items relating to sections 2397, 2397a, 2397b, and 2397c.

(2) TITLE 18.—The table of sections for chapter 15 of title 18, United States Code, is amended by striking out the item relating to section 281.

(3) TITLE 37.—The table of sections for chapter 15 of title 37, United States Code, is amended by striking out the item relating to section 801.

(4) DEPARTMENT OF ENERGY ORGANIZATION ACT.—The table of contents for the Department of Energy Organization Act is amended by striking out the matter relating to part A of title VI.

SEC. 6004. IMPLEMENTATION.

(a) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, regulations implementing the amendments made by section 6001 to section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423), including definitions of the terms used in subsection (f) of such section, shall be issued in accordance with sections 6 and 25 of such Act (41 U.S.C. 405 and 521) after coordination with the Director of the Office of Government Ethics.

(b) SAVINGS PROVISIONS.—

(1) CONTRACTOR CERTIFICATIONS.—No officer, employee, agent, representative, or consultant of a contractor who has signed a certification under section 27(e)(1)(B) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(e)(1)(B)) before the effective date of this Act shall be required to sign a new certification as a result of the enactment of this Act.

(2) FEDERAL PROCUREMENT OFFICIAL CERTIFICATIONS.—No procurement official of a Federal agency who has signed a certification under section 27(l) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(l)) before the date of enactment of this Act shall be required to sign a new certification as a result of the enactment of this Act.

(c) INSPECTOR GENERAL REPORTS.—Not later than May 31 of each of the years 1995 through 1998, the Inspector General of each Federal agency (or, in the case of a Federal agency that does not have an Inspector General, the head of such agency) shall submit to Congress a report on the compliance by the agency during the preceding year with the requirement for the head of the agency to designate covered procurement positions under section 27(f)(3) of the Office of Federal Procurement Policy Act (as added by section 6001(c)).

Subtitle B—Additional Amendments

SEC. 6051. CONTRACTING FUNCTIONS PERFORMED BY FEDERAL PERSONNEL.

(a) AMENDMENT OF OFPP ACT.—The Office of Federal Procurement Policy Act, as amended by section 1092, is further amended by inserting after section 22 the following new section 23:

"CONTRACTING FUNCTIONS PERFORMED BY FEDERAL PERSONNEL

"SEC. 23. (a) LIMITATION ON PAYMENT FOR ADVISORY AND ASSISTANCE SERVICES.—(1) No person who is not a person described in subsection (b) may be paid by an agency for services to conduct evaluations or analyses of any aspect of a proposal submitted for an acquisition unless personnel described in subsection (b) with adequate training and capabilities to perform such evaluations and analyses are not readily available within the agency or another Federal agency, as determined in accordance with standards and procedures prescribed in the Federal Acquisition Regulation.

"(2) In the administration of this subsection, the head of each agency shall determine in accordance with the standards and procedures set forth in the Federal Acquisition Regulation whether—

"(A) a sufficient number of personnel described in subsection (b) within the agency or another Federal agency are readily available to perform a particular evaluation or analysis for the agency head making the determination; and

"(B) the readily available personnel have the training and capabilities necessary to perform the evaluation or analysis.

"(b) COVERED PERSONNEL.—For purposes of subsection (a), the personnel described in this subsection are as follows:

"(1) An employee, as defined in section 2105 of title 5, United States Code.

"(2) A member of the Armed Forces of the United States.

"(3) A person assigned to a Federal agency pursuant to subchapter VI of chapter 33 of title 5, United States Code.

"(c) RULE OF CONSTRUCTION.—Nothing in this section is intended to affect the relationship between the Federal Government and a federally funded research and development center.".

(b) REQUIREMENT FOR GUIDANCE AND REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Federal Acquisition Regulatory Council established by section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall—

(1) review part 37 of title 48 of the Code of Federal Regulations as it relates to the use of advisory and assistance services; and

(2) provide guidance and promulgate regulations regarding—

(A) what actions Federal agencies are required to take to determine whether expertise is readily available within the Federal Government before contracting for advisory and technical services to conduct acquisitions; and

(B) the manner in which personnel with expertise may be shared with agencies needing expertise for such acquisitions.

SEC. 6052. REPEAL OF EXECUTED REQUIREMENT FOR STUDY AND REPORT.

Section 17 of the Office of Federal Procurement Policy Act (41 U.S.C. 415) is repealed.

SEC. 6053. INTERESTS OF MEMBERS OF CONGRESS.

Section 3741 of the Revised Statutes (41 U.S.C. 22) is amended to read as follows:

"No Member of Congress shall be admitted to any share or part of any contract or agreement made, entered into, or accepted by or on behalf of the United States, or to any benefit to arise thereupon.".

SEC. 6054. WAITING PERIOD FOR SIGNIFICANT CHANGES PROPOSED FOR ACQUISITION REGULATIONS.

(a) INCREASED PERIOD.—Section 22(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 418b) is amended—

(1) by striking out "30 days" and inserting in lieu thereof "60 days"; and

(2) by adding at the end the following: "Notwithstanding the preceding sentence, such a policy, regulation, procedure, or form may take effect earlier than 60 days after the publication date when there are compelling circumstances for the earlier effective date, but in no event may that effective date be less than 30 days after the publication date.".

(b) TECHNICAL AMENDMENT.—Section 22(d) of such Act is amended by designating the second sentence as paragraph (3).

Subtitle C—Whistleblower Protection

SEC. 6101. ARMED SERVICES PROCUREMENTS.

(a) WHISTLEBLOWER PROTECTIONS FOR CONTRACTOR EMPLOYEES.—Section 2409 of title 10, United States Code, is amended—

(1) by striking out subsection (d);

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

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

"(c) REMEDY AND ENFORCEMENT AUTHORITY.—(1) If the Secretary of Defense determines that a defense contractor has subjected a person to a reprisal prohibited by subsection (a), the Secretary may take one or more of the following actions:

"(A) Order the defense contractor to take affirmative action to abate the reprisal.

"(B) Order the defense contractor to reinstate the person to the position that the person held before the reprisal, together with the compensation (including back pay), employment benefits, and other terms and conditions of employment that would apply to the person in that position if the reprisal had not been taken.

"(C) Order the defense contractor to pay the complainant an amount equal to the aggregate amount of all costs and expenses (including attorney's fees and expert witnesses' fees) that were reasonably incurred by the complainant for, or in connection with, bringing the complaint regarding the reprisal, as determined by the Secretary.

"(2) Whenever a person fails to comply with an order issued under paragraph (1), the Secretary shall file an action for enforcement of such order in the United States district court for a district in which the reprisal was found to have occurred. In any action brought under this paragraph, the court may grant appropriate relief, including injunctive relief and compensatory and exemplary damages.

"(3) Any person adversely affected or aggrieved by an order issued under paragraph (1) may obtain review of the order's conformance with this subsection, and any regulations issued to carry out this section, in the United States court of appeals for a circuit in which the reprisal is alleged in the order to have occurred. No petition seeking such review may be filed more than 60 days after issuance of the Secretary's order. Review shall conform to chapter 7 of title 5.".

(b) RELATED LAW.—

(1) REPEAL.—Section 2409a of title 10, United States Code, is repealed.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2409a.

SEC. 6102. GOVERNMENTWIDE WHISTLEBLOWER PROTECTIONS FOR CONTRACTOR EMPLOYEES.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 5091, is further amended by adding at the end the following new section:

"CONTRACTOR EMPLOYEES: PROTECTION FROM REPRISAL FOR DISCLOSURE OF CERTAIN INFORMATION

"SEC. 32. (a) PROHIBITION OF REPRISALS.—An employee of an executive agency contractor may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a Member of Congress or an authorized official of the agency or the Department of Justice information relating to a substantial violation of law related to an

agency contract (including the competition for or negotiation of an agency contract).

"(b) INVESTIGATION OF COMPLAINTS.—A person who believes that the person has been subjected to a reprisal prohibited by subsection (a) may submit a complaint to the Inspector General of the executive agency. Unless the Inspector General determines that the complaint is frivolous, the Inspector General shall investigate the complaint and, upon completion of such investigation, submit a report of the findings of the investigation to the person, the contractor concerned, and the head of the agency. In the case of an executive agency that does not have an inspector general, the duties of the inspector general under this section shall be performed by an official designated by the agency head.

"(c) REMEDY AND ENFORCEMENT AUTHORITY.—(1) If the head of an executive agency determines that an agency contractor has subjected a person to a reprisal prohibited by subsection (a), the agency head may take one or more of the following actions:

"(A) Order the contractor to take affirmative action to abate the reprisal.

"(B) Order the contractor to reinstate the person to the position that the person held before the reprisal, together with the compensation (including back pay), employment benefits, and other terms and conditions of employment that would apply to the person in that position if the reprisal had not been taken.

"(C) Order the contractor to pay the complainant an amount equal to the aggregate amount of all costs and expenses (including attorney's fees and expert witnesses' fees) that were reasonably incurred by the complainant for, or in connection with, bringing the complaint regarding the reprisal, as determined by the Secretary.

"(2) Whenever a person fails to comply with an order issued under paragraph (1), the agency head shall file an action for enforcement of such order in the United States district court for a district in which the reprisal was found to have occurred. In any action brought under this paragraph, the court may grant appropriate relief, including injunctive relief and compensatory and exemplary damages.

"(3) Any person adversely affected or aggrieved by an order issued under paragraph (1) may obtain review of the order's conformance with this subsection, and any regulations issued to carry out this section, in the United States court of appeals for a circuit in which the reprisal is alleged in the order to have occurred. No petition seeking such review may be filed more than 60 days after issuance of the agency head's order. Review shall conform to chapter 7 of title 5, United States Code.

"(d) CONSTRUCTION.—Nothing in this section may be construed to authorize the discharge of, demotion of, or discrimination against an employee for a disclosure other than a disclosure protected by subsection (a) or to modify or derogate from a right or remedy otherwise available to the employee.

"(e) COORDINATION WITH OTHER LAW.—This section does not apply with respect to the Department of Defense. For the corresponding provision of law applicable to the Department of Defense, see section 2409 of title 10, United States Code.

"(f) DEFINITION.—In this section, the term 'Inspector General' means an Inspector General appointed under the Inspector General Act of 1978.".

TITLE VII—DEFENSE TRADE AND COOPERATION

SEC. 7001. PURCHASES OF FOREIGN GOODS.

(a) REPEAL OF EXECUTED REQUIREMENTS.—

(1) REQUIREMENT FOR POLICY GUIDANCE.—Title III of the Act of March 3, 1933 (41 U.S.C. 10a et seq.), commonly referred to as the "Buy American Act", is amended in section 4(g) (41 U.S.C. 10b–1(g)) by striking out paragraphs (2)(C) and (3).

(2) REPORTING REQUIREMENT.—Section 9096(b) of Public Law 102–396 (106 Stat. 1924; 41 U.S.C. 10b–2(b)) is repealed.

(b) REPEAL OF REDUNDANT PROVISION.—

(1) CONSIDERATION OF NATIONAL SECURITY OBJECTIVES.—Section 2327 of title 10, United States Code, is repealed.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 137 of such title is amended by striking out the item relating to section 2327.

SEC. 7002. INTERNATIONAL COOPERATIVE AGREEMENTS.

(a) TERMINOLOGY REVISIONS.—Section 2531 of title 10, United States Code, is amended—

(1) in the subsection captions for subsections (a) and (c), by striking out "MOUs AND RELATED" and inserting in lieu thereof "INTERNATIONAL";

(2) in subsection (a), by striking out "proposed memorandum of understanding, or any existing or proposed agreement related to a memorandum of understanding," in the matter above paragraph (1) and inserting in lieu thereof "proposed international agreement, including a memorandum of understanding,";

(3) by striking out "memorandum of understanding or related agreement" each place it appears and inserting in lieu thereof "international agreement";

(4) in subsection (b), by striking out "memorandum or related agreement" each place it appears in the second sentence and inserting in lieu thereof "international agreement"; and

(5) in subsection (c)—

(A) by striking out "A" after "AGREEMENTS.—" and inserting in lieu thereof "An"; and

(B) by striking out "memorandum or agreement" and inserting in lieu thereof "international agreement".

(b) EXPANDED SCOPE OF AGREEMENTS.—Section 2531(a) of title 10, United States Code, is amended by striking out "research, development, or production" in the matter above paragraph (1) and inserting in lieu thereof "research, development, production, or logistics support".

(c) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of section 2531 of title 10, United States Code, is amended to read as follows:

"§ 2531. Defense international agreements".

(2) TABLE OF SECTIONS.—The item relating to such section in the table of sections at the beginning of subchapter V of chapter 148 of such title is amended to read as follows:

"2531. Defense international agreements.".

SEC. 7003. ACQUISITION, CROSS-SERVICING AGREEMENTS, AND STANDARDIZATION.

(a) LIMITED WAIVER OF RESTRICTIONS ON ACCRUED REIMBURSABLE LIABILITIES AND CREDITS FOR CONTINGENCY OPERATIONS.—Section 2347 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) The Secretary of Defense may waive the restrictions in subsections (a) and (b) for a period not to exceed 180 days upon a written determination that the armed forces are involved in a contingency operation or that involvement of the armed forces in a contingency operation is imminent. Upon making such a determination, the Secretary shall transmit a copy of the determination to the Committees on Armed Services of the Senate and House of Representatives.".

(b) COMMUNICATIONS SUPPORT.—Section 2350f 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)(1) Nothing in this section shall be construed to limit the authority of the Secretary of Defense, without a formal bilateral agreement or multilateral arrangement, to furnish communications support and related supplies to, or receive communications support and related supplies from, an allied country in accordance with this subsection.

"(2) The Secretary of Defense may furnish or receive such support and supplies on a reciprocal basis for a period not to exceed 90 days—

"(A) in order to meet emerging operational requirements of the United States and the allied country; or

"(B) incident to a joint military exercise with the allied country.

"(3) If interconnection of communication circuits is maintained for joint or multilateral defense purposes under the authority of this subsection, the costs of maintaining such circuits may be allocated among the various users.".

TITLE VIII—COMMERCIAL ITEMS

SEC. 8001. DEFINITIONS.

Section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403), as amended by section 4001(a), is further amended—

(1) by striking out "Act—" and inserting in lieu thereof "Act:";

(2) by capitalizing the initial letter in the first word of each paragraph;

(3) by striking out the semicolon at the end of each of paragraphs (1), (2), (3), (5), (6), (7), (8), and (9) and inserting in lieu thereof a period;

(4) in paragraphs (4) and (10), by striking out "; and" at the end and inserting in lieu thereof a period; and

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

"(12) The term 'commercial item' means—

"(A) property, other than real property, that is of a type customarily used by the general public or by nongovernmental entities in the course of normal business operations for purposes other than governmental purposes and—

"(i) has been sold, leased, or licensed to the general public;

"(ii) has not been sold, leased, or licensed to the general public but has been offered for sale, lease, or license to the general public; or

"(iii) is not yet available in the commercial marketplace but will be made available for commercial delivery within a reasonable period;

"(B) any item that, but for—

"(i) modifications of a type customarily available in the commercial marketplace, or

"(ii) minor modifications made to meet Federal Government requirements, would satisfy the criteria in subparagraph (A);

"(C) any combination of items meeting the requirements of subparagraph (A), (B), or (D) that are of a type customarily combined and sold in combination to the general public;

"(D) installation services, maintenance services, repair services, training services, and other services if such services are procured for support of an item referred to in subparagraph (A), (B), or (C) and if the source of such services—

"(i) offers such services to the general public and the Federal Government contemporaneously and under similar terms and conditions; and

"(ii) offers to use the same work force for providing the Federal Government with such services as the source uses for providing such services to the general public; and

"(E) any item, combination of items, or service referred to in subparagraph (A), (B), (C), or (D), regardless of whether the item, combination of items, or service is transferred between or among separate divisions, subsidiaries, or affiliates of a contractor.

"(13) The term 'nondevelopmental item' means—

"(A) any commercial item;

"(B) any previously developed item of supply that is in use by a department or agency of the United States, a State or local government, or a foreign government with which the United States has a mutual defense cooperation agreement;

"(C) any item of supply described in subparagraph (A) or (B) that requires only minor modification of the type normally available in the commercial marketplace in order to meet the requirements of the procuring department or agency; or

"(D) any item of supply currently being produced that does not meet the requirements of subparagraph (A), (B), or (C) solely because the item—

"(i) is not yet in use; or

"(ii) is not yet available in the commercial marketplace.

"(14) The term 'component' means any item supplied to the Federal Government as part of an end item or of another component.

"(15) The term 'commercial component' means any component that is a commercial item.".

SEC. 8002. PREFERENCE FOR ACQUISITION OF COMMERCIAL ITEMS AND NONDEVELOPMENTAL ITEMS.

(a) PREFERENCE REQUIRED.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 6102, is further amended by adding at the end the following new section:

"PREFERENCE FOR ACQUISITION OF COMMERCIAL ITEMS AND NONDEVELOPMENTAL ITEMS

"SEC. 33. (a) PREFERENCE.—The head of each executive agency shall ensure that, to the maximum extent practicable—

"(1) requirements of the executive agency with respect to a procurement of supplies are stated in terms of—

"(A) functions to be performed;

"(B) performance required; or

"(C) essential physical characteristics;

"(2) such requirements are defined so that commercial items or, to the extent that commercial items suitable to meet the agency's needs are not available, other nondevelopmental items may be procured to fulfill such requirements; and

"(3) offerors of commercial items and other nondevelopmental items are provided an opportunity to compete in any procurement to fill such requirements.

"(b) IMPLEMENTATION.—The head of each executive agency shall ensure that procurement officials in that executive agency, to the maximum extent practicable—

"(1) acquire commercial items or other nondevelopmental items to meet the needs of the executive agency;

"(2) require prime contractors and subcontractors at all levels under the executive agency contracts to incorporate commercial items or other nondevelopmental items as components of items supplied to the executive agency;

"(3) modify requirements in appropriate cases to ensure that the requirements can be met by commercial items or, to the extent that commercial items suitable to meet the agency's needs are not available, other nondevelopmental items;

"(4) state specifications in terms that enable and encourage bidders and offerors to supply commercial items or, to the extent that commercial items suitable to meet the agency's needs are not available, other nondevelopmental items in response to the executive agency solicitations;

"(5) revise the executive agency's procurement policies, practices, and procedures not required by law to reduce any impediments in those policies, practices, and procedures to the acquisition of commercial items; and

"(6) require training of appropriate personnel in the acquisition of commercial items.

"(c) PRELIMINARY MARKET RESEARCH.—(1) The head of an executive agency shall conduct market research appropriate to the circumstances—

"(A) before developing new specifications for a procurement by that executive agency; and

"(B) before soliciting bids or proposals for a contract in excess of the simplified acquisition threshold.

"(2) The head of an executive agency shall use the results of market research to determine whether there are commercial items or, to the extent that commercial items suitable to meet the agency's needs are not available, other nondevelopmental items available that—

"(A) meet the executive agency's requirements;

"(B) could be modified to meet the executive agency's requirements; or

"(C) could meet the executive agency's requirements if those requirements were modified to a reasonable extent.

"(3) In conducting market research, the head of an executive agency should not require potential sources to submit more than the minimum information that is necessary to make the determinations required in paragraph (2).".

(b) REPEAL OF SUPERSEDED PROVISION.—

(1) SEPARATE STATEMENT OF PREFERENCE FOR DEPARTMENT OF DEFENSE.—Section 2325 of title 10, United States Code, is repealed.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 137 of such title is amended by striking out the item relating to section 2325.

SEC. 8003. ACQUISITION OF COMMERCIAL ITEMS.

(a) REQUIRED FAR PROVISIONS.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 8002, is further amended by adding at the end the following:

"FEDERAL ACQUISITION REGULATION PROVISIONS REGARDING ACQUISITIONS OF COMMERCIAL ITEMS AND COMPONENTS

"SEC. 34. (a) CONTRACT CLAUSES AND OTHER CLAUSES.—(1)(A) The Federal Acquisition Regulation shall include one or more sets of contract clauses containing the required terms and conditions for the acquisition of commercial items and commercial components by executive agencies and by contractors in the performance of contracts of executive agencies.

"(B) The contract clauses referred to in subparagraph (A) shall include only—

"(i) those clauses that are required to implement provisions of law or executive orders applicable to acquisitions of commercial items or commercial components, as the case may be;

"(ii) those contract clauses that are essential for the protection of the Federal Government's interest in an acquisition of commercial items or commercial components, as the case may be; and

"(iii) those contract clauses that are determined to be consistent with standard commercial practice.

"(2) Subject to paragraph (3), the Federal Acquisition Regulation shall require that, to the maximum extent practicable, only the contract clauses referred to in paragraph (1) be used in a contract, or be required to be used in a subcontract, for the acquisition of commercial items or commercial components by or for an executive agency.

"(3) The Federal Acquisition Regulation shall provide that a contract or subcontract referred to in paragraph (2) may contain contract clauses other than the contract clauses referred to in that paragraph only if the other clauses are essential for the protection of the Federal Government's interest in—

"(A) that contract or subcontract, as determined in writing by the contracting officer for such contract; or

"(B) a class of contracts or subcontracts, as determined by the head of an agency concerned, unless the determination of that head of an agency is disapproved by the Administrator.

"(4) The Federal Acquisition Regulation shall provide standards and procedures for waiving the use of contract clauses required pursuant to paragraph (1), other than those required by law, including standards for determining the cases in which a waiver is appropriate.

"(b) MARKET ACCEPTANCE.—(1) The Federal Acquisition Regulation shall provide that under appropriate conditions the head of an executive agency may require offerors to demonstrate that the items offered—

"(A) have either—

"(i) achieved commercial market acceptance; or

"(ii) been satisfactorily supplied to an executive agency under current or recent contracts for the same or similar requirements; and

"(B) otherwise meet the item description, specifications, or other criteria prescribed in the public notice and solicitation relating to the contract.

"(2) The Federal Acquisition Regulation shall provide guidance to ensure that the criteria for determining commercial market acceptance include the consideration of—

"(A) the minimum needs of the executive agency concerned; and

"(B) the entire relevant commercial market, including small businesses.

"(c) USE OF FIRM, FIXED PRICE CONTRACTS.—The Federal Acquisition Regulation shall include a requirement that firm, fixed price contracts or fixed price with economic price adjustment contracts, be used, to the maximum extent practicable, for the acquisition of commercial items.

"(d) CONTRACT QUALITY REQUIREMENTS.—The Federal Acquisition Regulation shall include provisions that—

"(1) permit, to the maximum extent practicable, a contractor under a commercial items acquisition to use the contractor's existing quality assurance system as a substitute for compliance with a requirement for the Federal Government to inspect or test the commercial items before the contractor's tender of those items for acceptance by the Federal Government;

"(2) require that, to the maximum extent practicable, an executive agency accept commercial warranties (including extended warranties) offered by offerors of commercial items to commercial customers and use such

warranties for the repair and replacement of commercial items; and

"(3) set forth guidance to executive agencies regarding the use of past performance of items and sources as a factor in contract award decisions.

"(e) TREATMENT OF TRANSFERS BETWEEN AFFILIATES.—The Federal Acquisition Regulation shall provide for a transfer of commercial items from one division, subsidiary, or affiliate of a contractor to another division, subsidiary, or affiliate of the contractor to be treated as a subcontract for purposes of section 35 of the Office of Federal Procurement Policy Act and the provisions of law amended by section 8005 of the Federal Acquisition Streamlining Act of 1994.".

(b) DEFENSE CONTRACT CLAUSES.—

(1) TERMINATION OF DOD AUTHORITY.—Section 824(b) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 10 U.S.C. 2325 note) shall cease to be effective on the date on which the regulations implementing section 34 of the Office of Federal Procurement Policy Act, as added by subsection (a), become effective.

(2) SAVINGS PROVISION.—Notwithstanding section 34(a) of the Office of Federal Procurement Policy Act (as added by subsection (a)), contracts of the Department of Defense entered into before the date on which section 824(b) ceases to be effective under paragraph (1), and subcontracts entered into before such date under such contracts, may include clauses developed pursuant to paragraphs (2) and (3) of section 824(b) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 10 U.S.C. 2325 note).

SEC. 8004. CLASS WAIVER OF APPLICABILITY OF CERTAIN LAWS.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 8003, is further amended by adding at the end the following:

"CLASS WAIVER OF APPLICABILITY OF CERTAIN LAWS TO ACQUISITIONS OF COMMERCIAL ITEMS

"SEC. 35. (a) IN GENERAL.—The applicability of a provision of law described in subsection (c) that is enacted after the date of the enactment of the Federal Acquisition Streamlining Act of 1994 to contracts for the acquisition of commercial items may be waived on a class basis in the Federal Acquisition Regulation. Such a waiver shall not apply to a provision of law that expressly refers to this section and prohibits the waiver of that provision of law.

"(b) WAIVER OF APPLICABILITY TO SUBCONTRACTS.—(1) The applicability of a provision of law described in subsection (c) to subcontracts under a contract for the acquisition of commercial items or a subcontract for the acquisition of commercial components may be waived on a class basis in the Federal Acquisition Regulation. Such a waiver shall not apply to a provision of law that expressly refers to this section and prohibits the waiver of that provision of law.

"(2) Nothing in this subsection shall be construed to authorize the waiver of the applicability of any provision of law with respect to—

"(A) any contract with a prime contractor; or

"(B) any subcontract under a contract with a prime contractor who does not substantially transform the commercial items supplied under the contract.

"(c) COVERED LAW.—A provision of law referred to in subsections (a) and (b) is any provision of law that, as determined by the Federal Acquisition Regulatory Council, sets forth policies, procedures, requirements, or restrictions for the procurement of property or services by the Federal Government.".

SEC. 8005. INAPPLICABILITY OF CERTAIN PROVISIONS OF LAW.

(a) ARMED SERVICES ACQUISITIONS.—

(1) PROHIBITION ON CONTINGENT FEES.—Section 2306(b) of title 10, United States Code, as amended by section 4022(a), is further amended by inserting before the period at the end of the sentence added by section 4022(a) the following: "or to a contract for the acquisition of commercial items".

(2) REQUIREMENT TO IDENTIFY SUPPLIERS AND SOURCES OF SUPPLIES.—Paragraph (2) of section 2384(b) of title 10, United States Code, is amended to read as follows:

"(2) The regulations prescribed pursuant to paragraph (1) do not apply to a contract that requires the delivery of supplies that are commercial items, as defined in section 2302 of this title.".

(3) PROHIBITION AGAINST DOING BUSINESS WITH CERTAIN OFFERORS OR CONTRACTORS.—Section 2393(d) of title 10, United States Code, as amended by section 4022(e), is further amended by adding at the end the following: "The requirement shall not apply in the case of a subcontract for the acquisition of commercial items (as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))).".

(4) PROHIBITION ON LIMITATION OF SUBCONTRACTOR DIRECT SALES.—Section 2402 of title 10, United States Code, as amended by section 4022(b), is further amended by adding at the end the following new subsection:

"(d)(1) An agreement between the contractor in a contract for the acquisition of commercial items and a subcontractor under such contract that restricts sales by such subcontractor directly to persons other than the contractor may not be considered to unreasonably restrict sales by that subcontractor to the United States in violation of the provision included in such contract pursuant to subsection (a) if the agreement does not result in the Federal Government being treated differently with regard to the restriction than any other prospective purchaser of such commercial items from that subcontractor.

"(2) In paragraph (1), the term 'commercial item' has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).".

(5) CONTRACTOR INVENTORY ACCOUNTING SYSTEMS: STANDARDS.—Section 2410b of title 10, United States Code, is amended—

(A) by inserting "(a) REGULATIONS REQUIRED.—" before "The Secretary of Defense"; and

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

"(b) INAPPLICABILITY TO ACQUISITIONS OF COMMERCIAL ITEMS.—The regulations prescribed pursuant to subsection (a) need not apply to a contract for the acquisition of commercial items (as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))).".

(6) PROHIBITION ON PERSONS CONVICTED OF DEFENSE-CONTRACT RELATED FELONIES.—Paragraph (4) of section 2408(a) of title 10, United States Code, as added by section 4022(f), is amended—

(A) by inserting after subparagraph (A) the following:

"(B) A contract referred to in such subparagraph that is for the acquisition of commercial items (as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))).'"; and

(B) by inserting "or (B)" before the period at the end of subparagraph (C).

(b) CIVILIAN AGENCY ACQUISITIONS.—

(1) RESTRICTIONS ON SUBCONTRACTOR SALES TO THE UNITED STATES.—Section 303G of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253g), as amended by section 4023(b), is further amended by adding at the end the following new subsection:

"(d) An agreement between the contractor in a contract for the acquisition of commercial items and a subcontractor under such contract that restricts sales by such subcontractor directly to persons other than the contractor may not be considered to unreasonably restrict sales by that subcontractor to the United States in violation of the provision included in such contract pursuant to subsection (a) if the agreement does not result in the Federal Government being treated differently with regard to the restriction than any other prospective purchaser of such commercial items from that subcontractor.".

(2) PROHIBITION ON CONTINGENT FEES.—Section 304(a) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254(a)), as amended by section 4023(a), is further amended by inserting before the period at the end of the sentence added by section 4023(a) the following: "or to a contract for the acquisition of commercial items".

(c) ACQUISITIONS GENERALLY.—

(1) FEDERAL WATER POLLUTION CONTROL ACT.—Section 508 of the Federal Water Pollution Control Act (33 U.S.C. 1368) is amended by adding at the end the following new subsection:

"(f)(1) No certification by a contractor, and no contract clause, may be required in the case of a contract for the acquisition of commercial items in order to implement a prohibition or requirement of this section or a prohibition or requirement issued in the implementation of this section.

"(2) In paragraph (1), the term 'commercial item' has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).".

(2) CONTRACT WORK HOURS AND SAFETY STANDARDS ACT.—The Contract Work Hours and Safety Standards Act (title I of the Work Hours and Safety Act of 1962 (40 U.S.C. 327 et seq.)) is amended by adding at the end the following new section:

"SEC. 108. (a) No certification by a contractor, and no contract clause, may be required in the case of a contract for the acquisition of commercial items in order to implement a prohibition or requirement in this title.

"(b) In subsection (a), the term 'commercial item' has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).".

(3) OFFICE OF FEDERAL PROCUREMENT POLICY ACT REQUIREMENT RELATING TO PROCUREMENT INTEGRITY CERTIFICATIONS.—Section 27(e)(7) of the Office of Federal Procurement Policy Act (41 U.S.C. 423) is amended by adding at the end the following new subparagraph:

"(C) This subsection does not apply to a contract for the acquisition of commercial items.".

(4) CERTAIN PROVISIONS OF THE ANTI-KICKBACK ACT OF 1986.—

(A) REQUIREMENT FOR CONTRACT CLAUSE.—Section 7 of the Anti-Kickback Act of 1986 (41 U.S.C. 57), as amended by section 4024(b), is further amended by inserting before the period at the end of subsection (d) the following: "or to a prime contract for the acquisition of commercial items (as defined in section 4(12) of such Act (41 U.S.C. 403(12))).".

(B) INSPECTION AUTHORITY.—Section 8 of such Act (41 U.S.C. 58) is amended by adding at the end the following: "This section does

not apply with respect to a prime contract for the acquisition of commercial items (as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))).".

(5) DRUG-FREE WORKPLACE ACT OF 1988.—Section 5152(a)(1) of the Drug-Free Workplace Act of 1988 (subtitle D of title V of Public Law 100-690; 41 U.S.C. 701(a)(1)), as amended by section 4024(e), is further amended by inserting after the matter inserted by such section 4024(e) the following: ", other than a contract for the procurement of commercial items (as defined in section 4(12) of such Act (41 U.S.C. 403(12))),".

(6) CLEAN AIR ACT.—Section 306 of the Clean Air Act (42 U.S.C. 7606) is amended by adding at the end the following new subsection:

"(f)(1) No certification by a contractor, and no contract clause, may be required in the case of a contract for the acquisition of commercial items in order to implement a prohibition or requirement of this section or a prohibition or requirement issued in the implementation of this section.

"(2) In paragraph (1), the term 'commercial item' has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).".

(7) FLY AMERICAN REQUIREMENTS.—Section 1117 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1517) is amended by adding at the end the following new subsection:

"(e)(1) No certification by a contractor, and no contract clause, may be required in the case of a contract for the transportation of commercial items in order to implement a requirement in this section.

"(2) In paragraph (1), the term 'commercial item' has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).".

SEC. 8006. FLEXIBLE DEADLINES FOR SUBMISSION OF OFFERS OF COMMERCIAL ITEMS.

(a) OFFICE OF FEDERAL PROCUREMENT POLICY ACT AMENDMENT.—Section 18(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(a)) is amended by adding at the end the following new paragraph:

"(4) The requirements of paragraph (3)(B) do not apply to contracts for the purchase of commercial items. The Administrator shall prescribe for such contracts appropriate limits on the applicability of a deadline for submission of bids or proposals that is required by paragraph (1). Such limits shall be incorporated in the Federal Acquisition Regulation. The Federal Acquisition Regulation shall specify a minimum period for submission of a response to a solicitation of offers for a contract for the acquisition of commercial items.".

(b) SAVINGS PROVISION.—The deadlines for submission of offers that are in effect in accordance with section 18(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(a)) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)) shall continue to apply to contracts for the purchase of commercial items until the limits prescribed pursuant to paragraph (4) of section 18(a) of the Office of Federal Procurement Policy Act (as added by subsection (a)) are incorporated in the Federal Acquisition Regulation, as required by such paragraph.

SEC. 8007. ADVOCATES FOR ACQUISITION OF COMMERCIAL AND NONDEVELOPMENTAL ITEMS.

(a) RESPONSIBILITIES OF THE ADVOCATE FOR COMPETITION.—Section 20(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 418(c)) is amended to read as follows:

"(c) The advocate for competition for each procuring activity shall be responsible for promoting full and open competition, promoting the acquisition of commercial items and other nondevelopmental items, and challenging barriers to such acquisition, including such barriers as unnecessarily restrictive statements of need, unnecessarily detailed specifications, and unnecessarily burdensome contract clauses.".

(b) REPEAL OF SUPERSEDED PROVISION.—Section 28 of such Act (41 U.S.C. 424) is repealed.

SEC. 8008. PROVISIONS NOT AFFECTED.

Nothing in this title shall be construed as amending, modifying, or superseding, or as intended to impair or restrict authorities or responsibilities under—

(1) section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759), popularly referred to as the "Brooks Automatic Data Processing Act";

(2) title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.), popularly referred to as the "Brooks Architect-Engineers Act";

(3) subsections (a) and (d) of section 8 of the Small Business Act (15 U.S.C. 637); or

(4) the Act of June 25, 1938 (41 U.S.C. 46-48c), that was revised and reenacted in the Act of June 23, 1971 (85 Stat. 77), popularly referred to as the "Javits-Wagner-O'Day Act".

SEC. 8009. COMPTROLLER GENERAL REVIEW OF FEDERAL GOVERNMENT USE OF MARKET RESEARCH.

(a) REPORT REQUIRED.—Not later than 2 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit to the Congress a report on the use of market research by the Federal Government in support of the procurement of commercial items and nondevelopmental items.

(b) CONTENT OF REPORT.—The report shall include the following:

(1) A review of existing Federal Government market research efforts to gather data concerning commercial and other nondevelopmental items.

(2) A review of the feasibility of creating a Government-wide data base for storing, retrieving, and analyzing market data, including use of existing Federal Government resources.

(3) Any recommendations for changes in law or regulations that the Comptroller General considers appropriate.

TITLE IX—MISCELLANEOUS PROVISIONS

SEC. 9001. COMPTROLLER GENERAL REVIEW OF THE PROVISION OF LEGAL ADVICE FOR INSPECTORS GENERAL.

(a) REVIEW AND REPORT REQUIRED.—Not later than March 1, 1995, the Comptroller General of the United States shall—

(1) conduct a review of the independence of the legal services being provided to Inspectors General appointed under the Inspector General Act of 1978; and

(2) submit to Congress a report on the results of the review.

(b) MATTERS REQUIRED FOR REPORT.—The report shall include the following matters:

(1) With respect to each department or agency of the Federal Government that has an Inspector General appointed in accordance with the Inspector General Act of 1978 whose only or principal source of legal advice is the general counsel or other chief legal officer of the department or agency, an assessment of the extent of the independence of the legal advisors providing advice to the Inspector General.

(2) A comparison of the findings under the assessment referred to in paragraph (1) with findings on the same matters with respect to each Inspector General whose source of legal advice is legal counsel accountable solely to the Inspector General.

SEC. 9002. COST SAVINGS FOR OFFICIAL TRAVEL.

(a) The Administrator of the General Services Administration, no later than 120 days after enactment of this section, shall issue guidelines to ensure that agencies promote, encourage and facilitate the use of frequent traveler programs offered by airlines, hotels and car rental vendors by Federal employees who engage in official air travel, for the purpose of realizing to the maximum extent practicable cost savings for official travel.

(b) Any awards granted under such a frequent traveler program accrued through official travel shall be used only for official travel.

(c) Within one year of enactment of this section, the Administrator shall report to the Congress on efforts to promote the use of frequent traveler programs by Federal employees.

SEC. 9003. PROMPT RESOLUTION OF AUDIT RECOMMENDATIONS.

Federal agencies shall resolve or take corrective action on all Office of Inspector General audit report findings within a maximum of six months after their issuance, or, in the case of audits performed by non-Federal auditors, six months after receipt of the report by the Federal Government.

SEC. 9004. UNIFORM SUSPENSION AND DEBARMENT.

(a) Within six months after the date of enactment of this Act, regulations shall be issued providing that provisions for the debarment, suspension, or other exclusion of a participant in a procurement activity under the Federal Acquisition Regulation, or in a nonprocurement activity under regulations issued pursuant to Executive Order No. 12549, shall have government-wide effect. No agency shall allow a party to participate in any procurement or nonprocurement activity if any agency has debarred, suspended, or otherwise excluded (to the extent specified in the exclusion agreement) that party from participation in a procurement or nonprocurement activity.

(b) The Regulations issued pursuant to subsection (a) shall provide that an agency may grant an exception permitting a debarred, suspended, or otherwise excluded party to participate in procurement activities of that agency to the extent exceptions are authorized under the Federal Acquisition Regulation, or to participate in nonprocurement activities of that agency to the extent exceptions are authorized under regulations issued pursuant to Executive Order No. 12549.

(c) DEFINITIONS.—For the purposes of this part—

(1) "Procurement activities" refers to all acquisition programs and activities of the Federal Government, as defined in the Federal Acquisition Regulation.

(2) "Nonprocurement activities" refers to all programs and activities involving Federal financial and nonfinancial assistance and benefits, as covered by Executive Order No. 12549 and the Office of Management and Budget guidelines implementing that order.

(3) "Agency" refers to executive departments and agencies.

TITLE X—EFFECTIVE DATES AND IMPLEMENTATION

SEC. 10001. EFFECTIVE DATES.

(a) EFFECTIVE DATE OF ACT.—Except as otherwise provided in this Act, this Act shall take effect on the date of the enactment of this Act.

(b) EFFECTIVE DATE OF AMENDMENTS.—Except as otherwise provided in this Act, the amendments made by this Act shall take effect on the date on which final implementing regulations are prescribed in accordance with section 10002.

SEC. 10002. IMPLEMENTING REGULATIONS.

(a) PROPOSED CHANGES.—Proposed changes to the Federal Acquisition Regulation and such other proposed regulations (or changes to existing regulations) as may be necessary to implement this Act shall be published in the Federal Register not later than 210 days after the date of the enactment of this Act.

(b) PUBLIC COMMENT.—The proposed regulations described in subsection (a) shall be made available for public comment for a period of not less than 60 days.

(c) FINAL REGULATIONS.—Final regulations shall be published in the Federal Register not later than 330 days after the date of enactment of this Act.

(d) APPLICABILITY.—(1) The amendments made by this Act shall apply, in the manner prescribed in such final regulations, to any solicitation that is issued or any unsolicited proposal that is received on or after the date described in paragraph (3).

(2) The amendments made by this Act shall apply, to the extent and in the manner prescribed in such final regulations, to any matter related to—

(A) a contract that is in effect on the date described in paragraph (3);

(B) an offer under consideration on the date described in paragraph (3); or

(C) any other proceeding or action that is ongoing on the date described in paragraph (3).

(3) The date referred to in paragraphs (1) and (2) is the date specified in such regulations, which—

(A) shall not be earlier than the end of the 30-day period that begins on the date the regulations required by subsection (c) are published; and

(B) shall not be later than October 1, 1995.

(e) REQUIREMENT FOR CLARITY.—Officers and employees of the Federal Government who prescribe regulations to implement this Act and the amendments made by this Act shall make every effort practicable to ensure that the regulations are concise and are easily understandable by potential offerors as well as by Government officials.

(f) SAVINGS PROVISION.—Nothing in this Act shall be construed to affect the validity of any action taken or any contract entered into prior to the date specified in the regulations pursuant to subsection (d)(3) except to the extent and in the manner prescribed in such regulations.

SEC. 10003. EVALUATION BY THE COMPTROLLER GENERAL.

(a) EVALUATION RELATING TO ISSUANCE OF REGULATIONS.—Not later than December 1, 1995, the Comptroller General shall submit to the committees referred to in subsection (c) a report evaluating compliance with the requirements in section 10002, relating to the issuance of implementing regulations.

(b) EVALUATION OF IMPLEMENTATION OF REGULATIONS.—Not later than December 1, 1996, the Comptroller General shall submit to the committees referred to in subsection (c) a report evaluating the effectiveness of the regulations implementing this Act in streamlining the acquisition system and fulfilling the other purposes of this Act. The report shall include the Comptroller General's evaluation of the extent to which the departments and agencies of the Federal Government, in implementing this Act and the amendments made by this Act, are reducing acquisition management layers and associated costs.

(c) COMMITTEES DESIGNATED TO RECEIVE THE REPORTS.—The Comptroller General shall submit the reports required by this section to the Committees on Armed Services and on Governmental Affairs of the Senate and the Committees on Small Business on Government Operations of the House of Representatives.

SEC. 10004. DATA COLLECTION THROUGH THE FEDERAL PROCUREMENT DATA SYSTEM.

(a) DATA COLLECTION REQUIRED.—The Federal Procurement Data System described in section 6(d)(4)(A) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(d)(4)(A)) shall be modified to collect from contracts in excess of the simplified acquisition threshold data pertaining to the following matters:

(1) Contract awards made pursuant to competitions conducted pursuant to section 2323 of title 10, United States Code, or section 8(c) of the Small Business Act (15 U.S.C. 637(c)).

(2) Awards to business concerns owned and controlled by women.

(3) Number of offers received in response to a solicitation.

(4) Task order contracts.

(5) Contracts for the acquisition of commercial items.

(b) DEFINITION.—In this section, the term "simplified acquisition threshold" has the meaning given such term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

TITLE XI—WAIVER OF THE APPLICATION OF THE PREVAILING WAGE-SETTING REQUIREMENTS TO VOLUNTEERS

SEC. 11001. SHORT TITLE.

This title may be cited as the "Community Improvement Volunteer Act of 1994".

SEC. 11002. PURPOSE.

It is the purpose of this title to promote and provide more opportunities for people who wish to volunteer their services in the construction, repair or alteration (including painting and decorating) of public buildings and public works funded, in whole or in part, with Federal financial assistance authorized under certain Federal programs that might not otherwise be possible without the use of volunteers, by waiving the application of the otherwise applicable prevailing wage-setting provisions of the Act of March 3, 1931 (commonly known as the "Davis-Bacon Act") (40 U.S.C. 276a et seq.) to such volunteers.

SEC. 11003. WAIVER.

(a) IN GENERAL.—The requirement that certain laborers and mechanics be paid in accordance with the wage-setting provisions of the Act of March 3, 1931 (commonly known as the "Davis-Bacon Act") (40 U.S.C. 276a et seq.) as set forth in any of the Acts or provisions described in subsection (d), and the provisions relating to wages, in any federally assisted or insured contract or subcontract for construction, shall not apply to any individual—

(1) who volunteers—

(A) to perform a service for a public or private entity for civic, charitable, or humanitarian reasons, without promise, expectation, or receipt of compensation for services rendered other than expenses, reasonable benefits, or a nominal fee (as defined in subsection (b)), but solely for the personal purpose or pleasure of the individual; and

(B) to provide such services freely and without pressure or coercion, direct or implied, from an employer;

(2) whose contribution of service is not for the benefit of any contractor otherwise performing or seeking to perform work on the same project; and

(3) who is not otherwise employed at any time under the federally assisted or insured contract or subcontract involved for construction with respect to the project for which the individual is volunteering.

(b) EXPENSES.—Payments of expenses, reasonable benefits, or a nominal fee may be provided to volunteers described in subsection (a) if the Secretary of Labor determines, after an examination of the total amount of payments made (relating to expenses, benefits, or fees) in the context of the economic realities of the specific federally assisted or insured project, that such payments are appropriate. Subject to such a determination—

(1) a payment for an expense may be received by a volunteer for items such as uniform allowances, protective gear and clothing, reimbursement for approximate out-of-pocket expenses, or for the cost or expense of meals and transportation;

(2) a reasonable benefit may include the inclusion of a volunteer in a group insurance plan (such as a liability, health, life, disability, or worker's compensation plan) or pension plan, or the awarding of a length of service award; and

(3) a nominal fee may not be used as a substitute for compensation and may not be tied to productivity.

The decision as to what constitutes a nominal fee for purposes of paragraph (3) shall be made on a case-by-case basis and in the context of the economic realities of the situation involved.

(c) ECONOMIC REALITY.—For purposes of subsection (b), in determining whether an expense, benefit, or fee described in such subsection may be paid to volunteers in the context of the economic realities of the particular situation, the Secretary of Labor shall not approve any such expense, benefit, or fee that has the effect of undermining labor standards by creating downward pressure on prevailing wages in the local construction industry.

(d) CONTRACTS EXEMPTED.—For purposes of subsection (a), the Acts or provisions described in this subsection are the following:

(1) The Library Services and Construction Act (20 U.S.C. 351 et seq.).

(2) The Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

(3) Section 329 of the Public Health Service Act (42 U.S.C. 254b).

(4) Section 330 of the Public Health Service Act (42 U.S.C. 254c).

SEC. 11004. REPORT.

Not later than December 31, 1997, the Secretary of Labor shall prepare and submit to the appropriate committees of Congress a report that—

(1) identifies and assesses, to the maximum extent practicable—

(A) the projects for which volunteers were permitted to work under this title; and

(B) the number of volunteers permitted to work because of the compliance of entities with the provisions of this title; and

(2) contains recommendations with respect to Acts related to the Davis-Bacon Act that could be addressed to permit volunteer work.

FEDERAL ACQUISITION STREAMLINING REFORM ACT OF 1994

The text of the bill (S. 2207) to revise, streamline, and reform the acquisition laws of the Federal Government, and

for other purposes, as passed by the Senate on July 1, 1994, is identical to S. 2206, this issue.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1995

The text of the bill (S. 2208) to authorize appropriations for fiscal year 1995 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 July 1, 1994, is as follows:

S. 2208

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 1995".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.
Sec. 4. General limitation.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Reserve components.
Sec. 106. Chemical demilitarization program.
Sec. 107. Joint Training, Analysis and Simulation Center.

Subtitle B—Army Programs

Sec. 111. Multiyear procurement authority for M1A2 tank upgrades.
Sec. 112. Transfer of replacement Army tank to Marine Corps Reserve.
Sec. 113. Replacement surveillance system for Korea.
Sec. 114. Small arms industrial base.
Sec. 115. Bunker defeat munition missiles.

Subtitle C—Navy Programs

Sec. 121. Nuclear aircraft carrier program.
Sec. 122. Seawolf submarine program.
Sec. 123. Naval amphibious ready groups.

Subtitle D—Air Force Programs

Sec. 131. Settlement of claims under the C-17 aircraft program.
Sec. 132. Retirement of bomber aircraft.

Subtitle E—Other Matters

Sec. 141. Preserving the bomber industrial base.
Sec. 142. Dual-use electric and hybrid vehicles.
Sec. 143. Sales authority of working-capital funded Army industrial facilities.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic research and exploratory development.
Sec. 203. Strategic environmental research and development program.
Sec. 204. High resolution imaging.

Subtitle B—Programs Requirements, Restrictions, and Limitations

Sec. 211. Tactical antisatellite technologies program.
Sec. 212. Transfer of MILSTAR communications satellite program.
Sec. 213. Transfer of funds for single-stage to orbit rocket.
Sec. 214. Limitation on dismantlement of intercontinental ballistic missiles.
Sec. 215. Limitation on obligation of funds for seismic monitoring research.
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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.

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1995 for procurement for the Army as follows:

(1) For aircraft, $1,073,781,000.

(2) For missiles, $693,909,000.

(3) For weapons and tracked combat vehicles, $1,132,886,000.

(4) For ammunition, $870,361,000.

(5) For other procurement, $2,677,719,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1995 for procurement for the Navy as follows:

(1) For aircraft, $4,535,601,000.

(2) For weapons, including missiles and torpedoes, $2,428,539,000.

(3) For shipbuilding and conversion, $6,132,807,000.

(4) For other procurement, $3,310,217,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1995 for procurement for the Marine Corps in the amount of $528,857,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1995 for procurement for the Air Force as follows:

(1) For aircraft, $6,587,994,000.

(2) For missiles, $4,330,473,000.

(3) For other procurement, $6,961,153,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 1995 for Defense-wide procurement in the amount of $1,935,616,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1995 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, $85,000,000.

(2) For the Air National Guard, $270,000,000.

(3) For the Army Reserve, $75,000,000.

(4) For the Naval Reserve, $65,000,000.

(5) For the Air Force Reserve, $60,000,000.

(6) For the Marine Corps Reserve, $45,000,000.

SEC. 106. CHEMICAL DEMILITARIZATION PROGRAM.

(a) AUTHORIZATION.—There is hereby authorized to be appropriated for fiscal year 1995 the amount of $590,149,000 for—

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

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

(b) LIMITATION.—Of the funds specified in subsection (a)—

(1) $363,584,000 is for operation and maintenance;

(2) $215,265,000 is for procurement; and

(3) $11,300,000 is for research and development efforts in support of the nonstockpile chemical weapons program.

(c) AUTHORITY FOR OBLIGATION OF UNAUTHORIZED APPROPRIATIONS.—The Department of Defense may obligate and expend $25,000,000 of the funds appropriated for research, development, test, and evaluation under the heading "CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE" in title VI of Public Law 103-139 (107 Stat. 1436) in accordance with the appropriation for such funds in that Act.

(d) IDENTIFICATION OF FUNDS FOR PROGRAM.—Section 1412(f) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(f)) is amended by striking out the last sentence and inserting in lieu thereof the following: "Funds for military construction projects necessary to carry out this section shall be set forth in the budget of the Department of Defense for any fiscal year as a separate account.".

SEC. 107. JOINT TRAINING, ANALYSIS AND SIMULATION CENTER.

Of the funds authorized to be appropriated for other procurement for the Navy, $10,500,000 shall be available for procurement of command, control, communications and computer equipment for a Joint Training, Analysis and Simulation Center for the United States Atlantic Command.

Subtitle B—Army Programs

SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR M1A2 TANK UPGRADES.

The Secretary of the Army may enter into multiyear procurement contracts for procurement of M1A2 Abrams tank upgrades in accordance with section 2306(h) of title 10, United States Code.

SEC. 112. TRANSFER OF REPLACEMENT ARMY TANK TO MARINE CORPS RESERVE.

The Secretary of the Army shall transfer one M1A1 common tank to the Marine Corps Reserve not later than the latest date on which any of the additional 24 M1A2 upgrades provided for under authorizations of appropriations in this Act is accepted by the Army.

SEC. 113. REPLACEMENT SURVEILLANCE SYSTEM FOR KOREA.

(a) LEASE AUTHORIZED.—Funds available to the Army for procurement of OV-1 aircraft that remain unobligated by reason of the early retirement of OV-1 aircraft deployed in Korea may be used for leasing a moving target indicator radar or another surveillance system to replace the surveillance capability of such aircraft in Korea if—

(1) the lease provides for deployment of the system within 180 days after the date of the enactment of this Act;

(2) the Republic of Korea pays 50 percent of the cost of the lease;

(3) the lease includes an option for the Republic of Korea to purchase the leased system after the joint surveillance and target attack radar surveillance system (JSTARS) program attains initial operational capability; and

(4) the lease expires within 180 days after the date on which the JSTARS system is planned, as of the date of the enactment of this Act, to attain initial operational capability.

(b) WAIVER AUTHORITY.—Section 1024(b) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1460) is amended by striking out "section 1439(b)(2)" and inserting in lieu thereof "section 1439".

SEC. 114. SMALL ARMS INDUSTRIAL BASE.

(a) FUNDING FOR PROCUREMENT.—Of the funds authorized to be appropriated pursuant to section 101(3)—

(1) $38,902,000 shall be available for procurement of MK19-3 grenade machine guns;

(2) $13,000,000 shall be available for procurement of M16A2 rifles;

(3) $24,016,000 shall be available for procurement of M249 squad automatic weapons; and

(4) $13,165,000 shall be available for procurement of M4 carbines.

(b) MULTIYEAR CONTRACTS AUTHORIZED.—(1) During fiscal year 1995, the Secretary of the Army may, in accordance with section 2306(h) of title 10, United States Code, enter into multiyear contracts to meet the following objectives for quantities of small arms weapons to be acquired for the Army:

(A) 21,217 MK19-3 grenade machine guns;

(B) 1,002,277 M16A2 rifles;

(C) 71,769 M249 squad automatic weapons; and

(D) 132,510 M4 carbines.

(2) If the Army does not enter into contracts in fiscal year 1995 that will meet all the objectives set forth in paragraph (1), the Secretary shall, to the extent provided for in appropriations Acts, enter into multiyear contracts on or after October 1, 1995, to meet such objectives.

(3) Notwithstanding the first sentence of section 2306(h)(8) of title 10, United States Code, the period of a multiyear contract entered into under this subsection may not exceed 10 years.

(c) FOLLOW-ON WEAPONS.—The Secretary of the Army shall provide for procurement of product improvements for existing small arms weapons and may do so within multiyear contracts entered into pursuant to subsection (b).

(d) JOINT SMALL ARMS MASTER PLAN.—(1) The Secretaries of the military departments shall jointly develop a master plan for meeting the immediate and future needs of the Armed Forces for small arms. The Secretary of the Army shall coordinate the development of the joint small arms master plan.

The joint small arms master plan shall include—

(A) an examination of the relative advantages and disadvantages of improving existing small arms weapons as compared to investing in new, advanced technology weapons; and

(B) an analysis of the effects of each such approach on the small arms industrial base.

(2) Not later than April 1, 1995, the Under Secretary of Defense for Acquisition and Technology shall—

(A) review the joint small arms master plan and the results of the examination of relative advantages and disadvantages of the two courses of action described in paragraph (1); and

(B) transmit the plan, together with any comments that the Under Secretary considers appropriate, to the congressional defense committees.

(e) FUNDING FOR RDT&E.—Of the funds authorized to be appropriated under section 201(1)—

(1) $5,000,000 shall be available for the Objective Crew-Served Weapons System; and

(2) $3,000,000 shall be available for product improvements to existing small arms weapons.

SEC. 115. BUNKER DEFEAT MUNITION MISSILES.

(a) AUTHORITY.—The Secretary of the Army may acquire up to 6,000 type classified standard bunker defeat munition weapons.

(b) FUNDING.—Funds authorized to be appropriated for the Army for fiscal year 1994 shall be available for acquisition of bunker defeat munition weapons in accordance with subsection (a) as follows:

(1) Of the amount authorized to be appropriated by section 101(4), $7,761,000.

(2) Of the amount authorized to be appropriated by section 201(1), $2,600,000.

Subtitle C—Navy Programs

SEC. 121. NUCLEAR AIRCRAFT CARRIER PROGRAM.

(a) TRANSFER OF FISCAL YEAR 1994 FUNDS.—To the extent provided in appropriations Acts, $1,200,000,000 may be transferred from the National Defense Sealift Fund to the funds appropriated pursuant to the authorization in section 102(a)(3).

(b) AVAILABILITY FOR CVN-76.—The funds transferred shall be available for the CVN-76 nuclear aircraft carrier program.

(c) RELATIONSHIP TO OTHER AUTHORIZATION.—The amount of the funds transferred shall be in addition to the amount authorized to be appropriated in section 102(a)(3) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1563).

(d) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority in paragraph (1) is in addition to any other transfer authority provided in this or any other Act.

SEC. 122. SEAWOLF SUBMARINE PROGRAM.

(a) LIMITATION OF COSTS.—Except as provided in subsection (b), the total amount obligated or expended for procurement of the SSN-21 and SSN-22 Seawolf submarines may not exceed $4,759,571,000.

(b) AUTOMATIC INCREASE OF LIMITATION AMOUNT.—The amount of the limitation set forth in subsection (a) is increased by the following amounts:

(1) The amounts of outfitting costs and post-delivery costs incurred for the submarines referred to in such subsection.

(2) The amounts of increases in costs attributable to economic inflation.

(3) The amounts of increases in costs attributable to compliance with changes in Federal, State, or local laws.

SEC. 123. NAVAL AMPHIBIOUS READY GROUPS.

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

(1) Extensive and compelling testimony from uniformed military and Department of Defense leadership has been received which supports a military requirement for twelve Amphibious Ready Groups.

(2) An official Department of Navy report required by the Fiscal Year 1993 National Defense Authorization Act clearly stipulates that a seventh LHD is required in order for the Navy to achieve a force structure of twelve Amphibious Ready Groups.

(3) The Department of Navy has identified funds for the purchase of LHD-7 in outyear budget projections.

(4) A significant shortfall in amphibious shipping and amphibious lift exists, both in the fiscal year 1995 budget request and in outyear force structure projections.

(5) Amphibious Assault Ships (LHDs) provide an important contingency capability and are uniquely suited to respond to world crises and to provide assistance after natural disasters.

(6) Twelve Amphibious Ready Groups are the correct number to sustain forward deployment and contingency requirements of the Navy.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of the Navy should, plan for, and budget to provide for, the attainment of a twelfth Amphibious Ready Group as soon as possible. Further, the Secretary of the Navy should extend the existing contract option on the LHD-7 Amphibious Assault Ship in order to achieve twelve Amphibious Ready Groups.

(c) LHD-7 CONTRACT OPTION EXTENSION.—

(1) The Secretary of the Navy is authorized to extend the existing contract option for the LHD-7 Amphibious Assault ship if the Secretary determines that the extension would be in the best interest of the United States.

(2) The Secretary of the Navy shall immediately begin negotiations to extend the existing contract option for the LHD-7 Amphibious Assault Ship Program.

(3) On and after the date that is 30 days after the date on which the Secretary notifies Congress of an intention to do so, the Secretary may use such program funds authorized to be appropriated for other Navy programs for such contract. The notification shall include a description of the intended use of the funds.

(d) REPORT REQUIREMENT.—The Secretary of the Navy shall report to the Congress, after December 31, 1994, but before March 31, 1995, Department of the Navy intentions related to contract execution of the existing contract option for the LHD-7 Amphibious Assault Ship. The report shall include an explanation of the Department's actions related to the attainment of a twelfth Amphibious Ready Group and the costs and benefits of extending the existing contract option on the LHD-7 Amphibious Assault Ship.

Subtitle D—Air Force Programs

SEC. 131. SETTLEMENT OF CLAIMS UNDER THE C-17 AIRCRAFT PROGRAM.

(a) SUPPLEMENTAL AGREEMENTS AUTHORIZED.—On or before September 30, 1995, but subject to subsection (e), the Secretary of the Air Force may enter into supplemental agreements pertaining to Air Force prime contract F33657-81-C-2108 and such other Air Force contracts relating to the C-17 aircraft program in effect on the date of enactment of this Act as the Secretary determines appropriate—

(1) to settle claims and disputes arising under such contracts as provided in the C-17 settlement agreement letter;

(2) to revise the delivery schedules under such contracts as provided in the C-17 settlement agreement letter, for aircraft T-1 and P-1 through P-6; and

(3) to revise range specifications, payload specifications, and other specifications under such contracts as provided in Attachment B to the C-17 settlement agreement letter.

(b) FURTHER CONSIDERATION NOT REQUIRED.—The supplemental agreements referred to in subsection (a) may be entered into without requiring further consideration from the contractor only to the extent provided for in the C-17 settlement agreement letter.

(c) RELEASE OF CONTRACTOR CLAIMS REQUIRED.—Each supplemental agreement referred to in subsection (a) shall require the prime contractor to release and forever discharge the Government from all contractual claims, demands, requests for equitable adjustment, and any other causes of action, known or unknown, that the prime contractor may have on or before January 6, 1994 arising out of the C-17 program contracts as provided in the C-17 settlement agreement letter.

(d) CONTRACT MODIFICATIONS REGARDING CONTRACTOR COMMITMENTS.—The Secretary of the Air Force shall incorporate in each appropriate C-17 contract the prime contractor's commitment to extend the flight test program, redesign the wing, implement Computer Aided Design/Computer Aided Manufacturing System improvements, Management Information System improvements, and Advanced Quality System improvements, implement product improvement cost reduction projects, and resolve other C-17 program issues on a nonreimbursable or cost-share basis as provided in the C-17 settlement agreement letter.

(e) NOTICE-AND-WAIT REQUIREMENT.—The Secretary of the Air Force may not enter into a supplemental agreement referred to in subsection (a) until 30 days after the date on which the Secretary of Defense certifies to Congress that the terms and conditions set forth in the C-17 settlement agreement letter, including the settlement of claims, are in the best interests of the Government.

(f) CONSTRUCTION REGARDING OTHER CONTRACTOR OBLIGATIONS.—Nothing in this section shall be construed as relieving the contractor of any obligation provided for in the C-17 settlement agreement letter.

(g) C-17 SETTLEMENT AGREEMENT LETTER.—The C-17 settlement agreement letter referred to in this section is the agreement that was proposed to the prime contractor for the C-17 aircraft program by the Under Secretary of Defense for Acquisition and Technology by letter dated January 3, 1994, and was accepted by the prime contractor on January 6, 1994.

SEC. 132. RETIREMENT OF BOMBER AIRCRAFT.

No funds authorized to be appropriated by this Act or any other Act may be obligated or expended during fiscal year 1995 for retiring, or preparing to retire, any B-52H, B-1B, or F-111 bomber aircraft.

Subtitle E—Other Matters

SEC. 141. PRESERVING THE BOMBER INDUSTRIAL BASE.

(a) FUNDS TO PRESERVE THE BOMBER INDUSTRIAL BASE.—Of the funds authorized to be appropriated under section 103(1), not more than $150,000,000 shall be available only for the following purposes:

(1) To retain B-2 bomber production tooling in ready status.

(2) To preserve a production capability for spare parts and aircraft subsystems among lower-tier vendors.

(3) To develop detailed production plans for a derivative of the B-2 bomber that is not capable of delivering nuclear weapons.

(4) To carry out any other program, project, or activity, not prohibited by subsection (b) or (c), that the Secretary determines will help to preserve the bomber industrial base of the United States.

(b) PROHIBITION.—None of the funds made available pursuant to this section may be used to procure any major structural part for B-2 bomber aircraft or any other part for B-2 bomber aircraft that is not a part previously acquired or planned to be acquired for the B-2 bomber aircraft under the initial or sustaining spares program.

(c) NO AUTHORIZATION OF ADVANCE PROCUREMENT.—Nothing in this section shall be construed as authorizing the procurement, including long-lead procurement, of a twenty-second B-2 bomber.

(d) EXEMPTION FROM LIMITATION ON TOTAL PROGRAM COST.—Obligations of funds made available pursuant to this section for the purposes set forth in subsection (a) may not be counted for purposes of the limitation in section 131(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1569).

(e) ESTIMATES OF TOTAL COST REQUIRED—(1) Not later than January 15, 1995, the Secretary of Defense shall submit to the congressional defense committees two estimates of the total cost of acquisition of 20 additional B-2 bomber aircraft, including the cost of research, development, test and evaluation and the cost of related military construction.

(2) The Secretary shall assume for purposes of making one of the estimates that such aircraft will be procured at the rate of 2 aircraft in each of fiscal years 1997 and 1998, 3 such aircraft in each of fiscal years 1999 through 2002, and 4 such aircraft in fiscal year 2003. The Secretary shall assume for purposes of making the other estimate that such aircraft will be procured at an annual rate of 2.5 aircraft beginning in fiscal year 1997.

(3) In addition to stating the estimates in terms of estimated total actual cost, the Secretary shall state the estimates in terms of fiscal year 1995 constant dollars.

SEC. 142. DUAL-USE ELECTRIC AND HYBRID VEHICLES.

(a) FUNDING.—Of the funds authorized to be appropriated by this title, $15,000,000 shall be available for procurement of electric and hybrid vehicles for military uses and for commercialization of such vehicles for nonmilitary uses.

(b) LIMITATION.—(1) Funds made available pursuant to subsection (a) may not be expended until the Secretary of Defense and the Secretary of Energy enter into a memorandum of understanding that specifies the responsibilities of each Secretary for procurement and commercialization activities to be carried out with such funds.

(2) The provisions of the memorandum of understanding shall be consistent with the missions of the Department of Defense and the Department of Energy and with the goals and requirements set forth in the Energy Policy Act of 1992 (Public Law 102-486; 42 U.S.C. 13271 et seq.) and the amendments made to the Clean Air Act (42 U.S.C. 7401 et seq.) by Public Law 101-549 (commonly known as the "Clean Air Act Amendments of 1990"; 104 Stat. 2399).

SEC. 143. SALES AUTHORITY OF WORKING-CAPITAL FUNDED ARMY INDUSTRIAL FACILITIES.

Section 4543(a) of title 10, United States Code, is amended—

(1) in the matter above paragraph (1), by striking out "nondefense-related commercial";

(2) by striking out "and" at the end of paragraph (3);

(3) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon; and

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

"(5) the Secretary of the Army determines that the articles or services are not available from a commercial source located in the United States;

"(6) the purchaser of an article or service agrees to hold harmless and indemnify the United States, except in cases of willful misconduct or extreme negligence, from any claim for damages or injury to any person or property arising out of the article or service;

"(7) the article to be sold can be manufactured, or the service to be sold can be substantially performed, by the industrial facility with only incidental subcontracting and it is in the public interest to manufacture such article or perform such service; and

"(8) the sale will not interfere with performance of the military mission of the industrial facility.".

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1995 for the use of the Department of Defense for research, development, test, and evaluation, as follows:

(1) For the Army, $5,152,308,000.

(2) For the Navy, $8,796,129,000.

(3) For the Air Force, $12,329,796,000.

(4) For Defense-wide activities, $9,565,299,000, of which—

(A) $230,495,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $12,501,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC RESEARCH AND EXPLORATORY DEVELOPMENT.

(a) FISCAL YEAR 1995.—Of the amounts authorized to be appropriated by section 201, $4,210,356,000 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. STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM.

Of the amounts authorized to be appropriated by section 201, $170,000,000 shall be available for the Strategic Environmental Research and Development Program.

SEC. 204. HIGH RESOLUTION IMAGING.

Of the funds authorized to be appropriated pursuant to section 201(3), $10,000,000 shall be available for high resolution imaging of space objects using excimer lasers.

Subtitle B—Programs Requirements, Restrictions, and Limitations

SEC. 211. TACTICAL ANTISATELLITE TECHNOLOGIES PROGRAM.

(a) DEMONSTRATION AND VALIDATION ACTIVITIES.—Subject to subsection (e), the Secretary of Defense shall continue the demonstration and validation of kinetic energy antisatellite technologies under the tactical antisatellite technologies program.

(b) LEVEL FUNDING.—Subject to subsection (e), of the amounts authorized to be appropriated in this title, $10,000,000 shall be available for fiscal year 1995 for engineering development under the tactical antisatellite technologies program.

(c) REQUIREMENT OF OBLIGATION OF PRIOR YEAR FUNDS.—To the extent provided in appropriations Acts, the Secretary shall obligate for engineering development under the tactical antisatellite technologies program all funds available for fiscal year 1993 and fiscal year 1994 for the Kinetic Energy Antisatellite (KE-ASAT) program that remain available for obligation on the date of the enactment of this Act.

(d) REPORT.—The Secretary shall submit to Congress the report required by section 1363 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2560).

(e) LIMITATION.—No funds appropriated to the Department of Defense for fiscal year 1995 may be obligated for the tactical antisatellite technologies program until the Secretary of Defense certifies to Congress that there is a requirement for an antisatellite program.

SEC. 212. TRANSFER OF MILSTAR COMMUNICATIONS SATELLITE PROGRAM.

(a) TRANSFER TO NAVY.—The Secretary of Defense shall transfer responsibility for program management and funding for the MILSTAR communications satellite program from the Secretary of the Air Force to the Secretary of the Navy before October 1, 1995.

(b) FUNDING IN FUTURE YEARS DEFENSE PROGRAM.—It is the sense of Congress that the Secretary should transfer from the Air Force to the Navy sufficient proposed funding in the Future Years Defense Program to cover all costs for the MILSTAR communications satellite program and related programs, projects, and activities.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority in subsection (b) is in addition to the transfer authority provided in section 1001.

SEC. 213. TRANSFER OF FUNDS FOR SINGLE-STAGE TO ORBIT ROCKET.

The Secretary of Defense shall, to the extent provided in appropriations Acts, transfer to the National Aeronautics and Space Administration the unobligated balance of funds appropriated to the Department of Defense for the Advanced Research Projects Agency for single-stage to orbit rocket research and development.

SEC. 214. LIMITATION ON DISMANTLEMENT OF INTERCONTINENTAL BALLISTIC MISSILES.

Funds authorized to be appropriated in this Act may not be obligated or expended for deactivating or dismantling United States intercontinental ballistic missiles (ICBMs) of the United States below that number of such missiles that is necessary to support 500 deployed intercontinental ballistic missiles until 180 days after the date on which the Secretary of Defense has delivered to the congressional defense committees a report on the results of a nuclear posture review being conducted by the Secretary.

SEC. 215. LIMITATION ON OBLIGATION OF FUNDS FOR SEISMIC MONITORING RESEARCH.

Funds authorized to be appropriated by this Act that are made available for seismic monitoring of nuclear explosions may not be

obligated for a project unless the project is authorized in a plan approved in advance by the Secretary of Defense and the Secretary of Energy.

SEC. 216. FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

(a) CENTERS COVERED.—Funds appropriated or otherwise made available for the Department of Defense for fiscal year 1995 pursuant to an authorization of appropriations in section 201 may be obligated to procure work from a federally funded research and development center only in the case of a center named in the report required by subsection (b) and, in the case of such a center, only in an amount not in excess of the amount of the proposed funding level set forth for that center in such report.

(b) REPORT ON ALLOCATIONS FOR CENTERS.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report containing—

(1) the name of each federally funded research and development center from which work is proposed to be procured for the Department of Defense for fiscal year 1995; and

(2) for each such center, the proposed funding level and the estimated personnel level for fiscal year 1995.

The total of the proposed funding levels set forth in the report for all federally funded research and development centers may not exceed the amount set forth in subsection (d).

(c) LIMITATION PENDING SUBMISSION OF REPORT.—No funds appropriated or otherwise made available for the Department of Defense for fiscal year 1995 may be obligated to obtain work from a federally funded research and development center until the Secretary of Defense submits the report required by subsection (b).

(d) FUNDING.—Of the amounts authorized to be appropriated to the Department of Defense for research, development, test, and evaluation for fiscal year 1995 pursuant to section 201, not more than a total of $1,300,000,000 may be obligated to procure services from the federally funded research and development centers named in the report required by subsection (b).

(e) AUTHORITY TO WAIVE FUNDING LIMITATION.—The Secretary of Defense may waive the limitation regarding the maximum funding amount that applies under subsection (a) to a federally funded research and development center. Whenever the Secretary proposes to make such a waiver, the Secretary shall submit to the congressional defense committees notice of the proposed waiver and the reasons for the waiver. The waiver may then be made only after the end of the 60-day period that begins on the date on which the notice is submitted to those committees, unless the Secretary determines that it is essential to the national security that funds be obligated for work at that center in excess of that limitation before the end of such period and notifies the congressional defense committees of that determination and the reasons for the determination.

(f) UNDISTRIBUTED REDUCTION.—The total amount authorized to be appropriated for research, development, test, and evaluation in section 201 is hereby reduced by $52,650,000.

(g) LIMITATION ON COMPENSATION.—No employee or executive officer of a federally funded research and development center named in the report required by subsection (b) may be compensated at a rate exceeding Executive Schedule Level I by that federally funded research and development center.

Subtitle C—Missile Defense Programs

SEC. 221. COMPLIANCE OF BALLISTIC MISSILE DEFENSE SYSTEMS AND COMPONENTS WITH ABM TREATY.

(a) REQUIRED COMPLIANCE REVIEW FOR BRILLIANT EYES.—The Secretary of Defense shall review the space-based, midcourse missile tracking system known as Brilliant Eyes to determine whether, and under what conditions, the development, testing, and deployment of that system in conjunction with a theater ballistic missile defense system, with a limited national missile defense system, and with both such systems, would be in compliance with the ABM Treaty, including the interpretation of that treaty set forth in the enclosure to the July 13, 1993, ACDA letter.

(b) LIMITATION.—Of the funds appropriated pursuant to the authorizations of appropriations in section 201 that are made available for the Brilliant Eyes program, not more than $50,000,000 may be obligated until the Secretary of Defense submits to the appropriate congressional committees a report on the compliance of the Brilliant Eyes program with the ABM Treaty.

(c) COMPLIANCE REVIEW FOR NAVY UPPER TIER SYSTEM.—(1) If the funds made available for fiscal year 1995 for the theater ballistic missile program known as the "Navy Upper Tier" program pursuant to the authorizations of appropriations in section 201 or otherwise exceed $17,725,000, the Secretary of Defense shall review the Navy Upper Tier program to determine whether the development, testing, and deployment of that system would be in compliance with the ABM Treaty, including the interpretation of the Treaty set forth in the enclosure to the July 13, 1993, ACDA letter.

(2) In the event a compliance review is necessary under paragraph (1), not more than $17,725,000 may be obligated for the Navy Upper Tier program before the date on which the Secretary submits to the appropriate congressional committees a report on the compliance of the Navy Upper Tier program with the ABM Treaty.

(d) DEFINITIONS.—In this section:

(1) The term "July 13, 1993, ACDA letter" means the letter dated July 13, 1993, from the Acting Director of the Arms Control and Disarmament Agency to the chairman of the Committee on Foreign Relations of the Senate relating to the correct interpretation of the ABM Treaty and accompanied by an enclosure setting forth such interpretation.

(2) The term "ABM Treaty" means the Treaty between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missiles, signed in Moscow on May 26, 1972.

(3) The term "appropriate congressional committees" means—

(A) the Committee on Armed Services, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives; and

(B) the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate.

SEC. 222. REVISIONS TO THE MISSILE DEFENSE ACT OF 1991.

The Missile Defense Act of 1991 (part C of title II of Public Law 102-190; 10 U.S.C. 2431 note) is amended—

(1) by striking out sections 235, 236, and 237;

(2) in section 238, by inserting before the period at the end of the second sentence the following: ", and shall submit to the Congress additional interim reports on the progress of such negotiations at six-month intervals thereafter until such time as the President notifies the congressional defense committees that such negotiations have been concluded or terminated"; and

(3) by redesignating section 238, 239, and 240 as sections 234, 235, and 236, respectively.

SEC. 223. LIMITATION.

No funds appropriated pursuant to an authorization of appropriations in this title or otherwise made available for fiscal year 1995 for programs managed by the Ballistic Missile Defense Organization may be obligated for such programs until the Secretary of Defense submits to Congress the report required by section 235(b) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1598).

SEC. 224. MANAGEMENT AND BUDGET RESPONSIBILITY FOR SPACE-BASED CHEMICAL LASER PROGRAM.

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

(1) In section 243 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1615) Congress directed the Secretary of Defense to transfer management and budget responsibility for research and development regarding far-term follow-on technologies from the Ballistic Missile Defense Organization unless the Secretary certifies that it is in the national security interest of the United States for the Ballistic Missile Defense Organization to retain that responsibility.

(2) For purposes of section 243 of such Act, a far-term follow-on technology was defined as any technology that is not incorporated into a ballistic missile defense architecture and is not likely to be incorporated within 15 years into a weapon system for ballistic missile defense.

(3) The Secretary of Defense has recommended pursuant to section 243 of such Act that management and budget responsibility for chemical laser technology be retained in the Ballistic Missile Defense Organization.

(b) ASSIGNMENT OF RESPONSIBILITY.—Subject to subsection (c), the Ballistic Missile Defense Organization is authorized to retain management and budget responsibility for chemical laser technology programs.

(c) REQUIREMENTS.—(1) The Director of the Ballistic Missile Defense Organization shall ensure that, to the extent practicable, the conduct of research and development related to space-based chemical lasers reflects appropriate consideration of a broad range of military missions and possible nonmilitary applications for such lasers.

(2) If, as a result of budgetary limitations, the Director of the Ballistic Missile Defense Organization is unable to program sufficient funds to ensure that the space-based chemical laser program remains an option for the acquisition process within the next fifteen years, the Secretary of Defense shall—

(A) establish a new high energy laser research and development program outside of the Ballistic Missile Defense Organization;

(B) transfer $50,000,000 out of funds available for fiscal year 1995 for programs administered by the Ballistic Missile Defense Organization to the new high energy laser research and development program; and

(C) assign the duty to perform the management and budget responsibilities for the new program to the Secretary of the military department determined by the Secretary of Defense most appropriate to perform such responsibilities or, if the Secretary determines more appropriate, to the head of the Defense Agency of the Department of Defense that the Secretary determines most appropriate to perform such responsibilities.

SEC. 225. SENATE ADVICE AND CONSENT ON AGREEMENTS THAT MODIFY THE ANTI-BALLISTIC MISSILE TREATY.

(a) REQUIREMENT FOR ADVICE AND CONSENT OF SENATE.—Whenever the President negotiates an international agreement that would substantively modify the ABM Treaty, the United States shall not be bound by such agreement unless the agreement is entered into pursuant to the treaty making power of the President under the Constitution (which includes a requirement for advice and consent of the Senate).

(b) ABM TREATY DEFINED.—In this section, the term "ABM Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, signed in Moscow on May 26, 1972, with related protocol, signed in Moscow on July 3, 1974.

Subtitle D—Defense Conversion, Reinvestment, and Transition Assistance Matters

SEC. 231. FUNDING OF DEFENSE TECHNOLOGY REINVESTMENT PROGRAMS FOR FISCAL YEAR 1995.

(a) FUNDS AVAILABLE.—Of the amount authorized to be appropriated under section 201 for Defense-wide activities, $625,000,000 shall be available for activities described in the defense reinvestment program element of the budget of the Department of Defense for fiscal year 1995.

(b) ALLOCATION OF FUNDS.—The funds made available under subsection (a) shall be allocated as follows:

(1) $245,000,000 shall be available for defense dual-use critical technology partnerships under section 2511 of title 10, United States Code.

(2) $80,000,000 shall be available for commercial-military integration partnerships under section 2512 of such title.

(3) $80,000,000 shall be available for defense regional technology alliances under section 2513 of such title.

(4) $30,000,000 shall be available for defense advanced manufacturing technology partnerships under section 2522 of such title.

(5) $50,000,000 shall be available for support of manufacturing extension programs under section 2523 of such title.

(6) $25,000,000 shall be available for defense manufacturing engineering education grants under section 2196 of such title.

(7) $30,000,000 shall be available for the advanced materials synthesis and processing partnership program.

(8) $35,000,000 shall be available for the agile manufacturing/enterprise integration program.

(9) $40,000,000 shall be available for the maritime technology program, as provided for in section 1352(c)(2) of the National Shipbuilding and Shipyard Conversion Act of 1993 (subtitle D of title XIII of Public Law 103-160; 107 Stat. 1809; 10 U.S.C. 2501 note).

(10) $10,000,000 shall be available for grants under section 2198 of title 10, United States Code, to United States institutions of higher education and other United States not-for-profit organizations to support the management training program in Japanese language and culture.

(c) AVAILABILITY OF FUNDS FOR FISCAL YEAR 1994 PROJECTS.—Funds made available under subsection (a) may also be used to make awards to projects of the types that were solicited under programs referred to in subsection (b) in fiscal year 1994.

SEC. 232. FINANCIAL COMMITMENT REQUIREMENTS FOR SMALL BUSINESS CONCERNS FOR PARTICIPATION IN TECHNOLOGY REINVESTMENT PROJECTS.

(a) DEFENSE DUAL-USE CRITICAL TECHNOLOGY PARTNERSHIPS.—Section 2511(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) The Secretary shall consider a partnership proposal submitted by a small business concern without regard to the ability of the small business concern to immediately meet its share of the anticipated partnership costs. Upon the selection of a partnership proposal submitted by a small business concern, the Secretary shall extend to the small business concern a period of not less than 120 days within which to arrange to meet its financial commitment requirements under the partnership from sources other than a person of a foreign country. If the Secretary determines upon the expiration of that period that the small business concern will be unable to meet its share of the anticipated partnership costs, the Secretary may revoke the selection of the partnership proposal submitted by the small business concern.".

(b) COMMERCIAL-MILITARY INTEGRATION PARTNERSHIPS.—Section 2512(c)(3) of such title is amended by adding at the end the following new subparagraph:

"(C) The Secretary shall consider a partnership proposal submitted by a small business concern without regard to the ability of the small business concern to immediately meet its share of the anticipated partnership costs. Upon the selection of a partnership proposal submitted by a small business concern, the Secretary shall extend to the small business concern a period of not less than 120 days within which to arrange to meet its financial commitment requirements under the partnership from sources other than a person of a foreign country. If the Secretary determines upon the expiration of that period that the small business concern will be unable to meet its share of the anticipated partnership costs, the Secretary may revoke the selection of the partnership proposal submitted by the small business concern.".

(c) REGIONAL TECHNOLOGY ALLIANCES ASSISTANCE PROGRAM.—Section 2513(e) of such title is amended by adding at the end the following new paragraph:

"(4) The Secretary shall consider a proposal for a regional technology alliance that is submitted by a small business concern without regard to the ability of the small business concern to immediately meet its share of the anticipated costs of the alliance. Upon the selection of a proposal submitted by a small business concern, the Secretary shall extend to the small business concern a period of not less than 120 days within which to arrange to meet its financial commitment requirements under the regional technology alliance from sources other than a person of a foreign country. If the Secretary determines upon the expiration of that period that the small business concern will be unable to meet its share of the anticipated costs, the Secretary may revoke the selection of the proposal submitted by the small business concern.".

(d) DEFINITION OF PERSON OF A FOREIGN COUNTRY.—Section 2491 of such title is amended by adding at the end the following new paragraph:

"(16) The term 'person of a foreign country' has the meaning given such term in section 3502(d) of the Primary Dealers Act of 1988 (22 U.S.C. 5342(d)).".

SEC. 233. CONDITIONS ON FUNDING OF DEFENSE TECHNOLOGY REINVESTMENT PROJECTS.

(a) BENEFITS TO UNITED STATES ECONOMY.—In providing for the establishment or financial support of partnerships and other cooperative arrangements under chapter 148 of title 10, United States Code, using funds made available under section 231, the Secretary of Defense shall ensure that the principal economic benefits of such partnerships and other arrangements accrue to the economy of the United States.

(b) USE OF COMPETITIVE SELECTION PROCEDURES.—Funds made available under subsection (a) of section 231 for defense reinvestment programs described in subsection (b) of such section shall be provided only to projects selected using competitive procedures pursuant to a solicitation incorporating cost-sharing requirements for the non-Federal Government participants in the projects.

SEC. 234. FEDERAL DEFENSE LABORATORY DIVERSIFICATION AND NAVY REINVESTMENT IN THE TECHNOLOGY AND INDUSTRIAL BASE.

(a) REQUIREMENT FOR PROGRAMS.—(1) Subchapter III of chapter 148 of title 10 is amended by inserting at the end thereof the following:

"SEC. 2519. FEDERAL DEFENSE LABORATORY DIVERSIFICATION PROGRAM.

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense shall conduct a program in accordance with this section for the purpose of promoting cooperation between Department of Defense laboratories and industry on research and development of dual-use technologies in order to further the national security objectives set forth in section 2501(a) of this title.

"(b) PARTNERSHIPS.—(1) The Secretary shall provide for the establishment under the program of cooperative arrangements (hereinafter in this section referred to as 'partnerships') between a Department of Defense laboratory and eligible firms and nonprofit research corporations referred to in section 2511(b) of this title. A partnership may also include one or more additional Federal laboratories, institutions of higher education, agencies of State and local governments, and other entities, as determined appropriate by the Secretary.

"(2) For purposes of this section, a federally funded research and development center shall be considered a Department of Defense laboratory if the center is sponsored by the Department of Defense.

"(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 enter into cooperative research and development agreements under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a) in order to establish partnerships.

"(2) Subject subsection (d), the Secretary may provide a partnership with technical and other assistance in order to facilitate the achievement of the purpose of this section.

"(d) FINANCIAL COMMITMENT OF NON-FEDERAL GOVERNMENT PARTICIPANTS.—(1) The Secretary shall ensure that the non-Federal Government participants in a partnership make a substantial contribution to the total cost of partnership activities. The amount of the contribution shall be commensurate with the risk undertaken by such participants and the potential benefits of the activities for such participants.

"(2) The regulations prescribed pursuant to section 2511(c)(2) of this title shall apply to

in-kind contributions made by non-Federal Government participants in a partnership.

"(e) SELECTION PROCESS.—Competitive procedures shall be used in the establishment of partnerships.

"(f) SELECTION CRITERIA.—The criteria for the selection of a proposed partnership for establishment under this section shall include the criteria set forth in section 2511(f) of this title.

"(g) REGULATIONS.—The Secretary shall prescribe regulations for the purposes of this section.

"SEC. 2520. NAVY REINVESTMENT PROGRAM.

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of the Navy shall conduct a program in accordance with this section for the purpose of promoting cooperation between the Department of the Navy and industry on research and development of dual-use technologies in order to further the national security objectives set forth in section 2501(a) of this title.

"(b) PARTNERSHIPS.—The Secretary shall provide for the establishment under the program of cooperative arrangements (hereinafter in this section referred to as 'partnerships') between Department of the Navy entities and eligible firms and nonprofit research corporations referred to in section 2511(b) of this title. A partnership may also include one or more Federal laboratories, institutions of higher education, agencies of State and local governments, and other entities, as determined appropriate by the Secretary.

"(c) PROGRAM REQUIREMENTS AND ADMINISTRATION.—Subsections (c) through (f) of section 2519 of this title shall apply in the administration of the program.

"(d) SELECTION CRITERIA.—In addition to the selection criteria referred to in section 2519(f) of this title, the criteria for the selection of a proposed partnership for establishment under this section shall include the potential effectiveness of the partnership in the further development and application of each technology proposed to be developed by the partnership for Navy acquisition programs.

"(e) REGULATIONS.—The Secretary shall prescribe regulations for the purposes of this section.".

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

2519. Federal Defense Laboratory Diversification Program.
2520. Navy Reinvestment Program.

(b) CLARIFYING AMENDMENT.—Section 2491(5) of title 10, United States Code, is amended by inserting before the period at the end the following: ", and includes a federally funded research and development center sponsored by a Federal agency".

(c) FUNDING.—(1) Of the amount authorized to be appropriated in section 201(4), $56,600,000 shall be available for the Federal Defense Laboratory Diversification Program under section 2519 of title 10, as added by subsection (a)(1).

(2) Of the amount authorized to be appropriated in section 201(2), $50,000,000 shall be available for the Navy Reinvestment Program under section 2520 of title 10, as added by subsection (a)(1).

SEC. 235. SMALL BUSINESS DEFENSE CONVERSION GUARANTEED LOANS.

(a) AUTHORIZATIONS.—Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended—

(1) in subsection (l), as added by section 405(3) of the Small Business Credit and Business Opportunity Enhancement Act of 1992—

(A) by striking "(l) There" and inserting "(3) There" and indenting appropriately; and

(B) by striking "subsection (k)", and inserting "paragraphs (1) and (2)";

(2) by redesignating subsection (k), as added by section 405(3) of the Small Business Credit and Business Opportunity Act of 1992, as subsection (l);

(3) in subsection (l), as so redesignated, by inserting after paragraph (1), the following new paragraph:

"(2) The Administration is authorized to make not more than $1,000,000,000 in loans on a guaranteed basis, in accordance with section 7(a)(21), such amount to remain available until expended.";

(4) in subsection (n)—

(A) by striking "(n) There" and inserting "(3) There" and indenting appropriately; and

(B) by striking "subsection (m)" and inserting "paragraphs (1) and (2)";

(5) in subsection (m), by inserting after paragraph (1), the following new paragraph:

"(2) The Administration is authorized to make not more than $1,000,000,000 in loans on a guaranteed basis, in accordance with section 7(a)(21), such amount to remain available until expended.";

(6) by redesignating subsection (o) as subsection (n); and

(7) in subsection (p)—

(A) by striking "(p) There" and inserting "(2) There", and indenting appropriately; and

(B) by striking "subsection (o)" and inserting "paragraph (1)".

(b) TECHNICAL CLARIFICATION.—Section 7(a)(21)(A) of the Small Business Act (15 U.S.C. 636(a)(21)(A)) is amended by striking "under the" and inserting "on a guaranteed basis under the".

(c) JOB CREATION AND COMMUNITY BENEFIT.—Section 7(a)(21) of the Small Business Act (15 U.S.C. 636(a)(21)) is amended by adding at the end the following new subparagraph:

"(E) In providing assistance under this paragraph, the Administration shall develop procedures to ensure, to the maximum extent practicable, that such assistance is used for projects that have substantial potential for stimulating new economic activity in communities most impacted by reductions in Federal defense expenditures.".

(d) AUTHORITY TO TRANSFER APPROPRIATIONS.—Of the amount authorized to be appropriated pursuant to section 201(4), $27,400,000 may be transferred by the Secretary of Defense, to the extent provided in an act appropriating funds for the Department of Defense, to the Small Business Administration for the purpose of providing loan guarantees under section 7(a)(21)(A) of the Small Business Act, such amount to remain available until expended.

Subtitle E—Other Matters

SEC. 241. COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS WITH NATO ORGANIZATIONS.

(a) APPLICABILITY OF EXISTING AUTHORITY TO NATO ORGANIZATIONS.—Section 2350a of title 10, United States Code, is amended in subsections (a), (e)(2), and (i)(1) by inserting "or NATO organizations" after "major allies of the United States" each place it appears.

(b) NATO ORGANIZATION DEFINED.—Subsection (i) of such section is amended by adding at the end the following new paragraph:

"(4) The term 'NATO organization' means any North Atlantic Treaty Organization subsidiary body referred to in section 2350(2) of this title and any other organization of the North Atlantic Treaty Organization.".

SEC. 242. DEFENSE WOMEN'S HEALTH RESEARCH PROGRAM.

(a) CONTINUATION OF PROGRAM.—The Secretary of Defense shall continue the Defense Women's Health Research Program established in response to the enactment of section 251 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1606).

(b) PARTICIPATION BY ALL MILITARY DEPARTMENTS.—The Departments of the Army, Navy, and Air Force shall each participate in the activities under the program.

(c) ARMY TO BE EXECUTIVE AGENT.—The Secretary of Defense shall designate the Secretary of the Army to be the executive agent for administering the program.

(d) PROGRAM ACTIVITIES.—The program shall include the following activities regarding health risks and health care for women in the Armed Forces:

(1) The coordination and support activities described in section 251 of Public Law 103-160.

(2) Epidemiologic research regarding women deployed for military operations, including research on patterns of illness and injury, environmental and occupational hazards (including exposure to toxins), side-effects of pharmaceuticals used by women so deployed, psychological stress associated with military training, deployment, combat and other traumatic incidents, and other conditions of life, and human factor research regarding women so deployed.

(3) Development of a data base to facilitate long-term research studies on issues related to the health of women in military service, and continued development and support of a women's health information clearinghouse to serve as an information resource for clinical, research, and policy issues affecting women in the Armed Forces.

(4) Research on policies and standards issues, including research supporting the development of military standards related to training, operations, deployment, and retention and the relationship between such activities and factors affecting women's health.

(5) Research on interventions having a potential for addressing conditions of military service that adversely affect the health of women in the Armed Forces.

(e) IMPLEMENTATION PLAN.—If, before October 1, 1995, the Secretary of Defense changes the implementation plan for the program that the Secretary submitted to the Committees on Armed Services of the Senate and the House of Representatives on May 2, 1994, the Secretary shall submit the modified plan to such committees before executing the changes.

(f) FUNDING.—Of the amount authorized to be appropriated pursuant to section 201, $40,000,000 shall be available for the Defense Women's Health Research Program referred to in subsection (a).

SEC. 243. REQUIREMENT FOR SUBMISSION OF ANNUAL REPORT OF THE SEMICONDUCTOR TECHNOLOGY COUNCIL TO CONGRESS.

Section 273(b)(2)(I) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (15 U.S.C. 4603) is amended by inserting "and submit to Congress by March 31 of each year after "Publish".

SEC. 244. REPORT ON OCEANOGRAPHIC SURVEY AND RESEARCH REQUIREMENTS TO SUPPORT LITTORAL WARFARE.

(a) REPORT REQUIRED.—Not later than March 1, 1995, the Secretary of the Navy shall submit to Congress a report on the oceanographic survey and research and development requirements needed to support Navy operations in littoral regions.

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(b) CONTENT OF REPORT.—The report shall contain the following:

(1) An identification of unique properties, including acoustics, bathymetry, bottom type, and ocean dynamics that affect shallow water operations in littoral regions.

(2) A list of the principal littoral regions that—

(A) designates each region as high, medium, or low priority based on the probable need for Navy operations in such regions; and

(B) for each region, is annotated to identify—

(i) the date of the most recent detailed survey; and

(ii) the extent to which that survey provides insight into the region's properties identified pursuant to paragraph (1).

(3) An assessment of the Navy's current and projected access to each region for surveying purposes.

(4) An assessment of the ability of current oceanographic survey and research assets to develop the information identified in paragraph (1).

SEC. 245. LANSCE/LAMPF UPGRADES.

Of the amounts authorized to be appropriated by section 201(4), $20,000,000 shall be available to complete the Los Alamos Neutron Scattering Experiment/Los Alamos Meson Physics Facility upgrades at the Los Alamos National Laboratory, Los Alamos, New Mexico.

SEC. 246. STUDY REGARDING LIVE-FIRE SURVIVABILITY TESTING OF F-22 AIRCRAFT.

(a) REQUIREMENT.—The Secretary of Defense shall request the National Research Council of the National Academy of Sciences to conduct a study regarding the desirability of waiving for the F-22 aircraft program the survivability tests required by section 2366(c) of title 10, United States Code, and to submit to the Secretary and Congress, within 180 days after the date of the enactment of this Act, a report containing the conclusions of the Council regarding the desirability of waiving such tests.

(b) CONTENT OF REPORT.—The report shall contain the following matters:

(1) Conclusions regarding the practicality of full-scale, full-up testing for the F-22 aircraft program.

(2) A discussion of the implications regarding the affordability of the F-22 aircraft program of conducting and of not conducting the survivability tests, including an assessment of the potential life cycle benefits that could be derived from full-scale, full-up live fire testing in comparison to the costs of such testing.

(3) A discussion of what, if any, changes of circumstances affecting the F-22 aircraft program have occurred since completion of the milestone II program review to cause the program manager to request a waiver of the survivability tests for the F-22 aircraft program that was not requested at that time.

(4) The sufficiency of the F-22 aircraft program testing plans to fulfill the same requirements and purposes as are provided in subsection (e)(3) of section 2366 of title 10, United States Code, for realistic survivability testing for purposes of subsection (a)(1)(A) of such section.

(5) Any recommendations regarding survivability testing for the F-22 aircraft program that the Council considers appropriate on the basis of the study.

SEC. 247. UNIVERSITY RESEARCH INITIATIVE SUPPORT PROGRAM.

Of the amounts authorized to be appropriated under section 201, $10,000,000 shall be available for the University Research Initiative Support Program established pursuant to section 802 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1701; 10 U.S.C. 2358 note).

SEC. 248. MANUFACTURING SCIENCE AND TECHNOLOGY PROGRAM.

(a) PROGRAM AUTHORIZED.—(1) Section 2525 of title 10, United States Code, is amended to read as follows:

"SEC. 2525. MANUFACTURING SCIENCE AND TECHNOLOGY PROGRAM.

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish a Manufacturing Science and Technology Program to further the national security objectives of section 2501(a) of this title. The Under Secretary of Defense for Acquisition and Technology shall administer the program.

"(b) PURPOSE.—The purpose of the program is to enhance the capability of industry to meet the manufacturing needs of the Department of Defense.

"(c) EXECUTION.—The Secretary may carry out projects under the program through the Secretaries of the military departments and the heads of Defense Agencies.

"(d) COMPETITION AND COST SHARING.—(1) Competitive procedures shall be used for awarding all grants and entering into all contracts, cooperative agreements, and other transactions under the program.

"(2) A grant may not be awarded under the program, and a contract, cooperative agreement, or other transaction may not be entered into under the program, on any basis other than a cost-sharing basis unless the Secretary of Defense determines that the grant, contract, cooperative agreement, or other transaction, as the case may be, is for a program that—

"(A) is not likely to have any immediate and direct commercial application; or

"(B) is of sufficiently high risk to discourage cost sharing by non-Federal Government sources.".

(2) The item relating to section 2525 in the table of sections at the beginning of subchapter IV of chapter 148 of such title is amended to read as follows:

"2525. Manufacturing Science and Technology Program.".

(b) FUNDING.—Of the amounts appropriated pursuant to section 201, not more than $125,000,000 shall be available for the Manufacturing Science and Technology Program under section 2525 of title 10, United States Code (as amended by subsection (a)), of which—

(1) not more than $30,000,000 shall be available for the Army;

(2) not more than $35,000,000 shall be available for the Navy;

(3) not more than $50,000,000 shall be available for the Air Force; and

(4) not more than $10,000,000 shall be available for the Defense Logistics Agency.

SEC. 249. DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

(a) PROGRAM REQUIRED.—The Secretary of Defense, acting through the Director of Defense Research and Engineering, shall carry out a Defense Experimental Program to Stimulate Competitive Research (DEPSCoR) as part of the university research programs of the Department of Defense.

(b) PROGRAM OBJECTIVES.—The objectives of the program are as follows:

(1) To enhance the capabilities of institutions of higher education in eligible States to develop, plan, and execute science and engineering research that is competitive under the peer-review systems used for awarding Federal research assistance.

(2) To increase the probability of long-term growth in the competitively awarded financial assistance that institutions of higher education in eligible States receive from the Federal Government for science and engineering research.

(c) PROGRAM ACTIVITIES.—In order to achieve the program objectives, the following activities are authorized under the program:

(1) Competitive award of research grants.

(2) Competitive award of financial assistance for graduate students.

(d) ELIGIBLE STATES.—(1) The Director of the National Science Foundation shall designate which States are eligible States for the purposes of this section and shall notify the Director of Defense Research and Engineering of the States so designated.

(2) The Director of the National Science Foundation shall designate a State as an eligible State if, as determined by the Director—

(A) the institutional average amount of Federal financial assistance for research and development received by the institutions of higher education in the State for the fiscal year preceding the fiscal year for which the designation is effective, or for the last fiscal year for which statistics are available, is less than the amount equal to 50 percent of the national institutional average amount of Federal financial assistance for research and development received by the institutions of higher education in the United States for such preceding or last fiscal year, as the case may be;

(B) the State has demonstrated a commitment to developing research bases in the State and to improving science and engineering research and education programs at institutions of higher education in the State; and

(C) the State is an eligible State for purposes of the Experimental Program to Stimulate Competitive Research conducted by the National Science Foundation.

(e) COORDINATION WITH SIMILAR FEDERAL PROGRAMS.—(1) The Secretary shall consult with the Director of the National Science Foundation and the Director of the Office of Science and Technology Policy in the planning, development, and execution of the program and shall coordinate the program with the Experimental Program to Stimulate Competitive Research conducted by the National Science Foundation and with similar programs sponsored by other departments and agencies of the Federal Government.

(2) All solicitations under the Defense Experimental Program to Stimulate Competitive Research shall be made to, and all awards shall be made through, the State committees established for purposes of the Experimental Program to Stimulate Competitive Research conducted by the National Science Foundation.

(3) A State committee referred to in paragraph (2) shall ensure that activities carried out in the State of that committee under the Defense Experimental Program to Stimulate Competitive Research are coordinated with the activities carried out in the State under other similar initiatives of the Federal Government to stimulate competitive research.

SEC. 250. STUDY ON BEAMING HIGH POWER LASER ENERGY TO SATELLITES.

(a) STUDY.—(1) The Secretary of Defense and the Administrator of the National Aeronautics and Space Administration shall jointly carry out a study to determine the cost, feasibility, and advisability of the development and utilization of a system to deliver energy to satellites by beaming high power laser energy from ground sources.

(2) In determining the cost, feasibility, and advisability of the system referred to in paragraph (1), the Secretary and the Administrator shall take into account the impact on the environment of the development and utilization of the system and the effect, if any, of the development and utilization of the system on the arms control efforts or obligations of the United States.

(3) In carrying out the study, the Secretary and the Administrator shall consider the development of a space energy laser (SELENE) system using a free electron laser at the Naval Air Weapons Station, China Lake, California.

(b) REPORT.—The Secretary and the Administrator shall jointly submit to the congressional defense committees a report on the study required under subsection (a). The Secretary and the Administrator shall submit the report not later than July 1, 1995.

SEC. 251. ADVANCED THREAT RADAR JAMMER.

(a) LIMITATION REGARDING JOINT DEVELOPMENT PROGRAM WITH CERTAIN FOREIGN ENTITIES.—The Secretary of Defense may not negotiate or enter into any agreement with, nor accept funds from, a foreign government or an entity controlled by a foreign government for a joint program for the development of an advanced threat radar jammer for combat helicopters until 30 days after the Secretary, in consultation with the Secretary of State, the Secretary of the Army, and the Director of the Defense Security Assistance Agency, conducts a comprehensive review of the program and submits a report on the results of that review to the congressional defense committees.

(b) MATTERS COVERED BY REVIEW AND REPORT.—The matters relating to the program referred to in subsection (a) that are required to be covered by the review and report are as follows:

(1) The legal basis for seeking for the program funds that are neither authorized to be appropriated nor appropriated.

(2) The consistency of the program with the Department of Defense policy that no foreign military sale of a defense system, and no commitment to foreign military sale of a defense system, be made before operational test and evaluation of the system is successfully completed and the Under Secretary of Defense for Acquisition and Technology has specifically approved the system for sale to a foreign government.

(3) The mission requirement for an advanced threat radar jammer for combat helicopters.

(4) An assessment of each threat for which an advanced threat radar jammer would be developed, particularly with regard to each threat to a foreign country with which the United States would jointly develop an advanced threat radar jammer.

(5) The potential for sensitive electronic warfare technology to be made available to potential adversaries of the United States as a result of United States participation in the program.

(6) The availability of other nondevelopmental items and less sophisticated technologies for countering the emerging radar detection threats to United States combat helicopters and combat helicopters of United States allies.

(7) A capability assessment of similar technologies available from other foreign countries and the consequences of proliferation of such technologies in regions of potential conflict.

(c) INAPPLICABILITY TO MAJOR ALLIES OF THE UNITED STATES.—This section does not apply with respect to a major ally of the United States.

(d) 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 of Defense. Such term does not include an organization or corporation that is owned, but is not controlled, either directly or indirectly, by a foreign government if the ownership of that organization or corporation by that foreign government was effective before October 23, 1992.

(2) The term "major ally of the United States" has the meaning given such term in section 2350a(i)(2) of title 10, United States Code.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1995 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, $17,542,914,000.

(2) For the Navy, $21,326,470,000.

(3) For the Marine Corps, $2,096,695,000.

(4) For the Air Force, $18,789,023,000.

(5) For Defense-wide activities, $9,994,325,000.

(6) For Medical Programs, Defense, $9,854,459,000.

(7) For the Army Reserve, $1,253,709,000.

(8) For the Naval Reserve, $828,319,000.

(9) For the Marine Corps Reserve, $81,462,000.

(10) For the Air Force Reserve, $1,478,990,000.

(11) For the Army National Guard, $2,452,148,000.

(12) For the Air National Guard, $2,780,178,000.

(13) For the National Board for the Promotion of Rifle Practice, $2,544,000.

(14) For the Defense Inspector General, $140,798,000.

(15) For Drug Interdiction and Counterdrug Activities, Defense-wide, $714,200,000.

(16) For the United States Court of Appeals for the Armed Services, $6,126,000.

(17) For Environmental Restoration, Defense, $2,180,200,000.

(18) For Humanitarian Assistance, $71,900,000.

(19) For Former Soviet Union Threat Reduction, $400,000,000.

(20) For the Contributions for International Peacekeeping and Peace Enforcement Activities Fund, $300,000,000.

(21) For support for the 1996 Summer Olympics, $10,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1995 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Business Operations Fund, $798,400,000.

(2) For the National Defense Sealift Fund, $227,800,000.

SEC. 303. ARMED FORCES RETIREMENT HOME FUNDING.

There is hereby authorized to be appropriated for fiscal year 1995 from the Armed Forces Retirement Home Trust Fund the sum of $59,317,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. NATIONAL SECURITY EDUCATION TRUST FUND OBLIGATIONS.

During fiscal year 1995, $14,300,000 is authorized to be obligated from the National Security Education Trust Fund established by section 804(a) of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1904(a)).

SEC. 305. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than $250,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 1995 in amounts as follows:

(1) For the Army, $50,000,000.

(2) For the Navy, $50,000,000.

(3) For the Air Force, $50,000,000.

(4) For Defense-wide activities, $100,000,000.

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

SEC. 306. SUPPORT FOR THE 1995 SPECIAL OLYMPICS WORLD GAMES.

(a) AUTHORITY TO PROVIDE SUPPORT.—The Secretary of Defense may provide logistical support and personnel services in connection with the 1995 Special Olympics World Games to be held in New Haven, Connecticut.

(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 of appropriations in subsection (c).

(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 1995 Special Olympics World Games.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $3,000,000 for the Department of Defense for fiscal year 1995 to carry out subsection (a).

SEC. 307. AIR NATIONAL GUARD FIGHTER AIRCRAFT.

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

(1) The Bottom-Up Review force structure proposal would accomplish most of the remaining reductions in the total number of Air Force general purpose fighter wings by reducing the Air National Guard and Air Force Reserve fighter force from 10 wings to 7 wings.

(2) The current plan for implementing the reduction referred to in paragraph (1) is to reduce the number of fighter aircraft in each Air National Guard fighter unit from 24 or 18 primary aircraft authorized to 15 primary aircraft authorized and to convert some Air National Guard fighter units to other purposes.

(3) The number of Air National Guard Combat Readiness Training Centers in operation

during fiscal year 1995 should not be less than the number of such centers in operation at the end of fiscal year 1994.

(4) The Commission on Roles and Missions of the Armed Forces established by section 952 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 111 note; 107 Stat. 1738) is required to submit to Congress a report under section 954(b) of such Act on possible changes to existing allocations among the Armed Forces of military roles, missions, and functions.

(5) The Commission is not expected to submit the report until the middle of fiscal year 1995.

(6) The report of the Commission should contain a review of and recommendations on the assignment of roles and missions to units of the Air National Guard and the Air Force Reserve in relation to active component units that are the counterparts to such units and on requirements for resources for training of such units.

(b) REQUIREMENT.—After submission of the report referred to in paragraph (3), the Secretary of Defense shall review its findings on the role and requirements for general purpose fighter units of the Air National Guard, and shall complete within 30 days a study which recommends the appropriate level of primary aircraft authorized (PAA) for such units, following which, if the Secretary determines changes in that level are appropriate, he may notify the Congress of his determination and he may seek any reprogramming of funds that he considers appropriate to ensure that such changes are implemented.

Subtitle B—Defense Business Operations Fund

SEC. 311. PERMANENT AUTHORITY FOR USE OF FUND FOR MANAGING WORKING CAPITAL FUNDS AND CERTAIN ACTIVITIES.

Section 316(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 2208 note) is amended by striking out "During" and all that follows through "December 31, 1994, the" and inserting in lieu thereof "The".

SEC. 312. IMPLEMENTATION OF IMPROVEMENT PLAN.

(a) PROGRESS REPORT ON IMPLEMENTATION.—Not later than February 1, 1995, the Secretary of Defense shall submit to the congressional defense committees a report on the progress made in implementing the Defense Business Operations Fund Improvement Plan, dated September, 1993. The report shall describe the progress made in reaching the milestones established in the plan and provide an explanation for the failure to meet any of the milestones. The Secretary shall submit a copy of the report to the Comptroller General of the United States at the same time the Secretary submits the report to the congressional defense committees.

(b) RESPONSIBILITIES OF THE COMPTROLLER GENERAL.—(1) The Comptroller General shall monitor and evaluate the progress of the Department of Defense in developing and implementing the improvement plan referred to in subsection (a).

(2) Not later than March 1, 1995, the Comptroller General shall submit to the congressional defense committees a report containing the following:

(A) The findings and conclusions of the Comptroller General resulting from the monitoring and evaluation conducted under paragraph (1).

(B) An evaluation of the progress report submitted to the congressional defense committees by the Secretary of Defense pursuant to subsection (a).

(C) Any recommendations for legislation or administrative action concerning the Fund that the Comptroller General considers appropriate.

SEC. 313. LIMITATION ON OBLIGATIONS AGAINST THE CAPITAL ASSET FUND.

The Secretary of Defense may not incur obligations against funds in the capital asset subaccount of the Defense Business Operations Fund during fiscal year 1995 in a total amount in excess of $1,500,000.

SEC. 314. LIMITATION ON OBLIGATIONS AGAINST THE SUPPLY MANAGEMENT DIVISIONS.

(a) LIMITATION.—(1) The Secretary of Defense may not incur obligations against the supply management divisions of the Defense Business Operations Fund during fiscal year 1995 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 1995, the Secretary shall exclude obligations and sales for fuel, commissary and subsistence items, retail operations, repair of equipment and spare parts in support of repair, direct vendor deliveries, foreign military sales, initial outfitting requiring equipment furnished by the Federal Government, and the cost of operations.

(b) WAIVER AUTHORITY.—The Secretary of Defense may waive the limitation in subsection (a) if the Secretary determines that such waiver is necessary in order to maintain the readiness and combat effectiveness of the Armed Forces. The Secretary shall immediately notify Congress of any such waiver and the reasons for such waiver.

(c) DETERMINATIONS OF EFFECTS OF LIMITATION ON READINESS AND COMBAT EFFECTIVENESS.—Not later than 60 days after the date of the enactment of this Act, the secretaries of the military departments and the Director of the Defense Logistics Agency shall each submit to the Secretary of Defense a report containing the views of such official on the effects of the limitation in subsection (a) on the ability of the Department of Defense to maintain the readiness and combat effectiveness of the Armed Forces. If the Secretary of Defense determines, after considering the reports, that the limitation will impair the readiness and combat effectiveness of any of the Armed Forces, the Secretary shall exercise the waiver authority provided in subsection (b).

Subtitle C—Environmental Matters

SEC. 321. PROHIBITION ON THE PURCHASE OF SURETY BONDS AND OTHER GUARANTEES FOR THE DEPARTMENT OF DEFENSE.

No funds appropriated or otherwise made available to the Department of Defense for fiscal year 1995 may be obligated or expended for the purchase of surety bonds or other guarantees of financial responsibility in order to guarantee the performance of any direct function of the Department of Defense.

SEC. 322. EXTENSION OF PROHIBITION ON USE OF ENVIRONMENTAL RESTORATION FUNDS FOR PAYMENT OF FINES AND PENALTIES.

None of the funds appropriated for fiscal year 1995 pursuant to the authorization of appropriations provided in section 301(17) may be used for the payment of a fine or penalty imposed against the Department of Defense unless the act or omission for which the fine or penalty is imposed arises out of activities funded by the account.

SEC. 323. PARTICIPATION OF INDIAN TRIBES IN AGREEMENTS FOR DEFENSE ENVIRONMENTAL RESTORATION.

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

(1) by striking out "SERVICE OF OTHER AGENCIES.—The Secretary" and inserting in lieu thereof the following: "SERVICE OF OTHER AGENCIES.—

"(1) IN GENERAL.—The Secretary";

(2) in paragraph (1), as so designated, by inserting "any Federally recognized Indian tribe or" before "any State or local government agency,"; and

(3) by adding at the end the following:

"(2) DEFINITION.—For purposes of this subsection, the term 'Indian tribe' has the meaning given such term in section 101(36) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9701(36)).".

SEC. 324. EXTENSION OF AUTHORITY TO ISSUE SURETY BONDS FOR CERTAIN ENVIRONMENTAL PROGRAMS.

Section 2701(j) of title 10, United States Code, is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1999".

Subtitle D—Matters Relating to Department of Defense Civilian Employees

SEC. 331. EXTENSION OF CERTAIN TRANSITION ASSISTANCE AUTHORITIES.

(a) REDUCTION-IN-FORCE NOTIFICATION REQUIREMENTS.—Section 4433(b)(2) of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102–484; 106 Stat. 2721; 5 U.S.C. 3502 note) is amended by striking out "February 1, 1998" and inserting in lieu thereof "February 1, 2000".

(b) SEPARATION PAY.—(1) Section 5597(e) of title 5, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1999".

(2) Section 4436(d)(2) of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (5 U.S.C. 8348 note) is amended by striking out "January 1, 1998" and inserting in lieu thereof "January 1, 2000".

(c) RESTORATION OF CERTAIN LEAVE.—Section 6304(d)(3) of title 5, United States Code, is amended by striking out "the closure of an installation" and inserting in lieu thereof "the closure of an installation of the Department of Defense pursuant to 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) during any period, and the closure of any other installation".

(d) CONTINUED HEALTH BENEFITS.—Section 8905a(d)(4)(B) of title 5, United States Code, is amended—

(1) by striking out "October 1, 1997" each place it appears and inserting in lieu thereof "October 1, 1999"; and

(2) in clause (ii), by striking out "February 1, 1998," and inserting in lieu thereof "February 1, 2000,".

SEC. 332. EXTENSION AND EXPANSION OF AUTHORITY TO CONDUCT PERSONNEL DEMONSTRATION PROJECTS.

(a) CHINA LAKE DEMONSTRATION PROJECT.—(1) Section 6 of the Civil Service Miscellaneous Amendments Act of 1983 (Public Law 98–224; 98 Stat. 49) is amended by striking out "September 30, 1995,".

(2) In the event of a reorganization of the organization carrying out the personnel demonstration project referred to in section 6 of Public Law 98–224, such section shall apply with respect to the successor to that organization.

(b) DEFENSE LABORATORIES PERSONNEL DEMONSTRATION PROJECTS.—(1) The Secretary of Defense may carry out personnel

demonstration projects at Department of Defense laboratories designated by the Secretary as Department of Defense science and technology reinvention laboratories.

(2) Each personnel demonstration project carried out under the authority of paragraph (1) shall be similar to the personnel demonstration project that is authorized by section 6 of Public Law 98-224 to be continued at the Naval Weapons Center, China Lake, California, and at the Naval Ocean Systems Center, San Diego, California.

(3) If the Secretary carries out a demonstration project at a laboratory pursuant to paragraph (1), section 4703 (other than subsection (d)) of title 5, United States Code, shall apply to such demonstration project, except that the authority of the Secretary to carry out the demonstration project is that which is provided in paragraph (1) rather than the authority that is provided in such section 4703.

SEC. 333. LIMITATION ON PAYMENT OF SEVERANCE PAY TO CERTAIN EMPLOYEES TRANSFERRING TO EMPLOYMENT POSITIONS IN NONAPPROPRIATED FUND INSTRUMENTALITIES.

(a) IN GENERAL.—Section 5595 of title 5, United States Code, is amended by adding at the end the following:

"(h)(1) Severance pay under this section may not be paid to—

"(A) a person described in paragraph (4)(A) during any period in which the person is employed in a defense nonappropriated fund instrumentality; or

"(B) a person described in paragraph (4)(B) during any period in which the person is employed in a Coast Guard nonappropriated fund instrumentality.

"(2)(A) Except as provided in subparagraph (B), payment of severance pay to a person referred to in paragraph (1) may be resumed upon any involuntary separation of the person from the position of employment in a nonappropriated fund instrumentality, not by removal for cause on charges of misconduct, delinquency, or inefficiency.

"(B) Payment of severance pay may not be resumed under subparagraph (A) in the case of a person who, upon separation, is entitled to immediate payment of retired or retainer pay as a member or former member of the uniformed services or to an immediate annuity under—

"(i) a retirement system for persons retiring from employment by a nonappropriated fund instrumentality;

"(ii) subchapter III of chapter 83 of this title;

"(iii) subchapter II of chapter 84 of this title; or

"(iv) any other retirement system of the Federal Government for persons retiring from employment by the Federal Government.

"(3) Upon resumption of payment of severance pay under paragraph (2)(A) in the case of a person separated as described in such paragraph, the amount of the severance pay so payable for a period shall be reduced (but not below zero) by the portion (if any) of the amount of any severance pay payable for such period to the person by the nonappropriated fund instrumentality that is attributable to credit for service taken into account under subsection (c) in the computation of the amount of the severance pay so resumed.

"(4) Paragraph (1) applies to a person who, on or after January 1, 1987, moves without a break in service—

"(A) from employment in the Department of Defense that is not employment in a defense nonappropriated fund instrumentality to employment in a defense nonappropriated fund instrumentality; or

"(B) from employment in the Coast Guard that is not employment in a Coast Guard nonappropriated fund instrumentality to employment in a Coast Guard nonappropriated fund instrumentality.

"(5) The Secretary of Defense, in consultation with the Secretary of Transportation, shall prescribe regulations to carry out this subsection.

"(6) In this subsection:

"(A) The term 'defense nonappropriated fund instrumentality' means a nonappropriated fund instrumentality of the Department of Defense.

"(B) The term 'Coast Guard nonappropriated fund instrumentality' means a nonappropriated fund instrumentality of the Coast Guard.

"(C) The term 'nonappropriated fund instrumentality' means a nonappropriated fund instrumentality described in section 2105(c) of this title.".

(b) APPLICABILITY.—Subsection (h) of section 5595 of title 5, United States Code, as added by subsection (a), shall take effect on the date of the enactment of this Act and apply with respect to pay periods that begin on or after such date.

SEC. 334. RETIREMENT CREDIT FOR CERTAIN SERVICE IN NONAPPROPRIATED FUND INSTRUMENTALITIES BEFORE JANUARY 1, 1987.

(a) STUDY REQUIRED.—The Secretary of Defense shall conduct a study to determine the level of interest among employees of the Department of Defense referred to in subsection (b) in obtaining credit under the Civil Service Retirement and Disability System or the Federal Employees' Retirement System for former service described in such subsection as an employee of a nonappropriated fund instrumentality of the United States.

(b) EMPLOYEES CONCERNED.—The employees referred to in subsection (a) are employees who, for at least 12 months during the period beginning on January 1, 1966, and ending on December 31, 1986, performed service as an employee described in section 2105(c) of title 5, United States Code, conducting a program described in section 8332(b)(16)(A) of such title.

(c) CONDUCT OF STUDY.—In carrying out the study under subsection (a), the Secretary shall—

(1) provide an opportunity for all employees referred to in that subsection to express interest in obtaining retirement credit for the former service in a nonappropriated fund instrumentality of the United States; and

(2) inform such employees that deposits to the Civil Service Retirement and Disability Fund would be required of the interested employees under section 8334(c) of title 5, United States Code, or section 8411(f) of such title.

(d) REPORT.—Not later than February 1, 1995, the Secretary shall submit to Congress a report on the results of the study required by subsection (a). The report shall contain the following matters:

(1) An analysis of the issues, to include existing legal rights of the employees described in paragraph (b) above under the Civil Service Retirement Disability System or the Federal Employees' Retirement System.

(2) An Analysis of the inequities, if any, that may have been caused by conversion from employment by nonappropriated fund instrumentalities of the United States to employment by the Department of Defense.

(3) The number of full time and part time employees described in paragraph (b) above that are affected by any inequities described in paragraph (2).

(4) The Department of Defense recommendations, if any, to redress any inequities described in paragraph (2), and

(5) The cost to the Federal Government of any recommendation described in paragraph (4).

SEC. 335. TRAVEL, TRANSPORTATION, AND RELOCATION EXPENSES OF EMPLOYEES TRANSFERRING TO THE UNITED STATES POSTAL SERVICE.

(a) IN GENERAL.—(1) Subchapter II of chapter 57 of title 5, United States Code, is amended by adding at the end the following:

"§ 5735. Travel, transportation, and relocation expenses of employees transferring to the United States Postal Service

"(a) IN GENERAL.—Notwithstanding any other provision of law, employees of the Department of Defense described in subsection (b) may be authorized travel, transportation, and relocation expenses and allowances in connection with appointments referred to in such subsection under the same conditions and to the same extent authorized by this subchapter for transferred employees.

"(b) COVERED EMPLOYEES.—Subsection (a) applies to any employee of the Department of Defense who—

"(1) is scheduled for separation from the Department, other than for cause;

"(2) is selected for appointment to a continuing position with the United States Postal Service; and

"(3) accepts the appointment.".

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

"5735. Travel, transportation, and relocation expenses of employees transferring to the United States Postal Service.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and apply to persons separated from employment by the Department of Defense on or after such date.

SEC. 336. FOREIGN EMPLOYEES COVERED BY THE FOREIGN NATIONAL EMPLOYEES SEPARATION PAY ACCOUNT.

Section 1581 of title 10, United States Code, is amended—

(1) by striking out "foreign national employees of the Department of Defense" each place it appears in subsections (a) and (b) and inserting in lieu thereof "foreign nationals referred to in subsection (e)"; and

(2) by striking out subsection (e) and inserting in lieu thereof the following:

"(e) EMPLOYEES COVERED.—This section applies only with respect to separation pay of foreign nationals employed by the Department of Defense, and foreign nationals employed by a foreign government for the benefit of the Department of Defense, under any of the following agreements that provide for payment of separation pay:

"(1) A contract.

"(2) A treaty.

"(3) A memorandum of understanding with a foreign nation.

SEC. 337. INCREASED AUTHORITY TO ACCEPT VOLUNTARY SERVICES.

(a) EXPANSION OF AUTHORITY.—The text of section 1588 of title 10, United States Code, is amended to read as follows:

"(a) AUTHORITY TO ACCEPT SERVICES.—Subject subsection (b) and notwithstanding section 1342 of title 31, the Secretary concerned may accept from any person the following services:

"(1) Voluntary medical services, dental services, nursing services, or other healthcare related services.

"(2) Voluntary services to be provided for a museum or a natural resources program.

"(3) Voluntary services to be provided for programs providing services to members of the armed forces and the families of such members, including the following programs:

"(A) Family support programs.

"(B) Child development and youth services programs.

"(C) Library and education programs.

"(D) Religious programs.

"(E) Housing referral programs.

"(F) Programs providing employment assistance to spouses of such members.

"(b) REQUIREMENTS AND LIMITATIONS.—(1) The Secretary concerned shall notify the person of the scope of the services accepted.

"(2) With respect to a person providing voluntary services accepted under subsection (a), the Secretary concerned—

"(A) shall—

"(i) supervise the person to the same extent as the Secretary would supervise a compensated employee providing similar services; and

"(ii) ensure that the person is licensed, privileged, has appropriate credentials, or is otherwise qualified under applicable law or regulations to provide such services; and

"(B) may not—

"(i) place the person in a policy-making position; or

"(ii) except as provided subsection (e), compensate the person for the provision of such services.

"(c) AUTHORITY TO RECRUIT AND TRAIN PERSONS PROVIDING SERVICES.—The Secretary concerned may recruit and train persons to provide voluntary services accepted under subsection (a).

"(d) STATUS OF PERSONS PROVIDING SERVICES.—(1) Subject to paragraph (3), while providing voluntary services accepted under subsection (a) or receiving training under subsection (c) a person, other than a person referred to in paragraph (2), shall be considered to be an employee of the Federal Government only for purposes of the following provisions of law:

"(A) Subchapter I of chapter 81 of title 5, relating to compensation for work-related injuries.

"(B) Section 2733 of this title and section 2733 of title 28, relating to claims for damages or loss.

"(C) Section 522a of title 5, relating to maintenance of records on individuals.

"(D) Chapter 11 of title 18, relating to conflicts of interest.

"(2) Subject to paragraph (3), while providing a nonappropriated fund instrumentality of the United States with voluntary services accepted under subsection (a), or receiving training under subsection (c) to provide such an instrumentality with services accepted under subsection (a), a person shall be considered an employee of that instrumentality only for the following purposes:

"(A) Subchapter II of chapter 81 of title 5, relating to compensation of nonappropriated fund employees for work-related injuries.

"(B) Section 2733 of this title and section 2733 of title 28, relating to tort claims.

"(3) A person providing voluntary services accepted under subsection (a) shall be considered to be an employee of the Federal Government under paragraph (1) or (2) only with respect to services that are within the scope of the services so accepted.

"(4) For purposes of determining the compensation for work-related injuries payable under chapter 81 of title 5 (pursuant to this subsection) to a person providing voluntary services accepted under subsection (a), the monthly pay of the person for such services shall be deemed to be the amount determined by multiplying—

"(A) the average monthly number of hours that the person provided the services, by

"(B) the minimum wage determined in accordance with section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)).

"(e) REIMBURSEMENT OF INCIDENTAL EXPENSES.—The Secretary concerned may provide for reimbursement of a person for incidental expenses incurred by the person in providing voluntary services accepted under subsection (a). The Secretary shall determine which expenses are eligible for reimbursement under this subsection. Any such reimbursement may be made from appropriated or nonappropriated funds.".

(b) CONFORMING AND TECHNICAL AMENDMENTS.—(1) Section 8171(a) of title 5, United States Code, is amended by inserting ", or to a volunteer providing such an instrumentality with services accepted under section 1588 of title 10," after "described by section 2105(c) of this title".

(2) Subchapter II of chapter 81 of such title is amended—

(A) in section 8171—

(i) in subsection (a)—

(I) by striking out "Chapter 18 of title 33" in the first sentence and inserting in lieu thereof "The Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.)";

(II) by striking out "section 902(2) of title 33" in the first sentence and inserting in lieu thereof "section 2(2) of such Act (33 U.S.C. 902(2))"; and

(III) by striking out "section 903(a) of title 33 which follows the first comma" in the second sentence and inserting in lieu thereof "section 3(a) of such Act (33 U.S.C. 903(3)) which follows the second comma";

(ii) in subsection (b), by striking out "section 902(4) of title 33" and inserting in lieu thereof "section 2(4) of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 902(4))";

(iii) in subsection (c)(1), by striking out "section 939(b) of title 33" and inserting in lieu thereof "39(b) of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 939(b))"; and

(iv) in subsection (d), by striking out "sections 918 and 921 of title 33" and inserting in lieu thereof "sections 18 and 21 of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 18 and 21, respectively)"; and

(B) by striking out "section 902(2) of title 33" in sections 8172 and 8173 and inserting in lieu thereof "section 2(2) of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 2(2))".

Subtitle E—Other Matters

SEC. 341. CHANGE OF SOURCE FOR PERFORMANCE OF DEPOT-LEVEL WORKLOADS.

The text of section 2469 of title 10, United States Code, is amended to read as follows:

"(a) REQUIREMENT FOR COMPETITION.—The Secretary of Defense shall ensure that the performance of a depot-level maintenance workload described in subsection (b) is not changed to performance by a contractor or by another depot-level maintenance activity of the Department of Defense unless the change is made using—

"(1) merit-based selection procedures for competitions among all depot-level maintenance activities of the Department of Defense; or

"(2) competitive procedures for competitions among private and public sector entities.

"(b) SCOPE.—Subsection (a) applies to any depot-level maintenance workload that has a value of not less than $3,000,000 and is being performed by a depot-level activity of the Department of Defense.

"(c) INAPPLICABILITY OF OMB CIRCULAR A-76.—Office of Managment and Budget Circular A-76 does not apply to a performance change to which subsection (a) applies.".

SEC. 342. CIVIL AIR PATROL.

(a) PROVISION OF FUNDS.—Subsection (b) of section 9441 of title 10, United States Code, is amended—

(1) by redesignating paragraphs (8), (9), (10), and (11) as paragraphs (9), (10), (11), and (12), respectively; and

(2) by inserting after paragraph (7) the following new paragraph (8):

"(8) provide funds for the national headquarters of the Civil Air Patrol, including funds for the payment of staff compensation and benefits, administrative expenses, travel, per diem and allowances, rent and utilities, and other operational expenses;".

(b) LIAISONS.—Such section is further amended by adding at the end the following new subsection:

"(d)(1) The Secretary of the Air Force may authorize the Civil Air Patrol to employ, as administrators and liaison officers, persons retired from service in the Air Force whose qualifications are approved under regulations prescribed by the Secretary and who request such employment.

"(2) A person employed pursuant to paragraph (1) may receive the person's retired pay and an additional amount for such employment that is not more than the difference between the person's retired pay and the pay and allowances the person would be entitled to receive if ordered to active duty in the grade in which the person retired from service in the Air Force. The additional amount shall be paid to the Civil Air Patrol by the Secretary from funds appropriated for that purpose.

"(3) A person employed pursuant to paragraph (1) may not, while so employed, be considered to be on active duty or inactive-duty training for any purpose.".

SEC. 343. ARMED FORCES RETIREMENT HOME.

(a) INCREASED MAXIMUM LIMITATION ON DEDUCTIONS FROM PAY.—Section 1007(i) of title 37, United States Code, is amended—

(1) in paragraph (1), by striking out "50 cents" and inserting in lieu thereof "$2.00"; and

(2) in paragraph (3), by adding at the end the following: "The amount fixed for a grade or length of service may not be increased by more than 50 cents during any 12-month period.".

(b) MODIFICATION OF FEES PAID BY RESIDENTS.—(1) Paragraph (2) of section 1514(c) of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 414(c)) is amended to read as follows:

"(2) The fee shall be fixed as a percentage of the monthly income and monthly payments (including Federal payments) received by a resident, subject to such adjustments in the fee as the Retirement Home Board may make under paragraph (1). The percentage shall be the same for each establishment of the Retirement Home.".

(2)(A) Subsections (d) and (e) of section 1514 of such Act are repealed.

(B) Such section is further amended by adding after subsection (c) the following new subsection (d):

"(d) APPLICATION OF FEES.—Subject to such adjustments in the fee as the Retirement Home Board may make under subsection (c), each resident of the Retirement

Home shall be required to pay a monthly fee equal to the amount determined by multiplying the total amount of all monthly income and monthly payments (including Federal payments) received by the resident by a percentage as follows:

"(1) In the case of a permanent health care resident—

"(A) in fiscal year 1998, 35 percent;

"(B) in fiscal year 1999, 45 percent; and

"(C) in fiscal year 2000, 65 percent.

"(2) In the case of a resident who is not a permanent health care resident—

"(A) in fiscal year 1998, 30 percent;

"(B) in fiscal year 1999, 35 percent; and

"(C) in fiscal year 2000, 40 percent.

(c) MODERNIZATION OF FACILITIES.—(1) The Chairman of the Armed Forces Retirement Home Board shall carry out a study to identify and evaluate alternatives for modernization of the facilities at the United States Soldiers' and Airmen's Home.

(2) The Chairman shall submit an interim report and a final report on the results of the study to the Committees on Armed Services of the Senate and House of Representatives. The Chairman shall submit the interim report not later than April 1, 1995, and the final report not later than December 31, 1995.

(d) EFFECTIVE DATES.—(1) The amendments made by subsection (a) shall take effect on January 1, 1995, and apply to years that begin on or after that date.

(2) The amendments made by subsection (b) shall take effect October 1, 1997.

SEC. 344. CLARIFICATION OF AUTHORITY TO PROVIDE MEDICAL TRANSPORTATION UNDER NATIONAL GUARD PILOT PROGRAM.

Paragraph (1) of section 376(h) of the National Defense Authorization Act for Fiscal Year 1993 (32 U.S.C. 501 note) is amended to read as follows:

"(1) The term 'health care' includes the following services:

"(A) Medical care services.

"(B) Dental care services.

"(C) Transportation, by air ambulance or other means, for medical reasons.".

SEC. 345. ARMS INITIATIVE LOAN GUARANTEE PROGRAM.

(a) PROGRAM AUTHORIZED.—Subject to subsection (b), the Secretary of the Army may carry out a loan guarantee program to encourage commercial firms to use ammunition manufacturing facilities pursuant to section 193 of the Armament Retooling and Manufacturing Support Act of 1992 (subtitle H of title I of Public Law 102-484; 106 Stat. 2348). Under such program, the Secretary may guarantee the repayment of any loan made to a commercial firm to fund, in whole or in part, the establishment of a commercial activity under the Act.

(b) ADVANCED BUDGET AUTHORITY.—Loan guarantees under this section may not be committed except to the extent that appropriations of budget authority to cover their costs are made in advance, as required by section 504 of the Federal Credit Reform Act of 1990 (title V of the Congressional Budget Act of 1974; 2 U.S.C. 661c).

(c) PROGRAM ADMINISTRATION.—(1) The Secretary may enter into agreements with the Administrator of the Small Business Administration, the Administrator of the Farmers Home Administration, and the Administrator of the Rural Development Administration under which such Administrators may, under this section—

(A) process applications for loan guarantees;

(B) guarantee repayment of loans; and

(C) provide any other services to the Secretary to administer the loan guarantee program.

(2) Each Administrator may guarantee loans under this section to commercial firms of any size, notwithstanding any size limitations imposed on other loan guarantee programs that the Administrator administers.

(3) To the extent practicable, each Administrator shall use the same procedures for processing loan guarantee applications under this section as the Administrator uses for processing loan guarantee applications under other loan guarantee programs that the Administrator administers.

(d) LOAN LIMITS.—Loan guarantees under this section may not exceed—

(1) $20,000,000 for any borrower; and

(2) $65,000,000 for all borrowers.

(e) TRANSFER OF FUNDS.—The Secretary of the Army may transfer to an Administrator providing services under subsection (c), and an Administrator may accept, such funds as may be necessary to administer the loan guarantee program under this section.

(f) REPORTING REQUIREMENT.—Not later than July 1 of each year in which a guarantee issued under this section is in effect, the Secretary shall submit to the congressional defense committees a report containing the amounts of loans guaranteed under this section during the preceding calendar year. No report is required after fiscal year 1997.

(g) AUTHORIZATION FOR USE OF EXISTING BUDGET AUTHORITY.—Funds appropriated for the Armament Retooling and Manufacturing Support Initiative by title III of Public Law 102-396 under the heading "PROCUREMENT OF AMMUNITION, ARMY" (106 Stat. 1887) may be made available for loan guarantees under this section only to the extent provided in an appropriations Act enacted after the date of the enactment of this Act.

(h) EXTENSION OF AUTHORITY.—Section 193(a) of the Armament Retooling and Manufacturing Support Act of 1992 (subtitle H of title I of Public Law 102-484; 106 Stat. 2348) is amended by striking out "During fiscal years 1993 and 1994," and inserting in lieu thereof "During fiscal years 1993 through 1996,".

SEC. 346. REAUTHORIZATION OF DEPARTMENT OF DEFENSE DOMESTIC ELEMENTARY AND SECONDARY SCHOOLS FOR DEPENDENTS.

(a) CONTINUED AUTHORITY.—Chapter 108 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2164. Department of Defense domestic dependent elementary and secondary schools

"(a) AUTHORITY OF SECRETARY.—If the Secretary of Defense makes a determination that appropriate educational programs are not available through a local educational agency for dependents of members of the armed forces and dependents of civilian employees of the Federal Government residing on a military installation in the United States (including territories, commonwealths, and possessions of the United States), the Secretary may provide for the elementary or secondary education of the dependents of such members of the armed forces and, to the extent authorized in subsection (c), the dependents of such civilian employees.

"(b) FACTORS FOR SECRETARY TO CONSIDER.—(1) Factors to be considered by the Secretary of Defense in making a determination under subsection (a) shall include the following:

"(A) The extent to which such dependents are eligible for free public education in the local area adjacent to the military installation.

"(B) The extent to which the local educational agency is able to provide a comparable educational program for such dependents.

"(2) For purposes of paragraph (1)(B), an appropriate educational program is a program that, as determined by the Secretary, is comparable to a program of free public education provided for children in the following communities:

"(A) In the case of a military installation located in a State (other than an installation referred to in subparagraph (B)), similar communities in the State.

"(B) In the case of a military installation with boundaries contiguous to two or more States, similar communities in the contiguous States.

"(C) In the case of a military installation located in a territory, commonwealth, or possession, the District of Columbia, except that an educational program determined comparable under this subparagraph may be considered appropriate for the purposes of paragraph (1)(B) only if the program is conducted in the English language.

"(c) ELIGIBILITY OF DEPENDENTS OF FEDERAL EMPLOYEES.—(1) A dependent of a Federal employee residing on a military installation at any time during the school year may enroll in an educational program provided by the Secretary of Defense pursuant to subsection (a) for dependents residing on such installation.

"(2)(A) Except as provided in subparagraph (B), a dependent of a Federal employee who is enrolled in an educational program provided by the Secretary pursuant to subsection (a) and who is not residing on a military installation may be enrolled in the program for not more than five consecutive school years.

"(B) A dependent referred to in subparagraph (A) may be enrolled in the program for more than five consecutive school years if the Secretary determines that, in the interest of the dependent's educational well-being, there is good cause to extend the enrollment for more than the five-year period described in such subparagraph. Any such extension may be made for only one school year at a time.

"(3) A dependent of a Federal employee may continue enrollment in a program under this subsection for the remainder of a school year notwithstanding a change during such school year in the status of the Federal employee that, except for this paragraph, would otherwise terminate the eligibility of the dependent to be enrolled in the program. The preceding sentence does not limit the authority of the Secretary to remove the dependent from enrollment in the program at any time for good cause determined by the Secretary.

"(d) SCHOOL BOARDS.—(1) The Secretary of Defense shall provide for the establishment of a school board for each Department of Defense elementary or secondary school established for a military installation under this section.

"(2) The school board shall be composed of the number of members, not less than three, prescribed by the Secretary.

"(3) The parents of the students attending the school shall elect the school board in accordance with procedures which the Secretary shall prescribe.

"(4) The elected school board shall be considered a local civic group with a function of rendering a public service of providing counsel through oversight of school expenditures and operations. The Secretary shall prescribe the oversight procedures and audit standards applicable to the functions of the school board.

"(5) Meetings conducted by the school board shall be open to the public.

"(6) A school board need not comply with the provisions of the Federal Advisory Committee Act (5 U.S.C. App.), but may close meetings in accordance with such Act.

"(e) ADMINISTRATION AND STAFF.—(1) The Secretary of Defense may enter into such arrangements as may be necessary to provide educational programs at the school.

"(2) The Secretary may, without regard to the provisions of any other law relating to the number, classification, or compensation of employees—

"(A) establish such positions for civilian employees in schools established under this section;

"(B) appoint individuals to such positions; and

"(C) fix the compensation of such individuals for service in such positions.

"(3)(A) Except as provided in subparagraph (B), in fixing the compensation of employees appointed for a school pursuant to paragraph (2), the Secretary shall consider—

"(i) the compensation of comparable employees of the local educational agency in the capital of the State where the military installation is located;

"(ii) the compensation of comparable employees in the local educational agency that provides public education to students who reside adjacent to the military installation; or

"(iii) the average compensation for similar positions in not more than three other local educational agencies in the State in which the military installation is located.

"(B) In fixing the compensation of employees in schools established in the territories, commonwealths, and possessions pursuant to the authority of this section, the Secretary shall determine the level of compensation required to attract qualified employees. For employees in such schools, the Secretary, without regard to the provisions of title 5, may provide for the tenure, leave, hours of work, and other incidents of employment to be similar to that provided for comparable positions in the public schools of the District of Columbia. For purposes of the first sentence, a school shall be considered to have been established pursuant to the authority of this section if the school was established pursuant to other similar authority before the date on which this section takes effect.

"(f) SUBSTANTIVE AND PROCEDURAL RIGHTS AND PROTECTIONS FOR CHILDREN.—(1) The Secretary shall provide the following substantive rights, protections, and procedural safeguards (including due process procedures) in the educational programs provided for under this section:

"(A) In the case of children with disabilities aged 3 to 5, inclusive, all substantive rights, protections, and procedural safeguards (including due process procedures) available to children with disabilities aged 3 to 5, inclusive, under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

"(B) In the case of infants and toddlers with disabilities, all substantive rights, protections, and procedural safeguards (including due process procedures) available to infants and toddlers with disabilities under part H of such Act (20 U.S.C. 1471 et seq.).

"(C) In the case of all other children with disabilities, all substantive rights, protections, and procedural safeguards (including due process procedures) available to children with disabilities who are 3 to 5 years old under part B of such Act.

"(2) Paragraph (1) may not be construed as diminishing for children with disabilities enrolled in day educational programs provided for under this section the extent of substantive rights, protections, and procedural safeguards that were available under section 6(a) of Public Law 81–874 (20 U.S.C. 241(a)) to children with disabilities as of October 7, 1991.

"(3) In this subsection:

"(A) The term 'children with disabilities' has the meaning given the term in section 602(a)(1) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(a)(1)).

"(B) The term 'children with disabilities aged 3 to 5, inclusive' means such term as used in such Act (20 U.S.C. 1400 et seq.).

"(C) The term 'infants and toddlers with disabilities' has the meaning given the term in section 672(1) of such Act (20 U.S.C. 1472(1)).

"(g) REIMBURSEMENT.—When the Secretary of Defense provides educational services under this section to an individual who is a dependent of an employee of a Federal agency outside the Department of Defense, the head of the other Federal agency shall, upon request of the Secretary of Defense, reimburse the Secretary for those services at rates routinely prescribed by the Secretary for those services. Any payments received by the Secretary under this subsection shall be credited to the account designated by the Secretary for the operation of educational programs under this section.".

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

"2164. Department of Defense domestic dependent elementary and secondary schools.".

SEC. 347. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) AVAILABILITY OF FUNDS.—Of the amounts authorized to be appropriated pursuant to section 301(5)—

(1) $50,000,000 shall be available for providing assistance to local educational agencies under subsection (b) of section 386 of Public Law 102–484; and

(2) $8,000,000 shall be available for making payments to local educational agencies under subsection (d) of such section.

(b) NOTIFICATION AND DISBURSAL.—(1) On or before June 30, 1995, the Secretary of Defense (with respect to assistance provided in subsection (b) of section 386 of Public Law 102–484) and the Secretary of Education (with respect to payments made under subsection (d) of such section) shall notify each local educational agency eligible for assistance under subsections (b) and (d) of such section, respectively, for fiscal year 1995 of such agency's eligibility for such assistance and the amount of such assistance.

(2) The Secretary of Defense (with respect to funds made available under subsection (a)(1)) and the Secretary of Education (with respect to funds made available under subsection (a)(2)) shall disburse such funds not later than 30 days after notification to eligible local education agencies.

SEC. 348. DISPOSITION OF PROCEEDS FROM OPERATION OF THE NAVAL ACADEMY LAUNDRY.

Section 6971 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "(a)"; and

(B) in the first sentence, by striking out "and the Academy dairy" and inserting in lieu thereof "the Academy dairy, and the Academy laundry"; and

(2) by striking out subsection (b).

SEC. 349. REPEAL OF ANNUAL LIMITATION ON EXPENDITURES FOR EMERGENCY AND EXTRAORDINARY EXPENSES OF THE DEPARTMENT OF DEFENSE INSPECTOR GENERAL.

Section 127(c) of title 10, United States Code, is amended—

(1) by striking out "(1)" after "(c)"; and

(2) by striking out paragraph (2).

SEC. 350. EXTENSION OF AUTHORITY FOR PROGRAM TO COMMEMORATE WORLD WAR II.

Section 378 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2387; 10 U.S.C. 113 note) is amended by striking out "1995" each place it appears in subsections (a) and (b) and inserting in lieu thereof "1996".

SEC. 351. 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), as amended by section 370(b) of Public Law 103–160 (107 Stat. 1634), is further amended by striking out "September 30, 1994" and inserting in lieu thereof "September 30, 1995".

SEC. 352. TRANSFER OF CERTAIN EXCESS DEPARTMENT OF DEFENSE PROPERTY TO EDUCATIONAL INSTITUTIONS AND TRAINING SCHOOLS.

(a) AUTHORITY TO TRANSFER.—Subsection (b)(1) of section 2535 of title 10, United States Code, is amended by striking out subparagraph (G) and inserting in lieu thereof the following:

"(G) notwithstanding title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.) and any other provision of law, authorize the transfer to a nonprofit educational institution or training school, on a nonreimbursable basis, of any such property already in the possession of such institution or school whenever the program proposed by such institution or school for the use of such property will contribute materially to national defense; and".

(b) TREATMENT OF PROPERTY LOANED BEFORE DECEMBER 31, 1993.—Except for property determined by the Secretary to be needed by the Department of Defense, property loaned before December 31, 1993, to an educational institution or training school under section 2535(b) of title 10, United States Code, or section 4(a)(7) of the Defense Industrial Reserve Act (as in effect before October 23, 1992) shall be regarded as surplus property. Upon certification by the Secretary to the Administrator of General Services that the property is being used by the borrowing educational institution or training school for a purpose consistent with that for which the property was loaned, the Administrator may authorize the conveyance of all right, title, and interest of the United States in such property to the borrower if the borrower agrees to accept the property. The Administrator may require any additional terms and conditions in connection with a conveyance so authorized that the Administrator considers appropriate to protect the interests of the United States.

SEC. 353. SHIPS' STORES.

Section 371 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1634; 10 U.S.C. 7604 note) is amended—

(1) by striking out subsections (a), (b), and (d); and

(2) in subsection (c), by striking out "(c) CODIFICATION.—Section 7604" and inserting in lieu thereof "Effective as of November 30, 1993, section 7604".

SEC. 354. HUMANITARIAN PROGRAM FOR CLEARING LANDMINES.

(a) PROGRAM AUTHORIZED.—The Secretary of Defense may carry out a program for humanitarian purposes to provide for the instruction, education, training, and advising of personnel of other nations in the various procedures that have been determined effective for detecting and clearing landmines.

(b) FORMS OF ASSISTANCE.—Under the program the Secretary may provide personnel to conduct the instruction, education, or training or to furnish advice. In addition or alternatively, the Secretary may provide financial assistance or in-kind assistance in support of such instruction, education, or training.

(c) LIMITATIONS ON ACTIONS OF UNITED STATES PERSONNEL.—The Secretary of Defense shall ensure that no member of the Armed Forces of the United States—

(1) while providing assistance under subsection (a), engages in the physical detection, lifting, or destroying of landmines unless the member does so for the concurrent purpose of supporting a United States military operation; or

(2) provides such assistance as part of a military operation that does not involve the Armed Forces of the United States.

(d) FUNDING.—Of the funds authorized to be appropriated in section 301, not more than $10,000,000 shall be available for a program carried out under subsection (a).

SEC. 355. ASSISTANCE TO RED CROSS FOR EMERGENCY COMMUNICATIONS SERVICES FOR MEMBERS OF THE ARMED FORCES AND THEIR FAMILIES.

(a) FISCAL YEAR 1995.—Of the funds authorized to be appropriated by section 301(5), $14,500,000 shall be available for obtaining emergency communications services for members of the Armed Forces and their families from the American National Red Cross.

(b) FISCAL YEARS 1996 AND 1997.—Of the amounts authorized to be appropriated for the Department of Defense for fiscal years 1996 and 1997 for operation and maintenance for Defense-wide activities, $14,500,000 shall be available for each such fiscal year for obtaining emergency communications services for members of the Armed Forces and their families from the American National Red Cross.

SEC. 356. MARITIME PREPOSITIONING SHIP ENHANCEMENT.

Section 2218 of title 10, United States Code, is amended by adding at the end of subsection (f) the following new paragraph:

"(3) Not more than three vessels built in foreign shipyards may be purchased for the Marine Corps maritime prepositioning ship program with funds in the National Defense Sealift Fund. Vessels purchased under the authority of this paragraph may not be counted for purposes of the limitation in paragraph (1).".

SEC. 357. ROLL-ON/ROLL-OFF VESSELS FOR THE READY RESERVE FORCE.

(a) TRANSFER AUTHORIZED.—To the extent provided in appropriations Acts, in order to provide for purchase of up to seven roll-on/roll-off vessels for the Ready Reserve Force of the National Defense Reserve Fleet maintained under section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744), the Secretary of Defense may transfer to the Maritime Administration not more than $43,000,000 out of funds authorized by this Act to be appropriated to the Department of Defense for fiscal year 1995, other than funds for procurement of national defense features for vessels.

(b) USE BY MARITIME ADMINISTRATION.—Funds transferred to the Maritime Administration pursuant to subsection (a) shall be used only for the purpose set forth in such subsection.

SEC. 358. PAYMENT OF CERTAIN STIPULATED CIVIL PENALTIES.

Of the funds authorized to be appropriated by section 301(17), the Secretary of Defense may pay not more than $500,000 to the Hazardous Substance Superfund established under section 9507 of the Internal Revenue Code of 1986 (26 U.S.C. 9507) as payment of stipulated civil penalties assessed under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

SEC. 359. SALE OF ARTICLES AND SERVICES OF INDUSTRIAL FACILITIES OF THE ARMED FORCES TO PERSONS OUTSIDE DEPARTMENT OF DEFENSE.

(a) AUTHORITY TO SELL OUTSIDE DOD.—The Secretary of Defense may sell in accordance with this section to persons outside the Department of Defense articles and services produced in working-capital funded industrial facilities of the Armed Forces that are not available from any United States commercial source.

(b) DESIGNATION OF PARTICIPATING INDUSTRIAL FACILITIES.—The Secretary may designate up to three facilities referred to in subsection (a) as the facilities from which articles and services produced in such facilities may be sold under this section.

(c) CONDITIONS FOR SALES.—A sale of articles or services may be made under this section only if—

(1) the Secretary of Defense determines that the articles or services are not available from a commercial source in the United States;

(2) the purchaser agrees to hold harmless and indemnify the United States, except in cases of willful misconduct or extreme negligence, from any claim for damages or injury to any person or property arising out of the articles or services;

(3) the articles or services can be substantially performed by the industrial facility concerned with only incidental subcontracting and that performance is in the public interest;

(4) the Secretary determines that the sale of the articles or services will not interfere with the military mission of the industrial facility concerned; and

(5) the sale of the goods and services is made on the basis that it will not interfere with performance of work by the industrial facility concerned for the Department of Defense.

(d) METHODS OF SALE.—(1) The Secretary shall permit a purchaser of articles or services under this section to use advance incremental funding to pay for the articles or services.

(2) In the sale of articles and services under this section, the Secretary shall—

(A) charge the purchaser, at a minimum, the variable costs, capital improvement costs, and equipment depreciation costs that are associated with the articles or services sold;

(B) enter into a firm, fixed-price contract or, if agreed by the purchaser, a cost reimbursement contract for the sale; and

(C) develop and maintain (from sources other than appropriated funds) working capital to be available for paying design costs, planning costs, procurement costs, and other costs associated with the articles or services sold.

(e) DELEGATION OF AUTHORITY.—The Secretary may delegate the authority to sell articles and services in accordance with this section to the commander of each industrial facility designated pursuant to subsection (b) in accordance with regulations prescribed by the Secretary.

(f) DEPOSIT OF PROCEEDS.—Proceeds from sales of articles and services under this section shall be credited to the funds, including working capital funds and operation and maintenance funds, incurring the costs of performance.

(g) RELATIONSHIP TO ARMS EXPORT CONTROL ACT.—Nothing in this section shall be construed to affect the application of the export controls provided for in section 38 of the Arms Export Control Act (22 U.S.C. 2778) to items which incorporate or are produced through the use of an article sold under this section.

(h) DEFINITIONS.—In this section:

(1) The term "advance incremental funding", with respect to a sale of articles or services, means a series of partial payments for the articles or services that includes—

(A) one or more partial payments before the commencement of work or the incurring of costs in connection with the production of the articles or the performance of the services, as the case may be; and

(B) subsequent progress payments that result in full payment being completed as the required work is being completed.

(2) The term "variable costs", with respect to sales of articles or services, means the costs that are expected to fluctuate directly with the volume of sales and—

(A) in the case of articles, the volume of production necessary to satisfy the sales orders; or

(B) in the case of services, the extent of the services sold.

SEC. 360. STUDY OF ESTABLISHMENT OF LAND MANAGEMENT AND TRAINING CENTER AT FORT RILEY, KANSAS.

(a) STUDY.—The Secretary of the Army shall carry out a study of the feasibility and advisability of establishing at Fort Riley, Kansas, a center for the land management activities and land management training activities of the Department of Defense.

(b) REPORT.—The Secretary shall submit to the congressional defense committees a report on the study required under subsection (a). The Secretary shall submit the report not later than May 1, 1996.

SEC. 361. PROCUREMENT OF PORTABLE VENTILATORS FOR THE DEFENSE MEDICAL FACILITY OFFICE, FORT DETRICK, MARYLAND.

Of the funds authorized to be appropriated by section 301(5), $2,500,000 shall be available for the procurement of portable ventilators for the Defense Medical Facility Office, Fort Detrick, Maryland.

SEC. 362. REVIEW BY DEFENSE INSPECTOR GENERAL OF COST GROWTH IN CERTAIN CONTRACTS.

(a) REVIEW.—The Inspector General of the Department of Defense shall carry out a review of a representative sample of existing contracts for the performance of commercial activities which resulted from a cost comparison study conducted by the Department of Defense under Office of Management and Budget Circular A-76 (or any other successor administrative regulation or policy) to determine the extent to which the cost incurred by a contractor under any such contract has exceeded the cost of the contract at the time the contract was entered into.

(b) REPORT.—Not later than April 1, 1995, the Inspector General shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing the results of the review carried out under subsection (a).

SEC. 363. COST COMPARISON STUDIES FOR CONTRACTS FOR ADVISORY AND ASSISTANCE SERVICES.

(a) IN GENERAL.—(1) Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 24101. Contracts for advisory and assistance services: cost comparison studies

"(a) REQUIREMENT.—(1)(A) Before the Secretary of Defense enters into a contract described in subparagraph (B), the Secretary shall determine whether Department of Defense personnel have the capability to perform the services proposed to be covered by the contract.

"(B) Subparagraph (A) applies to any contract of the Department of Defense for advisory and assistance services which contract will have a value in excess of $100,000.

"(2) If the Secretary determines that such personnel have that capability, the Secretary shall conduct a study comparing the cost of performing the services with Department of Defense personnel and the cost of performing the services with contractor personnel.

"(b) WAIVER.—The Secretary of Defense may, pursuant to guidelines prescribed by the Secretary, waive the requirement under subsection (a)(2) to perform a cost comparison study based on factors that are not related to cost.".

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

"24101. Contracts for advisory and assistance services: cost comparison studies.".

(b) PROCEDURES FOR CONDUCT OF STUDIES.—The Secretary of Defense shall prescribe the following procedures:

(1) Procedures for carrying out a cost comparison study under subsection (a)(2) of section 24101 of title 10, United States Code, as added by subsection (a), which may contain a requirement that the cost comparison study include consideration of factors that are not related to cost, including the quality of the service required to be performed, the availability of Department of Defense personnel, the duration and recurring nature of the services to be performed, and the consistency of the workload.

(2) Procedures for reviewing contracts entered into after a waiver under subsection (b) of such section to determine whether the contract is justified and sufficiently documented.

(c) EFFECTIVE DATE.—Section 24101 of title 10, United States Code, as added by subsection (a), shall take effect 180 days after the date of the enactment of this Act.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 1995, as follows:

(1) The Army, 510,000.

(2) The Navy, 441,641.

(3) The Marine Corps, 174,000.

(4) The Air Force, 400,051.

SEC. 402. EXTENSION OF TEMPORARY VARIATION OF END STRENGTH LIMITATIONS FOR MARINE CORPS MAJORS AND LIEUTENANT COLONELS.

(a) EXTENSION OF AUTHORITY.—Subsection (a) of section 402 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1639; 10 U.S.C. 523 note) is amended by striking out "and 1995" and inserting in lieu thereof "through 1997"

(b) LIMITATION.—The table in subsection (b) of such section is amended to read as follows:

"Fiscal year:	Number of officers who may be serving on active duty in the grade of:	
	Major	Lieutenant colonel
1994	3,023	1,578
1995	3,157	1,634
1996	3,157	1,634
1997	3,157	1,634.".

(c) CLERICAL AMENDMENT.—The caption of subsection (b) of such section is amended by striking out "AND 1995.—" and inserting in lieu thereof "THROUGH 1997.—".

SEC. 403. RETENTION OF AUTHORIZED STRENGTH OF GENERAL OFFICERS ON ACTIVE DUTY IN THE MARINE CORPS FOR FISCAL YEARS AFTER FISCAL YEAR 1995.

Section 526(a)(4) of title 10, United States Code, is amended by striking out "before October 1, 1995," and all that follows through "that date".

SEC. 404. EXCEPTION TO LIMITATION ON NUMBER OF GENERAL OFFICERS AND FLAG OFFICERS SERVING ON ACTIVE DUTY.

Section 525(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) Subject to subparagraph (C), an officer while serving in a position referred to in subparagraph (B), if serving in the grade of general or admiral, is in addition to the number that would otherwise be permitted for that officer's armed force for that grade under paragraph (1) or (2).

"(B) Subparagraph (A) applies to the following positions:

"(i) Commander in Chief of a combatant command.

"(ii) Commander, United States Forces, Korea.

"(iii) Deputy Commander in Chief, United States European Command, but only while the Commander in Chief of such command is also the Supreme Allied Commander Europe.

"(C) Subparagraph (A) does not apply to an officer serving in a position referred to in subparagraph (B) unless the Secretary of Defense, when considering that officer for recommendation to the President for appointment to such position, concurrently considered one officer from each of the other armed forces (other than the Coast Guard) for recommendation to the President for appointment to the position.

"(D) The Chairman of the Joint Chiefs of Staff may recommend officers to the Secretary of Defense for consideration by the President for appointment to any of the positions referred to in subparagraph (B).

"(E) This paragraph shall cease to be effective at the end of September 30, 1997.".

SEC. 405. TEMPORARY EXCLUSION OF SUPERINTENDENT OF NAVAL ACADEMY FROM COUNTING TOWARD NUMBER OF SENIOR ADMIRALS AUTHORIZED TO BE ON ACTIVE DUTY.

(a) GRADE RELIEF.—If the next officer appointed to serve as Superintendent of the United States Naval Academy after April 1, 1994, is an officer described in subsection (b), that officer, while so serving, shall not be counted for purposes of the limitations contained in section 525(b)(2) of title 10, United States Code.

(b) QUALIFYING OFFICER.—Subsection (a) applies in the case of a retired officer who—

(1) holds the grade of admiral on the retired list;

(2) is ordered to active duty pursuant to section 688 of title 10, United States Code, to serve as Superintendent of the United States Naval Academy; and

(3) is appointed pursuant to section 601 of that title to have the grade of admiral while serving on active duty in that position.

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, 1995, as follows:

(1) The Army National Guard of the United States, 400,000.

(2) The Army Reserve, 242,000.

(3) The Naval Reserve, 109,000.

(4) The Marine Corps Reserve, 42,000.

(5) The Air National Guard of the United States, 115,581.

(6) The Air Force Reserve, 78,706.

(7) The Coast Guard Reserve, 8,000.

(b) WAIVER AUTHORITY.—The Secretary of Defense may increase the end strength authorized by subsection (a) by not more than 2 percent.

(c) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be reduced proportionately by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be increased proportionately by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1995, 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, 23,650.

(2) The Army Reserve, 11,940.

(3) The Naval Reserve, 17,510.

(4) The Marine Corps Reserve, 2,285.

(5) The Air National Guard of the United States, 9,098.

(6) The Air Force Reserve, 648.

Subtitle C—Military Training Student Loads

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) IN GENERAL.—For fiscal year 1995, the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 69,420.

(2) The Navy, 43,064.

(3) The Marine Corps, 25,377.

(4) The Air Force, 36,840.

(b) SCOPE.—The average military training student load authorized for an armed force under subsection (a) applies to the active and reserve components of that armed force.

(c) ADJUSTMENTS.—The average military training 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—Authorization of Appropriations

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 1995 a total of $70,790,397,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1995.

Subtitle E—Other Matters

SEC. 441. REPEAL OF REQUIRED REDUCTION IN RECRUITING PERSONNEL.

Section 431 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2400) is repealed.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

SEC. 501. SERVICE ON SUCCESSIVE SELECTION BOARDS.

(a) SERVICE ON SUCCESSIVE BOARDS AUTHORIZED.—Section 628 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) A special selection board convened under this section shall be composed in accordance with section 612 of this title or, in the case of a warrant officer, composed in accordance with section 573 of this title and regulations prescribed by the Secretary of the military department concerned, except that the prohibitions on service on successive selection boards set forth in sections 612(b) and 573(e) of this title do not apply to service on successive selection boards authorized under paragraph (2).

"(2) An officer may serve on a selection board convened under section 611(a) of this title or, in the case of a warrant officer, section 573(a) of this title and on a successive special selection board convened under this section if the service on the successive board is approved by the Secretary of the military department concerned and the successive board does not consider any officer who was considered by the first board.".

(b) CONFORMING AMENDMENT.—Subsections (a)(1) and (b)(1) of section 628 of such title are amended by striking out "(composed in accordance with" and all that follows through "concerned)" and inserting in lieu thereof "(composed as provided in subsection (f))".

SEC. 502. PROMOTION AND OTHER CAREER MANAGEMENT MATTERS RELATING TO WARRANT OFFICERS ON ACTIVE-DUTY LISTS.

(a) EXCEPTION FROM MANDATORY CONSIDERATION BY PROMOTION SELECTION BOARD.—Section 575(d) of such title is amended by inserting "(except for warrant officers precluded from consideration under regulations prescribed by the Secretary concerned under section 577 of this title)" after "under consideration".

(b) SECRETARIAL SUBMISSION OF PROMOTION SELECTION BOARD REPORT.—Section 576(f)(1) of such title is amended by striking out the second sentence.

(c) PROMOTION FORMALITIES DEEMED COMPLETED.—Section 578 of such title is amended by adding at the end the following new subsections:

"(e) A warrant officer who is appointed to a higher grade under this section is considered to have accepted such appointment on the date on which the appointment is made unless the officer expressly declines the appointment.

"(f) A warrant who has served continuously as an officer since the officer took the oath of office set forth under section 3331 of title 5 is not required to take a new oath upon appointment to a higher grade under this section.".

(d) WARRANT OFFICERS SUBJECT TO MANAGEMENT AUTHORITIES.—Section 582(2) of such title is amended by inserting before the period at the end the following: "(other than such officers recalled to active duty before February 1, 1992, who have served continuously on active duty since such date)".

SEC. 503. ENLISTMENT OR RETIREMENT OF NAVY AND MARINE CORPS LIMITED DUTY OFFICERS HAVING TWICE FAILED OF SELECTION FOR PROMOTION.

(a) AUTHORITY.—Subsection (f) of section 6383 of title 10, United States Code, is amended to read as follows:

"(f)(1) An officer subject to discharge under subsection (b), (d), or (e) who is not eligible for retirement or for retention under paragraph (2) may, upon the officer's request and in the discretion of the Secretary of the Navy, be enlisted in the grade prescribed by the Secretary.

"(2) If an officer subject to discharge under subsection (b) or (d) is within two years of qualifying for retirement under section 6323 of this title as of the date on which the officer is to be discharged, the officer shall be retained on active duty until becoming qualified for retirement under that section (unless sooner retired or discharged under another provision of law) and shall then be retired.".

(b) CONFORMING AMENDMENTS.—Section 6383 of such title is amended—

(1) in subsection (i), by striking out "or the discharge under subsection (d)" and inserting in lieu thereof "or the discharge under subsection (b) or (d)";

(2) by striking out subsection (g);

(3) by redesignating subsections (h), (i), and (j) as subsections (g), (h), and (i), respectively; and

(4) in subsections (a), (b), and (d), by striking out "Except as provided in subsection (i)," each place it appears and inserting in lieu thereof "Except as provided in subsection (h),".

SEC. 504. EDUCATIONAL REQUIREMENTS FOR APPOINTMENT IN RESERVE COMPONENTS IN GRADES ABOVE FIRST LIEUTENANT OR LIEUTENANT (JUNIOR GRADE).

Section 596(a) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a) IN GENERAL.—"; and

(2) by striking out "an accredited educational institution" and inserting in lieu thereof "an educational institution described in paragraph (2)"; and

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

"(2) An educational institution referred to in paragraph (1) is—

"(A) an accredited educational institution; or

"(B) an unaccredited educational institution if at least three accredited educational institutions generally grant baccalaureate degree credit for completion of courses of the unaccredited institution equivalent to the baccalaureate degree credit granted by the unaccredited institution for the completion of such courses.".

SEC. 505. LIMITED EXCEPTION FROM BACCALAUREATE DEGREE REQUIREMENT FOR ALASKA SCOUT OFFICERS.

Section 596 of title 10, United States Code, is amended—

(1) by adding at the end of subsection (b) the following new paragraph:

"(5) The appointment or recognition of an individual referred to in subsection (c) in a higher grade (not above major) of the Alaska Army National Guard while such individual is serving in a Scout unit or a Scout supporting unit."; and

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

"(c) PERSONS COVERED BY ALASKA SCOUT EXCEPTION.—Subsection (b)(5) applies to a member of the Alaska Army National Guard who resides permanently at a location in Alaska that is more than 50 miles from the cities of Anchorage, Fairbanks, and Juneau, Alaska, by paved road.".

SEC. 506. ORIGINAL APPOINTMENTS OF LIMITED DUTY OFFICERS OF THE NAVY AND MARINE CORPS SERVING IN TEMPORARY GRADES.

Section 5589 of title 10, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f) Original appointments as regular officers of the Navy or Marine Corps may be made from among officers serving on active duty in a higher grade pursuant to a temporary appointment in that grade under section 5596 of this title. The grade in which an officer is appointed under this subsection shall be the grade in which the officer is serving pursuant to the temporary appointment. The officer's date of rank for the grade of the original appointment shall be the same as the date of rank for the grade of the temporary appointment.".

SEC. 507. SELECTION FOR DESIGNATED JUDGE ADVOCATE POSITIONS.

(a) To the extent that selection for the positions described in subsection (b) is not governed by Chapter 36 of title 10, United States Code, the Secretary of Defense shall prescribe regulations to ensure that officers selected to serve in such positions are selected for such service by boards governed, insofar as practicable, by the procedures prescribed for selection boards under Chapter 36 of title 10, United States Code.

(b) The positions referred to in subsection (a) are—

(1) the Judge Advocate General and Assistant Judge Advocate General of the Army,

(2) the Judge Advocate General and Deputy Judge Advocate General of the Navy,

(3) the Staff Judge Advocate to the Commandant of the Marine Corps, and

(4) the Judge Advocate General and Deputy Judge Advocate General of the Air Force.

Subtitle B—Reserve Component Matters

SEC. 511. REVIEW OF OPPORTUNITIES FOR ORDERING INDIVIDUAL RESERVES TO ACTIVE DUTY WITH CONSENT.

(a) REVIEW REQUIRED.—The Secretary of Defense shall—

(1) review the opportunities for individual members of the reserve components of the Armed Forces to be ordered to active duty, with the consent of the members concerned, during peacetime in positions traditionally filled by active duty personnel; and

(2) identify and remove any impediments, in regulations or other administrative rules, to increasing such opportunities.

(b) REPORT.—Not later than 90 days after the date of the enactment of this Act, the

Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the results of the review. The report shall contain—

(1) a plan for increasing the opportunities for individual members of the reserve components of the Armed Forces to be ordered to active duty, with the consent of the members concerned, during peacetime in positions traditionally filled by active duty personnel; and

(2) any additional legislation that the Secretary considers necessary in order to increase such opportunities.

SEC. 512. INCREASED PERIOD OF ACTIVE DUTY SERVICE FOR SELECTED RESERVE FORCES MOBILIZED OTHER THAN DURING WAR OR NATIONAL EMERGENCY.

(a) REVISION TO PERIOD OF EXTENSION OF ACTIVE DUTY.—Section 673b of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "90 days." and inserting in lieu thereof "180 days."; and

(2) by striking out subsection (i).

(b) REPORT REQUIRED.—(1) Not later than April 1, 1995, the Secretary of Defense shall submit to the congressional defense committees a report on increasing the authority of the President to order units and members of the reserve components to active duty without the consent of the members concerned.

(2) The report shall include the following:

(A) An analysis of options for increased presidential authority.

(B) An assessment of the effects of each option on recruiting, retention, employer support for the reserve components, and the families of members of the reserve components.

(C) Programs that the Secretary recommends to mitigate any negative effects.

(D) Any option that the Secretary recommends.

(E) Any proposed legislation that the Secretary considers necessary to implement any recommended option.

SEC. 513. REPEAL OF OBSOLETE PROVISIONS PERTAINING TO TRANSFER OF REGULAR ENLISTED MEMBERS TO RESERVE COMPONENTS.

(a) ARMY.—Section 3914 of title 10, United States Code, is amended by striking out the second and third sentences.

(b) AIR FORCE.—Section 8914 of such title, is amended by striking out the second and third sentences.

SEC. 514. SENSE OF THE SENATE CONCERNING THE TRAINING AND MODERNIZATION OF THE RESERVE COMPONENTS.

(a) FINDINGS.—(1) The force structure specified in the Pentagon's Bottom Up Review assumes increased reliance on the reserve components of the Armed Forces;

(2) The mobilization of the reserve components for the Persian Gulf War was handicapped by training, readiness, and equipment shortfalls;

(3) The mobilization of the Army reserve components for the Persian Gulf War was handicapped by lack of a standard readiness evaluation system, which resulted in a lengthy reevaluation of training and equipment readiness of Army National Guard and Reserve units before they could by deployed;

(4) Funding and scheduling constraints continue to limit the opportunity for combat units of the Army National Guard to carry out adequate maneuver training;

(5) Funding constraints continue to handicap the readiness and modernization of the reserve components and their interoperability with the active forces: Now, therefore

(b) PURPOSE.—It is the sense of the Senate that the Department of Defense should establish a standard readiness and evaluation system and that it should provide in its annual budget submissions adequate resources to ensure that National Guard and reserve units are trained and modernized to the standards needed for them to carry out the full range of missions required of them under the Bottom Up Review.

Subtitle C—Other Matters

SEC. 521. REVIEW OF CERTAIN DISMISSALS FROM THE UNITED STATES MILITARY ACADEMY.

(a) REVIEW REQUIRED.—The Secretary of the Army shall promptly carry out a thorough review of the dismissals from the Corps of Cadets of the United States Military Academy of James Webster Smith in 1874 and Johnson Chesnut Whittaker in 1882.

(b) PURPOSES OF REVIEW.—The purpose of each review shall be to determine the validity of the original proceedings and the extent, if any, to which racial prejudice or other improper factors now known may have tainted the original proceedings.

(c) CORRECTION OF RECORDS.—If the Secretary determines that the dismissal of James Webster Smith or Johnson Chesnut Whittaker was in error or an injustice, the Secretary may correct that person's military records (including the records of proceedings in such case).

(d) POSTHUMOUS COMMISSION.—Upon recommendation of the Secretary in the case of James Webster Smith or Johnson Chesnut Whittaker, the President may issue in the name of James Webster Smith or Johnson Chesnut Whittaker, as the case may be, a posthumous commission as an officer in the regular Army in the grade of second lieutenant. Sections 1521(b) and 1523 of title 10, United States Code, shall apply with respect to a commission so issued.

SEC. 522. TRANSITIONAL COMPENSATION AND OTHER BENEFITS FOR DEPENDENTS OF MEMBERS SEPARATED FOR DEPENDENT ABUSE.

(a) REQUIREMENT.—Subsection (a) of section 1058 of title 10, United States Code, as added by section 554(a)(1) of Public Law 103-160 (197 Stat. 1663), is amended by amending subsection (e) to read as follows:

"(e) COMMENCEMENT AND DURATION OF PAYMENT.—(1) Payment of transitional compensation under this section—

"(A) in the case of a member convicted by a court-martial for a dependent-abuse offense, may commence as of the date of the approval of the court-martial sentence by the person acting under section 860(c) of this title (article 60(c) of the Uniform Code of Military Justice) if the sentence, as approved, includes a dismissal, dishonorable discharge, bad conduct discharge, or forfeiture of all pay and allowances; and

"(B) in the case of a member being considered under applicable regulations for administrative separation from active duty in accordance with such regulations (if the basis for the separation includes a dependent-abuse offense), may commence as of the date on which the separation action is initiated by a commander of the member pursuant to such regulations, as determined by the Secretary concerned.

"(2) Transitional compensation with respect to a member may be paid for a period of 36 months, except that, if as of the date on which payment of transitional compensation commences the unserved portion of the member's period of obligated active duty service is less than 36 months, the period for which transitional compensation is paid shall be equal to the greater of—

"(A) the unserved portion of the member's period of obligated active duty service; or

"(B) 12 months.

"(3)(A) If a member is sentenced by a court-martial to receive punishment that includes a dismissal, dishonorable discharge, bad conduct discharge, or forfeiture of all pay and allowances as a result of a conviction by a court-martial for a dependent-abuse offense and each such punishment applicable to the member under the sentence is remitted, set aside, or mitigated to a lesser punishment that does not include any such punishment, any payment of transitional compensation that has commenced under this section on the basis of such sentence in that case shall cease.

"(B) If administrative separation of a member from active duty is proposed on a basis that includes a dependent-abuse offense and the proposed administrative separation is disapproved by competent authority under applicable regulations, payment of transitional compensation in such case shall cease.

"(C) Cessation of payments under subparagraph (A) or (B) shall be effective as of the first day of the first month following the month in which the Secretary concerned notifies the recipient of such transitional compensation in writing that payment of the transitional compensation will cease. The recipient may not be required to repay amounts of transitional compensation received before that effective date (except to the extent necessary to recoup any amount that was erroneous when paid).".

(c) HEALTH, COMMISSARY, AND OTHER BENEFITS.—Such section is further amended—

(1) by redesignating subsections (j) and (k) as subsections (k) and (l), respectively; and

(2) by inserting after subsection (i) the following new subsection (j):

"(j) HEALTH, COMMISSARY, AND OTHER BENEFITS.—(1) A dependent or former dependent entitled to payment of monthly transitional compensation under this section shall, while receiving payments in accordance with this section, be entitled to receive medical and dental care, to use commissary and exchange stores, and to receive any other benefit that a dependent of a member of the armed forces is entitled to receive on the basis of being a dependent of a member of the armed forces to the same extent and in the same manner as a dependent of a member of the armed forces on active duty for a period of not more than 30 days.

"(2) If a dependent or former dependent eligible or entitled to receive a particular benefit under this subsection is eligible or entitled to receive that benefit under another provision of law, the eligibility or entitlement of that dependent or former dependent to such benefit shall be determined under such other provision of law instead of this subsection.".

(c) CONFORMING AMENDMENTS.—(1) The heading for such section is amended to read as follows:

"§ 1058. Dependents of members separated for dependent abuse: transitional compensation and other benefits".

(2) The table of sections at the beginning of chapter 53 of such title is amended by striking out the item relating to section 1058 (as added by section 554(a)(2) of Public Law 103-160 (107 Stat. 1066)) and inserting in lieu thereof the following:

"1058. Dependents of members separated for dependent abuse: transitional compensation and other benefits.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1995.

(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 1995 shall not be made.

(b) INCREASE IN BASIC PAY, BAS, AND BAQ.—Effective on January 1, 1995, the rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased by 2.6 percent.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. EXTENSION OF CERTAIN BONUSES FOR RESERVE FORCES.

(a) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(b) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(c) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(d) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(e) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(i) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

SEC. 612. EXTENSION AND MODIFICATION OF CERTAIN BONUSES AND SPECIAL PAY FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1998,".

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1998,".

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended—

(1) by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1998,"; and

(2) by striking out "$6,000" and inserting in lieu thereof "$15,000".

SEC. 613. EXTENSION OF AUTHORITY RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1994" and inserting in lieu thereof "September 30, 1995".

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(c) ENLISTMENT BONUSES FOR CRITICAL SKILLS.—Sections 308a(c) and 308f(c) of title 37, United States Code, are each amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(d) SPECIAL PAY FOR ENLISTED MEMBERS OF THE SELECTED RESERVE ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(e) 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, 1995" and inserting in lieu thereof "October 1, 1996".

(f) SPECIAL PAY FOR CRITICALLY SHORT WARTIME HEALTH SPECIALISTS IN THE SELECTED RESERVES.—Section 613(d) of the National Defense Authorization Act, Fiscal Year 1989 (37 U.S.C. 302 note) is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(g) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(h) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of title 37, United States Code, is amended by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1996,".

(i) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of title 37, United States Code, is amended by striking out "October 1, 1995" and inserting in lieu thereof "October 1, 1996".

Subtitle C—Travel and Transportation Allowances

SEC. 621. RESPONSIBILITY FOR PREPARATION OF TRANSPORTATION MILEAGE TABLES.

Section 404(d)(1)(A) of title 37, United States Code, is amended by striking out "the Secretary of the Army" and inserting in lieu thereof "the Secretary of Defense".

Subtitle D—Retired Pay and Survivor Benefits

SEC. 631. CLARIFICATION OF CALCULATION OF RETIRED PAY FOR OFFICERS WHO RETIRE IN A GRADE LOWER THAN THE GRADE HELD AT RETIREMENT.

(a) PREVENTION OF RETIRED PAY BASED ON GRADE HIGHER THAN RETIRED GRADE.—Section 1401a(f) of title 10, United States Code, is amended—

(1) in the first sentence, by inserting "based on the grade in which the member is retired" after "at an earlier date";

(2) in the second sentence, by inserting ", except that such computation may not be based on a rate of basic pay for a grade higher than the grade in which the member is retired" before the period at the end; and

(3) by striking out the third sentence.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to the computation of the retired pay of a member of the armed forces who retires on or after the date of the enactment of this Act.

SEC. 632. CREDITING OF RESERVE SERVICE OF ENLISTED MEMBERS FOR COMPUTATION OF RETIRED PAY.

(a) ARMY.—(1) Section 3925 of title 10, United States Code, is amended—

(A) in subsection (a), by striking out "and of computing his retired pay under section 3991 of this title,"; and

(B) by striking out subsection (c).

(2) Section 3991 of such title is amended—

(A) in subsection (a)—

(i) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) FORMULA.—The monthly retired pay of a member entitled to such pay under this subtitle by reason of retirement under a provision of law referred to in paragraph (3) is computed by multiplying the retired pay base (as computed under section 1406(c) or 1407 of this title) by the retired pay multiplier prescribed in section 1409 of this title for the number of years credited to the member under section 1405 of this title."; and

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

"(3) APPLICABILITY.—Paragraph (1) applies to a member retired under the authority of section 3911, 3914, 3917, 3918, 3920, or 3924 of this title."; and

(B) in subsection (b), by striking out paragraph (3).

(3) The text of section 3992 of such title is amended to read as follows:

"(a) RECOMPUTATION REQUIRED.—An enlisted member or warrant officer of the Army who is advanced on the retired list under section 3964 of this title is entitled to recompute the member's or officer's retired pay in accordance with this section.

"(b) FORMULA.—To recompute an enlisted member's retired pay or a warrant officer's retired pay, multiply the retired pay base (as computed under section 1406(c) or 1407 of this title) by the retired pay multiplier prescribed in section 1409 of this title for the number of years credited to the member or officer under section 1405 of this title.

"(c) ROUNDING TO NEXT LOWER DOLLAR.—The amount computed under subsection (b), if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(b) NAVY AND MARINE CORPS.—The table in section 6333(a) of title 10, United States Code, is amended by striking out "his years of active service in the armed forces" in formula C under the column designated "Column 2" and inserting in lieu thereof "the years of service credited to him under section 1405".

(c) AIR FORCE.—(1) Section 8925 of title 10, United States Code, is amended—

(A) in subsection (a), by striking out "and of computing his retired pay under section 8991 of this title,"; and

(B) by striking out subsection (c).

(2) Section 8991 of such title is amended—

(A) in subsection (a)—

(i) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) FORMULA.—The monthly retired pay of a member entitled to such pay under this subtitle by reason of retirement under a provision of law referred to in paragraph (3) is computed by multiplying the retired pay base (as computed under section 1406(e) or 1407 of this title) by the retired pay multiplier prescribed in section 1409 of this title for the number of years credited to the member under section 1405 of this title."; and

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

"(3) APPLICABILITY.—Paragraph (1) applies to a member retired under the authority of section 8911, 8914, 8917, 8918, 8920, or 8924 of this title."; and

(B) in subsection (b), by striking out paragraph (3).

(3) The text of section 8992 of such title is amended to read as follows:

"(a) RECOMPUTATION REQUIRED.—An enlisted member or warrant officer of the Air Force who is advanced on the retired list under section 8964 of this title is entitled to recompute the member's or officer's retired pay in accordance with this section.

"(b) FORMULA.—To recompute an enlisted member's retired pay or a warrant officer's

retired pay, multiply the retired pay base (as computed under section 1406(e) or 1407 of this title) by the retired pay multiplier prescribed in section 1409 of this title for the number of years credited to the member or officer under section 1405 of this title.

"(c) ROUNDING TO NEXT LOWER DOLLAR.—The amount computed under subsection (b), if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(d) CONFORMING AMENDMENT.—Section 1405 of such title is amended by adding at the end the following new subsection:

"(c) EXCLUSION OF TIME REQUIRED TO BE MADE UP.—Time required to be made up by an enlisted member of the Army or Air Force under section 972 of this title may not be counted in determining years of service under subsection (a).".

(e) EFFECTIVE DATE.—This section shall apply to the computation of the retired or retainer pay of any enlisted member who retires or is transferred to the Fleet Reserve or the Fleet Marine Corps Reserve on or after the date of the enactment of this Act.

SEC. 633. FORFEITURE OF ANNUITY OR RETIRED PAY OF MEMBERS CONVICTED OF ESPIONAGE.

(a) FORFEITURE.—Section 8312(b)(2)(A) of title 5, United States Code, is amended—

(1) by striking out "or article 106 (spies)" and inserting in lieu thereof ", article 106 (spies), or article 106a (espionage)"; and

(2) by striking out "or article 106" and inserting in lieu thereof ", article 106, or article 106a".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to persons convicted of espionage under section 906a of title 10, United States Code (article 106a of the Uniform Code of Military Justice), on or after the date of the enactment of this Act.

SEC. 634. COMPUTATION OF RETIRED PAY TO PREVENT PAY INVERSIONS.

Section 1401a(f) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(f) PREVENTION OF PAY INVERSIONS.—"; and

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

"(2)(A) Subject to subparagraph (B), for the purpose of computing the monthly retired pay of a member or former member of an armed force under paragraph (1), the Secretary concerned may waive any provision of a regulation that, as such provision was in effect on the earlier date applicable to the member or former member under paragraph (1), required a member to serve for a minimum period in a grade as a condition for retirement in that grade.

"(B) Any waiver under subparagraph (A) shall apply in the case of a member or former member only to that part of the minimum period of service provided for a grade in the regulation that exceeds the minimum period of service in such grade that was authorized by a provision of this title to be required as a condition for retirement in that grade (as such provision of this title was in effect on the earlier date applicable to the member or former member under paragraph (1)).

"(C) The Secretary concerned may waive the provision of a regulation under subparagraph (A) in the case of a particular member or former member or for any group of members or former members.".

SEC. 635. COST-OF-LIVING INCREASES IN SBP CONTRIBUTIONS TO BE EFFECTIVE CONCURRENTLY WITH PAYMENT OF RELATED RETIRED PAY COST-OF-LIVING INCREASES.

(a) SURVIVOR BENEFIT PLAN.—Section 1452(h) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(h)"; and

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

"(2)(A) Notwithstanding paragraph (1), when the initial payment of an increase in retired pay under section 1401a of this title (or any other provision of law) to a person is later than the effective date of that increase by reason of the application of subsection (b)(2)(B) of such section, then the amount of the reduction in the person's retired pay shall be effective on the date of that initial payment of the increase in retired pay rather than the effective date of the increase in retired pay.

"(B) Subparagraph (A) may not be construed as delaying, for purposes of determining the amount of a monthly annuity under section 1451 of this title, the effective date of an increase in a base amount under subsection (h) of such section from the effective date of an increase in retired pay under section 1401a of this title to the date on which the initial payment of that increase in retired pay is made in accordance with subsection (b)(2)(B) of such section 1401a.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect with respect to retired pay payable for months beginning on or after the date of the enactment of this Act.

SEC. 636. REQUIREMENT FOR EQUAL TREATMENT OF CIVILIAN AND MILITARY RETIREES IN THE EVENT OF DELAYS IN COST-OF-LIVING ADJUSTMENTS.

(a) CIVIL SERVICE ANNUITIES.—(1) Section 8340 of title 5, United States Code, is amended—

(A) in subsection (b), by striking out "Except as provided in subsection (c)" and inserting in lieu thereof "Except as provided in subsections (c) and (h)"; and

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

"(h)(1) Whenever, by law, there is a difference between the date on which a cost-of-living adjustment under this section is to take effect and the date on which a corresponding cost-of-living adjustment of the retired pay of members and former members of the uniformed services under section 1401a of title 10 is to take effect, then, notwithstanding subsection (b) and any other provision of law, the date on which the cost-of-living adjustment under this section takes effect shall be the earlier of the two dates.

"(2) Whenever, by law, there is a difference between the first month for which a cost-of-living adjustment taking effect under this section is payable and the first month for which a corresponding cost-of-living adjustment of the retired pay of members and former members of the uniformed services taking effect under section 1401a of title 10 is payable, then the first month for which the cost-of-living adjustment under this section is first payable shall (notwithstanding the effective date provided for such adjustment in subsection (b) of this section or in any other law) be the earlier of the two months.

"(3) For purposes of this subsection, a cost-of-living adjustment of the retired pay of members and former members of the uniformed services under section 1401a of title 10 corresponds to a cost-of-living adjustment under this section when, without regard to any provision of law other than subsection (b) of this section and section 1401a(b)(1) of title 10, the cost-of-living adjustments under this section and under section 1401a of title 10 would take effect on the same date.".

(2) Section 8462 of title 5, United States Code, is amended—

(A) in subsection (b)(1), by striking out "Except as provided in subsection (c)" and inserting in lieu thereof "Except as provided in subsections (c) and (f)"; and

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

"(f)(1) Whenever, by law, there is a difference between the date on which a cost-of-living adjustment under this section is to take effect and the date on which a corresponding cost-of-living adjustment of the retired pay of members and former members of the uniformed services under section 1401a of title 10 is to take effect, then, notwithstanding subsection (b)(1) and any other provision of law, the date on which the cost-of-living adjustment under this section takes effect shall be the earlier of the two dates.

"(2) Whenever, by law, there is a difference between the first month for which a cost-of-living adjustment taking effect under this section is payable and the first month for which a corresponding cost-of-living adjustment of the retired pay of members and former members of the uniformed services taking effect under section 1401a of title 10 is payable, then the first month for which the cost-of-living adjustment under this section is first payable shall (notwithstanding the effective date provided for such adjustment in subsection (b)(1) of this section or in any other law) be the earlier of the two months.

"(3) For purposes of this subsection, a cost-of-living adjustment of the retired pay of members and former members of the uniformed services under section 1401a of title 10 corresponds to a cost-of-living adjustment under this section when, without regard to any provision of law other than subsection (b)(1) of this section and section 1401a(b)(1) of title 10, the cost-of-living adjustments under this section and under section 1401a of title 10 would take effect on the same date.".

(b) UNIFORMED SERVICES RETIRED PAY.—Section 1401a of title 10, United States Code, is amended—

(1) in subsection (b)(1), by inserting (except as provided in subsection (i))" after "Effective on December 1 of each year"; and

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

"(i)(1) Whenever, by law, there is a difference between the date on which a cost-of-living adjustment under this section is to take effect and the date on which a corresponding cost-of-living adjustment of annuities of retired employees of the United States under section 8340 or 8462 of title 5 is to take effect, then, notwithstanding subsection (b) and any other provision of law, the date on which the cost-of-living adjustment under this section takes effect shall be the earlier (or earliest) such date.

"(2) Whenever, by law, there is a difference between the first month for which a cost-of-living adjustment taking effect under this section is payable and the first month for which a corresponding cost-of-living adjustment of annuities of retired employees of the United States taking effect under section 8340 or 8462 of title 5 is payable, then the first month for which the cost-of-living adjustment under this section is first payable shall (notwithstanding the effective date provided for such adjustment in subsection (b)(1) of this section or in any other law) be the earlier (or earliest) such month.

"(3) For purposes of this subsection, a cost-of-living adjustment of annuities of retired

employees of the United States under section 8340 or 8462 of title 5 corresponds to a cost-of-living adjustment under this section when, without regard to any provision of law other than subsection (b)(1) of this section and sections 8340(b) and 8462(b)(1) of title 5, the cost-of-living adjustments under this section and under sections 8340 and 8462 of title 5 would take effect on the same date.".

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 1998.

Subtitle E—Defense Conversion, Reinvestment, and Transition Assistance Matters

SEC. 641. ELIGIBILITY OF MEMBERS RETIRED UNDER TEMPORARY SPECIAL RETIREMENT AUTHORITY FOR SERVICEMEN'S GROUP LIFE INSURANCE.

(a) ELIGIBILITY.—Section 1965(5) of title 38, United States Code, is amended—

(1) by striking out "and" at the end of subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (E); and

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

"(D) a person transferred to the Retired Reserve of a uniformed service under the temporary special retirement authority provided in section 1331a of title 10 who has not received the first increment of retirement pay or has not reached sixty-one years of age; and".

(b) INSURANCE COVERAGE.—Section 1967(a) of such title is amended—

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

(2) by adding "and" at the end of paragraph (3);

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

"(4) any member assigned to the Retired Reserve of a uniform service who meets the qualifications set forth in section 1965(5)(D) of this title;"; and

(4) in the second sentence, by inserting after "section 1965(5)(C) of this title," the following: "or the first day a member of the Reserves meets the qualifications of section 1965(5)(D) of this title,".

(c) DURATION OF COVERAGE.—Section 1968(a) of such title is amended—

(1) in the matter above paragraph (1), by striking out "section 1965(5)(B) or (C)" and inserting in lieu thereof "subparagraphs (B), (C), or (D) of section 1965(5)";

(2) in paragraph (4)—

(A) by striking out "or" at the end of subparagraph (A);

(B) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; or"; and

(C) by adding at the end the following new subparagraph:

"(C) unless on the date of such separation or release the member is transferred to the Retired Reserve of a uniformed service under the temporary special retirement authority provided in section 1331a of title 10, in which event the insurance, unless converted to an individual policy under terms and conditions set forth in section 1977(e) of this title, shall, upon timely payment of premiums under terms prescribed by the Secretary directly to the administrative office established under section 1966(b) of this title, continue in force until receipt of the first increment of retirement pay by the member or the member's sixty-first birthday, whichever occurs earlier."; and

(3) by adding at the end the following:

"(6) with respect to a member of the Retired Reserve who meets the qualifications of section 1965(5)(D) of this title, at such time as the member receives the first increment of retirement pay, or the member's sixty-first birthday, whichever occurs earlier, subject to the timely payment of the initial and subsequent premiums, under terms prescribed by the Secretary, directly to the administrative office established under section 1966(b) of this title.".

(d) DEDUCTIONS.—Section 1969 of such title is amended—

(1) in subsection (a)(2)—

(A) by striking out "or is assigned" and inserting in lieu thereof "is assigned"; and

(B) by inserting after "section 1965(5)(C) of this title," the following: "or is assigned to the Retired Reserve and meets the qualifications of section 1965(5)(D) of this title,"; and

(2) in subsection (e), by striking out "section 1965(5)(C)" in the first sentence and inserting in lieu thereof "subparagraph (C) or (D) of section 1965(5)".

SEC. 642. ANNUAL PAYMENTS FOR MEMBERS RETIRED UNDER GUARD AND RESERVE TRANSITION INITIATIVE.

(a) ANNUAL PAYMENT FOR ONE TO FIVE YEARS.—Subsection (d) of section 4416 of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102-484; 10 U.S.C. 1162 note) is amended—

(1) by striking out "for 5 years" and inserting in lieu thereof "for a period of years prescribed by the Secretary concerned";

(2) by striking out "5-year"; and

(3) by adding at the end the following: "A period prescribed for purposes of this subsection may not be less than one year nor more than five years.".

(b) COMPUTATION OF ANNUAL PAYMENT.—Subsection (e) of such section is amended by adding at the end the following:

"(3) In the case of a member who will attain 60 years of age within one year after the date on which an annual payment would otherwise be made to the member under this section, the amount of the payment made on that date shall be computed under this paragraph instead of paragraph (1). The amount of such payment shall be equal to 1/12 of the product of—

"(A) the amount computed for the member under paragraph (1); and

"(B) the number equal to 1/30 of the total number of days in the period beginning on such date and ending on the day before the date of the member's 60th birthday.".

(c) COORDINATION WITH RETIRED PAY.—Such section is further amended by adding at the end the following:

"(i) COORDINATION WITH RETIRED PAY.—Fifty percent of the monthly amount of retired pay payable under chapter 67 of this title to a member who receives one or more annual payments under this section shall be deducted and withheld from such monthly amount of retired pay. The deductions shall be terminated when the total amount so deducted and withheld equals the total amount paid to the member under this section. The amount deducted and withheld from the last monthly payment of retired pay before termination of deductions may be less than 50 percent of the monthly amount.".

SEC. 643. INCREASED ELIGIBILITY AND APPLICATION PERIODS FOR TROOPS-TO-TEACHERS PROGRAM.

(a) PERIOD OF ELIGIBILITY.—Subsection (c) of section 1151 of title 10, United States Code, is amended—

(1) in paragraph (1)(A), by striking out "seven-year period beginning on October 1, 1992," and inserting in lieu thereof "nine-year period beginning on October 1, 1990,"; and

(2) by striking out paragraph (4).

(b) APPLICATION PERIOD.—Subsection (e)(1) of such section is amended by striking out "submitted" in the first sentence and all that follows through the end of the second sentence and inserting in lieu thereof "timely submitted to the Secretary of Defense. An application is timely submitted if the application is submitted not later than the latest date applicable to the applicant under this paragraph. An application shall be submitted not later than one year after the date of the discharge or release of the applicant from active duty. In the case of an applicant discharged or released from active duty before January 19, 1994, an application shall be submitted not later than one year after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995. In the case of an applicant becoming educationally qualified for teacher placement assistance in accordance with subsection (c)(2), an application shall be submitted not later than one year after the date on which the applicant becomes educationally qualified.".

SEC. 644. ASSISTANCE FOR ELIGIBLE MEMBERS TO OBTAIN EMPLOYMENT WITH LAW ENFORCEMENT AGENCIES.

(a) REVISED PROGRAM AUTHORITY.—Section 1152 of title 10, United States Code, is amended to read as follows:

"§ 1152. Assistance to eligible members and former members to obtain employment with law enforcement agencies

"(a) PLACEMENT PROGRAM.—The Secretary of Defense may enter into an agreement with the Attorney General to establish or participate in a program to assist eligible members and former members of the armed forces to obtain employment as law enforcement officers with State law enforcement agencies, local law enforcement agencies, or Indian tribes that perform law enforcement functions (as determined by the Secretary of the Interior) following the discharge or release of such members or former members from active duty.

"(b) ELIGIBLE MEMBERS.—Any member or former member who, during the 6-year period beginning on October 1, 1993, is separated from the armed forces with an honorable discharge or is released from service on active duty characterized as honorable by the Secretary concerned shall be eligible to participate in a program covered by an agreement referred to in subsection (a).

"(c) SELECTION.—In the selection of applicants for participation in a program covered by an agreement referred to in subsection (a), preference shall be given to a member or former member who—

"(1) is selected for involuntary separation, is approved for separation under section 1174a or 1175 of this title, or retires pursuant to the authority provided in section 4403 of Public Law 102-484 (10 U.S.C. 1293 note); and

"(2) has a military occupational specialty, training, or experience related to law enforcement (such as service as a member of the military police) or satisfies such other criteria for selection as, in accordance with the agreement, the Secretary, the Attorney General, or a participating State or local law enforcement agency or participating Indian tribe may prescribe.

"(d) GRANTS TO FACILITATE EMPLOYMENT.—(1) The Secretary may provide funds to the Attorney General for grants under this section to reimburse State law enforcement agencies, local law enforcement agencies, or Indian tribes that perform law enforcement functions (as determined by the Secretary of the Interior) for costs, including salary and fringe benefits, of employing members or

former members pursuant to a program referred to in subsection (a).

"(2) No grant with respect to an eligible member or former member may exceed a total of $50,000.

"(3) Any grant with respect to an eligible member or former member shall be disbursed within 5 years after the date of the placement of a member or former member with a participating law enforcement agency or Indian tribe.

"(4) Preference in awarding grants through existing law enforcement hiring programs shall be given to State or local law enforcement agencies or Indian tribes that agree to hire eligible members and former members.

"(e) ADMINISTRATIVE EXPENSES.—Ten percent of the amount, if any, appropriated for a fiscal year to carry out a program established pursuant to subsection (a) may be used to administer the program.

"(f) REQUIREMENT FOR APPROPRIATION.—No member or former member may be selected to participate in the program established by this section unless a sufficient amount of appropriated funds are available at the time of the selection to satisfy the obligations to be incurred by the United States under an agreement referred to in subsection (a) that applies with respect to such member or former member.".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 58 of title 10, United States Code, is amended to read as follows:

"1152. Assistance to eligible members and former members to obtain employment with law enforcement agencies.".

SEC. 645. TREATMENT OF RETIRED AND RETAINER PAY OF MEMBERS OF CADRE OF CIVILIAN COMMUNITY CORPS.

Section 159(c)(3) of the National and Community Service Act of 1990 (42 U.S.C. 12619(c)(3)) is amended by adding at the end the following: "In the case of a member of the permanent cadre who was recommended for appointment in accordance with section 162(a)(2)(A) and is entitled to retired or retainer pay, section 5532 of title 5, United States Code, shall not apply to reduce the member's retired or retainer pay by reason of the member being paid as a member of the cadre.".

Subtitle F—Other Matters

SEC. 651. DISABILITY COVERAGE FOR OFFICER CANDIDATES GRANTED EXCESS LEAVE.

(a) ELIGIBILITY FOR RETIREMENT.—Section 1201 of title 10, United States Code, is amended—

(1) by inserting "(a) MEMBERS ON ACTIVE DUTY ENTITLED TO PAY.—" before "Upon a determination"; and

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

"(b) MEMBERS ON EXCESS LEAVE.—(1) Upon a determination by the Secretary concerned that a member referred to in paragraph (2) is unfit to perform the duties of the member's office, grade, rank, or rating because of a physical disability incurred during a period described in such paragraph, the Secretary may retire the member, with retired pay computed under section 1401 of this title, if the Secretary also makes the determinations described in paragraphs (1), (2), and (3) of subsection (a) with regard to such member.

"(2) Paragraph (1) applies to a member of the armed forces who, during a period of authorized absence—

"(A) is participating in a program leading to appointment, designation, or assignment in the armed forces in an officer category; and

"(B) is not entitled to basic pay by reason of the application of section 502(b) of title 37 to such absence.".

(b) ELIGIBILITY FOR PLACEMENT ON TEMPORARY DISABILITY RETIRED LIST.—Section 1202 of such title is amended—

(1) by striking out "or any other members" and inserting in lieu thereof "any other members"; and

(2) by inserting after "more than 30 days," the following: "or any member referred to in section 1201(b)(2) of this title".

(c) ELIGIBILITY FOR SEPARATION.—Section 1203 of such title is amended—

(1) by inserting "(a) MEMBERS ON ACTIVE DUTY ENTITLED TO PAY.—" before "Upon a determination";

(2) by striking out the second sentence (relating to transfer to inactive status); and

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

"(b) MEMBERS ON EXCESS LEAVE.—Upon a determination by the Secretary concerned that a member referred to in paragraph (2) of section 1201(b) of this title is unfit to perform the duties of the member's office, grade, rank, or rating because of a physical disability incurred during a period described in such paragraph, the Secretary may separate the member, with severance pay computed under section 1212 of this title, if the Secretary also makes the determinations described in paragraphs (1), (2), (3), and (4) of subsection (a) with regard to such member.

"(c) TRANSFER TO INACTIVE STATUS LIST.—If a member authorized to be separated under subsection (a) or (b) is eligible for transfer to the inactive status list under section 1209 of this title, and so elects, the member shall be transferred to that list instead of being separated.".

(d) CONFORMING AMENDMENTS.—(1) Chapter 61 of title 10, United States Code, is amended—

(A) by striking out the heading of section 1201 and inserting in lieu thereof the following:

"§ 1201. Regulars, members on active duty for more than 30 days, certain members on excess leave: retirement";

(B) by striking out the heading of section 1202 and inserting in lieu thereof the following:

"§ 1202. Regulars, members on active duty for more than 30 days, certain members on excess leave: temporary disability retired list";

and

(C) by striking out the heading of section 1203 and inserting in lieu thereof the following:

"§ 1203. Regulars, members on active duty for more than 30 days, certain members on excess leave: separation".

(2) The table of sections at the beginning of such chapter is amended by striking out the items relating to sections 1201, 1202, and 1203 and inserting in lieu thereof the following:

"1201. Regulars, members on active duty for more than 30 days, certain members on excess leave: retirement

"1202. Regulars, members on active duty for more than 30 days, certain members on excess leave: temporary disability retired list.

"1203. Regulars, members on active duty for more than 30 days, certain members on excess leave: separation.".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act and apply with respect to physical disabilities incurred on or after such date.

SEC. 652. USE OF MORALE, WELFARE, AND RECREATION FACILITIES BY MEMBERS OF RESERVE COMPONENTS AND DEPENDENTS.

Section 1065 of title 10, United States Code, is amended to read as follows:

"§ 1065. Use of certain morale, welfare, and recreation facilities by members of reserve components and dependents

"(a) MEMBERS OF THE SELECTED RESERVE.—Members of the Selected Reserve in good standing (as determined by the Secretary concerned) shall be permitted to use MWR retail facilities on the same basis as members on active duty.

"(b) RETIREES UNDER AGE 60.—Members of the reserve components who would be eligible for retired pay under chapter 67 of this title but for the fact that the member is under 60 years of age shall be permitted to use MWR retail facilities on the same basis as retired members and retired former members of the Regular Army, Regular Navy, Regular Air Force, and Regular Marine Corps.

"(c) MEMBERS OF READY RESERVE NOT IN SELECTED RESERVE.—Subject to such regulations as the Secretary of Defense may prescribe, members of the Ready Reserve (other than members of the Selected Reserve) may be permitted to use MWR retail facilities on the same basis as members serving on active duty.

"(d) DEPENDENTS.—(1) Dependents of members referred to in subsection (a) shall be permitted to use MWR retail facilities on the same basis as dependents of members on active duty.

"(2) Dependents of members referred to in subsection (b) shall be permitted to use MWR retail facilities on the same basis as dependents of retired members and retired former members of the Regular Army, Regular Navy, Regular Air Force, and Regular Marine Corps.

"(e) MWR RETAIL FACILITY DEFINED.—In this section, the term 'MWR retail facilities' means exchange stores and other revenue generating facilities operated by nonappropriated fund activities of the Department of Defense for the morale, welfare, and recreation of members of the armed forces.".

SEC. 653. SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR DEPARTMENT OF DEFENSE PERSONNEL OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—Chapter 53 of Title 10, United States Code, is amended by adding at the end the following new section:

"§ 1060a. Special supplemental food program

"(a) AUTHORITY.—The Secretary of Defense may carry out a program to provide special supplemental food benefits to members of the armed forces on duty at stations outside the United States (and its territories and possessions) and to eligible civilians serving with, employed by, or accompanying the armed forces outside the United States (and its territories and possessions).

"(b) FEDERAL PAYMENTS AND COMMODITIES.—For the purpose of obtaining Federal payments and commodities in order to carry out the program referred to in subsection (a), the Secretary of Agriculture shall make available to the Secretary of Defense from funds appropriated for such purpose, the same payments and commodities as are made for the special supplemental food program in the United States under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

"(c) PROGRAM ADMINISTRATION.—(1)(A) The Secretary of Defense shall administer the program referred to in subsection (a) and, except as provided in subparagraph (B), shall determine eligibility for program benefits under the criterion published by the Secretary of Agriculture under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

"(B) The Secretary of Defense shall prescribe regulations governing computation of income eligibility standards for families of individuals participating in the program under this section.

"(2) The program benefits provided under the program shall be similar to benefits provided by State and local agencies in the United States.

"(d) DEPARTURE FROM STANDARDS.—The Secretary of Defense may authorize departures from standards prescribed by the Secretary of Agriculture regarding the supplemental foods to be made available in the program when local conditions preclude strict compliance or when such compliance is highly impracticable.

"(e) REGULATIONS.—The Secretary of Defense shall prescribe regulations to administer the program authorized by this section.

"(f) DEFINITIONS.—In this section:

"(1) The term 'eligible civilian' means—

"(A) a dependent of a member of the armed forces residing with the member outside the United States;

"(B) an employee of a military department who is a national of the United States and is residing outside the United States in connection with such individual's employment or a dependent of such individual residing with the employee outside the United States; or

"(C) an employee of a Department of Defense contractor who is a national of the United States and is residing outside the United States in connection with such individual's employment or a dependent of such individual residing with the employee outside the United States.

"(2) The term 'national of the United States' means—

"(A) a citizen of the United States; or

"(B) a person who, though not a citizen of the United States, owes permanent allegiance to the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22))).

"(3) The term 'dependent' has the meaning given such term in subparagraph (A), (D), (E), and (I) of section 1072(2) of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 53 of title 10, United States Code, is amended by adding at the end the following new item:

"1060a. Special supplemental food program.".

SEC. 654. REIMBURSEMENT FOR CERTAIN LOSSES OF HOUSEHOLD EFFECTS CAUSED BY HOSTILE ACTION.

(a) AUTHORITY TO REIMBURSE.—Chapter 163 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2738. Reimbursement for certain losses of household effects caused by hostile action

"(a) AUTHORITY TO REIMBURSE.—The Secretary concerned or, subject to appeal to the Secretary, the Judge Advocate General of an armed force under the Secretary's jurisdiction, or the Chief Counsel of the Coast Guard, as appropriate, if designated by the Secretary, may reimburse a member of the armed forces in an amount not more than $100,000 for a loss described in subsection (b).

"(b) COVERED LOSSES.—This section applies with respect to a loss of household effects sustained during a move made incident to a change of permanent station when, as determined by the Secretary, the loss was caused by a hostile action incident to war or a warlike action by a military force.

"(c) LIMITATION.—The Secretary may provide reimbursement under this section for a loss described in subsection (b) only to the extent that the loss is not reimbursed under insurance or under the authority of another provision of law.

"(d) APPLICABILITY OF OTHER AUTHORITIES AND REQUIREMENTS.—Subsections (b), (d), (e), (f), and (g) of section 2733 of this title shall apply to a request for a reimbursement under this section as if the request were a claim against the United States.".

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

"2738. Reimbursement for certain losses of household effects caused by hostile action.".

(c) EFFECTIVE DATE.—(1) Section 2738 of title 10, United States Code, as added by subsection (a), applies with respect to losses incurred after June 30, 1990.

(2) In the case of a loss incurred after June 30, 1990, and before the date of the enactment of this Act, a request for reimbursement shall be filed with the Secretary of the military department concerned not later than two years after such date of enactment.

SEC. 655. PAYMENT FOR TRANSIENT HOUSING FOR RESERVES PERFORMING CERTAIN TRAINING DUTY.

Section 404 of title 37, United States Code, is amended—

(1) by redesignating subsection (j) as subsection (k); and

(2) by inserting after subsection (i) the following new subsection (j):

"(j)(1) In the case of a member of a reserve component performing annual training duty or inactive-duty training who is not otherwise entitled to travel and transportation allowances in connection with such duty under subsection (a) of this section, the Secretary concerned may reimburse the member for housing service charge expenses incurred by the member in occupying transient government housing during the performance of such duty.

"(2) Any payment or other benefit under this section shall be provided in accordance with regulations prescribed by the Secretaries concerned.

"(3) The Secretary may pay service charge expenses under paragraph (1) out of funds appropriated for operation and maintenance for the reserve component concerned.".

SEC. 656. STUDY OF OFFSET OF DISABILITY COMPENSATION BY RECEIPT OF SEPARATION BENEFITS AND INCENTIVES.

(a) STUDY.—(1) The Comptroller General shall carry out a study of the offset of the amount of disability compensation from the Department of Veterans Affairs that is received by an individual separated from the Armed Forces by the amount of any of the following benefits:

(A) Separation pay under section 1174 of title 10, United States Code.

(B) A special separation benefit under a special separation benefits program carried out under section 1174a(a) of such title.

(C) A voluntary separation incentive under section 1175 of such title.

(2) In carrying out the study, the Comptroller General shall—

(A) determine the purposes for the availability of the benefits referred to paragraph (1);

(B) determine the justifications for the offset referred to in that paragraph;

(C) assess the effect of the offset by—

(i) determining the number of members of the Armed Forces who will separate from the Armed Forces during the period beginning on the date of the enactment of this Act and ending on September 30, 1999;

(ii) determining the number of such members who will be provided a benefit referred to in that paragraph, and the average amount of the benefit to be provided;

(iii) determining the number of such members who will be entitled to disability compensation from the Department of Veterans Affairs, and the average monthly amount of the compensation to which the members will be entitled; and

(iv) evaluating the extent, if any, to which the offset affects the capacity of members who are separated from the Armed Forces to meet financial obligations (including obligations relating to housing and medical care) of such members that arise as a result of the service of the members in the Armed Forces or the separation of such members from that service;

(D) determine the extent, if any, to which the offset of disability compensation by the amount of a benefit referred to in subparagraph (B) or (C) of paragraph (1) reduces the effectiveness of the benefits in meeting the purposes determined under subparagraph (A) of this paragraph; and

(E) determine the cost of the repeal of the offset.

(b) REPORT.—(1) The Comptroller General shall submit to the Committees on Armed Services and the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the results of the study required under subsection (a). The report shall include the recommendations of the Comptroller General on improvements to the provision of the benefits referred to in subsection (a)(1).

(2) The Comptroller General shall submit the report not later than 180 days after the date of the enactment of this Act.

TITLE VII—HEALTH CARE PROVISIONS

SEC. 701. REVISION OF DEFINITION OF DEPENDENTS TO INCLUDE YOUNG PEOPLE BEING ADOPTED BY MEMBERS OR FORMER MEMBERS.

(a) ELIGIBILITY FOR HEALTH BENEFITS.—Section 1072 of title 10, United States Code, is amended—

(1) in paragraph (2)(D), by striking out the matter above clause (i) and inserting in lieu thereof the following:

"(D) a child who—"; and

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

"(6) The term 'child', with respect to a member or former member of a uniformed service, means the following:

"(A) An unmarried natural child.

"(B) An unmarried adopted child.

"(C) An unmarried stepchild.

"(D) An unmarried person—

"(i) who is placed in the home of the member or former member by a placement agency (recognized by the Secretary of Defense) in anticipation of the legal adoption of the person by the member or former member; and

"(ii) who otherwise meets the requirements specified in paragraph (2)(D).".

(b) CONFORMING AMENDMENT.—Section 401(b)(1)(B) of title 37, United States Code, is amended by striking out "placement agency for the purpose of adoption" and inserting in lieu thereof "placement agency (recognized by the Secretary of Defense) in anticipation of the legal adoption of the child by the member".

SEC. 702. AVAILABILITY OF DEPENDENTS' DENTAL PROGRAM OUTSIDE THE UNITED STATES.

Section 1076a of title 10, United States Code, is amended—

(1) by redesignating subsection (g) as subsection (h); and

(2) by inserting after subsection (f) the following new subsection (g):

"(g) CARE OUTSIDE THE UNITED STATES.—The Secretary shall exercise the authority provided under subsection (a) to establish basic dental benefits plans for providing dental benefits outside the United States for spouses and children of members of the uniformed services accompanying the members on permanent assignments to duty outside the United States.".

SEC. 703. CONDITIONS UNDER WHICH MEDICAL AND DENTAL CARE OF ABUSED DEPENDENTS IS AUTHORIZED.

Section 1076(e)(1)(A) of title 10, United States Code, is amended to read as follows:

"(A) a member of a uniformed service is convicted by a court-martial or a civil court for an offense involving abuse of a dependent of the member, as determined in accordance with regulations prescribed by the administering Secretary for such uniformed service, and—

"(i) in the case of a court-martial conviction, the member receives a dishonorable or bad-conduct discharge or is dismissed or administratively discharged from a uniformed service as a result of the conviction; or

"(ii) in the case of a civil court conviction, the member is administratively discharged from a uniformed service as a result of the conviction; and".

SEC. 704. COORDINATION OF BENEFITS WITH MEDICARE.

Section 1086(d) of title 10, United States Code, is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3)(A) Subject to subparagraph (B), if a person described in paragraph (2) receives medical or dental care for which payment may be made under medicare and a plan contracted for under subsection (a), the amount payable for that care under the plan shall be the amount equal to the excess of the total amount of the charges imposed by the provider or providers of such care over the sum of—

"(i) the amount paid for that care under medicare; and

"(ii) the total of all amounts paid or payable by third party payers other than medicare.

"(B) The amount payable for care under a plan pursuant to subparagraph (A) may not exceed the total amount that would be paid under the plan if payment for that care were made solely under the plan.

"(C) In this paragraph:

"(i) The term 'medicare' means title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

"(ii) The term 'third party payer' has the meaning given such term in section 1095(h)(1) of this title.".

SEC. 705. AUTHORITY FOR REIMBURSEMENT OF PROFESSIONAL LICENSE FEES UNDER RESOURCE SHARING AGREEMENTS.

Section 1096 of title 10, United States Code, is amended by adding at the end the following:

"(d) REIMBURSEMENT FOR LICENSE FEES.—In any case in which it is necessary for a member of the uniformed services to pay a professional license fee imposed by a government in order to provide health care services at a facility of a civilian health care provider pursuant to an agreement entered into under subsection (a), the Secretary of Defense may reimburse the member for up to $500 of the amount of the license fee paid by the member.".

SEC. 706. CHIROPRACTIC HEALTH CARE DEMONSTRATION PROGRAM.

(a) REQUIREMENT FOR PROGRAM.—(1) Not later than 120 days after the date of enactment of this Act, the Secretary of Defense, in consultation with the secretaries of the military departments, shall develop and carry out a demonstration program to evaluate the feasibility and advisability of furnishing chiropractic care through the medical care facilities of the Armed Forces.

(2) In carrying out the program, the Secretary of Defense shall—

(A) subject to paragraph (3), designate not less than 10 major military medical treatment facilities of the Department of Defense to furnish chiropractic care under the program; and

(B) enter into agreements with such number of chiropractors as the Secretary determines sufficient for the purposes of the program to furnish chiropractic care at such facilities under the program.

(3) The Secretary may not designate under paragraph (2) any treatment facility that is located on a military installation scheduled for closure or realignment under a base closure law.

(b) PROGRAM PERIOD.—The Secretary shall carry out the demonstration program in fiscal years 1995 through 1997.

(c) REPORTING REQUIREMENTS.—(1) Not later than January 30, 1995, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the demonstration program. The report shall—

(A) identify the treatment facilities designated pursuant to subsection (a)(2)(A); and

(B) include a discussion of the plan for the conduct of the program.

(2) Not later than May 1, 1995, the Secretary of Defense shall submit to the committees referred to in paragraph (1) a plan for evaluating the program, including a schedule for conducting progress reviews and for submitting a final report to the committees.

(3) The Secretary shall submit to the committees referred to in paragraph (1) a final report in accordance with the plan submitted to such committees pursuant to paragraph (2).

(d) OVERSIGHT ADVISORY COMMITTEE.—(1)(A) Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall establish an oversight advisory committee to assist and advise the Secretary with regard to the development and conduct of the demonstration program.

(B) The oversight advisory committee shall include the following members:

(i) The Comptroller General of the United States, or a designee from within the General Accounting Office.

(ii) The Assistant Secretary of Defense for Health Affairs, or a designee.

(iii) The Surgeon General of the Army, or a designee.

(iv) The Surgeon General of the Navy, or a designee.

(v) The Surgeon General of the Air Force, or a designee.

(vi) Not fewer than four independent representatives of the chiropractic health care profession, appointed by the Secretary of Defense.

(2) The oversight advisory committee shall assist the Secretary of Defense regarding—

(A) issues involving the professional credentials of the chiropractors participating in the program;

(B) the granting of professional practice privileges for the chiropractors at the treatment facilities participating in the program;

(C) the preparation of the reports required under subsection (c); and

(D) the evaluation of the program.

(e) DEFINITION.—For purposes of this section, the term "base closure law" means each of the following:

(1) 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).

(2) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(3) Section 2687 of title 10, United States Code.

SEC. 707. IMPLEMENTATION OF ANNUAL HEALTH CARE SURVEY REQUIREMENT.

Section 724 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2440; 10 U.S.C. 1071 note) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection (b):

"(b) EXEMPTION.—An annual survey under subsection (a) shall be treated as not a collection of information for the purposes for which such term is defined in section 3502(4) of title 44.".

SEC. 708. STUDY AND REPORT ON FINANCIAL RELIEF FOR CERTAIN MEDICARE-ELIGIBLE MILITARY RETIREES WHO INCUR MEDICARE LATE ENROLLMENT PENALTIES.

(a) STUDY.—The Secretary of Defense, in consultation with the Secretary of Health and Human Services, shall conduct a study regarding possible financial relief from late enrollment penalties for military retirees and dependents of such retirees who reside within the service area of a base closure site and who have failed to timely enroll in medicare part B due to reliance upon the military treatment facility located at such site.

(b) REPORT.—Not later than March 31, 1995, the Secretary of Defense shall report to Congress the results of the study under paragraph (1). Such report shall also—

(1) identify by base closure site the number of military retirees within a 65 mile catchment area who have failed to enroll in medicare part B and are subjected to late enrollment penalties;

(2) determine the estimated aggregate amount of the penalties by base closure site;

(3) describe the characteristics of the population that are subject to the penalties, such as age and income level;

(4) address the appropriateness of waiving such penalties;

(5) identify the Department of Defense funds that should be used to pay the penalties if waiving such penalties is not recommended;

(6) outline a program for a special medicare part B enrollment period for affected retirees living near bases already closed and bases which are designated for closure in the future; and

(7) include legislative recommendations for implementing a program which removes the financial burden from the medicare-eligible beneficiaries who have been or will be adversely impacted by base-closure actions.

(c) DEFINITIONS.—For purposes of this section:

(1) The term "base closure" means a base closure under a base closure law (within the

meaning given such term in section 2825(d) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 2687 note)).

(2) The term "medicare part B" means the public health insurance program under part B of title XVIII of the Social Security Act.

(3) The term "military treatment facility" means a facility of a uniformed service referred to in section 1074(a) of title 10, United States Code, in which health care is provided.

SEC. 709. ELIGIBILITY FOR PARTICIPATION IN DEMONSTRATION PROGRAMS FOR SALE OF PHARMACEUTICALS.

Subparagraph (B) of section 702(c)(2) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1079 note) is amended to read as follows:

"(B) either—

"(i) resides in an area that is adversely affected (as determined by the Secretary) 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; or

"(ii) can demonstrate to the satisfaction of the Secretary that the person obtained pharmaceuticals at a health care facility referred to in clause (i) before the closure of the facility.".

SEC. 710. COST ANALYSIS OF TIDEWATER TRICARE DELIVERY OF PEDIATRIC HEALTH CARE TO MILITARY FAMILIES.

(a) COST ANALYSIS REQUIRED.—Not later than July 1, 1995, the Assistant Secretary of Defense (Health Affairs) shall determine the amount of the expenditures made by the Department of Defense for pediatric care for each of fiscal years 1992, 1993, and 1994 under the program for delivery of health care services in the Tidewater region of Virginia carried out pursuant to section 712(b) of Public Law 102-190 (105 Stat. 1402). The Assistant Secretary shall determine the total amount of such expenditures and the amount of such expenditures for each case.

(b) USE OF ANALYSIS.—In establishing any managed care system involving the furnishing of pediatric care by the Department of Defense (including the furnishing of pediatric care under the Civilian Health and Medical Program of the Uniformed Services), the Assistant Secretary shall consider the amounts determined under subsection (a) in determining the appropriate standards, limitations, and requirements to apply to the cost of pediatric care under the system.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Use of Merit Based Selection Procedures

SEC. 801. POLICY FOR MERIT BASED AWARD OF CONTRACTS AND GRANTS.

(a) POLICY.—Section 2301 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e)(1) It is the policy of Congress that the Department of Defense should not be required by legislation to award a new contract or grant to a specific non-Federal Government entity. It is further the policy of Congress that any program, project, or technology identified in legislation be procured through merit-based selection procedures.

"(2) A provision of law may not be construed as requiring the Department of Defense to award a new contract or grant to a specific non-Federal Government entity unless that provision of law—

"(A) specifically refers to this subsection;

"(B) specifically identifies the particular non-Federal Government entity to be awarded the contract or grant; and

"(C) sets forth the national defense purpose to be fulfilled by requiring the department to award a new contract or grant to the specified non-Federal Government entity.

"(3) The head of an agency may not award a contract or make a grant pursuant to a provision of law that authorizes or requires the awarding of the contract or the making of the grant, as the case may be, in a manner that is inconsistent with the policy set forth in paragraph (1) until—

"(A) the Secretary of Defense submits to Congress a notice in writing of the intent to award such contract or to make such grant; and

"(B) a period of 180 days elapses after the date on which the notice is received by Congress.

"(4) For purposes of this subsection—

"(A) a contract is a new contract unless the work provided for in the contract is a continuation of the work provided for in a preceding contract; and

"(B) a grant is a new grant unless the work funded by the grant is substantially a continuation of the work for which funding is provided in a preceding grant.

"(4) Paragraph (3) does not apply to the Secretary of Transportation or the Administrator of the National Space and Aeronautics Administration.".

SEC. 802. CONTINUATION OF EXPIRING REQUIREMENT FOR ANNUAL REPORT ON THE USE OF COMPETITIVE PROCEDURES FOR AWARDING CERTAIN CONTRACTS TO COLLEGES AND UNIVERSITIES.

Paragraph (3) of section 2361(c) of title 10, United States Code, is repealed.

Subtitle B—Acquisition Assistance Programs

SEC. 811. PROCUREMENT TECHNICAL ASSISTANCE PROGRAMS.

(a) FUNDING.—Of the amount authorized to be appropriated under section 301(5), $12,000,000 shall be available for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) SPECIFIC PROGRAMS.—Of the amounts made available pursuant to subsection (a), $600,000 shall be available for fiscal year 1995 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 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.

SEC. 812. PILOT MENTOR-PROTEGE PROGRAM.

Of the amounts authorized to be appropriated for fiscal year 1995 pursuant to title I of this Act, $50,000,000 shall be available for conducting the pilot Mentor-Protege Program established pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2301 note).

SEC. 813. INFRASTRUCTURE ASSISTANCE FOR HISTORICALLY BLACK COLLEGES AND OTHER MINORITY INSTITUTIONS OF HIGHER EDUCATION.

Of the amounts authorized to be appropriated for fiscal year 1995 pursuant to title II of this Act, $35,000,000 shall be available for such fiscal year for infrastructure assistance to historically Black colleges and universities and minority institutions under section 2323(c)(3) of title 10, United States Code.

SEC. 814. EXTENSION OF TEST PROGRAM FOR NEGOTIATION OF COMPREHENSIVE SMALL BUSINESS SUBCONTRACTING PLANS.

Section 834(e) 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, 1994" in the second sentence and inserting in lieu thereof "September 30, 1998".

SEC. 815. LIMITATION REGARDING ACQUISITION ASSISTANCE REGULATIONS REQUIRED BY PUBLIC LAW 103-160 BUT NOT ISSUED.

(a) LIMITATION ON THE USE OF FUNDS.—None of the funds authorized to be appropriated by this Act that are made available for program element 65104D activities may be expended until the Secretary of Defense takes the actions required by the following provisions of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160):

(1) Section 811(d)(1), relating to regulations that address the matters described in subsections (g) and (h)(2) of section 2323 of title 10, United States Code.

(2) Section 813(b)(1), relating to the Department of Defense policy regarding the pilot Mentor-Protege Program.

(b) ACTIONS REQUIRED.—(1) With respect to the regulations referred to in subsection (a)(1), the Secretary shall—

(A) publish proposed regulations within 15 days after the date of the enactment of this Act in accordance with section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b);

(B) provide a period of not less than 60 days for public comment on the proposed regulations; and

(C) publish the final regulations not later than 120 days after the date of the enactment of this Act.

(2) With respect to the action referred to in subsection (a)(2), the Secretary shall ensure that—

(A) within 30 days after the date of the enactment of this Act, the Department of Defense policy regarding the pilot Mentor-Protege Program is incorporated into the Department of Defense Supplement to the Federal Acquisition Regulation as an appendix; and

(B) any subsequent revision to such policy (or any successor to such policy) is published and maintained in such supplement as an appendix.

(c) PROGRAM ELEMENT 65104D ACTIVITIES DEFINED.—For purposes of this section, the program element 65104D activities referred to in subsection (a) are the activities described as program element 65104D in the materials submitted to Congress by the Secretary of Defense in support of the budget for fiscal year 1995 that was submitted to Congress pursuant to section 1105(a) of title 31, United States Code.

SEC. 816. TREATMENT UNDER SUBCONTRACTING PLANS OF PURCHASES FROM QUALIFIED NONPROFIT AGENCIES FOR THE BLIND OR SEVERELY DISABLED.

(a) REVISION AND EXTENSION OF AUTHORITY.—Section 2410d of title 10, United States Code, relating to credit under small business subcontracting plans for certain purchases, is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) by striking out "and" at the end of subparagraph (A);

(ii) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

(iii) by adding at the end the following new subparagraph:

"(C) a central nonprofit agency designated by the Committee for Purchase from People Who Are Blind or Severely Disabled under section 2(c) of such Act (41 U.S.C. 47(c).";

(B) by striking out paragraph (3); and

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

(2) in subsection (c), by striking out "September 30, 1994" and inserting in lieu thereof "September 30, 1997".

(b) CONFORMING AMENDMENT.—Section 2301(d) of such title is amended by striking out "approved commodities and services (as defined in such section)" and inserting in lieu thereof "commodities and services".

Subtitle C—Other Matters

SEC. 821. USE OF CERTAIN FUNDS PENDING SUBMISSION OF A NATIONAL TECHNOLOGY AND INDUSTRIAL BASE PERIODIC DEFENSE CAPABILITY ASSESSMENT AND A PERIODIC DEFENSE CAPABILITY PLAN.

(a) LIMITATION.—None of the funds authorized to be appropriated by this Act that are made available for program element 65104D activities may be expended until the Secretary of Defense submits to Congress—

(1) a national technology and industrial base periodic defense capability assessment required by section 2505 of title 10, United States Code; and

(2) and a periodic defense capability plan required by section 2506 of such title.

(b) PROGRAM ELEMENT 65104D ACTIVITIES DEFINED.—For purposes of this section, the program element 65104D activities referred to in subsection (a) are the activities described as program element 65104D in the materials submitted to Congress by the Secretary of Defense in support of the budget for fiscal year 1995 that was submitted to Congress pursuant to section 1105(a) of title 31, United States Code.

SEC. 822. DELEGATION OF INDUSTRIAL MOBILIZATION AUTHORITY.

Section 2538 of title 10, United States Code, is amended—

(1) by striking out "through the Secretary of Defense" each place it appears in subsections (a), (c), and (d) and inserting in lieu thereof "through the head of any department"; and

(2) in subsection (c)—

(A) by striking out "in the opinion of the Secretary of Defense" in the matter above paragraph (1) and inserting in lieu thereof "in the opinion of the head of any department"; and

(B) by striking out "Secretary" each place it appears in paragraphs (2) and (3) and inserting in lieu thereof "head of the department".

SEC. 823. PERMANENT AUTHORITY FOR THE DEPARTMENT OF DEFENSE TO SHARE EQUITABLY THE COSTS OF CLAIMS UNDER INTERNATIONAL ARMAMENTS COOPERATIVE PROGRAMS.

Subsection (c) of section 843 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2469; 10 U.S.C. 2350a note) is repealed.

SEC. 824. DETERMINATIONS OF PUBLIC INTEREST UNDER THE BUY AMERICAN ACT.

(a) CONSIDERATIONS.—Section 2533 of title 10, United States Code, is amended—

(1) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a) In determining under section 2 of title III of the Act of March 3, 1993 (41 U.S.C. 10a), popularly known as the 'Buy American Act', whether application of title III of such Act is inconsistent with the public interest, the Secretary of Defense shall consider the following:

"(1) The bids or proposals of small business firms in the United States which have offered to furnish American goods.

"(2) The bids or proposals of all other firms in the United States which have offered to furnish American goods.

"(3) The United States balance of payments.

"(4) The cost of shipping goods which are other than American goods.

"(5) Any duty, tariff, or surcharge which may enter into the cost of using goods which are other than American goods.

"(6) Any need to coordinate acquisition activities of the Department of Defense with obligations contained in international agreements and with the acquisition activities of major United States allies.

"(7) A need to ensure that the Department of Defense has access to advanced state-of-the-art commercial technology.

"(8) A need to protect the national technology and industrial base and to provide for a defense mobilization base.

"(9) A need to ensure that application of different rules of origin for United States end items and foreign end items does not result in an award to a firm other than a firm providing a product produced in the United States.

"(10) Any need—

"(A) to maintain the same source of supply for spare and replacement parts for an end item that qualifies as an American good; or

"(B) to maintain the same source of supply for spare and replacement parts in order not to impair integration of the military and commercial industrial base.

"(11) The national security interests of the United States."; and

(2) by redesignating subsection (c) as subsection (b).

(b) CONFORMING AND CLERICAL AMENDMENTS.—(1) The heading of section 2533 of such title is amended to read as follows:

"§ 2533. Determinations of public interest under the Buy American Act".

(2) The item relating to such section in the table of sections at the beginning of subchapter V of chapter 148 of such title is amended to read as follows:

"2533. Determinations of public interest under the Buy American Act.".

SEC. 825. DOCUMENTATION FOR AWARDS FOR COOPERATIVE AGREEMENTS OR OTHER TRANSACTIONS UNDER THE DEFENSE TECHNOLOGY REINVESTMENT PROGRAM.

At the time of the award for a cooperative agreement or other transaction under a program carried out under chapter 148 of title 10, United States Code, the head of the agency concerned shall include in the file pertaining to such agreement or transaction a brief explanation of the manner in which the award advances and enhances a particular national security objective set forth in section 2501(a) of such title or a particular policy objective set forth in section 2501(b) of such title.

SEC. 826. COMPTROLLER GENERAL ASSESSMENT OF EXTENT TO WHICH TECHNOLOGY AND INDUSTRIAL BASE PROGRAMS ATTAIN POLICY OBJECTIVES.

Not later than 180 days after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress an assessment of the extent to which awards for cooperative agreements and other transactions under programs carried out under chapter 148 of title 10, United States Code, have been made specifically to advance and enhance a particular national security objective set forth in section 2501(a) of such title or to achieve a particular policy objective set forth in section 2501(b) of such title.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Secretarial Matters

SEC. 901. ADDITIONAL ASSISTANT SECRETARY OF DEFENSE.

(a) ESTABLISHMENT OF POSITION.—Section 138(a) of title 10, United States Code, is amended by striking out "ten" and inserting in lieu thereof "eleven".

(b) EXECUTIVE LEVEL IV.—Section 5315 of title 5, United States Code, is amended by striking out "Assistant Secretaries of Defense (10)." and inserting in lieu thereof the following:

"Assistant Secretaries of Defense (11).".

SEC. 902. ORDER OF SUCCESSION TO SECRETARIES OF THE MILITARY DEPARTMENTS.

(a) ARMY.—Section 3017 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) The General Counsel of the Department of the Army.".

(b) NAVY.—Section 5017 of such title is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (5) and (6), respectively; and

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

"(3) The General Counsel of the Department of the Navy.".

(c) AIR FORCE.—Section 8017 of such title is amended—

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

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

"(3) The General Counsel of the Department of the Air Force.".

Subtitle B—Commission on Roles and Missions of the Armed Forces

SEC. 911. REVIEW OF RESERVE COMPONENTS.

Section 953(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1739) is amended—

(1) in subsection (d)—

(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 the following new paragraph:

"(9) the role of the National Guard and the other reserve components.";

(2) in subsection (e)(3), by inserting after "Department of Defense" the following: ", including the National Guard and the other reserve components"; and

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

"(h) RECOMMENDATIONS CONCERNING RESERVE COMPONENTS.—The Commission shall address the roles, missions, and functions of the reserve components within the total force of the armed forces, particularly in light of lower budgetary resources that will be available to the Department of Defense in the future. The Commission should employ or consult private citizens with extensive experience in matters concerning the National Guard and other reserve components.".

SEC. 912. SUPPORT BY FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

Section 957 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1741; 10 U.S.C. 111 note) is amended—

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

"(f) SUPPORT FROM FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.—Upon the request of the chairman of the Commission, the Secretary of Defense shall make available to the Commission, without reimbursement, the services of one or more federally funded research and development centers covered by sponsoring agreements of the Department of Defense. The cost of the services made available pursuant to this subsection may not exceed $20,000,000."; and

(2) by striking out the section heading and inserting in lieu thereof the following:

"SEC. 957. PERSONNEL MATTERS; EXPERT SERVICES.".

SEC. 913. REVISION IN COMPOSITION OF COMMISSION.

(a) REVISION.—Section 952(b) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 10 U.S.C. 111 note; 107 Stat. 1738) is amended—

(1) in the first sentence of paragraph (1), by striking out "seven" and inserting in lieu thereof "eight"; and

(2) in paragraph (2)—

(A) by inserting "(A)" before "The Commission"; and

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

"(B) The additional member of the Commission appointed under this paragraph after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995 shall have previous military experience and management experience with the reserve components.".

(b) APPOINTMENT.—The Secretary of Defense shall make the appointment required as a result of the amendments made by subsection (a) not later than 15 days after the date of the enactment of this Act.

Subtitle C—Other Matters

SEC. 921. COMPOSITION OF RESERVE FORCES POLICY BOARD.

Section 175(a) of title 10, United States Code, is amended—

(1) in paragraph (4), by striking out "or Regular Marine Corps" and inserting in lieu thereof "and an officer of the Regular Marine Corps each";

(2) by striking out "and" at the end of paragraph (8);

(3) by striking out the period at the end of paragraph (9) and inserting in lieu thereof "; and"; and

(4) by adding at the end the following:

"(10) an officer of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps serving in a position on the Joint Staff who is designated by the Chairman of the Joint Chiefs of Staff.".

SEC. 922. CONTINUATION OF UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) CLOSURE PROHIBITED.—The Uniformed Services University of the Health Sciences may not be closed.

(b) BUDGETARY COMMITMENT TO CONTINUATION.—It is the sense of Congress that the Secretary of Defense should budget for the ongoing operation of the Uniformed Services University of the Health Sciences as an institution of professional education that is vital to the education and training each year of significant numbers of personnel of the uniformed services for careers as uniformed services health care providers.

(c) EVALUATION OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.—

(1) GAO REPORT.—By June 1, 1995, the Comptroller General of the United States shall submit to the appropriate Committees of the Congress a detailed report that—

(A) compares the cost of obtaining physicians from the Uniformed Services University of the Health Sciences with other sources of military physicians;

(B) assesses the retention rate needs of the military for physicians in relation to the respective retention rates of Uniformed Services University of the Health Sciences physicians and physicians obtained from other sources and the factors which contribute to retention rates among military physicians obtained from all sources;

(C) reviews the quality of the medical education provided at the Uniformed Services University of the Health Sciences with the quality of medical education provided by other sources of military physicians;

(D) reviews the overall issue of the special needs of military medicine and how these special needs are being met by Uniformed Services University of Health Sciences physicians and physicians obtained from other sources;

(E) assesses the extent to which the Uniformed Services University of the Health Sciences has responded to the 1990 report of the Inspector General of the Department of Defense and make recommendations as to resolution of any continuing issues relating to management and internal fiscal controls of the Uniformed Services University of the Health Sciences, including issues relating to the Henry M. Jackson Foundation for the Advancement of Military Medicine identified in the 1990 report; and

(F) makes such recommendations as the Comptroller General deems appropriate.

SEC. 923. JOINT DUTY CREDIT FOR CERTAIN DUTY PERFORMED DURING MILITARY OPERATIONS IN SUPPORT OF UNIFIED, COMBINED, OR UNITED NATIONS MILITARY OPERATIONS.

(a) CREDIT AUTHORIZED.—Section 664 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(i) SPECIAL AUTHORITY.—(1) The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, may give an officer who has completed service described in paragraph (2) credit for having completed a full tour of duty in a joint duty assignment, or credit countable for determining cumulative service in joint duty assignments, for the purposes of any provision of this title, notwithstanding the length of such service or whether such service is within the definition of the term 'joint duty assignment' prescribed pursuant to section 668 of this title.

"(2) Service referred to in paragraph (1) is service performed by an officer in combat or combat related military operations, under the operational control of the commander of a unified combatant command, the commander of combined forces of allied nations, or the United Nations, in which the officer gained significant experience in joint matters, as determined by the Secretary.

"(3) Officers for whom joint duty credit is granted pursuant to this subsection—

"(A) shall not be counted for the purposes of paragraphs (7), (8), (9), (11), or (12) of section 667 of this title and subsections (a)(3) and (b) of section 662 of this title; and

"(B) are not subject to the requirements of section 661(c) of this title relating to the sequence for completion of a joint professional military education school, completion of a full tour of duty in a joint duty assignment, and selection for a joint specialty.".

(b) APPLICABILITY.—Subsection (i) of section 664 of title 10, United States Code, as added by subsection (a), shall apply with respect to military operations conducted after July 1, 1992.

SEC. 924. ASSISTANCE FOR CERTAIN WORKERS DISLOCATED DUE TO REDUCTIONS BY THE UNITED STATES IN THE EXPORT OF DEFENSE ARTICLES AND SERVICES.

(a) ASSISTANCE UNDER DEFENSE CONVERSION ADJUSTMENT PROGRAM.—Section 325 of the Job Training Partnership Act (29 U.S.C. 1662d) is amended—

(1) in subsection (a)—

(A) by striking out "or by closures of United States military facilities" in the first sentence and inserting in lieu thereof ", by closures of United States military facilities, or by reductions in the export of defense articles and defense services as a result of United States policy (including reductions in the amount of defense articles and defense services under agreements to provide such articles or services or through termination or completion of any such agreements)"; and

(B) by striking out "or by closures of United States military facilities" in the second sentence and inserting in lieu thereof ", by closures of United States military facilities, or by reductions in the export of defense articles and defense services as a result of United States policy";

(2) in subsection (d), by striking out "or by the closure of United States military installations" and inserting in lieu thereof ", by closures of United States military facilities, or by reductions in the export of defense articles and defense services as a result of United States policy (including reductions in the amount of defense articles and defense services under agreements to provide such articles or services or through termination or completion of any such agreements)"; and

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

"(f) DEFINITION.—For purposes of this section, the term 'defense articles and defense services' means defense articles, defense services, or design and construction services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), including defense articles and defense services licensed or approved for export under section 38 of that Act (22 U.S.C. 2778).".

(b) ASSISTANCE UNDER DEFENSE DIVERSIFICATION PROGRAM.—Section 325A of the Job Training Partnership Act (29 U.S.C. 1662d-1) is amended—

(1) in subsection (b)(3)(A), by striking out "or the closure or realignment of a military installation" and inserting in lieu thereof ", the closure or realignment of a military installation, or reductions in the export of defense articles and defense services as a result of United States policy (including reductions in the amount of defense articles and defense services under agreements to provide such articles or services or through termination or completion of any such agreements)";

(2) in subsection (k)(1), by striking out "or by the closure of United States military installations" and inserting in lieu thereof ", the closure of United States military installations, or reductions in the export of defense articles and defense services as a result of United States policy (including reductions in the amount of defense articles and defense services under agreements to provide such articles or services or through termination or completion of any such agreements)"; and

(3) in subsection (o), by adding at the end the following new paragraph:

"(3) DEFENSE ARTICLES AND DEFENSE SERVICES.—The term 'defense articles and defense services' means defense articles, defense services, or design and construction services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), including defense articles and defense services licensed or approved for export under section 38 of that Act (22 U.S.C. 2778).".

Subtitle D—Professional Military Education

SEC. 931. AUTHORITY FOR MARINE CORPS UNIVERSITY TO AWARD THE DEGREE OF MASTER OF MILITARY STUDIES.

(a) AUTHORITY TO AWARD.—(1) Chapter 609 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 7102. Marine Corps University: master of military studies

"(a) AUTHORITY.—Upon the recommendation of the Director and faculty of the Marine Corps Command and Staff College, the President of the Marine Corps University may confer the degree of master of military studies upon graduates of the college who fulfill the requirements for the degree.

"(b) REGULATIONS.—The authority provided by subsection (a) shall be exercised under regulations prescribed by the Secretary of the Navy.".

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

"7102. Marine Corps University: master of military studies.".

(b) EFFECTIVE DATE.—The authority provided by section 7102(a) of title 10, United States Code, as added by subsection (a), shall become effective on the date on which the Secretary of Education determines that the requirements established by the Command and Staff College of the Marine Corps University for the degree of master of military studies are in accordance with generally applicable requirements for a degree of master of arts.

SEC. 932. BOARD OF ADVISORS OF MARINE CORPS UNIVERSITY.

(a) BOARD.—(1) Chapter 609 of title 10, United States Code, as amended by section 931, is further amended by adding at the end the following new section:

"§ 7103. Marine Corps University: Board of Advisors

"(a) IN GENERAL.—A Board of Advisors to the President of the Marine Corps University is constituted annually of—

"(1) the chairman of the Committee on Armed Services of the Senate, or the designee of the chairman; and

"(2) six persons designated by the Secretary of the Navy.

"(b) TERMS.—(1) The persons designated by the Secretary of the Navy shall serve for 3 years each except that any member whose term of office has expired shall continue to serve until the successor to the member is designated.

"(2) Members may be reappointed for one or more successive terms.

"(3) If a member of the Board dies or resigns, the official who designated that member shall designate a successor to serve for the unexpired portion of the term of the member.

"(c) VISITS.—The Board shall visit the Marine Corps University semiannually upon the call of the President of the Marine Corps University. With the approval of the President of the University, the Board, or any of its members, may make other visits to the University in connection with the duties of the Board or to consult with the President of the University.".

(2) The table of sections at the beginning of such chapter, as amended by section 931, is further amended by adding at the end the following new item:

"7103. Marine Corps University: Board of Advisors.".

(b) INITIAL DESIGNATIONS OF MEMBERS.—Of the members of the Board of Advisors of the Marine Corps University initially designated under section 7103(a)(2) of title 10, United States Code, as added by subsection (a)—

(1) two shall be designated for a term of 3 years;

(2) two shall be designated for a term of 2 years; and

(3) two shall be designated for a term of 1 year.

SEC. 933. AUTHORITY FOR AIR UNIVERSITY TO AWARD THE DEGREE OF MASTER OF AIRPOWER ART AND SCIENCE.

(a) AUTHORITY TO AWARD.—(1) Chapter 901 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9317. Air University: master of airpower art and science

"(a) AUTHORITY.—Upon the recommendation of the faculty of the School of Advanced Airpower Studies of the Air University, the Commander of the university may confer the degree of master of airpower art and science upon graduates of the school who fulfill the requirements for the degree.

"(b) REGULATIONS.—The authority provided by subsection (a) shall be exercised under regulations prescribed by the Secretary of the Air Force.".

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

"9317. Air University: master of airpower art and science.".

(b) EFFECTIVE DATE.—The authority provided by section 9317(a) of title 10, United States Code, as added by subsection (a), shall become effective on the date on which the Secretary of Education determines that the requirements established by the School of Advanced Airpower Studies of the Air University for the degree of master of airpower art and science are in accordance with generally applicable requirements for a degree of master of arts or a degree of master of science.

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 1995 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 $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1002. EMERGENCY SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1994.

There is authorized to be appropriated as emergency supplemental appropriations for fiscal year 1994 for the incremental costs arising from ongoing United States operations in Somalia, Bosnia, Southwest Asia, and Haiti, $1,198,300,000 as follows:

(1) For Military Personnel:

(A) For the Army, $6,600,000.

(B) For the Navy, $19,400,000.

(C) For the Air Force, $18,400,000.

(2) For Operation and Maintenance:

(A) For the Army, $420,100,000.

(B) For the Navy, $104,800,000.

(C) For the Air Force, $560,100,000.

(D) For Defense-wide activities, $21,600,000.

(3) For Procurement:

(A) For Aircraft Procurement, Army, $20,300,000.

(B) For Other Procurement, Army, $200,000.

(C) For Other Procurement, Air Force, $26,800,000.

SEC. 1003. DATE FOR SUBMISSION OF FUTURE-YEARS MISSION BUDGET.

Section 222(a) of title 10, United States Code, is amended by striking out "at the same time" in the second sentence and inserting in lieu thereof "not later than 60 days after the date on which".

SEC. 1004. SUBMISSION OF FUTURE-YEARS DEFENSE PROGRAM IN ACCORDANCE WITH LAW.

If, as of the end of the 90-day period beginning on the date on which the President's budget for fiscal year 1996 is submitted to Congress, the Secretary of Defense has not submitted to Congress the fiscal year 1996 future-years defense program and, after consultation with the Inspector General of the Department of Defense, a certification that such program satisfies the requirements of section 221(b) of title 10, United States Code, then during the 30-day period beginning on the last day of such 90-day period the Secretary may not obligate more than 10 percent of the fiscal year 1995 advance procurement funds that are available for obligation as of the end of that 90-day period. If, as of the end of such 30-day period, the Secretary of Defense has not submitted to Congress the fiscal year 1996 future-years defense program together with such a certification, then the Secretary may not make any further obligation of fiscal year 1995 advance procurement funds until such program and certification are submitted to Congress. If the Secretary submits to Congress the fiscal year 1996 future-years defense program, together with such a certification, during the 30-day period described in the first sentence, the limitation on obligation of advance procurement funds prescribed in that sentence shall cease to apply effective as of the date of the submission of such program and certification.

Subtitle B—Matters Relating to Allies and Other Nations

SEC. 1011. REPEAL OF LIMITATION ON OVERSEAS MILITARY END STRENGTH.

Section 1302 of the National Defense Authorization Act for Fiscal Year 1993 (Public

Law 102-484; 106 Stat. 2545; 10 U.S.C. 113 note) is repealed.

SEC. 1012. AUTHORIZED END STRENGTH FOR MILITARY PERSONNEL IN EUROPE.

(a) END STRENGTH.—Paragraph (1) of section 1002(c) of the National Defense Authorization Act, 1985 (22 U.S.C. 1928 note) is amended to read as follows:

"(1) The end strength level of members of the Armed Forces of the United States assigned to permanent duty ashore in European member nations of NATO may not exceed a permanent ceiling of approximately 100,000 in any fiscal year.

"(2) Notwithstanding paragraph (1), the end strength level of members of the Armed Forces of the United States assigned to permanent duty ashore in European member nations of NATO may exceed 100,000 in a fiscal year if, before September 1 of that fiscal year, the President certifies to Congress that it is essential for the end strength level to exceed 100,000 in that fiscal year in order to attain national security objectives of the United States in Europe and that the number of personnel in excess of 100,000 does not exceed the number of additional personnel necessary to attain such objectives. In no event may the end strength level exceed 113,000 in any fiscal year.".

(b) CONFORMING AMENDMENT.—Section 1303 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2546) is repealed.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1995.

SEC. 1013. EXTENSION AND REVISION OF AUTHORITIES RELATING TO COOPERATIVE THREAT REDUCTION.

(a) FUNDING FOR FISCAL YEAR 1995.—Funds authorized to be appropriated under section 301(19) shall be available for cooperative threat reduction with states of the former Soviet Union under the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103-160; 22 U.S.C. 5951 et seq.).

(b) SEMI-ANNUAL REPORTS.—Section 1207 of such Act (22 U.S.C. 5956) is amended by striking out "and not later than October 30, 1994," and inserting in lieu thereof "October 30, 1994, April 30, 1995, and October 30, 1995,".

SEC. 1014. DEFENSE COOPERATION BETWEEN THE UNITED STATES AND ISRAEL.

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

(1) The President has made a commitment to maintaining the qualitative superiority of the Israeli Defense Force over any potential combination of potential adversaries.

(2) Despite the peace process in which Israel is engaged, Israel continues to face difficult threats to its national security.

(3) The threats are compounded by the proliferation of weapons of mass destruction and ballistic missiles.

(4) Congress recognizes the many benefits to the United States resulting from the strategic relationship that exists between the United States and Israel.

(5) Congress is supportive of the objective of the President to enhance United States-Israel military and technical cooperation, particularly in the areas of missile defense and counter-proliferation.

(6) Congress is supportive of the establishment of the United States-Israel Science and Technology Commission in 1993.

(7) Maintaining the qualitative superiority of the Israeli Defense Force and strengthening the defense ties and science and technology cooperation between the United States and Israel will help ensure that Israel has the military strength and political support necessary to take risks for peace while providing Arab states with an incentive to pursue negotiations instead of war.

(8) Israel continues to cooperate with the United States on numerous theater missile defense programs, including the Arrow Tactical Anti-Missile program and the boost phase intercept technology program.

(9) It is in the national interests of the United States and Israel to strengthen existing mechanisms for cooperation and to eliminate unnecessary barriers to further collaboration between the United States and Israel.

(b) SENSE OF CONGRESS.—It is the sense of Congress that Congress—

(1) encourages the President to ensure that any conventional defense system or technology offered for release to any NATO or other major non-NATO ally should concurrently be available for purchase by Israel unless such action would contravene United States national interests; and

(2) urges the President to make available to Israel, within existing technology transfer laws, regulations, and policies, advanced United States technology necessary for continued progress in cooperative United States-Israel research and development of theater missile defenses.

SEC. 1015. MILITARY-TO-MILITARY CONTACTS AND COMPARABLE ACTIVITIES.

(a) ACTIVITIES AUTHORIZED.—(1) Chapter 6 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 166b. Military-to-military contacts and comparable activities

"(a) AUTHORITY.—The Secretary of Defense may conduct military-to-military contacts and comparable activities that are designed to encourage a democratic orientation of defense establishments and military forces of other countries.

"(b) ADMINISTRATION.—The Secretary may provide funds appropriated for carrying out subsection (a) to the following officials for use as provided in subsection (c):

"(1) The commander of a combatant command, upon the request of the commander.

"(2) An officer designated by the Chairman of the Joint Chiefs of Staff, with respect to an area or areas not under the area of responsibility of a commander of a combatant command.

"(3) The head of any Department of Defense component.

"(c) AUTHORIZED ACTIVITIES.—An official provided funds under subsection (b) may use such funds for the following activities and expenses:

"(1) The activities of traveling contact teams, including any transportation expenses, translation services expenses, and administrative expenses that are related to such activities.

"(2) The activities of military liaison teams.

"(3) Exchanges of—

"(A) civilian or military personnel between the Department of Defense and defense ministries of foreign governments; and

"(B) military personnel between units of the armed forces and units of foreign armed forces.

"(4) Seminars and conferences held primarily in a theater of operations.

"(5) Distribution of publications primarily in a theater of operations.

"(6) Personnel expenses for Department of Defense civilian and military personnel to the extent that such expenses relate to participation in activities described in paragraphs (3), (4), and (5).

"(7) Reimbursement of military personnel appropriations accounts for the pay and allowances paid to National Guard personnel and other reserve components personnel for service while engaged in activities referred to in other paragraphs of this subsection.

"(d) RELATIONSHIP TO OTHER FUNDING.—Any amount provided during any fiscal year to an official under subsection (b) for activities or expenses referred to in subsection (c) shall be in addition to amounts otherwise available for such activities and expenses for that fiscal year.

"(e) LIMITATIONS.—(1) Funds may not be provided under this section for a fiscal year for any activity for which—

"(A) funding was proposed in the budget submitted to Congress for such fiscal year pursuant to section 1105(a) of title 31; and

"(B) Congress did not authorize appropriations.

"(2) An activity may not be conducted under this section with a foreign country unless the Secretary of State approves the conduct of such activity in that foreign country.

"(3) Funds may not be provided under this section for a fiscal year for any country which was not eligible in that fiscal year for assistance under chapter 5 of part II of the Foreign Assistance Act of 1961.

"(4) Funds may not be used under this section for the provision of military education or training, defense articles, or defense services to any country.

"(f) MILITARY-TO-MILITARY CONTACTS DEFINED.—In this section, the term 'military-to-military contacts' means contacts between members of the armed forces and members of foreign armed forces through activities described in subsection (c).".

(2) The table of sections at the beginning of chapter 6 of such title is amended by adding at the end the following new item:

"166b. Military-to-military contacts and comparable activities.".

(b) FUNDING.—Of the amount authorized to be appropriated under section 301(5) for operation and maintenance for Defense-wide activities, $46,300,000 shall be available to the Secretary of Defense for the purposes of carrying out activities under section 166b of title 10, United States Code, as added by subsection (a).

SEC. 1016. FOREIGN DISASTER RELIEF.

(a) AUTHORITY.—(1) Subchapter I of chapter 20 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 404. Foreign disaster relief

"(a) IN GENERAL.—The President may conduct disaster relief activities outside the United States to respond to manmade or natural disasters when necessary to prevent loss of lives.

"(b) FORMS OF ASSISTANCE.—Assistance provided under this section may include transportation, supplies, services, and equipment.

"(c) DETERMINATION REQUIRED.—No assistance may be furnished pursuant to this section unless the President determines that the provision of disaster relief is in the national interest of the United States and is necessary to prevent loss of lives.

"(d) REPORT REQUIRED.—Not later than 48 hours after the commencement of disaster relief activities, the President shall transmit to the Congress a report containing the determination required by subsection (c) and a description of the following:

"(1) The manmade or natural disaster for which disaster relief is necessary.

"(2) The threat to human lives presented by the disaster.

"(3) The United States military personnel and material resources that are involved or expected to be involved.

"(4) The disaster relief that is being provided or is expected to be provided by other nations or public or private relief organizations.

"(5) The anticipated duration of the disaster relief activities.".

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

"404. Foreign disaster relief.".

(b) FUNDING OF ACTIVITIES.—Of the amount authorized to be appropriated under subsection 301(5), $46,300,000 shall be available to the Secretary of Defense for the purpose of carrying out disaster relief activities under section 404 of title 10, United States Code, as added by subsection (a).

SEC. 1017. BURDENSHARING POLICY AND REPORT.

(a) POLICY.—It is the policy of the United States that the North Atlantic Treaty Organization (NATO) allies should assist the United States in paying the incremental cost incurred by the United States for maintaining members of the Armed Forces in assignments to permanent duty ashore in Europe solely for performing United States obligations for support of NATO.

(b) IMPLEMENTATION.—The President shall take all necessary actions to ensure the effective implementation of the burdensharing policy set forth in subsection (a).

(c) REPORT.—The Secretary of Defense shall include in the annual burdensharing report required by section 1002(d) of the Department of Defense Authorization Act, 1985 (22 U.S.C. 1928 note) the following matters:

(1) A specific enumeration and description of the United States military resources and military personnel assigned to permanent duty ashore in Europe primarily in support of NATO and an analysis of the cost of providing and maintaining such resources and personnel in such assignment primarily for that purpose.

(2) A specific enumeration and description of the United States military resources and military personnel assigned to permanent duty ashore in Europe primarily in support of other United States interests in other regions of the world and an analysis of the cost of providing and maintaining such resources and personnel in such assignment primarily for that purpose.

(3) A specific enumeration and description of the offsets to United States costs of providing and maintaining United States military resources and military personnel in Europe that the United States has previously received from other NATO member nations, set out by country and by type of assistance, including both "in-kind" assistance and direct cash reimbursement, and the projected offsets for the five fiscal years following the fiscal year in which the report is submitted.

(4) A detailed identification of the costs associated with maintaining United States military personnel in assignments to permanent duty ashore in Europe for NATO and the difference in cost that would result from stationing such personnel at military bases within the United States and continuing to assign to such personnel the mission to perform United States obligations under NATO.

(5) A comparison of the defense spending by each NATO member country as a percentage of Gross Domestic Product (GDP) beginning in 1985 and the projected future defense spending as a percentage of Gross Domestic Product through 2000.

(6) A review of all actions taken by the United States to ensure the effective implementation of the United States burdensharing policy set forth in subsection (a).

(d) INCREMENTAL COST DEFINED.—In this section, the term "incremental cost", with respect to maintaining members of the Armed Forces in assignments to permanent duty ashore in Europe, includes the cost of transportation to and from duty stations in Europe, any variation in the cost of housing and food as compared to the cost of housing and food for members of the Armed Forces stationed in the United States, and any additional expenditures associated with infrastructure necessary to support United States forces in Europe.

SEC. 1018. REVIEW AND REPORT REGARDING DEPARTMENT OF DEFENSE PROGRAMS RELATING TO REGIONAL SECURITY AND HOST NATION DEVELOPMENT IN THE WESTERN HEMISPHERE.

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

(1) The political environment in the Western Hemisphere has been characterized in recent years by significant democratic advances and an absence of international strife; but democracy is fragile in some nations of the region.

(2) It is desirable for the Department of Defense to perform a positive role in influencing regional armed forces to make positive contributions to the democratic process and to domestic development programs.

(3) Congress receives a number of annual reports relating to specific authorities granted to the Secretary of Defense under title 10, United States Code, such as the authorities relating to the conduct of bilateral or regional cooperation programs under section 1051, participation of developing countries in combined exercises under section 2110, and the training of special operations forces with friendly forces under section 2011.

(4) The annual reports are replete with statistics and dollar figures and generally lacking in substance.

(5) Congress does not receive annual reports with respect to other authorities of the Secretary of Defense, such as that relating to Latin American cooperation under section 1050 of title 10, United States Code.

(6) Testimony before Congress, including in particular the testimony of the Commander in Chief, United States Southern Command, and the Commander in Chief, United States Atlantic Command, has emphasized the conduct of a large number of complementary programs under the leadership and supervision of those two commanders to foster appropriate military roles in democratic host nations and to assist countries in developing forces properly trained to address their security needs, including needs regarding illegal immigration, insurgencies, smuggling of illegal arms, munitions, and explosives across borders, and drug trafficking.

(7) Most of the programs referred to in paragraph (6) provide excellent and often unique training and experience to the United States forces involved.

(8) The expansion of the military-to-military contact program to the Western Hemisphere will provide another tool to encourage a democratic orientation of the defense establishments and military forces of countries in the region.

(9) There is a need to conduct a comprehensive review of the several authorities in title 10, United States Code, for the Secretary of Defense to engage in cooperative regional security programs with other countries in the Western Hemisphere in order to determine whether the authorities continue to be appropriate and necessary, particularly in the light of the changed circumstances in the region.

(10) There is a need to conduct a comprehensive review of the various programs carried out pursuant to such authorities to ensure that such programs are designed to meet the needs of the host nations involved and the regional objectives of the United States.

(11) There is a need to assess the strengths and weaknesses of the various regional security organizations, defense forums, and defense education institutions in the Western Hemisphere in order to identify any improvements needed to harmonize the defense policies of the United States and those of friendly nations of the region.

(b) REPORT REQUIRED.—Not later than May 1, 1995, the Secretary of Defense, shall—

(1) carry out a comprehensive review and assessment of the matters referred to in paragraphs (9), (10), and (11) of subsection (a); and

(2) after consultation with the Chairman of the Joint Chiefs of Staff and the commanders of the combatant commands responsible for regions in the Western Hemisphere, submit to the Committees on Armed Services of the Senate and House of Representatives a report on regional defense matters.

(c) CONTENT OF REPORT.—The report shall contain a detailed and comprehensive description, discussion, and analysis of the following matters:

(1) The Department of Defense plan to support United States strategic objectives in the Western Hemisphere.

(2) The external and internal threats to the national security of the nations of the region.

(3) The various regional security cooperative programs carried out by the Department of Defense in the region in 1994, including training and education programs in the host nations and in the United States and defense contacts set forth on a country-by-country basis, the statutory authority, if any, for such programs, and the strategic objectives served.

(4) The various regional security organizations, defense forums, and defense education institutions that the United States maintains or in which the United States participates.

(5) An assessment of the contribution that such programs, defense contacts, organizations, forums, and institutions make to the advancement of regional security, host nation security and national development, and the strategic objectives of the United States.

(6) The changes made or to be made in the programs, organizations, forums, and institutions as a result of the comprehensive review.

(7) Any recommended legislation considered necessary to improve the ability of the Department to achieve its strategic objectives.

(d) CLASSIFICATION OF REPORT.—The report shall be submitted in an unclassified form and may, if necessary, have a classified supplement.

SEC. 1019. PAYMENTS-IN-KIND FOR RELEASE OF UNITED STATES OVERSEAS MILITARY FACILITIES TO NATO HOST COUNTRIES.

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

(1) The United States has invested $6,500,000,000 in military infrastructure in North Atlantic Treaty Organization (NATO) countries.

(2) As part of an overall plan to reduce United States troop strength in Europe from 323,432 in 1987 to 100,000 by the end of 1996, the Department of Defense plans to close or

reduce United States military presence at 867 military sites overseas.

(3) Most of the overseas military sites announced for closure are in Europe where the United States has already closed 434 such sites.

(4) When the United States closes military sites in Europe, the United States brings the military personnel home but leaves buildings, roads, sewers, and other real property improvements behind.

(5) Some allies have agreed to pay the United States for the residual value of the real property improvements left behind.

(6) Although the United States military drawdown has been rapid since 1990, European allies have been slow to pay the United States the residual value of the sites released by the United States.

(7) As of 1994, the United States has recouped only $33,300,000 in cash, and most of that was recovered in 1989.

(8) Although the United States has released to Germany over 60 percent of the military sites planned for closure by the United States in that country and the current value of United States facilities to be returned to the German government is estimated at approximately $2,700,000,000, the German government has budgeted only $25,000,000 for fiscal year 1994 for payment of compensation for the United States investment in such improvements.

(b) POLICY.—It is the sense of Congress that—

(1) the President should redouble efforts to recover the value of the United States investment in the military infrastructure of NATO countries;

(2) the President should enter into negotiations with the government of each NATO host country with a presumption that payments to compensate the United States for the negotiated value of improvements will be made in cash and deposited in the Department of Defense Overseas Military Facility Investment Recovery Account;

(3) the President should enter into negotiations for payments-in-kind only as a last resort and only after informing the Congress that negotiations for cash payments have not been successful; and

(4) to the extent that in-kind contributions are received in lieu of cash payments in any fiscal year, the in-kind contributions should be used for projects which are identified priorities of the Department of Defense.

(c) REQUIREMENTS AND LIMITATIONS RELATING TO PAYMENTS-IN-KIND.—(1) Subsection (e) of section 2921 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2687 note) is amended—

(A) by inserting "(1)" after "NEGOTIATIONS FOR PAYMENTS-IN-KIND.—";

(B) by striking out "a written notice" and all that follows and inserting in lieu thereof "to the congressional defense committees (and one additional copy to each of the Subcommittees on Defense of the Committees on Appropriations of the Senate and the House of Representatives) a written notice regarding the intended negotiations."; and

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

"(2) The notice shall contain the following:

"(A) A justification for entering into negotiations for payments-in-kind with the host country.

"(B) The types of benefit options to be pursued by the Secretary in the negotiations.

"(C) A discussion of the adjustments that are intended to be made in the future-years defense program or in the budget of the Department of Defense for the fiscal year in which the notice is submitted or the following fiscal year in order to reflect costs that it may no longer be necessary for the United States to incur as a result of the payments-in-kind to be sought in the negotiations.".

(2) Such section is amended by adding at the end the following new subsection:

"(h) CONGRESSIONAL OVERSIGHT OF PAYMENTS-IN-KIND.—(1) Not less than 30 days before concluding an agreement for acceptance of military construction or facility improvements as a payment-in-kind, the Secretary of Defense shall submit to Congress a notification on the proposed agreement that contains the following matters:

"(A) A description of the military construction project or facility improvement project, as the case may be.

"(B) A certification that the project is needed by United States forces.

"(C) An explanation of how the project will aid in the achievement of the mission of those forces.

"(D) A certification that, if the project were to be carried out by the Department of Defense, appropriations would be necessary for the project and it would be necessary to provide for the project in the next future-years defense program.

"(2) Not less than 30 days before concluding an agreement for acceptance of host nation support or host nation payment of operating costs of United States forces as a payment-in-kind, the Secretary of Defense shall submit to Congress a notification on the proposed agreement that contains the following matters:

"(A) A description of each activity to be covered by the payment-in-kind.

"(B) A certification that the costs to be covered by the payment-in-kind are included in the budget of one or more of the military departments or that it will otherwise be necessary to provide for payment of such costs in a budget of one or more of the military departments.

"(C) A certification that, unless the payment-in-kind is accepted or funds are appropriated for payment of such costs, the military mission of the United States forces with respect to the host nation concerned will be adversely affected.".

Subtitle C—Nonproliferation and Counterproliferation of Weapon Systems and Related Systems

SEC. 1021. EXTENSION AND REVISION OF NONPROLIFERATION AUTHORITIES.

(a) EXTENSION OF NONPROLIFERATION AUTHORITIES.—Section 1505 of the National Defense Authorization Act for Fiscal Year 1993 (22 U.S.C. 5859a) is amended—

(1) in subsection (a), by striking out "during fiscal year 1994" and inserting in lieu thereof "during fiscal years 1994 and 1995"; and

(2) in subsection (e), by striking out "fiscal year 1994" and inserting in lieu thereof "fiscal years 1994 and 1995".

(b) ACTIVITIES FOR WHICH ASSISTANCE MAY BE PROVIDED.—Subsection (b)(4) of such section is amended by striking out "nuclear proliferation through joint technical projects and improved intelligence sharing" and inserting in lieu thereof "nuclear, biological, chemical, and missile proliferation through technical projects and improved information sharing".

(c) SOURCES OF ASSISTANCE.—Subsection (d) of such section is amended—

(1) in paragraph (1)—

(A) by inserting "for fiscal year 1994" after "under this section"; and

(B) by striking out "fiscal year 1994 or" and inserting in lieu thereof "fiscal year 1994. Funds provided as assistance under this section for fiscal year 1995 shall be derived from amounts made available to the Department of Defense for fiscal year 1995. Alternatively, funds provided as assistance under this section for a fiscal year referred to in this paragraph may be derived"; and

(2) in paragraph (3), by inserting after "$25,000,000" the following: "for fiscal year 1994 or $15,000,000 for fiscal year 1995".

SEC. 1022. JOINT COMMITTEE FOR THE REVIEW OF COUNTERPROLIFERATION PROGRAMS OF THE UNITED STATES.

(a) COMPOSITION.—Subsection (a) of section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat 1845) is amended—

(1) in paragraph (1)—

(A) by striking out "Non-Proliferation" in the matter above subparagraph (A) and inserting in lieu thereof "Counterproliferation";

(B) by striking out subparagraphs (B) and (E); and

(C) by redesignating subparagraphs (C), (D), and (F) as subparagraphs (B), (C), and (D), respectively;

(2) in paragraph (2), by adding at the end the following: "The Secretary of Energy shall serve as the Vice Chairman of the committee.";

(3) in paragraph (4), by adding at the end the following: "The Secretary of Energy may delegate to the Under Secretary of Energy responsible for national security programs of the Department of Energy the performance of the duties of the Vice Chairman of the committee."; and

(4) by striking out paragraph (5).

(b) PURPOSES OF COMMITTEE.—Subsection (b) of such section is amended—

(1) in paragraph (1)(A), by striking out "nonproliferation policy" and inserting in lieu thereof "counterproliferation policy"; and

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

"(3) To prioritize programs and funding.

"(4) To encourage and facilitate interagency and interdepartmental funding of programs in order to ensure necessary levels of funding to develop, operate, and field highly-capable systems.

"(5) To insure that Department of Energy programs are integrated with the operational needs of other departments and agencies of the Federal Government.

"(6) To ensure that Department of Energy national security programs include development of systems for deployment as well as research.".

(c) DUTIES.—Subsection (c) of such section is amended—

(1) in paragraph (1)—

(A) by striking out "(including counterproliferation capabilities) and technologies for support of United States nonproliferation policy" in the matter above subparagraph (A) and inserting in lieu thereof "and technologies for support of United States nonproliferation policy and counterproliferation policy";

(B) by inserting "and" at the end of subparagraph (D); and

(C) by striking out subparagraphs (F) and (G);

(2) by striking out paragraphs (2), (3), and (7);

(3) in paragraph (4), by striking out "to support fully the nonproliferation policy of the United States";

(4) by redesignating paragraphs (4), (5), and (6) as paragraphs (2), (3), and (4), respectively; and

(5) by adding at the end the following new paragraph (5):

"(5) assess each fiscal year the effectiveness of the committee actions during the preceding fiscal year, including, particularly, the status of recommendations made during such preceding fiscal year that were reflected in the budget submitted to Congress pursuant to section 1105(a) of title 31, United States Code, for the fiscal year following the fiscal year in which the assessment is made.".

(d) COMMITTEE RECOMMENDATIONS.—Subsection (e) of such section is amended to read as follows:

"(e) RECOMMENDATIONS.—The committee shall submit to the President and the heads of all appropriate departments and agencies of the Federal Government such programmatic recommendations regarding existing, planned, or new programs as the committee considers appropriate to encourage funding for capabilities and technologies at the level necessary to support United States counterproliferation policy.".

(e) EXTENSION OF COMMITTEE.—Subsection (f) of such section is amended by striking out "six months after the date on which the report of the Secretary of Defense under section 1606 is submitted to Congress" and inserting in lieu thereof "at the end of September 30, 1996".

SEC. 1023. REPORT ON COUNTERPROLIFERATION ACTIVITIES AND PROGRAMS.

(a) REPORT REQUIRED.—Not later than May 1, 1995, and not later than May 1 of each year thereafter, the Secretary of Defense shall submit to the appropriate committees of Congress a report of the findings of the Counterproliferation Program Review Committee established by section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat 1845). The Secretary shall submit any special annex of the report to the committees of Congress that traditionally receive information in the annex in the performance of oversight functions of such committees.

(b) CONTENT OF THE REPORT.—The report shall include the following matters:

(1) A complete list, by specific program element, of the existing, planned, or newly proposed capabilities and technologies reviewed by the committee pursuant to section 1605(c) of Public Law 103-160.

(2) A complete description of the requirements and priorities established by the Counterproliferation Program Review Committee.

(3) A comprehensive discussion of the near-term, mid-term, and long-term programmatic options formulated by the committee for meeting requirements prescribed by the committee and for eliminating deficiencies identified by the committee, including the annual funding requirements and completion dates established for each such option.

(4) An explanation of the recommendations made pursuant to section 1605(c) of Public Law 103-160, together with a full discussion of the actions taken to implement such recommendations or otherwise taken on the recommendations.

(5) A discussion and assessment of the status of each committee recommendation during the fiscal year preceding the fiscal year in which the report is submitted, including, particularly, the status of recommendations made during such preceding fiscal year that were reflected in the budget submitted to Congress pursuant to section 1105(a) of title 31, United States Code, in the fiscal year of the report.

(6) Each specific Department of Energy program that the Secretary of Energy plans to develop to initial operating capability and each such program that the Secretary does not plan to develop to initial operating capability.

(7) For each technology program scheduled to reach initial operational capability, a recommendation from the Chairman of the Joint Chiefs of Staff that represents the views of the commanders of the unified and specified commands regarding the utility and requirement of the program.

(c) FORMS OF REPORT.—The report shall be submitted in both unclassified and classified forms, including an annex to the classified report for special compartmented information programs, special access programs, and special activities programs.

(d) DEFINITIONS.—In this section:

(1) The term "appropriate committees of Congress" means—

(A) the Committee on Armed Services, the Committee on Appropriations, and the Select Committee on Intelligence of the Senate; and

(B) the Committee on Armed Services, the Committee on Appropriations, and the Select Committee on Intelligence of the House of Representatives.

(2) The term "intelligence community" has the meaning given such term in section 3 of the National Security Act of 1947 (50 U.S.C. 401a).

SEC. 1024. AMOUNTS FOR COUNTERPROLIFERATION ACTIVITIES.

(a) COUNTERPROLIFERATION ACTIVITIES.—Of the amount authorized to be appropriated in section 201(4), $12,500,000 shall be available for counterproliferation activities.

(b) EDUCATION IN SUPPORT OF COUNTERPROLIFERATION ACTIVITIES.—Of the amount authorized to be appropriated in section 301(5), not more than $1,000,000 shall be available for providing education to members of the Armed Forces in matters relating to counterproliferation.

(c) ADDITIONAL AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) In addition to the transfer authority provided in section 1001, 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 1995 to counterproliferation programs, projects, and activities identified as areas for progress by the Joint Committee for the Review of Counterproliferation Programs established by section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1845). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary may transfer under the authority of this subsection may not exceed $100,000,000.

(3) The authority provided by this subsection to transfer authorizations—

(A) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(B) may not be used to provide authority for an item that has been denied authorization by Congress.

(4) A transfer made from one account to another under the authority of this subsection 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.

(5) The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this subsection.

(d) USE OF FUNDS FOR TECHNOLOGY DEVELOPMENT.—(1) Of the funds authorized to be appropriated by section 201(4) for a counterproliferation technology project in Program Element 602301E—

(A) $5,000,000 shall be available for a program to detect, locate, and disarm weapons of mass destruction that are hidden by a hostile state or terrorist or terrorist group in confined area outside the United States; and

(B) $10,000,000 shall be available for the training program referred to in paragraph (3).

(2) The Secretary of Defense shall make funds available for the program referred to in paragraph (1)(A) in a manner that, to the maximum extent practicable, ensures the effective utilization of existing resources of the national weapons laboratories.

(3)(A) The training program referred to in paragraph (1)(B) is a training program carried out jointly by the Secretary of Defense and the Director of the Federal Bureau of Investigation in order to expand and improve United States efforts to deter the possible proliferation and acquisition weapons of mass destruction by organized crime organizations in Eastern Europe, the Baltic countries, and the former Soviet Union.

(B) The funds available under paragraph (1)(B) for the program referred to in subparagraph (A) may not be obligated or expended for that program until the Secretary of Defense and the Director of the Federal Bureau of Investigation jointly submit to the congressional defense committees a report that—

(i) identifies the nature and extent of the threat posed to the United States by the possible proliferation and acquisition of weapons of mass destruction by organized crime organizations in Eastern Europe, the Baltic countries, and the former Soviet Union;

(ii) assesses the actions that the United States should undertake in order to assist law enforcement agencies of Eastern Europe, the Baltic countries, and the former Soviet Union in the efforts of such agencies to prevent and deter the theft of nuclear weapons material; and

(iii) contains an estimate of—

(I) the cost of undertaking such actions, including the costs of personnel, support equipment, and training;

(II) the time required to commence the carrying out of the program referred to in paragraph (1); and

(III) the amount of funds, if any, that will be required in fiscal years after fiscal year 1995 in order to carry out the program.

SEC. 1025. RESTRICTION RELATING TO REPORT ON PROLIFERATION OF FOREIGN MILITARY SATELLITES.

None of the funds available to the Department of Defense for travel may be expended for travel by the Assistant Secretary of Defense for International Security Policy until the Secretary of Defense submits to Congress the report required by section 1363 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2560) together with the certification required by section 211(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1584).

Subtitle D—Peace Operations

SEC. 1031. REPORTS ON REFORMING MULTILATERAL PEACE OPERATIONS.

(a) REPORTS REQUIRED.—The Secretary of Defense shall submit to the congressional defense committees two reports on United

States proposals for improving United Nations management of peace operations. The Secretary shall submit the first report not later than December 1, 1994, and the second report not later than June 1, 1995.

(b) CONTENT OF REPORTS.—(1) Each report shall contain—

(A) a discussion of the status of implementation of United States proposals contained in section IV (relating to strengthening the United Nations) of the document entitled "The Clinton Administration's Policy on Reforming Multilateral Peace Operations" that was issued by the Executive Office of the President in May 1994; and

(B) an analysis of the results of such implementation.

(2) Each report shall cover, at a minimum, the following matters:

(A) The reconfiguration and expansion of the staff for the United Nations Department of Peacekeeping Operations.

(B) The elimination by the United Nations of lengthy, potentially disastrous delays after a peace operation has been authorized.

(C) The establishment by the United Nations of a professional peace operations training program for commanders and other military and civilian personnel.

(D) United States assistance to facilitate improvements by the United Nations in the matters described in subparagraphs (A) and (C) and the terms under which such assistance has been or is being provided.

(c) DEFINITION.—In this section, the term "peace operation" means an operation to maintain or restore international peace and security under chapter VI or chapter VII of the Charter of the United Nations.

SEC. 1032. SUPPORT FOR INTERNATIONAL PEACEKEEPING AND PEACE ENFORCEMENT.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the President should initiate consultations with the bipartisan leadership of Congress, including the leadership of the relevant committees, as far in advance as possible regarding international peacekeeping or peace enforcement activities of the United Nations that would involve the participation of United States combat forces and such consultations should continue throughout the duration of such activities;

(2) the consultations should take place prior to the vote by the United States on United Nations Security Council resolutions authorizing, extending, or revising the mandates for these types of activities;

(3) United Nations Security Council resolutions authorizing peacekeeping or peace enforcement activities should clearly state the threat to international peace and security presented by the conflict in question, as well as the political and military objectives, the anticipated duration, and an exit strategy for each activity;

(4) the United States should be fully reimbursed for troop contributions and assistance provided to United Nations peacekeeping and peace enforcement activities;

(5) the United Nations should rarely conduct peace enforcement operations in view of the complexity of such operations and the difficulty of achieving unity of command and expeditious decisionmaking through the United Nations;

(6) United States combat forces should be under the operational control of qualified commanders and should have clear and effective command and control arrangements, appropriate rules of engagement, and clear and unambiguous mission statements;

(7) United States combat forces should not be under the command and control of foreign commanders in peace enforcement operations conducted by the United Nations except in the most extraordinary circumstances; and

(8) the Secretary of Defense should have the lead responsibility within the executive branch for the management of peacekeeping and peace enforcement activities of the United Nations in which United States combat forces participate.

(b) SUPPORT AUTHORIZED.—(1) Section 403 of title 10, United States Code, is amended to read as follows:

"§ 403. International peacekeeping and international peace enforcement: support involving United States combat forces

"(a) AUTHORITY.—Notwithstanding any other provision of law, the Secretary of Defense may—

"(1) pay, out of funds in the Contributions for International Peacekeeping and Peace Enforcement Activities Fund established by subsection (g), the United States fair share (as determined by the Secretary) of assessments for international peacekeeping or international peace enforcement activities of the United Nations in which United States combat forces participate; and

"(2) furnish assistance, on a reimbursable basis, in support of such activities.

"(b) FORMS OF ASSISTANCE.—Assistance provided under this section may include supplies, services, and equipment.

"(c) DETERMINATION REQUIRED.—No assessment may be paid and no assistance may be furnished pursuant to this section unless the President determines that the provision of assistance is in the national interest of the United States.

"(d) ADVANCE NOTICE.—(1) In the case of any international peacekeeping or international peace enforcement operation of the United Nations in which United States combat forces are to participate, not less than 15 days before an initial deployment of United States combat forces, payment of a United Nations assessment, furnishing of assistance of a value in excess of $14,000,000, or waiver of reimbursement to the United States under subsection (e), the President shall transmit to the designated congressional committees a report, which may be classified in whole or in part, that contains the determination required by subsection (c) and the following matters:

"(A) A description of the threat to international peace and security presented by the conflict involved.

"(B) The United States interests that will be advanced by the operation and by the United States action.

"(C) The political and military objectives of the operation.

"(D) The exit criteria and likely duration of the operation.

"(E) The personnel and material resources that have been pledged, or are otherwise expected to be made available, by other nations to the United Nations for the operation.

"(F) The units of the armed forces that will participate.

"(G) The necessity for involvement of United States forces.

"(H) The command arrangements for those forces and, if any of the United States forces are to be placed under the operational control of foreign commanders, the justification for doing so.

"(I) The rules of engagement for the operation.

"(J) An assessment of the risks involved in the operation.

"(K) In the case of payment of an assessment, the amount to be paid and the terms under which the payment is to be made.

"(L) In the case of assistance, the supplies, services, or equipment to be provided by the United States and the terms under which such supplies, services, or equipment are to be provided.

"(M) In the case of a waiver of reimbursement, the justification for the waiver.

"(2) If the President determines that an unforeseen emergency requires the immediate deployment of United States combat troops or the immediate furnishing of assistance of a value in excess of $14,000,000 under this section, the President—

"(A) may waive the requirement of paragraph (1) that a report be transmitted at least 15 days in advance of the action; and

"(B) shall promptly notify the designated committees of such waiver and such deployment or transfer.

"(e) REIMBURSEMENT.—(1) The President shall require reimbursement from the United Nations or from any other source for the participation of any force of the armed forces in support of international peacekeeping or international peace enforcement activities of the United Nations or for the provision of assistance by the Secretary of Defense in support of such activities.

"(2) Any funds received as reimbursements shall be used as follows:

"(A) As a first priority, for the payment of the incremental costs of the military departments and Defense Agencies providing the participating United States forces or the supplies, services, or equipment involved.

"(B) As a second priority, for the payment of the incremental costs of any other United States forces that are operating in support of international peacekeeping or international peace enforcement activities but for which reimbursement is not possible.

"(3) After use of reimbursement funds for the purposes specified in paragraph (2), any remainder of such funds shall be credited to the Contributions for International Peacekeeping and Peace Enforcement Activities Fund established by subsection (g).

"(4) Reimbursements utilized for the payment of incremental costs shall be credited, at the option of the Secretary of the military department concerned or the head of the Defense Agency concerned, either to an appropriation, fund, or other account obligated to pay such costs or to an appropriate appropriation, fund, or other account available for paying such costs.

"(f) WAIVER OF REIMBURSEMENT.—The President may waive, in whole or in part, any reimbursement required under subsection (a)(2) or (e) in exceptional circumstances upon determining that such waiver is in the national interest of the United States.

"(g) ESTABLISHMENT OF ACCOUNT.—There is hereby established in the Treasury of the United States a fund to be known as the 'Contributions for International Peacekeeping and Peace Enforcement Activities Fund'. Amounts appropriated or otherwise credited to the Fund shall be available until expended for, and shall be used for, paying assessments for United Nations operations under this section.

"(h) AUTHORITY INAPPLICABLE WHEN UNITED STATES COMBAT FORCES NOT INVOLVED.—The authority in subsection (a) to pay United Nations assessments for international peacekeeping and international peace enforcement activities of the United Nations may not be construed as authorizing payment of United Nations assessments for any

such activity in which United States combat forces do not participate.

"(i) COORDINATION WITH OTHER LAWS.—This section may not be construed as superseding any provision of the War Powers Resolution. This section does not provide authority for the participation of United States combat forces in any international peacekeeping or international peace enforcement operation.

"(j) DEFINITIONS.—In this section:

"(1) The term 'designated congressional committees' means the Committees on Armed Services, Appropriations, and Foreign Relations of the Senate and the Committees on Armed Services, Appropriations, and Foreign Affairs of the House of Representatives.

"(2) The term 'combat forces' means forces of the armed forces that have combat missions as primary missions.

"(3) The term 'international peacekeeping' means those activities performed pursuant to Chapter VI of the United Nations Charter.

"(4) The term 'international peace enforcement' means those activities performed pursuant to Chapter VII of the United Nations Charter.".

(2) The item relating to section 403 in the table of sections at the beginning of subchapter I of chapter 20 of such title is amended to read as follows:

"403. International peacekeeping and international peace enforcement: support involving United States combat forces.".

(c) AUTHORIZED SUPPORT FOR FISCAL YEAR 1995.—Not more than $300,000,000 is authorized to be appropriated for fiscal year 1995 for the Contributions for International Peacekeeping and Peace Enforcement Activities Fund under section 301(20).

Subtitle E—Reporting Requirements

SEC. 1041. REPORT ON OFFENSIVE BIOLOGICAL WARFARE PROGRAM OF THE STATES OF THE FORMER SOVIET UNION.

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

(1) The United States has identified nonproliferation as a high priority in the conduct of United States national security policy.

(2) The United States is seeking universal adherence to global regimes that control nuclear, chemical, and biological weapons and is promoting new measures that provide increased transparency of biological weapons-related activities and facilities in an effort to help deter violations of and enhance compliance with the Biological Weapons Convention (BWC).

(3) Questions continue to arise regarding offensive biological weapons research, development, testing production, and storage in the countries of the former Soviet Union as well as in other countries.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the President should continue to urge all signatories to the Biological Weapons Convention to comply fully with the terms of that convention and with other international agreements relating to the control of biological weapons; and

(2) as the President encourages increased transparency of biological weapons-related activities and facilities to deter violations of and enhance compliance with the Biological Weapons Convention, the President should also take appropriate actions to ensure that the United States is prepared to counter the effects of use of biological weapons by others.

(c) REPORT REQUIRED.—Not later than 120 days after the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the status of the offensive biological warfare program in the Russian Federation and the other independent states of the former Soviet Union.

(d) CONTENT OF REPORT.—The report shall include the following matters:

(1) An assessment of the extent of compliance of the independent states of the former Soviet Union with the Biological Weapons Convention and other international agreements relating to the control of biological weapons.

(2) An evaluation of the extent of control and oversight by the government of the Russian Federation over the former Soviet military and dual civilian-military biological warfare programs.

(3) The extent, if any, of the biological warfare agent stockpile in any of the independent states of the former Soviet Union.

(4) The extent and scope, if any, of continued biological warfare research, development, testing, and production by such state, including the sites and types of activity at those sites.

(5) An evaluation of the effectiveness of possible delivery systems of biological weapons, including tube and rocket artillery, bomber aircraft, and ballistic missiles.

(6) An evaluation of United States capabilities to detect and monitor biological warfare research, development, testing, production, and storage.

(7) On the basis of the assessment and evaluations referred to in other paragraphs of this subsection, recommendations by the Secretary of Defense and Chairman of the Joint Chiefs of Staff for the improvement of United States biological warfare defense and counter-measures.

(e) FORM OF REPORT.—The Secretary shall submit the report in classified and unclassified versions.

(f) DEFINITIONS.—In this section:

(1) The term "Biological Weapons Convention" means the Convention on the Prohibition, Production, and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction, done at Washington, London, and Moscow on April 10, 1972.

(2) The term "independent states of the former Soviet Union" has the same meaning given that term in section 3 of the FREEDOM Support Act (22 U.S.C. 5801).

SEC. 1042. TERMINATION OF CERTAIN DEPARTMENT OF DEFENSE REPORTING REQUIREMENTS.

(a) IMMEDIATE TERMINATION.—Except as provided in subsection (c), notwithstanding the date set forth in subsection (a) of section 1151 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1758; 10 U.S.C. 113 note), the reporting requirements referred to in subsection (b) are terminated effective on the date of the enactment of this Act.

(b) APPLICABILITY.—Subsection (a) applies to each reporting requirement specified in enclosures 1 and 2 of the letter, dated April 29, 1994, by which the Director for Administration and Management, Office of the Secretary Defense, citing the authority of the provision of law referred to in subsection (a), submitted a list of reporting requirements recommended for termination by the Department of Defense.

(c) PRESERVATION OF REQUIREMENTS.—(1) The reporting requirements set forth in the provisions of law referred to in paragraph (2) shall not terminate under subsection (a) of section 1151 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1758; 10 U.S.C. 113 note).

(2) Paragraph (1) applies to the following reports:

(A) Reports required under the following provisions of title 10, United States Code:

(i) Section 2662, relating to reports on real property transactions.

(ii) Section 2672a(b), relating to reports on urgent acquisitions of land.

(iii) Section 2687(b)(1), relating to notifications of certain base closures and realignments.

(iv) Section 2690(b)(2), relating to notifications of proposed conversions of heating facilities at United States installations in Europe.

(v) Section 2804(b), relating to reports on contingency military construction projects.

(vi) Section 2806(c)(2), relating to reports on contributions for NATO infrastructure in excess of amounts appropriated for such contributions.

(vii) Subsections (b) and (c) of section 2807, relating to notifications and reports on architectural and engineering services and construction design.

(viii) Section 2823(b), relating to notifications regarding disagreements between certain officials on the availability of locations for suitable alternative housing for the Department of Defense.

(ix) Subsections (b) and (c) of section 2825, relating to notifications regarding improvements of family housing or construction of replacement family housing.

(x) Section 2827(b), relating to notifications regarding relocation of military family housing units.

(xi) Section 2835(g)(1), relating to economic analyses on the cost effectiveness of leasing family housing to be constructed or rehabilitated.

(xii) Section 2861(a), relating to the annual report on military construction activities and family housing activities.

(xiii) Subsections (e) and (f) of section 2865, relating to notifications regarding unauthorized energy conservation construction projects and an annual report regarding energy conservation actions.

(B) Reports required under the following provisions of title 37, United States Code:

(i) Section 406(i), relating to the annual report regarding dependents accompanying members stationed outside the United States in relation to the eligibility of such members to receive travel and transportation allowances.

(ii) Section 1008(a), relating to the annual report by the President on adjustments of rates of pay and allowances for members of the uniformed services.

(C) Reports required under the following provisions of law:

(i) Section 326(a)(5) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2368; 10 U.S.C. 2301 note), relating to reports on use of certain ozone-depleting substances.

(ii) Subsections (e) and (f) of section 2921 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2687 note), relating to notifications regarding negotiations for payments-in-kind for the release of improvements at overseas military installations to host countries and an annual report on the status and use of the Department of Defense Overseas Military Facility Investment Recovery Account.

(iii) Section 1505(f)(3) of the Military Child Care Act of 1989 (title XV of Public Law 101–189; 103 Stat. 1594; 10 U.S.C. 113 note), relating to reports on closures of military child development centers.

(iv) Subsections (a) and (d) of section 7 of the Organotin Antifouling Paint Control Act

of 1988 (Public Law 100-133; 102 Stat. 607; 33 U.S.C. 2406), relating to the annual report on the monitoring of estuaries and near-coastal waters for concentrations of organotin.

Subtitle F—Acceptance of Pre-release Services of Nonviolent Offenders

SEC. 1051. USE OF INMATE LABOR AT MILITARY INSTALLATIONS.

(a) USE OF INMATE LABOR AUTHORIZED.—Chapter 155 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2610. Acceptance of services of inmates of State and local correctional facilities

"(a) USE OF INMATE LABOR.—Subject to subsection (c), the Secretary of a military department may accept in accordance with this section the services of nonviolent offenders incarcerated in a correctional facility of a State or local government. Services so accepted shall be performed at a military installation in the vicinity of the correctional facility pursuant to an agreement entered into by the Secretary and the chief executive of the State or local government.

"(b) AUTHORIZED SERVICES.—The services authorized to be accepted are as follows:

"(1) Construction, maintenance, or repair of roads.

"(2) Construction of levees or other flood prevention structures.

"(3) Construction, maintenance, or repair of any other public ways or works.

"(4) Clearance, maintenance, or reforesting of public lands.

"(5) Custodial services.

"(c) CONDITIONS FOR ACCEPTANCE OF SERVICES.—The Secretary may accept the services of nonviolent offenders for a military installation under this section only if the Secretary finds that—

"(1) Federal Government employees and contractor employees performing services at the installation will not be displaced;

"(2) no contract for the provision of services at the installation will otherwise be impaired; and

"(3) in the case of services in any skill, craft, or trade, there is no surplus of labor for hire in such skill, craft, or trade in the vicinity of the installation.

"(d) LIMITATION ON PAYMENTS TO CUSTODIAL GOVERNMENTS.—(1) Except as provided in paragraph (2), the Secretary of a military department may not compensate a State or local government for the costs incurred by such government in the provision of services accepted under this section.

"(2) The Secretary may—

"(A) reimburse a State or local government for administrative and other costs directly incurred by that government in making available and supervising offenders as they provide services accepted under this section; and

"(B) pay a nominal amount to the State or local government in order to support any alcohol and drug abuse treatment programs conducted by that government for the offenders who provide such services.

"(e) PROHIBITION ON COMPENSATION OF INMATES.—The Secretary may not compensate any offender for services accepted under this section.

"(f) SUPPORT AUTHORIZED.—The Secretary may provide equipment, supplies, or other materials to be used by offenders in the provision of services accepted under this section.

"(g) INAPPLICABILITY OF OTHER LAWS.—The following provisions of law shall not apply with respect to services accepted under this section:

"(1) Section 1342 of title 31.

"(2) The Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.).

"(3) The Act entitled 'An Act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes', approved March 3, 1931 (46 Stat. 1494; 40 U.S.C. 276a et seq.), commonly referred to as the 'Davis-Bacon Act'.

"(4) The Act entitled 'An Act to provide conditions for the purchases of supplies and the making of contracts by the United States, and for other purposes', approved June 30, 1936 (49 Stat. 2036; 41 U.S.C. 35 et seq.), commonly referred to as the 'Walsh-Healey Act'.

"(5) The Service Contract Act of 1965 (41 U.S.C. 351 et seq.).".

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

"2610. Acceptance of services of inmates of State and local correctional facilities.".

SEC. 1052. REVISION OF AUTHORITY FOR USE OF NAVY INSTALLATIONS TO PROVIDE EMPLOYMENT TRAINING TO NONVIOLENT OFFENDERS IN STATE PENAL SYSTEMS.

(a) SOURCES OF TRAINING.—Subsection (b) of section 1374 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1821; 10 U.S.C. 5013 note) is amended—

(1) by striking out the subsection caption and inserting in lieu thereof "SOURCES OF TRAINING.—"; and

(2) by inserting before the period at the end the following: "or may provide such training directly at such installations by agreement with the State concerned".

(b) LIABILITY AND INDEMNIFICATION.—Subsection (e) of such section is amended—

(1) by inserting "(1)" before "A nonprofit organization"; and

(2) by adding at the end the following:

"(2) In any case in which the Secretary provides prerelease employment training directly by agreement with the State concerned, the State shall—

"(A) be liable for any loss or damage to Federal Government property that may result from, or in connection with, the provision of the training except to the extent that the loss or damage results from a wrongful act or omission of Federal Government personnel; and

"(B) hold harmless and indemnify the United States from and against any suit, claim, demand, action, or liability arising out of any claim for personal injury or property damage that may result from, or in connection with, the provision of the training except to the extent that the personal injury or property damage results from a wrongful act or omission of Federal Government personnel.".

SEC. 1053. USE OF ARMY INSTALLATIONS TO PROVIDE EMPLOYMENT TRAINING TO NONVIOLENT OFFENDERS IN STATE PENAL SYSTEMS.

(a) DEMONSTRATION PROJECT AUTHORIZED.—The Secretary of the Army may conduct a demonstration project to test the feasibility of using Army facilities to provide employment training to nonviolent offenders in a State penal system prior to their release from incarceration. The demonstration project shall be limited to not more than three military installations under the jurisdiction of the Secretary.

(b) SOURCES OF TRAINING.—The Secretary may enter into a cooperative agreement with one or more private, nonprofit organizations for purposes of providing at the military installations included in the demonstration project the prerelease employment training authorized under subsection (a) or may provide such training directly at such installations by agreement with the State concerned.

(c) USE OF FACILITIES.—Under a cooperative agreement entered into under subsection (b), the Secretary may lease or otherwise make available to a nonprofit organization participating in the demonstration project at a military installation included in the demonstration project any real property or facilities at the installation that the Secretary considers to be appropriate for use to provide the prerelease employment training authorized under subsection (a). Notwithstanding section 2667(b)(4) of title 10, United States Code, the use of such real property or facilities may be permitted with or without reimbursement.

(d) ACCEPTANCE OF SERVICES.—Notwithstanding section 1342 of title 31, United States Code, the Secretary may accept voluntary services provided by persons participating in the prerelease employment training authorized under subsection (a).

(e) LIABILITY AND INDEMNIFICATION.—(1) A nonprofit organization participating in the demonstration project shall—

(A) be liable for any loss or damage to Federal Government property that may result from, or in connection with, the provision of prerelease employment training by the organization under the demonstration project; and

(B) hold harmless and indemnify the United States from and against any suit, claim, demand, action, or liability arising out of any claim for personal injury or property damage that may result from or in connection with the demonstration project.

(2) In any case in which the Secretary provides prerelease employment training directly by agreement with the State concerned, the State shall—

(A) be liable for any loss or damage to Federal Government property that may result from, or in connection with, the provision of the training except to the extent that the loss or damage results from a wrongful act or omission of Federal Government personnel; and

(B) hold harmless and indemnify the United States from and against any suit, claim, demand, action, or liability arising out of any claim for personal injury or property damage that may result from, or in connection with, the provision of the training except to the extent that the personal injury or property damage results from a wrongful act or omission of Federal Government personnel.

(f) REPORT.—Not later than two years after the date of the enactment of this Act, the Secretary shall submit to Congress a report evaluating the success of the demonstration project and containing such recommendations with regard to the termination, continuation, or expansion of the demonstration project as the Secretary considers appropriate.

Subtitle G—Discrimination and Sexual Harassment

SEC. 1056. DEPARTMENT OF DEFENSE POLICIES AND PROCEDURES ON DISCRIMINATION AND SEXUAL HARASSMENT.

(a) MILITARY DEPARTMENT POLICIES.—(1) Subject to paragraph (2), the Secretary of the Navy and the Secretary of the Air Force shall review and revise the regulations of the Department of the Navy and the Department

of the Air Force, respectively, relating to equal opportunity policy and complaint procedures to ensure that the such regulations are substantially equivalent to the regulations of the Army on such matters.

(2) In revising regulations pursuant to paragraph (1), the Secretary of the Navy or the Secretary of the Air Force, as the case may be, may make such additions and modifications as the Secretary of Defense determines appropriate to strengthen the regulations beyond the substantial equivalent of the Army regulations in accordance with—

(A) the recommendations of the Department of Defense Task Force on Discrimination and Sexual Harassment; and

(B) the experience of the Army, Navy, Air Force, and Marine Corps regarding equal opportunity cases.

(3) The Secretary of the Army shall review the regulations of the Department of the Army relating to equal opportunity policy and complaint procedures and revise the regulations as the Secretary of Defense considers appropriate to strengthen the regulations in accordance with the recommendations and experience described in subparagraphs (A) and (B) of paragraph (2).

(b) REQUIREMENTS REGARDING REPORT OF TASK FORCE ON DISCRIMINATION AND SEXUAL HARASSMENT.—(1) The Department of Defense Task Force on Discrimination and Sexual Harassment shall transmit the report of the task force to the Secretary of Defense not later than October 1, 1994.

(2) The Secretary of Defense shall transmit to Congress the report of the task force not later than October 10, 1994.

(3) Not later than 45 days after receiving the report, the Secretary of Defense shall—

(A) review the recommendations for action contained in such report;

(B) determine which recommendations the Secretary approves for implementation and which recommendations the Secretary disapproves; and

(C) submit to Congress a report that—

(i) identifies the approved recommendations and the disapproved recommendations; and

(ii) explains the reasons for each such approval and disapproval.

(4) The Secretary of Defense shall implement the approved recommendations not later than April 1, 1995.

(c) The Advisory Board or the investigative capability of the Department of Defense should consider and include in its report—

(1) whether the Department of Defense should establish a separate unit to oversee all matters related to allegations of discrimination or sexual misconduct in the Department of Defense; and

(2) whether additional data collection and reporting procedures are needed to enhance the ability of the Department of Defense to deal with sexual misconduct.

(d) The Secretary of Defense shall ensure that regulations governing consideration of equal opportunity matters in performance evaluations include consideration of an individual's commitment to elimination of discrimination or of sexual harassment.

Subtitle H—Other Matters

SEC. 1061. REDESIGNATION OF UNITED STATES COURT OF MILITARY APPEALS AND THE COURTS OF MILITARY REVIEW.

(a) UNITED STATES COURT OF APPEALS FOR THE ARMED SERVICES.—Section 941 of title 10, United States Code (article 141 of the Uniform Code of Military Justice), is amended by striking out "United States Court of Military Appeals" and inserting in lieu thereof "United States Court of Appeals for the Armed Services".

(b) COURTS OF MILITARY CRIMINAL APPEALS.—Section 866 of title 10, United States Code (article 66 of the Uniform Code of Military Justice), is amended by striking out "Court of Military Review" each place it appears and inserting in lieu thereof "Court of Military Criminal Appeals".

(c) CONFORMING AMENDMENTS TO TITLE 10.—(1) The following sections of title 10, United States Code, are amended by striking out "Court of Military Appeals" each place it appears and inserting in lieu thereof "Court of Appeals for the Armed Services": sections 707(a)(2), 866(e), 867, 867a(a), 870, 871(c)(1), 873, 942, 943, 944, 945, and 946(b)(1).

(2) The following sections of title 10, United States Code, are amended by striking out "Court of Military Review" each place it appears and inserting in lieu thereof "Court of Military Criminal Appeals": sections 707(a)(2), 862(b), 867, 868, 869, 870, 871, and 873.

(3)(A) The heading of subchapter XII of chapter 47 of such title is amended to read as follows:

"SUBCHAPTER XII—UNITED STATES COURT OF APPEALS FOR THE ARMED SERVICES".

(B) The table of subchapters at the beginning of chapter 47 of such title is amended by striking out the item relating to subchapter XII and inserting in lieu thereof the following:

"XII. United States Court of Appeals for the Armed Services ..... 941 141".

(4)(A) The heading of section 866 of such title is amended to read as follows:

"§ 867. Art. 66. Review by Court of Military Criminal Appeals".

(B) The heading of section 867 of such title is amended to read as follows:

"§ 867. Art. 67. Review by the Court of Appeals for the Armed Services".

(C) The table of sections at the beginning of subchapter IX of chapter 47 of such title is amended by striking out the items relating to sections 866 and 867 (articles 66 and 67) and inserting in lieu thereof the following:

"866. 66. Review by Court of Military Criminal Appeals.

"867. 67. Review by the Court of Appeals for the Armed Services.".

(d) CONFORMING AMENDMENTS TO OTHER UNITED STATES CODE TITLES.—(1) The following provisions of the United States Code are amended by striking out "Court of Military Appeals" each place it appears and inserting in lieu thereof "Court of Appeals for the Armed Services":

(A) In title 5, sections 8334(a)(1), 8336(l), 8337(a), 8338(c), 8339(d)(7), and 8339(h) and the table in 8334(c).

(B) In title 18, sections 202(e)(2) and 6001(4).

(C) In title 28, sections 1259 and 2101(g).

(D) In title 44, section 906.

(2)(A) The heading of section 1259 of title 28, United States Code, is amended to read as follows:

"§ 1259. Court of Appeals for the Armed Services; certiorari".

(B) The table of sections at the beginning of chapter 81 of such title is amended by striking out the item relating to section 1259 and inserting in lieu thereof the following:

"1259. Court of Appeals for the Armed Services; certiorari.".

(e) CONFORMING AMENDMENT TO OTHER LAW.—Section 109 of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended by striking out "Court of Military Appeals" each place it appears in paragraphs (8) and (10) and inserting in lieu thereof "Court of Appeals for the Armed Services".

SEC. 1062. ASSISTANCE TO FAMILY MEMBERS OF CERTAIN POW/MIAS WHO REMAIN UNACCOUNTED FOR.

(a) SINGLE POINT OF CONTACT.—The Secretary of Defense shall designate an official of the Department of Defense to serve as a single point of contact within the department—

(1) for the immediate family members (or their designees) of any unaccounted-for Korean conflict POW/MIA; and

(2) for the immediate family members (or their designees) of any unaccounted-for Cold War POW/MIA.

(b) FUNCTIONS.—The official designated under subsection (a) shall serve as a liaison between the family members of unaccounted-for Korean conflict POW/MIAs and unaccounted-for Cold War POW/MIAs and the Department of Defense and other Federal departments and agencies that may hold information that may related to such POW/MIAs. The functions of that official shall include assisting family members—

(1) with the procedures the family may follow in their search for information about the unaccounted-for Korean conflict POW/MIA or unaccounted-for Cold War POW/MIA, as the case may be;

(2) in learning where they may locate information about the unaccounted-for POW/MIA; and

(3) in learning how and where to identify classified records that contain pertinent information and that will be declassified.

(c) ASSISTANCE IN OBTAINING DECLASSIFICATION.—The official designated under subsection (a) shall seek to obtain the rapid declassification of any relevant classified records that are identified.

(d) REPOSITORY.—The official designated under subsection (a) shall provide for a centralized repository for all documents relating to unaccounted-for Korean conflict POW/MIAs and unaccounted-for Cold War POW/MIAs that are located as a result of the official's efforts.

(e) DEFINITIONS.—For purposes of this section:

(1) The term "unaccounted-for Korean conflict POW/MIA" means a member of the Armed Forces or civilian employee of the United States who, as a result of service during the Korean conflict, was at any time classified as a prisoner of war or missing-in-action or otherwise unaccounted for and whose person or remains have not been returned to the United States and who remains unaccounted for.

(2) The term "unaccounted-for Cold War POW/MIA" means a member of the Armed Forces or civilian employee of the United States who, as a result of service during the period from September 2, 1945, to August 21, 1991, was at any time classified as a prisoner of war or missing-in-action or otherwise unaccounted for and whose person or remains have not been returned to the United States and who remains unaccounted for.

(3) The term "Korean conflict" has the meaning given such term in section 101(9) of title 38, United States Code.

SEC. 1063. NATIONAL GUARD ASSISTANCE FOR CERTAIN YOUTH AND CHARITABLE ORGANIZATIONS.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—Chapter 5 of title 32, United States Code, is amended by adding at the end the following:

"§ 508. Assistance for certain youth and charitable organizations

"(a) AUTHORITY TO PROVIDE SERVICES.—Members and units of the National Guard

may provide the services described in subsection (b) to an eligible organization in conjunction with training required under this chapter in any case in which—

"(1) the provision of such services does not adversely affect the quality of that training or otherwise interfere with the ability of a member or unit of the National Guard to perform the military functions of the member or unit;

"(2) the services to be provided are not commercially available, or any commercial entity that would otherwise provide such services has approved, in writing, the provision of such services by the National Guard;

"(3) National Guard personnel will enhance their military skills as a result of providing such services; and

"(4) the provision of the services will not result in a significant increase in the cost of the training.

"(b) AUTHORIZED SERVICES.—The services authorized to be provided under subsection (a) are as follows:

"(1) Ground transportation.

"(2) Air transportation in support of Special Olympics.

"(3) Administrative support services.

"(4) Technical training services.

"(5) Emergency medical assistance and services.

"(6) Communications services.

"(7) Security services.

"(c) OTHER AUTHORIZED ASSISTANCE.—Facilities and equipment of the National Guard, including military property of the United States issued to the National Guard and General Services Administration vehicles leased to the National Guard, and General Services Administration vehicles leased to the Department of Defense, may be used in connection with providing services to any eligible organization under this section.

"(d) ELIGIBLE ORGANIZATIONS.—The organizations eligible to receive services under this section are as follows:

"(1) The Boy Scouts of America.

"(2) The Girl Scouts of America.

"(3) The Boys Clubs of America.

"(4) The Girls Clubs of America.

"(5) The Young Men's Christian Association.

"(6) The Young Women's Christian Association.

"(7) The Civil Air Patrol.

"(8) The United States Olympic Committee.

"(9) The Special Olympics.

"(10) The Campfire Boys.

"(11) The Campfire Girls.

"(12) The 4-H Club.

"(13) The Police Athletic League.

"(14) Any other youth or charitable organization designated by the Secretary of Defense.".

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

"508. Assistance for certain youth and charitable organizations.".

SEC. 1064. DEFENSE MAPPING AGENCY.

(a) UNAUTHORIZED USE OF NAME.—Chapter 167 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2798. Unauthorized use of Defense Mapping Agency name, initials, or seal

"(a) No person may, except with the written permission of the Secretary of Defense, knowingly use the words 'Defense Mapping Agency', the initials 'DMA', the seal of the Defense Mapping Agency, or any colorable imitation of such words, initials, or seal in connection with any merchandise, retail product, impersonation, solicitation or commercial activity in a manner reasonably calculated to convey the impression that such use is approved, endorsed, or authorized by the Secretary of Defense.

"(b) Whenever it appears to the Attorney General that any person is engaged or about to engage in an act or practice which constitutes or will constitute conduct prohibited by subsection (a), the Attorney General may initiate a civil proceeding in a district court of the United States to enjoin such act or practice. Such court shall proceed as soon as practicable to hearing and determination of such action and may, at any time before such final determination, enter such restraining orders or prohibitions, or take such other action as is warranted, to prevent injury to the United States or to any person or class of persons for whose protection the action is brought.".

(b) LIMITATION ON LIABILITY RELATING TO NAVIGATIONAL AIDS.—Chapter 167 of such title, as amended by subsection (a), is further amended by adding at the end the following new section:

"§ 2799. Civil actions barred

"(a) CLAIMS BARRED.—No civil action may be brought against the United States on the basis of the content of a navigational aid prepared or disseminated by the Defense Mapping Agency.

"(b) NAVIGATIONAL AIDS COVERED.—Subsection (a) applies with respect to a navigational aid in the form of a map, a chart, or a publication and any other form or medium of product or information in which the Defense Mapping Agency prepares or disseminates navigational aids.".

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

"2798. Unauthorized use of Defense Mapping Agency name, initials, or seal.

"2799. Civil actions barred.".

(d) EFFECTIVE DATE.—Section 2799 of title 10, United States Code, as added by subsection (b), shall take effect on the date of the enactment of this Act and shall apply with respect to (1) civil actions brought before such date that are pending adjudication on such date, and (2) civil actions brought on or after such date.

SEC. 1065. TRANSFER OF NAVAL VESSELS TO BRAZIL.

(a) AUTHORITY.—The Secretary of the Navy is authorized to transfer to the Government of Brazil the "KNOX" class frigates, MILLER (FF 1091) and VALDEZ (FF 1096). Such transfers shall be on a lease basis under chapter 6 of the Arms Export Control Act (22 U.S.C. 2796 et seq.).

(b) WAIVER OF REQUIREMENTS FOR NOTIFICATION TO CONGRESS.—Section 62 of the Arms Export Control Act does not apply with respect to a lease authorized by subsection (a), except that section 62 of such Act shall apply to any renewal of the lease.

(c) COSTS OF TRANSFERS.—Any expense of the United States in connection with a transfer authorized by subsection (a) shall be charged to the Government of Brazil.

(d) EXPIRATION OF AUTHORITY.—The authority granted by subsection (a) shall expire at the end of the 2-year period beginning on the date of the enactment of this Act, except that leases entered into during that period may be renewed.

SEC. 1066. TRANSFERS OF M1A1 TANKS TO THE MARINE CORPS.

(a) TRANSFER REQUIRED.—Subject to subsection (b), as M1A1 tanks of the Army become excess to the requirements of the active component of the Army, the Secretary of the Army shall transfer to the Marine Corps, at no expense to the Army, as many of such tanks as are necessary to satisfy the requirements of the Marine Corps for tanks, as determined by the Secretary of Defense.

(b) TRANSFER LIMITS.—The Secretary of the Army shall transfer under subsection (a) 84 M1A1 tanks selected by the Secretary of the Army.

(c) EXCLUSION OF CERTAIN TRANSFERS.—If any of the tanks transferred under subsection (a) are transferred to the Marine Corps Reserve, the number of tanks not in excess of 48 that are so transferred shall not be counted for purposes of subsection (b).

(d) LIMITATION ON TRANSFERS TO ARMY NATIONAL GUARD.—After the date of the enactment of this Act, the Secretary of the Army shall transfer not more than one M1A1 tank to the National Guard for each M1A1 tank transferred to the Marine Corps until the Secretary has transferred the total number of tanks required in subsection (b). The tanks transferred to the Marine Corps shall be in a material condition comparable to the material condition of the tanks transferred to the National Guard.

(e) TREATMENT OF CERTAIN TRANSFERRED TANKS UNDER LIMITATIONS.—The transfer of a tank under section 112 shall not be counted for purposes of subsection (a), (b), (c), or (d).

SEC. 1067. LIMITATION REGARDING MERGER OF TELECOMMUNICATIONS SYSTEMS.

(a) LIMITATION.—Funds available to the Department of Defense may not be expended to merge defense telecommunications systems with the telecommunications system known as "FTS-2000" or with any other civil telecommunications system until—

(1) the Secretary of Defense submits to the congressional defense committees a report containing—

(A) a certification by the Secretary that the merged telecommunications systems, including the associated services, will provide assured, secure telecommunications support for Department of Defense activities; and

(B) a description of how the merger of the systems will be implemented and the merged systems will be managed to meet defense information infrastructure requirements, including requirements to support deployed forces and intelligence activities; and

(2) 30 days elapse after the date on which such report is received by the committees.

(b) DEFENSE TELECOMMUNICATIONS ACTIVITY DEFINED.—In this section, the term "defense telecommunications system" means a system of telecommunications equipment and services that, pursuant to section 2315 of title 10, United States Code, is exempt from the requirements of section 111 of the Federal Property and Administrative Services Act of 1949.

SEC. 1068. ACQUISITION OF STRATEGIC SEALIFT SHIPS.

(a) AMOUNT FOR SHIPBUILDING AND CONVERSION.—Notwithstanding section 102(3), there is hereby authorized to be appropriated for the Navy for fiscal year 1995, $5,532,007,000 for procurement for shipbuilding and conversion.

(b) NATIONAL DEFENSE SEALIFT FUND.—Notwithstanding section 302(2), there is hereby authorized to be appropriated for the Armed Forces and other activities and agencies of the Department of Defense $828,600,000 for providing capital for the National Defense Sealift Fund.

SEC. 1069. REQUIREMENT FOR SECRETARY OF DEFENSE TO SUBMIT RECOMMENDATIONS ON CERTAIN PROVISIONS OF LAW CONCERNING MISSING PERSONS.

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

(1) The families of American personnel who became prisoners of war or missing in action while serving in the Armed Forces of the United States and national veterans organizations have expressed concern to Congress for several years regarding provisions of chapter 10 of title 37, United States Code, relating to missing persons, that authorize the Secretaries of the military departments to declare missing Armed Forces personnel dead based solely on the passage of time.

(2) Proposed legislation concerning revisions to those provisions of law has been pending before Congress for several years.

(3) It is important for Congress to obtain the views of the Secretary of Defense with respect to the appropriateness of revising those provisions of law before acting further on proposed amendments to such provisions.

(b) RECOMMENDATIONS REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Secretaries of the military departments, the national POW/MIA family organizations, and the national veterans organizations, shall—

(1) conduct a review of the provisions of chapter 10 of title 37, United States Code, relating to missing persons; and

(2) submit to Congress the Secretary's recommendations as to whether those provisions of law should be amended.

SEC. 1070. CONTACT BETWEEN THE DEPARTMENT OF DEFENSE AND THE MINISTRY OF NATIONAL DEFENSE OF CHINA ON POW/MIA ISSUES.

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

(1) The Select Committee on POW/MIA Affairs of the Senate concluded in its final report, dated January 13, 1993, that "many American POW's had been held in China during the Korean conflict and that foreign POW camps in both China and North Korea were run by Chinese officials" and, further, that "given the fact that only 26 Army and 15 Air Force personnel returned from China following the war, the committee can now firmly conclude that the People's Republic of China surely has information on the fate of other unaccounted for American POW's from the Korean conflict.".

(2) The Select Committee on POW/MIA Affairs recommended in such report that "the Department of State and Defense form a POW/MIA task force on China similar to Task Force Russia.".

(3) Neither the Department of Defense nor the Department of State has held substantive discussions with officials from the People's Republic of China concerning unaccounted for American prisoners of war of the Korean conflict.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense should establish contact with officials of the Ministry of Defense of the People's Republic of China regarding unresolved issues relating to American prisoners of war and American personnel missing in action as a result of the Korean conflict.

SEC. 1071. DISCLOSURE OF INFORMATION CONCERNING UNACCOUNTED FOR UNITED STATES PERSONNEL FROM THE KOREAN CONFLICT, AND THE COLD WAR.

Section 1082 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 50 U.S.C. 401 note) is amended—

(1) in subsection (a), by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) Paragraph (1) applies to any record, live-sighting report, or other information in the custody of the official custodian referred to in subsection (d)(3) that may pertain to the location, treatment, or condition of (i) United States personnel who remain not accounted for as a result of service in the Armed Forces of the United States or other Federal Government service during the Korean conflict, the Vietnam era, or the Cold War, or (ii) their remains.";

(2) in subsection (c)—

(A) by striking out the first sentence in paragraph (1) and inserting in lieu thereof the following: "In the case of records or other information originated by the Department of Defense, the official custodian shall make such records and other information available to the public pursuant to this section not later than September 30, 1995.";

(B) in paragraph (2), by striking out "after March 1, 1992,"; and

(C) in paragraph (3), by striking out "a Vietnam-era POW/MIA who may still be alive in Southeast Asia," and inserting in lieu thereof "any United States personnel referred to in subsection (a)(2) who remain not accounted for but who may still be alive in captivity,";

(3) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) DEFINITIONS.—For purposes of this section:

"(1) The terms 'Korean conflict' and 'Vietnam era' have the meanings given those terms in section 101 of title 38, United States Code.

"(2) The term 'Cold War' shall have the meaning determined by the Secretary of Defense.

"(3) The term 'official custodian' means—

"(A) in the case of records, reports, and information relating to the Korean conflict or the Cold War, the Archivist of the United States; and

"(B) in the case of records, reports, and information relating to the Vietnam era, the Secretary of Defense."; and

(4) by striking out the section heading and inserting in lieu thereof the following new section heading:

"SEC. 1082. DISCLOSURE OF INFORMATION CONCERNING UNACCOUNTED FOR UNITED STATES PERSONNEL OF THE COLD WAR, THE KOREAN CONFLICT, AND THE VIETNAM ERA.".

SEC. 1072. REQUIREMENT FOR CERTIFICATION BY SECRETARY OF DEFENSE CONCERNING DECLASSIFICATION OF VIETNAM-ERA POW/MIA RECORDS.

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

(1) The Senate, by Senate Resolution 324, 102d Congress, 2d session, agreed to on July 2, 1992, unanimously requested the President to "expeditiously issue an Executive Order requiring all executive branch departments and agencies to declassify and publicly release without compromising United States national security all documents, files, and other materials pertaining to POW's and MIA's.".

(2) The President, in an executive order dated July 22, 1992, ordered declassification of all United States Government documents, files, and other materials pertaining to American personnel who became prisoners of war or missing in action in Southeast Asia.

(3) The President stated on Memorial Day of 1993 that all such documents, files, and other materials pertaining to the personnel covered by that executive order should be declassified by Veterans Day of 1993.

(4) The President declared on Veterans Day of 1993 that all such documents, files, and other materials had been declassified.

(5) Nonetheless, since that Veterans Day declaration in 1993, there have been found still classified more United States Government documents, files, and other materials pertaining to American personnel who became prisoners of war or missing in action in Southeast Asia.

(b) REVIEW AND CERTIFICATION.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall—

(1) conduct a review to determine whether there continue to exist in classified form documents, files, or other materials pertaining to American personnel who became prisoners of war or missing in action in Southeast Asia that should be declassified in accordance with Senate Resolution 324, 102d Congress, 2d session, agreed to on July 2, 1992, and the executive order of July 22, 1992; and

(2) certify to Congress that all documents, files, and other materials pertaining to such personnel have been declassified and specify in the certification the date on which the declassification was completed.

SEC. 1073. INFORMATION CONCERNING UNACCOUNTED FOR UNITED STATES PERSONNEL OF THE VIETNAM CONFLICT.

Not later than 45 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress the following information pertaining to United States personnel involved in the Vietnam conflict that remain not accounted for:

(1) A complete listing by name of all such personnel about whom it is possible that officials of the Socialist Republic of Vietnam can produce additional information or remains that could lead to the maximum possible accounting for those personnel, as determined on the basis of all information available to the United States Government.

(2) A complete listing by name of all such personnel about whom it is possible that officials of the Lao People's Democratic Republic can produce additional information or remains that could lead to the maximum possible accounting for those personnel, as determined on the basis of all information available to the United States Government.

SEC. 1074. REPORT ON POW/MIA MATTERS CONCERNING NORTH KOREA.

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

(1) The Select Committee on POW/MIA Affairs of the Senate concluded in its final report, dated January 13, 1994, that "it is likely that a large number of possible MIA remains can be repatriated and several records and documents on unaccounted for POW's and MIA's can be provided from North Korea once a joint working level commission is set up under the leadership of the United States.".

(2) The Select Committee recommended in such report that "the Departments of State and Defense take immediate steps to form this commission through the United Nations Command at Panmunjom, Korea" and that the "commission should have a strictly humanitarian mission and should not be tied to political developments on the Korean peninsula.".

(3) In August 1993, the United States and North Korea entered into an agreement concerning the repatriation of remains of United States personnel.

(4) The establishment of a joint working level commission with North Korea could enhance the prospects for results under the August 1993 agreement.

(b) REPORT.—The Secretary of Defense shall—

(1) at the end of January, May, and September of 1995, submit a report to Congress on the status of efforts to obtain information from North Korea concerning United States personnel involved in the Korean conflict who remain not accounted for and to obtain from North Korea any remains of such personnel; and

(2) actively seek to establish a joint working level commission with North Korea, consistent with the recommendations of the Select Committee on POW/MIA Affairs of the Senate set forth in the final report of the committee, dated January 13, 1993, to resolve the remaining issues relating to United States personnel who became prisoners of war or missing in action during the Korean conflict.

SEC. 1075. ELIMINATION OF DISPARITY BETWEEN EFFECTIVE DATES FOR MILITARY AND CIVILIAN RETIREE COST-OF-LIVING ADJUSTMENTS FOR FISCAL YEAR 1995.

(a) IN GENERAL.—The fiscal year 1995 increase in military retired pay shall (notwithstanding subparagraph (B) of section 1401a(b)(2) of title 10, United States Code) first be payable as part of such retired pay for the month of March 1995.

(b) DEFINITIONS.—For the purposes of subsection (a):

(1) The term "fiscal year 1995 increase in military retired pay" means the increase in retired pay that, pursuant to paragraph (1) of section 1401a(b) of title 10, United States Code, becomes effective on December 1, 1994.

(2) The term "retired pay" includes retainer pay.

(c) LIMITATION.—Subsection (a) shall be effective only if there is appropriated to the Department of Defense Military Retirement Fund (in an Act making appropriations for the Department of Defense for fiscal year 1995 that is enacted before March 1, 1995) such amount as is necessary to offset increased outlays to be made from that fund during fiscal year 1995 by reason of the provisions of subsection (a).

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal year 1995 to the Department of Defense Military Retirement Fund the sum of $376,000,000 to offset increased outlays to be made from that fund during fiscal year 1995 by reason of the provisions of subsection (a).

SEC. 1076. MILITARY RECRUITING ON CAMPUS.

(a) DENIAL OF FUNDS.—(1) No funds available to the Department of Defense may be provided by grant or contract to any institution of higher education that has a policy of denying, or which effectively prevents, the Secretary of Defense from obtaining for military recruiting purposes—

(A) entry to campuses or access to students on campuses; or

(B) access to directory information pertaining to students.

(2) Students referred to in paragraph (1) are individuals who are 17 years of age or older.

(b) PROCEDURES FOR DETERMINATION.—The Secretary of Defense, in consultation with the Secretary of Education, shall prescribe regulations that contain procedures for determining if and when an educational institution has denied or prevented access to students or information described in subsection (a).

(c) DEFINITION.—For purposes of this section, the term "directory information" means, with respect to a student, the student's name, address, telephone listing, date and place of birth, level of education, degrees received, and the most recent previous educational institution enrolled in by the student.

SEC. 1077. STUDY ON CONVERGENCE OF GEOSAT AND EOS ALTIMETRY PROGRAMS.

(a) REQUIREMENT.—The Secretary of the Navy and the Administrator of the National Aeronautics and Space Administration shall jointly conduct a study on the convergence of the National Aeronautics and Space Administration Earth Observing System Altimetry mission with the Navy Geosat Follow-On program. The study shall assess whether a converged system, which may involve minor modifications to the Geosat Follow-On satellite, could—

(1) satisfy the needs of the Earth Observing System program for altimetry data;

(2) reduce the expenses of the National Aeronautics and Space Administration in satisfying such needs;

(3) be available in time to serve as the follow-on to the Topex/Poseidon mission; and

(4) continue to meet the requirements of the Navy for altimetry data at no additional cost to the Navy.

(b) CONSULTATION.—In concluding the study, the Secretary and the Administrator shall consult with appropriate members of the scientific community.

(c) REPORT.—The Secretary and the Administrator shall submit to the Committees on Armed Services, Commerce, Science, and Transportation and the Committees on Armed Services and Science, Space, and Technology of the House of Representatives a report on the results of the study conducted under subsection (a), together with the recommendations of the Secretary and the Administrator thereon. The Secretary and the Administrator shall submit not later than February 15, 1995.

SEC. 1078. VISAS FOR OFFICIALS OF TAIWAN.

Section 4(b)(6) of the Taiwan Relations Act (22 U.S.C. 3302(b)(6)) is amended—

(1) by inserting "(A)" immediately after "(6)"; and

(2) by adding at the end the following:

"(B) Whenever the president of Taiwan or any other high-level official of Taiwan shall apply to visit the United States for the purposes of discussions with United States Federal or State government officials concerning:

"(i) Trade or business with Taiwan that will reduce the United States-Taiwan trade deficit;

"(ii) Prevention of nuclear proliferation;

"(iii) Threats to the national security of the United States;

"(iv) The protection of the global environment;

"(v) The protection of endangered species; or

"(vi) Regional humanitarian disasters.

The official shall be admitted to the United States, unless the official is otherwise excludable under the immigration laws of the United States.".

SEC. 1079. SENSE OF THE SENATE CONCERNING PARTICIPATION IN ALLIED DEFENSE COOPERATION.

It is the sense of the Senate that the President should use existing authorities to the greatest extent possible to authorize the provision of the following types of assistance and cooperation to countries like Poland, Hungary and the Czech Republic who are making significant progress in working with NATO—

(1) Excess defense articles as defined in the Foreign Assistance Act of 1961 and the Arms Control Export Act;

(2) Loan materials, supplies and equipment for research and development purposes;

(3) Leases and loans of major defense equipment and other defense articles;

(4) Cooperative military airlift agreements;

(5) The procurement of communications support and related supplies and services;

(6) Actions to standardize equipment with North Atlantic Treaty Organization members.

SEC. 1080. INTERAGENCY PLACEMENT PROGRAM FOR FEDERAL EMPLOYEES AFFECTED BY REDUCTION IN FORCE ACTIONS.

(a) STUDY AND REPORT.—(1) No later than 6 months after the date of the enactment of this Act, the Office of Personnel Management, in consultation with the Department of Defense, shall conduct a study and submit a report to the Congress on—

(A) the feasibility of establishing a mandatory interagency placement program for Federal employees affected by reduction in force actions; and

(B) any action taken by the Office of Personnel Management under subsection (b).

(2) In conducting the study under this section, the Office of Personnel Management, in consultation with the Department of Defense, shall seek comments from all Federal agencies.

(b) AGREEMENTS TO ESTABLISH INTERAGENCY PLACEMENT PROGRAM.—(1) If, during the 6-month period after the date of the enactment of this Act, the Office of Personnel Management, in consultation with the Department of Defense, determines that a Government-wide interagency placement program for Federal employees affected by reduction in force actions is feasible, the Office of Personnel Management may enter into an agreement with each agency that agrees to participate, to establish such a program. A program established under this subsection shall not be required to be an interagency placement program as defined under subsection (c)(3).

(2) If the Office of Personnel Management makes a determination to establish a program as provided under paragraph (1), the Office shall include in the report submitted under subsection (a) each agency that decides not to participate in the program and the reasons of the agency for the decision.

(c) DEFINITIONS.—For purposes of this section—

(1) the term "agency" means an "Executive agency" as defined under section 105 of title 5, United States Code, and—

(A) includes the United States Postal Service and the Postal Rate Commission; and

(B) does not include the General Accounting Office;

(2) the term "Federal employees affected by reduction in force actions" means Federal employees who—

(A) are scheduled to be separated from service under a reduction in force pursuant to—

(i) regulations prescribed under section 3502 of title 5, United States Code; or

(ii) procedures established under section 3595 of title 5, United States Code; or

(B) are separated from service under such a reduction in force; and

(3) the term "interagency placement program" means a program that provides a system to require the offer of a position in an agency to an employee of another agency affected by a reduction in force action, if—

(A) the position cannot be filled through a placement program of the agency in which the position is located;

(B) the employee to whom the offer is made is well qualified for the offered position;

(C)(i) the classification of the offered position is equal to the classification of the employee's present or last held position; or

(ii) the basic rate of pay of the offered position is equal to the basic rate of pay of the employee's present or last held position; and

(D) the geographic location of the offered position is within the commuting area of—

(i) the residence of the employee; or

(ii) the location of the employee's present or last held position.

SEC. 1081. GEORGE C. MARSHALL EUROPEAN CENTER FOR SECURITY STUDIES.

(a) USE OF CONTRIBUTIONS.—Funds received by the United States Government from the Federal Republic of Germany as its fair share of the costs of the George C. Marshall European Center for Security Studies shall be credited to appropriations available to the Department of Defense for the George C. Marshall European Center for Security Studies. Funds so credited shall be merged with the appropriations to which credited and shall be available for the Center for the same purposes and the same period as the appropriations with which merged.

(b) WAIVER OF CHARGES.—(1) The Secretary of Defense may waive reimbursement of the costs of conferences, seminars, courses of instruction, or similar educational activities of the George C. Marshall European Center for Security Studies for military officers and civilian officials of cooperation partner states of the North Atlantic Cooperation Council or the Partnership for Peace if the Secretary determines that attendance by such personnel without reimbursement is in the national security interest of the United States.

(2) Costs for which reimbursement is waived pursuant to paragraph (1) shall be paid from appropriations available for the Center.

SEC. 1082. CHANGES IN NOTICE REQUIREMENTS UPON PENDING OR ACTUAL TERMINATION OF DEFENSE PROGRAMS.

(a) TIME FOR NOTICE REQUIREMENT AFTER SUBMISSION OF BUDGET.—Subsection (a) of section 4471 of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102-484; 106 Stat. 2753; 10 U.S.C. 2501 note) is amended—

(1) by striking out "As soon as reasonably practicable" and inserting in lieu thereof "Not later than 90 days"; and

(2) by striking out "and not more than 180 days after such date,".

(b) TIME FOR NOTICE REQUIREMENT AFTER ENACTMENT OF APPROPRIATIONS ACT.—Subsection (b) of such section is amended—

(1) by striking out "as soon as reasonably practicable" and inserting in lieu thereof "not later than 90 days"; and

(2) by striking out "and not more than 180 days after such date,".

(c) TIME FOR NOTICE REQUIREMENT ON WITHDRAWAL OF NOTIFICATION.—Subsection (f)(1) of such section is amended in the second sentence by striking out "as soon as reasonably practicable" and inserting in lieu thereof "not later than 90 days".

SEC. 1083. TRANSFER OF OBSOLETE VESSEL GUADALCANAL.

(a) AUTHORITY.—Notwithstanding subsections (a) and (d) of section 7306 of title 10, United States Code, but subject to subsections (b) and (c) of that section, upon the decommissioning of the USS Guadalcanal (LPH 7), the Secretary of the Navy may transfer the Guadalcanal to the not-for-profit organization Intrepid Museum Foundation, New York, New York.

(b) LIMITATIONS.—The transfer authorized by section (a) may be made only if the Secretary determines that the vessel Guadalcanal is of no further use to the United States for national security purposes.

(c) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the transfer authorized by this section as the Secretary considers appropriate.

SEC. 1084. STUDY OF SPOUSAL ABUSE INVOLVING ARMED FORCES PERSONNEL.

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

(1) The Department of Defense has sponsored several highly successful programs designed to curtail spousal abuse.

(2) The readiness of the Armed Forces would be enhanced by eliminating all forms of spousal abuse involving members of the Armed Forces.

(3) Available data on the frequency and causes of spousal abuse involving members of the Armed Forces is not comprehensive for the Armed Forces.

(b) STUDY AND REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall conduct a study on spousal abuse involving members of the Armed Forces of the United States and submit to Congress a report on the results of the study.

(c) CONTENT OF REPORT.—The report shall contain the following matters:

(1) The frequency of spousal abuse involving members of the Armed Forces.

(2) A discussion of the possible causes of such spousal abuse.

(3) A discussion of the procedures followed in responding to incidents of such spousal abuse.

(4) An analysis of the effectiveness of those procedures.

(5) A review of the existing programs for curtailing such spousal abuse.

(6) A strategy for the entire Armed Forces for curtailing spousal abuse involving members of the Armed Forces.

SEC. 1085. REVIEW OF THE PROCEDURES USED BY DEPARTMENT OF DEFENSE INVESTIGATIVE ORGANIZATIONS WHEN CONDUCTING AN INVESTIGATION INTO THE DEATH OF A MEMBER OF THE ARMED FORCES WHO, WHILE SERVING ON ACTIVE DUTY, DIED FROM A CAUSE DETERMINED TO BE SELF-INFLICTED.

SENSE OF CONGRESS.—It is the Sense of Congress that, upon receipt of the report required by section 1185 of the National Defense Authorization Act for Fiscal Year 1994, the Senate Committee on Armed Services should review that report and hold hearings related to the procedures employed by Department of Defense investigative organizations when conducting an investigation into the death of a member of the Armed Services who, while serving on active duty, died from a cause determined to be self-inflicted.

SEC. 1086. PUBLIC EDUCATION FACILITY OF THE ARMED FORCES INSTITUTE OF PATHOLOGY.

(a) PURPOSE.—It is the purpose of this section to—

(1) display and interpret the collections of the Armed Forces Institute of Pathology currently located at Walter Reed Medical Center; and

(2) designate a site for the relocation of the public education facility of the Armed Forces Institute of Pathology so that it may serve as a central resource of instruction about the critical health issues which confront all American citizens.

(b) SITE OF FACILITY.—The public education facility of Armed Forces Institute of Pathology shall be located on or near the Mall on land owned by the Federal Government or the District of Columbia in the District of Columbia.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting the authority or responsibilities of the National Capital Planning Commission or the Commission of Fine Arts.

(d) DEFINITION.—As used in this section, the term "the Mall" means—

(1) the land designated as "Union Square", United States Reservation 6A; and

(2) the land designated as the "Mall", United States Reservations 3, 4, 5, and 6.

(e) SENSE OF THE CONGRESS.—

(1) FINDINGS.—Congress finds that—

(A) the National Museum of Health and Medicine Foundation, Inc. (a private, nonprofit organization having for its primary purpose the relocation to the Mall and revitalization of the National Museum of Health and Medicine), the Armed Forces Institute of Pathology, and the Public Health Service have jointly supported planning to relocate the Museum to a site on land that is located east of and adjacent to the Hubert H. Humphrey Building (100 Independence Avenue, Southwest, in the District of Columbia); and

(B) the National Museum of Health and Medicine Foundation, Inc., is deserving of the encouragement and support of the American people in its effort to relocate the National Museum of Health and Medicine to a site on land that is located east of and adjacent to the Hubert H. Humphrey Building, and in its effort to raise funds for a revitalized Museum to inspire increasing numbers of Americans to lead healthy lives through improved public understanding of health and the medical sciences.

(2) LOCATION.—It is the sense of the Congress that, subject to appropriate approvals by the National Capital Planning Commission and the Commission of Fine Arts, the National Museum of Health and Medicine should be relocated to a site on land that is located east of and adjacent to the Hubert H. Humphrey Building for the purpose of educating the American public concerning health and the medical sciences.

SEC. 1087. ASSIGNMENTS OF EMPLOYEES BETWEEN FEDERAL AGENCIES AND FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

(a) AUTHORITY.—Section 3371(4) of title 5, United States Code, is amended—

(1) by striking out "or" at the end of subparagraph (B);

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; or"; and

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

"(D) a federally funded research and development center.".

(b) PROVISIONS GOVERNING ASSIGNMENTS.—Section 3372 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(e) Under regulations prescribed pursuant to section 3376 of this title—

"(1) an assignment of an employee of a Federal agency to an other organization or an institution of higher education, and an employee so assigned, shall be treated in the same way as an assignment of an employee of a Federal agency to a State or local government, and an employee so assigned, is

treated under the provisions of this subchapter governing an assignment of an employee of a Federal agency to a State or local government, except that the rate of pay of an employee assigned to a federally funded research and development center may not exceed the rate of pay that such employee would be paid for continued service in the position in the Federal agency from which assigned; and

"(2) an assignment of an employee of an other organization or an institution of higher education to a Federal agency, and an employee so assigned, shall be treated in the same way as an assignment of an employee of a State or local government to a Federal agency, and an employee so assigned, is treated under the provisions of this subchapter governing an assignment of an employee of a State or local government to a Federal agency.".

SEC. 1088. BOSNIA AND HERZEGOVINA.

(a) PURPOSE.—To express the sense of Congress concerning the international efforts to end the conflict in Bosnia and Hercegovina.

(b) STATEMENTS.—The Congress makes the following statements of support:

(1) The Congress supports the use of international sanctions in the form of arms and economic embargoes imposed by the United Nations Security Council in appropriate circumstances.

(2) The Congress supports the imposition of an arms and economic embargo on the Government of Iraq by United Nations Security Council resolution 661 of August 6, 1990 to bring about compliance with a number of conditions, including in particular an end to Iraq's nuclear weapons program.

(3) The Congress supports the imposition of an arms, petroleum and economic embargo on Haiti by United Nations Security Council resolutions 875 of October 16, 1993 and 917 of May 17, 1994 to bring about compliance with the Governors Island Agreement.

(4) The Congress supports the imposition of an arms and civil aircraft embargo on Libya pursuant to United Nations Security Council resolution 748 of March 31, 1992 in order to convince Libya to renounce terrorism.

(c) FINDINGS.—The Congress makes the following findings:

(1) The United States took the lead in the United Nations Security Council to impose international sanctions in the form of arms and economic embargoes on Iraq, Haiti, and Libya.

(2) The security of the Republic of Korea with whom the United States has a mutual defense treaty and on whose territory there are more than 38,000 members of the United States Armed Forces is a vital interest of the United States.

(3) Should negotiations fail, the imposition of sanctions by the United Nations Security Council on North Korea, which would require the affirmative vote or abstention of China, Russia, Britain, and France, may be essential to stop North Korea's nuclear weapons development program and to end a nuclear threat to the Republic of Korea and Southeast Asia.

(4) The effective enforcement of sanctions on North Korea, once imposed by the United Nations Security Council, would require the cooperation of China, Russia, and Japan as well as other allies, including Britain and France, both permanent members of the United Nations Security Council.

(5) The United States voted for the international arms embargo imposed by United Nations Security Council resolution 713 of September 25, 1991 that was imposed on Yugoslavia.

(6) The imposition of the United Nations arms embargo on September 25, 1991 has not served to end the conflict in Bosnia and Hercegovina, has provided a battlefield advantage to the Bosnian Serbs, who possess artillery, tanks, and other weapons left behind by the former Yugoslav Army or provided by Serbia and Montenegro, and has deprived the Government of Bosnia and Hercegovina from acquiring the adequate means of defending itself and its citizens.

(7) Our NATO allies have committed ground forces to the United Nations Protection Force (UNPROFOR) in former Yugoslavia. At the present time France has 5,518 troops, Britain 3,435, the Netherlands 2,073, Canada 2,037, Turkey 1,696, Spain 1,417, and Belgium 1,000. Our NATO allies have thus far sustained 49 deaths and 936 wounded as a result of their participation in UNPROFOR.

(8) For the first time the so-called "contact group" composed of representatives of the United States, Russia, France and Britain is moving toward a unified position of using an incentives and disincentives "carrot and stick" strategy to bring about a peaceful settlement of the conflict in Bosnia and Hercegovina.

(d) It is the sense of the Congress that the United States should work with the NATO Member nations and the other permanent members of the United Nations Security Council to endorse the efforts of the contact group to bring about a peaceful settlement of the conflict in Bosnia Hercegovina, including the following:

(A) the preservation of an economically, politically and militarily viable Bosnian state capable of exercising its rights under the United Nations Charter as part of a peaceful settlement, the lifting of the United Nations arms embargo on the Government of Bosnia and Hercegovina so that it can exercise the inherent right of a sovereign state to self-defense;

(B) if the Bosnian Serbs, while the contact group's peace proposal is being considered and discussed, attack the safe areas designated by the United Nations Security Council, the partial lifting of the arms embargo on the Government of Bosnia and Hercegovina and the provision to that Government of defensive weapons and equipment appropriate and necessary to defend those safe areas;

(C) if the Bosnian Serbs do not respond constructively to the peace negotiations, the President or his representative shall promptly propose or support a resolution in the United Nations Security Council to terminate the intentional arms embargo on Bosnia and Hercegovina (and the orderly withdrawal of the United Nationals Protection Force and humanitarian relief personnel). If the Security Council fails to pass such a resolution, the President shall within 5 days consult with Congress regarding unilateral termination of the arms embargo on the Government of Bosnia and Hercegovina.

SEC. 1089. PROVISION OF INTELLIGENCE AND OTHER ASSISTANCE WHERE DRUG TRAFFICKING THREATENS NATIONAL SECURITY.

(a) Notwithstanding any other provision of law, it shall not be unlawful for authorized employees or agents of a foreign country to damage, render inoperative, or destroy an aircraft in that country's territory or airspace, or to attempt to do so, if that aircraft is reasonably suspected to be primarily engaged in illicit narcotics trafficking, provided that the President of the United States prior to the actions described in this subparagraph being taken has determined:

(1) that such actions are necessary because of the extraordinary threat posed by drug trafficking to the national security of that country, and

(2) that the country has appropriate procedures in place to protect against innocent loss of life in the air and on the ground, which shall at a minimum include effective means to identify and warn aircraft prior to the use of force.

(b) It shall not be unlawful for authorized employees or agents of the United States to provide assistance, including but not limited to operational, intelligence, logistical, technical and administration assistance, for the actions of foreign countries set forth in subsection (a), nor shall the provision of such assistance give rise to any civil action seeking money damages or any other form of relief against the United States or its agents or employees.

SEC. 1090. ADMINISTRATION OF ATHLETICS PROGRAMS AT THE SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—(1) Chapter 403 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4357. Administration of athletics program

"(a) The position of athletic director of the Academy shall be a position in the civil service (as defined in section 2101(1) of title 5). However, a member of the armed forces may fill such position as an active duty assignment.

"(b) Under regulations prescribed by the Secretary of the Army, the Superintendent of the Academy shall establish and administer a nonappropriated fund account for the athletics program of the Academy. The Superintendent shall credit to such account all revenue received from the conduct of the athletics program of the Academy and all contributions received for such program.".

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

"4357. Administration of athletics program.".

(b) UNITED STATES NAVAL ACADEMY.—(1) Chapter 603 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 6975. Administration of athletics program

"(a) The position of athletic director of the Naval Academy shall be a position in the civil service (as defined in section 2101(1) of title 5). However, a member of the armed forces may fill such position as an active duty assignment.

"(b) Under regulations prescribed by the Secretary of the Navy, the Superintendent of the Naval Academy shall establish and administer a nonappropriated fund account for the athletics program of the Naval Academy. The Superintendent shall credit to such account all revenue received from the conduct of the athletics program of the Naval Academy and all contributions received for such program.".

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

"6975. Administration of athletics program.".

(c) UNITED STATES AIR FORCE ACADEMY.—(1) Chapter 903 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9356. Administration of athletics program

"(a) The position of athletic director of the Academy shall be a position in the civil service (as defined in section 2101(1) of title 5).

However, a member of the armed forces may fill such position as an active duty assignment.

"(b) Under regulations prescribed by the Secretary of the Air Force, the Superintendent of the Academy shall establish and administer a nonappropriated fund account for the athletics program of the Academy. The Superintendent shall credit to such account all revenue received from the conduct of the athletics program of the Academy and all contributions received for such program.".

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

"9356. Administration of athletics program.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect 240 days after the date of the enactment of this Act.

SEC. 1091. REVIEW OF THE BOTTOM UP REVIEW AND THE FUTURE YEAR DEFENSE PROGRAM AND ESTABLISHMENT OF NEW FUNDING REQUIREMENTS AND PRIORITIES.

(a) FINDINGS.—Congress finds as follows:

(1) Whereas the Administration commissioned the Bottom Up Review to properly structure the Armed Forces of the United States for the Post-Cold War Era;

(2) Whereas the Secretary of Defense has testified that the Department of Defense's Future Years Defense Program includes $20 billion more in program funding requests during fiscal years 1996 through 1999 than the defense funding levels in the Administration's budget can support;

(3) Whereas, the Secretary of the Navy has testified that the Department of the Navy will only operate 330 ships rather than the 346 ships required by the Bottom Up Review;

(4) Whereas, in January 1994, in his Annual Report to the President and the Congress, the Secretary of Defense reported that the Air Force will field approximately 100 heavy bombers rather than the 184 required by the Bottom Up Review;

(5) Whereas the Department of Defense's plans for a major regional contingency in the Far East call for 5 Army divisions and the plans for a major regional contingency in Southwest Asia call for 7 Army divisions, while the Bottom Up Review plans for an Army of only 10 active divisions;

(6) Whereas the Administration's budget assumes the Department of Defense will save at least $6 billion from procurement reform;

(7) Whereas the first and second rounds of the Base Realignment and Closure Commission have not yet achieved the level of savings initially estimated, and the 1995 base closure round may cost significantly more than is assumed in the Administration's budget.

(b) SENSE OF CONGRESS.—It is the Sense of Congress:

(1) that within 30 days after enactment of this legislation, the Secretary of Defense should initiate a review of the assumptions and conclusions of the President's Budget, the Bottom Up Review, and the Future Years Defense Program; and that not more than 180 days after the review is initiated the Secretary of Defense should submit to the President and to the Congress a report detailing the force structure required for an effective defense of the United States and its vital national interests;

(2) and that not more than 60 days after receipt of the report described in subsection (b)(1), the President should submit to the Congress a report detailing the steps the President will take to meet the force structure described in subsection (b)(1);

(3) and that the fiscal year 1996 budget submitted to the Congress by the President should reflect the funding level necessary to support the force structure described in subsection (b)(1).

SEC. 1092. GENOCIDE IN RWANDA.

(a) FINDINGS.—The Congress finds that—

(1) since April 6, 1994, elements of the Rwandan government forces, and their allied militias, have organized the massacres of more than 200,000 Rwandan civilians, of both Tutsi and Hutu ethnic origin;

(2) an estimated 2 million Rwandans have been internally displaced, and at least 500,000 have fled to neighboring countries;

(3) on April 26, 1994, the Senate agreed to Senate Resolution 207, deploring the massacres and urging prompt resolution of this crisis;

(4) the potential exists for retaliatory acts to be committed by elements within the Rwandan Patriotic Front against civilians;

(5) on June 8, 1994, the United Nations Security Council expanded and reinforced the United Nations Assistance Mission for Rwanda (UNAMIR) to 5,500 troops with a mandate to protect civilians;

(6) on June 22, 1994, the United Nations Security Council voted unanimously to support the deployment of military forces from France and Senegal for a temporary operation that would contribute to the security and protection of populations at risk in Rwanda.

(b) POLICY.—The Congress—

(1) calls upon the President to acknowledge that acts of genocide have been committed in Rwanda;

(2) urges the President to support the establishment of an impartial commission of experts to examine and analyze the evidence submitted of breaches of the Convention on Genocide, and other grave violations of international humanitarian law, committed in Rwanda;

(3) commends the Department of Defense for logistical help already provided and urges the Secretary of Defense to further expedite all United States military contributions to the humanitarian effort in Rwanda.

(4) implores the President to take the lead in the international community to expedite commitments of the necessary resources for, and to organize the speedy training and deployment of, the reinforced UNAMIR operation, with the mandate of protecting civilian populations at risk in Rwanda;

(5) strongly urges the President and the international community to expedite assistance needed for humanitarian operations in Rwanda, and neighboring states, for the support of Rwandan refugees;

(6) commends France and Senegal for cooperating with the Secretary General towards the fulfillment of the objectives of the United Nations in Rwanda; and

(7) urges France and Senegal pursuant to the United Nations Security Council resolution of June 22, 1994, to maintain the humanitarian character of their operation in Rwanda, with the view towards impartiality and neutrality.

SEC. 1093. STUDIES OF HEALTH CONSEQUENCES OF MILITARY SERVICE OR EMPLOYMENT IN SOUTHWEST ASIA DURING THE PERSIAN GULF WAR.

(a) EPIDEMIOLOGICAL STUDY.—

(1) IN GENERAL.—The Secretary of Defense shall award a grant under this subsection to one or more non-Federal entities selected for the award under subsection (c). The purpose of a grant is to permit the entity receiving the award to carry out the study described in paragraph (2).

(2) NATURE OF STUDY.—The purpose of the study referred to in paragraph (1) is to determine the nature and scope of the illnesses and symptoms suffered by the individuals referred in paragraph (3) as a result of service or employment in the Southwest Asia theater of operations during the Persian Gulf War.

(3) INDIVIDUALS COVERED BY STUDY.—Paragraph (2) applies to the following individuals:

(A) Individuals who served as members of the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War.

(B) Individuals who were civilian employees of the Department of Defense in that theater during that period.

(C) Where appropriate, individuals who were employees of contractors of the Department in that theater during that period.

(D) Where appropriate, the spouses and children of individuals described in subparagraph (A).

(4) STUDY DESIGN.—The study required under this subsection shall be designed—

(A) to assess the extent, if any, of the association between—

(i) the illnesses and symptoms suffered by individuals referred to in paragraph (3);

(ii) the exposure of the individuals referred to in subparagraphs (A), (B), and (C) of that paragraph to chemical and biological agents, drugs and vaccines, endemic biological diseases, pesticides, toxins, and other potentially hazardous materials; and

(iii) the experiences of such individuals with stress-producing battlefield and wartime conditions;

(B) to identify risk factors for predicting the illnesses or symptoms relating to such exposure that will arise within 3 years of the arrival of an individual referred to in subparagraph (A), (B), or (C) of paragraph (3) in the Southwest Asia theater of operations;

(C) to determine—

(i) the incidence, prevalence, and nature of the illnesses and symptoms suffered by the individuals referred to in paragraph (3), including—

(I) the incidence, prevalence, and nature of the illnesses and symptoms of such individuals before the commencement of the period of the Persian Gulf War and the incidence, prevalence, and nature of the illnesses of such individuals after the end of that period; and

(II) the incidence, prevalence, and nature of the illnesses, symptoms, and birth defects of any children conceived by such individuals before the commencement of that period and of any children conceived by such individuals during or after the end of that period; and

(ii) the incidence, prevalence, and nature of illnesses and symptoms of other individuals or groups of individuals, if any, who may suffer from an illness or symptom as a result of the service or employment of any person or group of persons in the Southwest Asia theater of operations during the Persian Gulf War; and

(D) to evaluate a comparison sample or to evaluation any other matter that the Secretary or the entity determines appropriate to the purposes of the study.

(5) REPORTS.—

(A) INTERIM REPORTS.—Not later than each of July 1, 1995, and July 1, 1996, the Secretary shall submit to the congressional defense committees and the Committees on Veterans' Affairs of the Senate and the House of Representatives an interim report on the results of the study carried out under this subsection.

(B) FINAL REPORT.—Not later than January 1, 1998, the Secretary shall submit to the committees referred to in subparagraph (A) a final report on the results of the study.

(C) FORM OF REPORTS.—The reports submitted under this paragraph shall be submitted in unclassified form.

(b) STUDIES OF HEALTH CONSEQUENCES OF ADMINISTRATION OF PYRIDOSTIGMINE BROMIDE.—

(1) IN GENERAL.—The Secretary of Defense shall award a grant under this subsection to one or more non-Federal entities selected for the award under subsection (c). The purpose of a grant is to permit the entity receiving the award to carry out a study or studies to determine the following:

(A) The long-term health consequences of the administration of pyridostigmine bromide as an antidote enhancer for chemical nerve agent toxicity during the Persian Gulf War.

(B) The short-term and long-term health consequences of the administration of pyridostigmine bromide under the chemical nerve agent pretreatment program of the Department of Defense and exposure to pesticides, environmental toxins, and other hazardous substances during battlefield conditions that prevailed in the Southwest Asia theater of operations during the Persian Gulf War.

(2) STUDIES.—The Secretary shall provide that an entity awarded a grant under this subsection shall carry out a study described in paragraph (3) or (4).

(3) RETROSPECTIVE STUDY.—A study referred to in paragraph (2) is a retrospective study on members of the Armed Forces who served in the Southwest Asia theater of operations during the Persian Gulf War in order to determine the following:

(A) The nature of the undiagnosed and chronic illnesses suffered by such members.

(B) The degree of association between such illnesses and—

(i) use of pyridostigmine bromide over a short period of time (as determined by the Secretary) during the Persian Gulf War;

(ii) use of pyridostigmine bromide over an extended period of time (as so determined) during that war; or

(iii) use of no pyridostigmine bromide.

(C) The degree of association between—

(i) such illnesses;

(ii) each extent of use of pyridostigmine bromide described in subparagraph (B);

(iii) receipt of other vaccinations or medications; and

(iv) exposure to pesticides, organophosphates, or carbamates.

(4) ANIMAL MODEL STUDY.—A study referred to in paragraph (2) is also a study using appropriate animal research models in order to determine whether use of pyridostigmine bromide in combination with exposure to pesticides or other organophosphates, carbamates, or relevant chemicals results in increased toxicity in animals and is likely to have a similar effect on humans.

(5) REPORTS.—

(A) ANIMAL STUDY REPORT.—Not later than January 1, 1996, the Secretary shall submit to the congressional defense committees and the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the study carried out under paragraph (4).

(B) INTERIM REPORTS ON RETROSPECTIVE STUDY.—Not later than each of July 1, 1995, and July 1, 1996, the Secretary shall submit to the committees referred to in subparagraph (A) an interim report on the results of the study carried out under paragraph (3).

(C) FINAL REPORT ON RETROSPECTIVE STUDY.—Not later than January 1, 1998, the Secretary shall submit to the committees referred to in subparagraph (A) a final report on the results of the study carried out under paragraph (3).

(D) FORM OF REPORTS.—The reports submitted under this paragraph shall be submitted in unclassified form.

(c) SELECTION OF STUDY ENTITIES.—

(1) IN GENERAL.—The Secretary of Defense shall select entities to which to award grants for the studies described in subsections (a) and (b) in accordance with this subsection.

(2) SUBMITTAL OF PROPOSALS.—An entity seeking to carry out a study under a grant under subsection (a) or (b) shall submit to the Secretary the following proposals:

(A) A proposal for a pilot study in order to determine the research design and research instrument to be used in the study.

(B) A proposal for the study.

(3) INDEPENDENT REVIEW.—The Secretary shall ensure that individuals described in paragraph (4)—

(A) review each proposal submitted to the Secretary under paragraph (2) for purposes of determining whether or not the proposal—

(i) addresses adequately the purposes of the study; and

(ii) meets the technical, scientific, and peer review requirements that apply to similar studies carried out under the direction of the Secretary of Health and Human Services; and

(B) submit to the Secretary recommendations for the selection by the Secretary of one or more entities to carry out the study.

(4) REVIEWING INDIVIDUALS.—Individuals referred to in paragraph (3) are any individuals who, as determined by the Secretary—

(A) are not employees of the Federal Government;

(B) have an expertise in epidemiology, toxicology, neurology, biology, biostatistics, post-traumatic stress disorder, or public health; and

(C) have no financial relationship with the Department of Defense or with any chemical company or pharmaceutical company whose productions may be addressed in the study.

(5) SELECTION.—The Secretary shall—

(A) select the entities that will carry out the studies described under subsections (a) and (b) from among the entities recommended for such selection under paragraph (3); and

(B) award such entities grants under the appropriate subsection.

(d) PERFORMANCE OF STUDIES.—

(1) PILOT STUDIES.—

(A) IMPLEMENTATION.—An entity to which the Secretary awards a grant for a study under subsection (a) or (b) shall carry out the pilot study for such study in accordance with the proposal for the pilot study submitted to the Secretary under subsection (c)(2)(A).

(B) RESPONSE TO RESULTS.—If an entity determines as a result of a pilot study under subparagraph (A) that revisions to the study proposed by the entity are necessary in order to meet the purposes of the study under this section, the entity shall submit to the Secretary a proposal for such revisions to the study.

(C) FINAL APPROVAL.—The Secretary shall—

(i) review any revisions to a proposal to a study that are submitted to the Secretary under subparagraph (B); and

(ii) approve the proposal for the study, as so revised, if the Secretary determines that the proposal meets the purposes of the study under this section.

(2) STUDIES.—An entity to which the Secretary awards a grant for a study under subsection (a) or (b) shall carry out the study in accordance the proposal for the study under this section.

(e) CONSULTATION.—The Secretary of Defense shall carry out this section in consultation with the Secretary of Veterans Affairs, the Secretary of Health and Human Services, the Administrator of the Environmental Protection Agency, the head of the Medical Follow-Up Agency of the Institute of Medicine, and the heads of other appropriate departments and agencies of the Federal Government.

(f) FUNDING.—Of the amount authorized to be appropriated pursuant to section 201, $10,000,000 shall be available for purposes of awarding grants for the studies described in subsections (a) and (b). Such funds shall be available for such purpose until expended.

(g) DEFINITION.—In this section, the term "Persian Gulf War" has the meaning given such term in section 101(33) of title 38, United States Code.

SEC. 1094. GRANTS FOR RESEARCH INTO THE HEALTH CONSEQUENCES OF THE PERSIAN GULF WAR.

(a) IN GENERAL.—(1) The Secretary of Defense shall award grants to appropriate nongovernmental entities for purposes of permitting such entities to carry out research to determine—

(A) the nature and causes of any illnesses suffered by the individuals referred to in paragraph (2) as a result of service or employment in the Southwest Asia theater of operations during the Persian Gulf War;

(B) the methods of transmission, if any, of such illnesses from such individuals to other individuals; and

(C) the appropriate treatment for such illnesses.

(2) The individuals referred to in paragraph (1)(A) are the following individuals:

(i) Individuals who served as members of the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War.

(ii) Civilian employees of the Department of Defense who were employed by the Department in that theater of operations during that period.

(iii) Employees of contractors of the Department who were employed in that theater of operations during that period.

(iv) The spouses and children of the individuals referred to in clauses (i) through (iii).

(3) In carrying out research under this section, such entities shall give particular consideration to the following:

(A) Illnesses or other effects associated with exposure to depleted uranium particles, mycotoxins, genetically-altered organisms, petrochemical toxicity, pesticide poisoning, anthrax vaccines, botulinum toxoids, and other chemical hazards and agents.

(B) Endemic viral, fungal, bacterial, and rickettsial diseases (including diseases arising from biological warfare activities).

(C) Illnesses or other effects associated with ingestion of silica or sand.

(D) Assessment of risks to reproductive capacity arising from the illnesses and diseases referred to in subparagraphs (A) through (C).

(E) Pediatric disorders.

(F) Birth deficiencies.

(G) Post-traumatic stress disorder.

(H) Somatoform disorders.

(I) Chronic fatigue syndrome.

(J) Multiple chemical sensitivities.

(b) AWARD PROCESS.—(1) The Secretary of Defense shall award grants under this section in consultation with the Secretary of Health and Human Services.

(2) An entity seeking a grant under this section to carry out the research described in subsection (a)(1) shall submit to the Secretary a proposal for the research.

(3) The Secretary shall ensure that appropriate individuals who are not employees of the Federal Government—

(A) review each proposal submitted to the Secretary under paragraph (2) for purposes of determining that the proposal—

(i) addresses adequately the purposes of the research for which the proposal is submitted; and

(ii) meets the technical, scientific, and peer review requirements that apply to similar research carried out under the direction of the Secretary of Health and Human Services; and

(B) submit to the Secretary recommendations for the selection by the Secretary of one or more entities so determined as recipients of a grant under subsection (a).

(4) The Secretary shall award grants under this section to entities selected by the Secretary for that purpose from among the entities identified in the recommendations under paragraph (3)(B).

(5) In awarding an entity a grant under paragraph (4), the Secretary shall ensure that the entity—

(A) carry out the research covered by the grant in accordance with the proposal submitted to the Secretary under paragraph (2); and

(B) not expose human beings to hazardous agents or materials as a result of the research.

(c) REPORTS.—(1) The Secretary of Defense and the Secretary of Health and Human Services shall submit to the congressional defense committees and the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the results of any research carried out under a grant awarded under this section.

(2) The Secretary of Defense and the Secretary of Health and Human Services shall submit a report under paragraph (1) on each of March 1, 1995, October 1, 1995, October 1, 1996, and October 1, 1997.

(3) Each report submitted under this subsection shall be submitted in unclassified form.

(d) FUNDING.—(1) Of the amount authorized to be appropriated by section 201, $10,000,000 shall be available for purposes of awarding grants under this section. Such funds shall be available for such purpose until expended.

(2) For each fiscal year in which activities under the study under this section will continue, the Secretary of Defense shall provide in the documents submitted to Congress in connection with the budget of the President for the fiscal year a request for such funds as the Secretary determines necessary in order to award grants under this section during that fiscal year.

SEC. 1095. COMPATABILITY OF HEALTH REGISTRIES.

The Secretary of Defense shall take appropriate actions to ensure that—

(1) the data collected by and the testing protocols of the Persian Gulf War Health Surveillance System are compatible with the data collected by and the testing protocols of the Persian Gulf War Veterans Health Registry; and

(2) information on individuals who register with the Department of Defense is provided to the Department of Veterans Affairs for incorporation into the Persian Gulf War Veterans Health Registry.

SEC. 1096. TECHNICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) Section 113(e)(2) is amended by striking out "section 104" and inserting in lieu thereof "section 108".

(2) Section 133a(b) is amended by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology".

(3) Section 580a(a) is amended by striking out "the date of the enactment of this section" and inserting in lieu thereof "November 30, 1993,".

(4)(A) The section 1058 added by section 554(a) of Public Law 103–160 (107 Stat. 1663) is redesignated as section 1059.

(B) The item relating to that section in the table of sections at the beginning of chapter 53 is revised to conform to the redesignation made by subparagraph (A).

(5)(A) The section 1058 added by section 1433(b) of Public Law 103–160 (107 Stat. 1834) is redesignated as section 1060.

(B) The item relating to that section in the table of sections at the beginning of chapter 53 is revised to conform to the redesignation made by subparagraph (A).

(6) Section 1141 is amended by striking out "on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1994" and inserting in lieu thereof "after November 29, 1993,".

(7) Section 1151(h)(3)(B)(v) is amended by inserting "school" after "For the fifth".

(8)(A) The heading of section 1482a is amended so that the first letter of the fifth word is lower case.

(B) The item relating to that section in the table of sections at the beginning of chapter 75 is revised to conform to the amendment made by subparagraph (A).

(9) Section 2399 is amended—

(A) in subsections (b)(5) and (c)(1), by striking out "section 138(a)(2)(B)" and inserting in lieu thereof "section 139(a)(2)(B)";

(B) in subsection (e)(3)(B), by striking out "solely as a representative of" and inserting in lieu thereof "solely in testing for";

(C) in subsection (g), by striking out "section 138" and inserting in lieu thereof "section 139"; and

(D) in subsection (h)(1), by striking out "section 138(a)(2)(A)" and inserting in lieu thereof "section 139(a)(2)(A)".

(10) Section 2502(d) is amended by striking out "Executive" and inserting in lieu thereof "executive".

(11)(A) Sections 2540 and 2541, as added by section 822(a) of Public Law 103–160 (107 Stat. 1705), are redesignated as sections 2539a and 2539b, respectively.

(B) The items relating to those sections in the table of sections at the beginning of subchapter V of chapter 148 are revised to conform to the redesignations made by subparagraph (A).

(12) Section 2865(a)(4) is amended by adding a period at the end.

(13) Sections 3022(a)(1), 5025(a)(1), and 8022(a)(1) are amended by striking out "section 137(c)" and inserting in lieu thereof "section 135(c)".

(14) Section 9511 is amended by striking out "In this subchapter" and inserting in lieu thereof "In this chapter".

(b) PUBLIC LAW 103–160.—Effective as of November 30, 1993, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) is amended as follows:

(1) Section 507(d)(3) (107 Stat. 1647) is amended by inserting "note" after "10 U.S.C. 1293".

(2) Section 551(a)(1) (107 Stat. 1661) is amended by striking out "Section" and inserting in lieu thereof "Chapter".

(3) Section 554(b) (107 Stat. 1666) is amended—

(A) in paragraph (1), by striking out "Section 1058 of title 10, United States Code, as added by subsection (a)," and inserting in lieu thereof "The section of title 10, United States Code, added by subsection (a)(1)"; and

(B) in paragraph (2), by striking out "1058".

(4) Section 931(c)(1) (107 Stat. 1734) is amended by inserting closing quotation marks before the period at the end.

(5) Section 1314(3) (107 Stat. 1786) is amended by striking out "adding at the end" and inserting in lieu thereof "inserting after subsection (f)".

(6) Section 1433(d) (107 Stat. 1835) is amended by striking out "Section 1058 of title 10, United States Code, as added by subsection (a)," and inserting in lieu thereof "The section of title 10, United States Code, added by subsection (b)(1)".

(7) Section 1606(b)(4) (107 Stat. 1847) is amended by striking out "section 1604(e)" and inserting in lieu thereof "section 1605(e)".

(8) Section 2912(b)(2) (107 Stat. 1925) is amended by striking out "section 637(d)(1)" and inserting in lieu thereof "section 8(d)(1)".

(9) Section 2926(d) (107 Stat. 1932) is amended by striking out "Subsection (d)(1)(2)(C)(iii)" and inserting in lieu thereof "Subsection (d)(2)(C)(iii)".

(c) OTHER LAWS.—(1) Section 921 of Public Law 102–190 (10 U.S.C. 201 note; 105 Stat. 1452) is amended by striking out "section 136(b)(3)" in subsection (a) and inserting in lieu thereof "section 138(b)(3)".

(2) Section 908(c) of title 37, United States Code, is amended by striking out "section 1058" and inserting in lieu thereof "section 1060".

SEC. 1097. NORTH ATLANTIC TREATY ORGANIZATION.

(a) FINDINGS.—The Congress makes the following findings:

(1) The North Atlantic Treaty Organization has served as a bulwark of peace, security, and democracy for the United States and the members of the alliance since 1949.

(2) The unswerving resolve of the member states of the North Atlantic Treaty Organization to mutual defense against the threat of communist aggression was central to the demise of the Warsaw Pact.

(3) The North Atlantic Treaty Organization is the most successful international security organization in history, and is well suited to help marshal our cooperative political, diplomatic, economic, and humanitarian efforts, buttressed by credible military capability aimed at deterring conflict, and thus contributing to international peace and security.

(4) The threat of instability in Eastern and Central Europe, as well as in the Southern and Eastern Mediterranean, continues to pose a fundamental challenge to the interests of the member states of the North Atlantic Treaty Organization.

(5) North Atlantic Treaty Organization assets have been deployed in recent years for more than the territorial defense of alliance members; and the Rome Summit of October 1991 adopted a new strategic concept for the North Atlantic Treaty Organization that entertained the possibility of operations beyond the alliance's self-defense area.

(6) In Oslo in July 1992, and in Brussels in December 1992, the alliance embraced the deployment of North Atlantic Treaty Organization forces to peacekeeping operations under the auspices of the United Nations or the Conference on Security and Cooperation in Europe.

(7) The North Atlantic Treaty Organization should attempt to cooperate with and seek a mandate from international organizations such as the United Nations when considering responses to out of area crises.

(8) Not all members of the international community share a commonality of interests that would ensure timely action by the United Nations Security Council.

(9) The security interests of the member countries of the North Atlantic Treaty Organization must not be held hostage to indecision at the United Nations or a veto by a permanent member of the Security Council.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) it should be the policy of the United States that, in accordance with article 53 of the United Nations Charter, the North Atlantic Treaty Organization retains the right of autonomy of action regarding missions in addition to collective defense should the United Nations Security Council or the Conference on Security and Cooperation in Europe fail to act;

(2) while it is desirable to work with other international organizations and arrangements where feasible in dealing with threats to the peace, the North Atlantic Treaty Organization is not an auxiliary to the United Nations or any other organization; and

(3) the member states of the North Atlantic Treaty Organization reserve the right to act collectively in defense of their vital interests.

SEC. 1098. LIMITATION ON OBLIGATION OF FUNDS FOR MARK-6 GUIDANCE SETS FOR TRIDENT II MISSILES.

(a) LIMITATION.—Until the certification in subsection (b) has been provided to the congressional defense committees, funds appropriated for fiscal year 1995 for the Navy may not be obligated to procure more than 14 Mark-6 guidance sets for Trident II missiles.

(b) CERTIFICATION.—Before the Secretary of Defense may obligate funds for Mark-6 guidance sets in addition to the 14 sets authorized in subsection (a), he shall certify to the congressional defense committees that failure to procure such additional units would pose an unacceptable risk to the long-term readiness and reliability of the Trident II missile program.

SEC. 1099. MILITARY PLANNING FOR THE SIZE AND STRUCTURE OF A FORCE REQUIRED FOR A MAJOR REGIONAL CONTINGENCY ON THE KOREAN PENINSULA.

(a) FINDINGS.—Congress finds as follows:

(1) Whereas the Administration commissioned the Bottom-Up Review to properly size and structure the Armed Forces of the United States for the Post-Cold-War Era;

(2) Whereas the Bottom-Up Review itself cites the need for the Armed Forces of the United States to be large enough to prevail in two major regional conflicts, similar in nature to the 1991 war against Iraq, "nearly simultaneously";

(3) Whereas the Bottom-Up Review gives special consideration to a scenario that hypothesizes that the two "nearly simultaneous" conflicts would occur in Korea and the Persian Gulf;

(4) Whereas the United States sent 7 Army divisions, the equivalent of 10 Air Force tactical fighter wings, 70 heavy bombers, 6 Navy aircraft carrier battle groups, and 5 Marine Corps brigades to the Persian Gulf to fight the war against Iraq;

(5) Whereas the Bottom-Up Review asserts that the forces needed to fight two conflicts similar to that with Iraq can be drawn from a total military force of between 15 and 16 Army divisions, 20 Air Force tactical fighter wings, 184 heavy bombers, 11 active Navy aircraft carriers (along with one reserve/training carrier), and the equivalent of 12 Marine Corp brigades;

(6) Whereas the Bottom-Up Review recognizes that approximately 100,000 members of the United States Armed Forces will be stationed in Europe;

(7) Whereas the Bottom-Up Review recognizes that sizeable numbers of United States forces could be involved in peace enforcement and intervention operations at any one time;

(8) Whereas the Bottom-Up Review makes no specific recommendation as to the number of forces to be held in reserve to provide a rotation base either to relieve troops in the event one or both hypothetical conflicts result in lengthy deployments or to replace combat losses;

(9) Whereas military planners calculate that the number of United States forces needed to help defeat an invasion of South Korea by North Korea may exceed 430,000 United States military personnel;

(10) Whereas the size of the force military planners may request to help defend South Korea could exceed the levels that are consistent with the recommendations of Bottom-Up Review if the existing and future force requirements for a presence in Europe, possible peace enforcement operations, and an adequate rotation base, as well as a second regional conflict, must be fulfilled simultaneously.

(b) SENSE OF CONGRESS.—It is the Sense of Congress:

(1) that the force structure identified in the Bottom-Up Review may not be used to limit the size or structure of the force United States military commanders may request in preparation for a major regional contingency on the Korean peninsula;

(2) and that the Chairmen and Ranking Members of the House and Senate Committees on Armed Services and Chairmen and Ranking members of the House and Senate Appropriations Subcommittees on Defense should receive regular briefings from the Department of Defense of the situation on the Korean peninsula;

(3) and that the conclusions of the Bottom-Up Review should be continuously examined in light of the lessons learned from preparation for a major regional contingency on the Korean peninsula and from other military operations.

MILITARY CONSTRUCTION AUTHORIZATION ACT FOR FISCAL YEAR 1995

The text of the bill (S. 2209) to authorize appropriations for fiscal year 1995 for military construction, and for other purposes, as passed by the Senate on July 1, 1994, is as follows:

S. 2209

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 1995".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Congressional defense committees defined.

TITLE XXI—ARMY

Sec. 2101. Authorized Army construction and land acquisition projects.
Sec. 2102. Family housing.
Sec. 2103. Improvements to military family housing units.
Sec. 2104. Authorization of appropriations, Army.
Sec. 2105. Relocation of Army family housing units from Fort Hunter Liggett, California, to Fort Stewart, Georgia.
Sec. 2106. Highway safety at Hawthorne Army Ammunition Plant, Nevada.

TITLE XXII—NAVY

Sec. 2201. Authorized Navy construction and land acquisition projects.
Sec. 2202. Family housing.
Sec. 2203. Improvements to military family housing units.
Sec. 2204. Authorization of appropriations, Navy.
Sec. 2205. Authority to carry out construction project, Naval Supply Center, Pensacola, Florida.
Sec. 2206. Relocation of Pascagoula Coast Guard Station, Mississippi.
Sec. 2207. Authority to carry out construction design for Mayport Naval Station, Florida.

TITLE XXIII—AIR FORCE

Sec. 2301. Authorized Air Force construction and land acquisition projects.
Sec. 2302. Family housing.
Sec. 2303. Improvements to military family housing units.
Sec. 2304. Authorization of appropriations, Air Force.
Sec. 2305. Authorization of military construction projects at Tyndall Air Force Base, Florida, for which funds have been appropriated.
Sec. 2306. Revision of authorized family housing project, Tyndall Air Force Base, Florida.

TITLE XXIV—DEFENSE AGENCIES

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
Sec. 2402. Family housing.
Sec. 2403. Improvements to military family housing units.
Sec. 2404. Energy conservation projects.
Sec. 2405. Authorization of appropriations, Defense Agencies.
Sec. 2406. Termination of authority to carry out fiscal year 1993 project.
Sec. 2407. Community impact assistance with regard to Naval Weapons Station, Charleston, South Carolina.
Sec. 2408. Planning and design for construction in support of consolidation of operations of the Defense Finance and Accounting Service.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

Sec. 2501. Authorized NATO construction and land acquisition projects.
Sec. 2502. Authorization of appropriations, NATO.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.
Sec. 2602. Authorization of certain National Guard and Reserve projects for which funds have been appropriated.

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.
Sec. 2702. Extension of authorization of certain fiscal year 1992 projects.
Sec. 2703. Clarification of extension of authorizations of certain fiscal year 1991 projects.
Sec. 2704. Extension of certain fiscal year 1991 projects.
Sec. 2705. Effective date.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

Sec. 2801. Clarification of requirement for notification of Congress of improvements in family housing units.
Sec. 2802. Authority to pay closing costs under Homeowners Assistance Program.

Subtitle B—Base Closure Matters

Sec. 2811. Prohibition against consideration in base closure process of advance conversion planning undertaken by potential affected communities.
Sec. 2812. Clarifying and technical amendments to base closure laws.
Sec. 2813. Sense of Senate on the activities of the Secretary of Defense in support of communities affected by base closures.

Subtitle C—Land Transactions Generally

Sec. 2821. Land transfer, Holloman Air Force Base, New Mexico.
Sec. 2822. Joint use of property, Port Hueneme, California.
Sec. 2823. Lease of property, Naval Radio Receiving Facility, Imperial Beach, Coronado, California.
Sec. 2824. Release of reversionary interest on certain property in York County and James City County, Virginia, and Newport News, Virginia.
Sec. 2825. Land transfer, Fort Devens, Massachusetts.
Sec. 2826. Land conveyance, Cornhusker Army Ammunition Plant, Hall County, Nebraska.
Sec. 2827. Transfer or conveyance of certain parcels of property through General Services Administration.

Subtitle D—Changes to Existing Land Transaction Authority

Sec. 2831. Modifications of land conveyance, Fort A.P. Hill Military Reservation, Virginia.
Sec. 2832. Modification of conveyance of electricity distribution system, Fort Dix, New Jersey.
Sec. 2833. Modification of land conveyance, Fort Knox, Kentucky.
Sec. 2834. Preservation of Calverton Pine Barrens, Naval Weapons Industrial Reserve Plant, New York, as nature preserve.

Subtitle E—Other Matters

Sec. 2841. Joint construction contracting for commissaries and nonappropriated fund instrumentality facilities.
Sec. 2842. National Guard facility contracts subject to performance supervision by the Army or the Navy.
Sec. 2843. Waiver of reporting requirements for certain real property transactions in the event of war or national emergency.
Sec. 2844. Report on use of funds for environmental restoration at Cornhusker Army Ammunition Plant, Hall County, Nebraska.
Sec. 2845. Department of Defense laboratory revitalization demonstration program.
Sec. 2846. Agreements of settlement for release of improvements at overseas military installations.
Sec. 2847. Revisions to release of reversionary interest, Old Spanish Trail Armory, Harris County, Texas.
Sec. 2848. Transfer of jurisdiction, Air Force Housing at Radar Bomb Scoring Site, Holbrook, Arizona.
Sec. 2849. Assistance for public participation in defense environmental restoration activities.
Sec. 2850. Sense of the Senate on authoriaton of funds for military construction projects not requested in the President's annual budget request.

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.

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects in the total amount of $396,750,000 for the installations and locations inside the United States, and in the amounts for such installations and locations, set forth in the following table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Redstone Arsenal	$2,600,000
Georgia	Fort Benning	$6,550,000
	Fort Gordon	$44,750,000
Hawaii	Schofield Barracks	$25,000,000
Kentucky	Fort Campbell	$67,400,000
	Fort Knox	$8,500,000
Maryland	Adelphi Laboratory Center	$6,600,000
	Fort Ritchie	$3,600,000
New Jersey	Bayonne Military Ocean Terminal	$4,050,000
New York	United States Military Academy, West Point	$28,000,000
North Carolina	Fort Bragg	$29,000,000
	Sunny Point Military Ocean Terminal	$22,200,000
Oklahoma	Fort Sill	$18,000,000
South Carolina	Charleston Naval Weapons Station	$24,000,000
Texas	Fort Hood	$29,000,000
	Fort Sam Houston	$4,300,000
Virginia	Fort Myer	$7,300,000
Washington	Fort Lewis	$64,000,000
CONUS Classified	Classified Location	$1,900,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects in the total amount of $31,400,000 for the installation and location outside the United States, and in the amount, set forth in the following table:

Army: Outside the United States

Country or other	Installation or location	Amount
Kwajalein Atoll	Kwajalein	$6,400,000
Worldwide	Host Nation Support	$25,000,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) in the total amount of $117,750,000 at the installations, for the purposes, and in the amounts for such installations set forth in the following table:

Army: Family Housing

State	Installation	Purpose	Amount
Alaska	Fort Richardson	72 units	$5,000,000
Colorado	Fort Carson	145 units	$16,500,000
Georgia	Fort Stewart	128 units	$10,600,000
Hawaii	Helemano Military Reservation	Roadway improvements for family housing.	$3,500,000
	Schofield Barracks	190 units	$26,000,000
Kansas	Fort Riley	126 units	$12,600,000
Massachusetts	Natick Research Center	35 units	$4,150,000
New York	United States Military Academy, West Point.	56 units	$8,000,000
Texas	Fort Bliss	215 units	$21,400,000
	Fort Sam Houston	100 units	$10,000,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(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 $5,992,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may improve existing military family housing in an amount not to exceed $49,760,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1994, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $1,731,286,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $396,750,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $31,400,000.

(3) For unspecified minor military 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, $63,926,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $173,502,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,067,708,000, of which not more than $243,442,000 may be obligated or expended for the leasing of military family housing 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 2101 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2105. RELOCATION OF ARMY FAMILY HOUSING UNITS FROM FORT HUNTER LIGGETT, CALIFORNIA, TO FORT STEWART, GEORGIA.

Section 2102(a) of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102-190; 105 Stat. 1511) is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following new paragraph (1):

"(1) Fort Hunter Liggett, California, one hundred fifty-four units, $12,300,000."; and

(2) by striking out paragraph (5) and inserting in lieu thereof the following new paragraph (5):

"(5) Fort Stewart, Georgia, one hundred twenty-one units, $9,890,000.".

SEC. 2016. HIGHWAY SAFETY AT HAWTHORNE ARMY AMMUNITION PLANT, NEVADA.

(a) STUDY.—The Secretary of the Army shall carry out a study of traffic safety on the highway at the Hawthorne Army Ammunition Plant, Nevada. In carrying out the study, the Secretary shall—

(1) evaluate traffic safety on the highway, including traffic safety with respect to the rail and truck crossing of the highway at the Plant;

(2) evaluate the feasibility and desirability of constructing a vehicle bridge over the rail and truck crossing; and

(3) determine whether any construction required to improve traffic safety on the highway be funded as a military construction project or as a defense access road construction project.

(b) ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION DESIGN.—If the Secretary determines as a result of the study under subsection (a) that construction of a vehicle bridge over the rail and truck crossing referred to in paragraph (1) of that subsection is feasible and desirable, the Secretary should—

(1) obtain architectural and engineering activities and carry out construction design with respect to the construction of the bridge; or

(2) request that the Secretary of Transportation carry out the construction of the bridge as project for the construction of a defense access road under section 210 of title 23, United States Code.

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 in the total amount of $239,265,000 for the installations and locations inside the United States, and in the amounts for such installations and locations, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Yuma Marine Corps Air Station	$15,085,000
California	Camp Pendleton Amphibious Task Force	$10,700,000
	Camp Pendleton Marine Corp Base	$570,000
	China Lake Naval Air Warfare Center	$6,000,000
	El Centro Naval Air Facility	$3,000,000
	Lemoore Naval Air Station	$7,000,000
	North Island Naval Air Station	$18,830,000
	Port Hueneme Naval Construction Battalion Center	$9,650,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
	San Diego Marine Corps Recruit Depot	$1,090,000
	San Diego Naval Station	$4,100,000
	Twentynine Palms Marine Corps Air-Ground Combat Center	$2,900,000
Florida	Jacksonville Fleet and Industrial Supply Center	$2,200,000
	Pensacola Naval Air Station	$2,100,000
Hawaii	Kaneohe Bay	$4,900,000
Illinois	Great Lakes Navy Public Works Center	$13,000,000
New Jersey	Lakehurst Naval Air Warfare Center	$2,950,000
New Mexico	White Sands Naval Ordnance Missile Test Station	$1,390,000
North Carolina	Cherry Point Marine Corps Air Station	$2,100,000
	Camp Lejeune Marine Corp Base	$14,850,000
Rhode Island	Newport Naval Education and Training Center	$14,500,000
South Carolina	Parris Island Marine Corps Recruit Depot	$2,550,000
Texas	Ingleside Naval Station	$14,110,000
Virginia	Chesapeake Naval Security Group Activity	$1,150,000
	Dam Neck Fleet Combat Training Center	$1,600,000
	Norfolk Marine Corps Security Force Battalion Atlantic	$6,480,000
	Norfolk Naval Station	$16,430,000
	Quantico Marine Corps Combat Development Command	$19,900,000
Washington	Bremerton Puget Sound Naval Shipyard	$11,040,000
	Everett Naval Station	$21,690,000
	Whidbey Island Naval Air Station	$5,200,000
Various Locations	Aircraft Fire Rescue and Vehicle Maintenance Facilities	$2,200,000

(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 in the total amount of $50,810,000 for the installations and locations outside the United States, and in the amounts for such installations and locations, set forth in the following table:

Navy: Outside the United States

Country	Installation or location	Amount
Greece	Souda Bay, Crete Naval Support Activity	$3,050,000
Italy	Naples Naval Support Activity	$28,460,000
	Sigonella Naval Air Station	$13,750,000
Puerto Rico	Sabana Seca Naval Security Group Activity	$1,650,000
United Kingdom	Saint Mawgan Joint Maritime Communications Center	$3,900,000

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) in the total amount of $49,012,000 at the installations, for the purposes, and in the amounts for such installations and purposes set forth in the following table:

Navy: Family Housing

State	Installation	Purpose	Amount
California	Camp Pendleton Marine Corps Base	196 units	$28,552,000
	San Diego Naval Public Works Center	136 units	$18,262,000
Maryland	Patuxent River Naval Air Station	Housing Office	$863,000
Virginia	Norfolk Naval Public Works Center	Warehouse/Self Help Center	$555,000
Washington	Everett Naval Station	Housing Office	$780,000

(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 $24,681,000.

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 $155,602,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1994, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $1,507,349,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $239,265,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $50,810,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $7,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $43,380,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $229,295,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $937,599,000, of which not more than $114,336,000 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. AUTHORITY TO CARRY OUT CONSTRUCTION PROJECT, NAVAL SUPPLY CENTER, PENSACOLA, FLORIDA.

Funds appropriated by the Military Construction Appropriations Act, 1994 (Public Law 103–110; 107 Stat. 1037) that are available for construction of a cold storage facility at Naval Supply Center, Pensacola, Florida, in accordance with authorizations provided in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102–190; 105 Stat. 1514), as enacted, may be expended for the portion of the construction of such facility that is associated with Department of the Navy contract N62467–86–C–0421.

SEC. 2206. RELOCATION OF PASCAGOULA COAST GUARD STATION, MISSISSIPPI.

(a) AGREEMENT ON RELOCATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Navy and the Secretary of Transportation shall enter into an agreement that provides for the relocation of the activities and functions of Pascagoula Coast Guard Station to Pascagoula Naval Station, Pascagoula, Mississippi.

(b) CONDITIONS.—The agreement under subsection (a) shall include the following provisions:

(1) That the Navy not incur any construction costs relating to the relocation.

(2) That the design, construction, and location of Coast Guard facilities, and the conduct of activities by the Coast Guard, at Pascagoula Naval Station not interfere with the performance of the mission of the Navy.

SEC. 2207. AUTHORITY TO CARRY OUT CONSTRUCTION DESIGN FOR MAYPORT NAVAL STATION, FLORIDA.

(a) AUTHORITY TO CARRY OUT CONSTRUCTION DESIGN.—Subject to subsection (b), the Secretary of the Navy may carry out construction design activities in connection with the military construction projects that the Secretary identifies as necessary for the improvement of the facilities located at Mayport Naval Station, Florida, so that such facilities may be used as the homeport of a nuclear powered aircraft carrier.

(b) REQUIREMENT RELATING TO COMMENCEMENT OF DESIGN.—The Secretary may not carry out the construction design activities authorized under subsection (a) until the Secretary—

(1) completes a study that identifies the improvements to the facilities referred to in that subsection that are necessary so that such facilities may be used as the homeport of a nuclear powered aircraft carrier; and

(2) completes a programmatic environmental impact study on the effect of such improvements on the environment.

(c) CONSTRUCTION OF AUTHORITY.—This section may not be construed or interpreted as an authorization for the Secretary to commence or proceed with any military construction project relating to the improvement of the facilities of Mayport Naval Station, Florida, for the purpose referred to in subsection (a).

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 in the total amount of $412,004,000 for the installations and locations inside the United States, and in the amounts for such installations and locations, set forth in the following table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	$9,600,000
Alaska	Cape Lisburne Long Range Radar Site	$2,800,000
	Eielson Air Force Base	$3,300,000
	Elmendorf Air Force Base	$5,000,000
Arizona	Luke Air Force Base	$4,900,000
Arkansas	Little Rock Air Force Base	$4,800,000
California	Beale Air Force Base	$1,450,000
	Edwards Air Force Base	$7,050,000
	Travis Air Force Base	$3,600,000
	Vandenberg Air Force Base	$6,550,000
Colorado	Peterson Air Force Base	$1,750,000
	United States Air Force Academy	$3,600,000
Delaware	Dover Air Force Base	$10,500,000
Florida	Cape Canaveral Air Force Station	$10,450,000
Georgia	Moody Air Force Base	$14,300,000
	Robins Air Force Base	$21,200,000
Idaho	Mountain Home Air Force Base	$15,950,000
Illinois	Scott Air Force Base	$2,700,000
Kansas	McConnell Air Force Base	$500,000
Louisiana	Barksdale Air Force Base	$27,100,000
Maryland	Andrews Air Force Base	$10,800,000
Mississippi	Columbus Air Force Base	$3,400,000
	Keesler Air Force Base	$11,240,000
Missouri	Whiteman Air Force Base	$24,290,000
Montana	Malmstrom Air Force Base	$7,200,000
Nebraska	Offutt Air Force Base	$2,260,000
Nevada	Nellis Air Force Base	$10,500,000
New Jersey	McGuire Air Force Base	$17,000,000
New Mexico	Holloman Air Force Base	$10,950,000
	Kirtland Air Force Base	$31,000,000
North Carolina	Pope Air Force Base	$2,600,000
North Dakota	Ellsworth Air Force Base	$4,500,000
	Grand Forks Air Force Base	$5,200,000
	Minot Air Force Base	$10,350,000
Ohio	Wright-Patterson Air Force Base	$32,700,000
Oklahoma	Altus Air Force Base	$3,750,000
	Tinker Air Force Base	$9,643,000
	Vance Air Force Base	$11,680,000
South Carolina	Charleston Air Force Base	$11,400,000
South Dakota	Ellsworth Air Force Base	$1,450,000
Tennessee	Arnold Air Force Base	$1,900,000
Texas	Kelly Air Force Base	$8,950,000
	Lackland Air Force Base	$5,200,000
	Sheppard Air Force Base	$3,300,000
Washington	Fairchild Air Force Base	$8,850,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
Wyoming	F.E. Warren Air Force Base	$2,650,000
CONUS Classified	Classified Location	$2,141,000

(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 in the total amount of $38,273,000 for the installations and locations outside the United States, and in the amounts for such installations and locations, set forth in the following table:

Air Force: Outside the United States

Country	Installation or location	Amount
Germany	Ramstein Air Base	$12,350,000
	Spangdahlem Air Base	$9,473,000
Greenland	Thule Air Base	$2,450,000
Portugal	Lajes Field	$2,850,000
United Kingdom	RAF Lakenheath	$7,100,000
Overseas Classified	Classified Location	$4,050,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) in the total amount of $172,310,000 at the installations, for the purposes, and in the amounts for such installations and purposes set forth in the following table:

Air Force: Family Housing

State or Country	Installation	Purpose	Amount
Alabama	Maxwell Air Force Base	25 units	$2,100,000
Arizona	Davis-Monthan Air Force Base	60 units	$5,940,000
California	Beale Air Force Base	76 units	$8,842,000
	Edwards Air Force Base	34 units	$4,629,000
	Los Angeles Air Force Base	50 units	$8,962,000
	Vandenberg Air Force Base	128 units	$16,460,000
District of Columbia	Bolling Air Force Base	100 units	$9,000,000
Florida	Patrick Air Force Base	75 units	$7,145,000
Idaho	Mountain Home Air Force Base	4 unit	$881,000
	Mountain Home Air Force Base	60 units	$5,712,000
Kansas	McConnell Air Force Base	70 units	$8,322,000
Louisiana	Barksdale Air Force Base	82 units	$8,236,000
Missouri	Whiteman Air Force Base	Housing Office	$567,000
New Mexico	Cannon Air Force Base	1 unit	$230,000
	Holloman Air Force Base	76 units	$7,733,000
	Kirtland Air Force Base	106 units	$10,058,000
North Carolina	Pope Air Force Base	120 units	$14,874,000
	Seymour Johnson Air Force Base	74 units	$6,025,000
North Dakota	Grand Forks Air Force Base	Housing Office	$709,000
South Carolina	Shaw Air Force Base	3 units	$631,000
Texas	Dyess Air Force Base	59 units	$7,077,000
Utah	Hill Air Force Base	138 units	$11,400,000
Virginia	Langley Air Force Base	148 units	$14,421,000
Washington	Fairchild Air Force Base	6 units	$1,035,000
Wyoming	F.E. Warren Air Force Base	106 units	$11,321,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $9,275,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $61,770,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1994, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,594,863,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $412,004,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $38,273,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $7,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $49,386,000.

(5) For the balance of the amount authorized under section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2593) for the construction of the climatic test chamber at Eglin Air Force Base, Florida, $20,000,000.

(6) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $243,355,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $824,845,000 of which not more than $112,757,000 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 the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2305. AUTHORIZATION OF MILITARY CONSTRUCTION PROJECTS AT TYNDALL AIR FORCE BASE, FLORIDA, FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

The table in section 2301 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103-160; 107 Stat. 1866) is amended in the item relating to Tyndall Air Force Base, Florida, by striking out "$2,600,000" in the column under the heading "Amount" and inserting in lieu thereof "$8,200,000".

SEC. 2306. REVISION OF AUTHORIZED FAMILY HOUSING PROJECT, TYNDALL AIR FORCE BASE, FLORIDA.

The table in section 2302(a) of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103-160; 107 Stat. 1869) is amended in the item relating to Tyndall Air Force Base, Florida, by striking out "Infrastructure" in the third column and inserting in lieu thereof "45 units".

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects in the total amount of $413,700,000 for the installations and locations inside the United States, and in the amounts for such installations and locations, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Chemical Agents and Munitions Destruction	Anniston Army Depot, Alabama	$5,000,000
	Pine Bluff Arsenal, Arkansas	$102,000,000
	Umatilla Army Depot, Oregon	$183,000,000
	Tooele Army Depot, Utah	$4,000,000
Defense Intelligence Agency	Bolling Air Force Base, Washington, District of Columbia	$600,000
Defense Logistics Agency	Defense Contract Management Office, El Segundo, California	$5,100,000
	Defense Construction Supply Center, Columbus, Ohio	$2,200,000
	Defense Fuel Support Point, Craney Island, Virginia	$3,652,000
	Headquarters, Defense Logistics Agency, Fort Belvoir, Virginia	$4,600,000
Defense Medical Facilities Office	McClellan Air Force Base, California	$10,280,000
	Fort McPherson, Georgia	$13,400,000
	Fort Dix, New Jersey	$2,000,000
National Security Agency	Fort Meade, Maryland	$20,258,000
Office of Secretary of Defense	Various Locations, Special Activities, Air Force	$5,300,000
Section 6 Schools	Naval Surface Warfare Center, Virginia	$1,560,000
Special Operations Force	Eglin Auxiliary Field No. 9, Florida	$21,750,000
	Fort Bragg, North Carolina	$16,000,000
	Kirtland Air Force Base, New Mexico	$9,600,000
	Naval Amphibious Base, Coronado, San Diego, California	$3,400,000

SEC. 2402. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(11)(A), the Secretary of Defense may construct or acquire family housing units (including land acquisition) at the installation, for the purpose, and in the amount set forth in the following table:

Defense Agencies: Family Housing

Location	Installation	Purpose	Amount
Belgium	National Security Agency	1 unit	$300,000

SEC. 2403. 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 2405(a)(11)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $50,000.

SEC. 2404. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(8), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code.

SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1994, 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 $3,252,058,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $152,700,000.

(2) 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 Public Law 101-189; 103 Stat. 1640), $120,000,000.

(3) For military construction projects at Elmendorf Air Force Base, Alaska, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2599), $66,000,000.

(4) For military construction projects at Fort Bragg, North Carolina, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2599), $75,000,000.

(5) For unspecified minor construction projects under section 2805 of title 10, United States Code, $22,348,000.

(6) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $8,511,000.

(7) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $51,960,000.

(8) For energy conservation projects authorized by section 2404, $50,000,000.

(9) For base closure and realignment activities as authorized by the Defense Authorization Amendments and Base Closure and Realignment Act (title II of Public Law 100-526; 10 U.S.C. 2687 note), $87,600,000.

(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 Public Law 101-510; 10 U.S.C. 2687 note):

(A) For military installations approved for closure or realignment in 1991, $398,700,000.

(B) For military installations approved for closure or realignment in 1993, $2,189,858,000.

(11) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $350,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $29,031,000, of which not more than $24,051,000 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 variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a) and subsection (b);

(2) $94,000,000 (the balance of the amount authorized for construction of a chemical munitions demilitarization facility at Pine Bluff Arsenal, Arkansas); and

(3) $167,000,000 (the balance of the amount authorized for construction of a chemical munitions demilitarization facility at Umatilla Army Depot, Oregon).

SEC. 2406. TERMINATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1993 PROJECT.

(a) TERMINATION OF AUTHORITY.—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2599) is amended by striking out the item relating to Fitzsimons Army Medical Center, Colorado.

(b) CONFORMING AMENDMENTS.—(1) Subsection (a) of section 2403 of such Act (106 Stat. 2600) is amended—

(A) in the matter above paragraph (1), by striking out "$2,567,146,000" and inserting in lieu thereof "$2,565,146,000"; and

(B) in paragraph (1), by striking out "$87,950,000" and inserting in lieu thereof "$85,950,000".

(2) Subsection (c) of such section is amended—

(A) by inserting "and" at the end of paragraph (4);

(B) by striking out "; and" at the end of paragraph (5) and inserting lieu thereof a period; and

(C) by striking out paragraph (6).

SEC. 2407. COMMUNITY IMPACT ASSISTANCE WITH REGARD TO NAVAL WEAPONS STATION, CHARLESTON, SOUTH CAROLINA.

Of the amount appropriated pursuant to the authorization of appropriations in section 2405(a)(10)(B), the Secretary of the Navy shall transfer $3,000,000 to the South Carolina Department of Highways and Public Transportation. Funds transferred pursuant to this section shall be used for making improvements to North Rhett Avenue, Charleston, South Carolina.

SEC. 2408. PLANNING AND DESIGN FOR CONSTRUCTION IN SUPPORT OF CONSOLIDATION OF OPERATIONS OF THE DEFENSE FINANCE AND ACCOUNTING SERVICE.

Of the amount authorized to be appropriated by section 2405(a)(7), $6,000,000 shall be available for planning and design activities relating to military construction in support of the consolidation of operations of the Defense Finance and Accounting Service.

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, 1994, 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 $219,000,000.

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, 1994, 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, $180,312,000; and

(B) for the Army Reserve, $37,870,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $17,355,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $240,003,000; and

(B) for the Air Force Reserve, $43,840,000.

SEC. 2602. AUTHORIZATION OF CERTAIN NATIONAL GUARD AND RESERVE PROJECTS FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

(a) FISCAL YEAR 1994 GUARD AND RESERVE PROJECTS.—Section 2601 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103-160; 107 Stat. 1878) is amended—

(1) in paragraph (1)(A), by striking out "$283,483,000" and inserting in lieu thereof "$287,958,000"; and

(2) in paragraph (2), by striking out "$25,013,000" and inserting in lieu thereof "$33,713,000".

(b) FISCAL YEAR 1993 AIR NATIONAL GUARD PROJECT.—Section 2601(3)(A) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2602) is amended by striking out "$305,759,000" and inserting in lieu thereof "$306,959,000".

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 1997; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 1998.

(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, 1997; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 1998 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Infrastructure program.

SEC. 2702. EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1992 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701(b) of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102-190; 105 Stat. 1535) authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2301, or 2601 of that Act, shall remain in effect until October 1, 1995, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1996, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
Colorado	Fort Carson	Family Housing New Construction (1 Unit)	$150,000
Georgia	Fort Benning	General Instruction Facility	$2,150,000
	Camp Merrill	Family Housing New Construction (40 units)	$4,550,000
	Fort Stewart	Family Housing New Construction (120 units)	$9,700,000
Oregon	Umatilla Depot Activity	Ammunition Demilitarization Support Facility	$3,600,000
	Umatilla Depot Activity	Ammunition Demilitarization Utilities	$7,500,000

Air Force: Extension of 1992 Project Authorization

State	Installation or location	Project	Amount
Alaska	Eareckson Air Force Station (formerly Shemya Air Force Station)	Hazardous Materials Storage	$4,000,000

Army National Guard: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
California	Stockton	Add/Alter Combined Support Maintenance Shop	$1,613,000
District of Columbia	Fort Belvoir	Army Aviation Support Facility	$2,765,000
Maryland	Towson	Direct Logistics Warehouse	$373,000
	Cheltenham	Armory	$3,300,000
Mississippi	West Point	Organizational Maintenance Shop	$1,270,000
	Tupelo	Organizational Maintenance Shop	$992,000
	Senatobia	Organizational Maintenance Shop	$723,000
Nevada	Washoe County	Organizational Maintenance Shop	$1,050,000
North Carolina	Camp Butler	Range, Modified Record Fire	$986,000
Rhode Island	Camp Varnum	Sewer and Water System	$578,000
	Camp Fogarty	Armory	$5,151,000
West Virginia	Huntington	Guard/Reserve Center	$2,983,000

Army Reserve: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
Massachusetts	Taunton	Reserve Center	$3,526,000
Ohio	Perrysburg	Reserve Center Addition	$2,749,000
Pennsylvania	Johnstown	Army/Marine Corps Aviation Facility	$30,224,000
Tennessee	Jackson	Joint Training Facility	$1,537,000
West Virginia	Huntington	Guard and Reserve Center	$6,617,000

SEC. 2703. CLARIFICATION OF EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1991 PROJECTS.

(a) CLARIFICATION.—The table relating to the extension of authorization of certain fiscal year 1991 projects of the Defense Agencies in section 2702(b) of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1882) is amended by inserting before the item relating to the Defense Logistics Agency, Defense Reutilization and Marketing Office, Fort Meade, Maryland, the following:

California	Defense Language Institute, Monterey	Audio Visual Facility	$2,322,000
	Defense Language Institute, Monterey	Print Plant	$1,860,000

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the provisions of the Military Construction Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1822) to which such amendment relates.

SEC. 2704. EXTENSION OF CERTAIN FISCAL YEAR 1991 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701(b) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1782), authorizations for the projects set forth in the table in subsection (b) as provided in section 2401(a) of that Act and extended by section 2702(a) of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102–190; 105 Stat. 1535) and section 2702 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1880), as amended by section 2703 of this Act, shall remain in effect until October 1, 1995, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1995, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

Defense Agencies: Extension of 1991 Project Authorizations

State	Installation or location	Project	Amount
California	Defense Language Institute, Monterey.	Audio Visual Instructional Media Facility	$2,322,000
	Defense Language Institute, Monterey.	Print Plant	$1,860,000
Maryland	Defense Logistics Agency, Defense Reutilization and Marketing Office, Fort Meade	Covered Storage	$9,500,000

SEC. 2705. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 1994; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. CLARIFICATION OF REQUIREMENT FOR NOTIFICATION OF CONGRESS OF IMPROVEMENTS IN FAMILY HOUSING UNITS.

Section 2825(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) The limitation contained in the first sentence of paragraph (1) does not apply to a project for the improvement of a family housing unit or units referred to in that sentence if the project (including the amount requested for the project) is identified in the budget materials submitted to Congress by the Secretary of Defense in connection with the submission to Congress of the budget for a fiscal year pursuant to section 1105 of title 31.".

SEC. 2802. AUTHORITY TO PAY CLOSING COSTS UNDER HOMEOWNERS ASSISTANCE PROGRAM.

Section 1013(c) of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3374(c)) is amended by inserting after the first sentence the following: "The Secretary may also pay a person who elects to receive a cash payment under clause (1) of the preceding sentence an amount that the Secretary determines appropriate to reimburse the person for the costs incurred by the person in the sale of the property if the Secretary determines that such payment will benefit the person and is in the best interest of the Federal Government.".

Subtitle B—Base Closure Matters

SEC. 2811. PROHIBITION AGAINST CONSIDERATION IN BASE CLOSURE PROCESS OF ADVANCE CONVERSION PLANNING UNDERTAKEN BY POTENTIAL AFFECTED COMMUNITIES.

(a) DEPARTMENT OF DEFENSE RECOMMENDATIONS.—Subsection (c)(3) of section 2903 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—

(1) by inserting "(A)" before "In considering"; and

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

"(B) In considering military installations for closure or realignment, the Secretary may not take into account for any purpose any advance conversion planning undertaken by an affected community with respect to the anticipated closure or realignment of an installation.

"(C) For purposes of subparagraph (B), in the case of a community anticipating the economic effects of a closure or realignment of a military installation, advance conversion planning—

"(i) shall include community adjustment and economic diversification planning undertaken by the community before an anticipated selection of a military installation in or near the community for closure or realignment; and

"(ii) may include the development of contingency redevelopment plans, plans for economic development and diversification, and plans for the joint use (including civilian and military use, public and private use, civilian dual use, and civilian shared use) of the property or facilities of the installation after the anticipated closure or realignment.".

(b) COMMISSION RECOMMENDATIONS.—Subsection (d)(2) of such section is amended by adding at the end the following:

"(E) In making recommendations under this paragraph, the Commission may not take into account for any purpose any advance conversion planning undertaken by an affected community with respect to the anticipated closure or realignment of a military installation.".

SEC. 2812. CLARIFYING AND TECHNICAL AMENDMENTS TO BASE CLOSURE LAWS.

(a) CLARIFICATION OF SCOPE OF TERMINATION OF AUTHORITY UNDER 1988 ACT.—Section 202(c) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended—

(1) by striking out "The authority" and inserting in lieu thereof "(1) Except as provided in paragraph (2), the authority"; and

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

"(2) The termination of authority set forth in paragraph (1) shall not apply to the authority of the Secretary to carry out environmental restoration and waste management at, or disposal of property of, military installations closed or realigned under this title.".

(b) USE OF UNOBLIGATED FUNDS IN 1988 ACCOUNT FOR ENVIRONMENTAL RESTORATION AND PROPERTY DISPOSAL.—Section 207(a)(5) of such Act is amended—

(1) by striking out "Unobligated funds" and inserting in lieu thereof "(A) Except as provided in subparagraph (B), unobligated funds"; and

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

"(B) The Secretary may, after the termination of authority referred to in subparagraph (A), use any unobligated funds referred to in that subparagraph that are not transferred in accordance with that subparagraph to carry out environmental restoration and waste management at, or disposal of property of, military installations closed or realigned under this title.".

(c) CLARIFICATION OF DISPOSAL AUTHORITY.—

(1) UNDER 1988 ACT.—Section 204(b)(1) of such Act is amended in the matter above paragraph (1) by striking out "real property and facilities" and inserting in lieu thereof "real property, facilities, and personal property".

(2) UNDER 1990 ACT.—Section 2905(b)(1) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended in the matter above paragraph (1) by striking out "real property and facilities" and inserting in lieu thereof "real property, facilities, and personal property".

(d) DEFINITION OF REDEVELOPMENT AUTHORITY.—

(1) UNDER 1988 ACT.—Section 209(10) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended by striking out "and for" and inserting in lieu thereof "or for".

(2) UNDER 1990 ACT.—Section 2910(9) 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 "and for" and inserting in lieu thereof "or for".

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) shall take effect as if included in the amendments made by 2918 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1927).

(e) TECHNICAL AMENDMENTS FOR INTERNAL CONSISTENCY.—

(1) 1988 ACT.—Section 204(b)(3) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended—

(A) in subparagraph (A)(ii), by striking out "determines to be related to real property and"; and

(B) in subparagraph (E), by striking out "related" in the matter above clause (i).

(2) 1990 ACT.—Section 2905(b)(3)(A)(ii) 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 "determines to be related to real property and".

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) shall take effect as if included in the amendments made by 2902 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1909).

SEC. 2813. SENSE OF SENATE ON THE ACTIVITIES OF THE SECRETARY OF DEFENSE IN SUPPORT OF COMMUNITIES AFFECTED BY BASE CLOSURES.

(a) FINDINGS.—The Senate makes the following findings:

(1) The closure or realignment of a major military installation can cause severe economic disruption to the host community for the installation.

(2) Communities affected by the closure of a major military installation under a base closure law dedicate significant time, effort, and resources to planning for the economic redevelopment of the installation.

(3) The Federal Government can ease the disruption caused by the closure of a military installation by working cooperatively with the host community for the installation to implement the community's redevelopment plan for the installation.

(4) In recent years, the Federal Government has not always provided sufficient assistance to communities affected by the closure of a military installation under a base closure law in the efforts of such communities to provide for the economic redevelopment of the installation.

(5) In July 1993, the President issued a five-point plan for revitalizing base closure communities which emphasized the economic recovery of communities affected by the closure of a military installation under a base closure law.

(6) In November 1993, Congress agreed to the provisions of subtitle A of title XXIX of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1909), and the amendments made thereunder, in order to implement the plan referred to in paragraph (5) and to provide other assistance to communities attempting to redevelop military installations approved for closure under a base closure law.

(7) The Secretary of Defense is accepting public comment on the guidelines for implementation of the provisions of law referred to in paragraph (6).

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Secretary of Defense should—

(1) ensure that the regulations implementing the provisions of subtitle A of title XXIX of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1909), and the amendments made thereunder, reflect the intent of Congress that, to the maximum extent practicable, the Secretary take into consideration the redevelopment plans of affected communities when taking actions or implementing decisions on the closure of a military installation approved for closure under a base closure law;

(2) ensure that the regulations implementing such provisions reflect the intent of Congress to encourage and promote cooperation and dialogue between the Federal Government and communities affected by the closure of an installation throughout the base closure process; and

(3) develop a system of incentives or awards to encourage Department of Defense personnel to provide greater assistance to and cooperation with communities affected by the closure of an installation during the ongoing effort of revitalizing the economy of such communities.

Subtitle C—Land Transactions Generally

SEC. 2821. LAND TRANSFER, HOLLOMAN AIR FORCE BASE, NEW MEXICO.

(a) IN GENERAL.—Subject to subsections (c) through (g), not later than 90 days after the date of enactment of this Act, the Secretary of the Interior shall transfer to the Department of the Air Force, without reimbursement, jurisdiction and control of approximately 1,262 acres of public lands described in subsection (b). Such public lands are located in Otero County, New Mexico, and are contiguous to Holloman Air Force Base.

(b) DESCRIPTION OF LANDS TRANSFERRED.—The lands described in this subsection are as follows:

(1) T17S, R8E, Section 21:	S½ N½:	160 acres
	E½ NW¼ NE¼:	20 acres
	NE¼ NE¼:	40 acres
(2) T17S, R8E, Section 22:	W½:	320 acres
	W½ E½:	160 acres
(3) T17S, R8E, Section 27:	All that part north of New Mexico Highway 70 except for the E½ E½.	192 acres more or less
(4) T17S, R8E, Section 28:	NE¼:	160 acres
	N½ SE¼:	80 acres
	SW¼ SE¼:	40 acres
	W½ SE¼ SE¼:	20 acres
(5) T17S, R8E, Section 33:	NW¼ NE¼:	40 acres
	NW¼ NE¼ NE¼:	10 acres
	W½ SW¼ NE¼:	20 acres

(c) USE OF TRANSFERRED LAND.—The lands transferred to the Department of the Air Force under subsection (a) shall be used by the Secretary of the Air Force for the construction of new evaporation ponds to support a wastewater treatment facility that the Secretary shall construct at Holloman Air Force Base.

(d) CATTLE GRAZING RIGHTS.—

(1) IN GENERAL.—The United States recognizes a grazing preference on the lands transferred to the Department of the Air Force under subsection (a).

(2) ADJUSTMENT OF GRAZING ALLOTMENT.—(A) The Secretary of the Air Force shall take such action as is necessary to ensure that—

(i) the boundary of the grazing allotment that contains the lands transferred to the Department of the Air Force is adjusted in such manner as to retain the portion of the allotment located south of United States Highway 70 in New Mexico and remove the portion of the lands that is located north of such highway; and

(ii) the grazing preference referred to in paragraph (1) is retained by means of transferring the preference for the area removed from the allotment under subparagraph (A) to public lands located south of such highway.

(B) The Secretary of the Air Force shall offer to enter into an agreement with each person who holds a permit for grazing on the lands transferred to the Department of the Air Force at the time of the transfer to provide for the continued grazing by livestock on the portion of the lands located south of such highway.

(e) ADDITIONAL REQUIREMENTS.—

(1) NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—The Secretary of the Air Force shall ensure that the transfer made pursuant to subsection (a) and the use specified in subsection (c) meet any applicable requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) ENVIRONMENTAL LAWS.—The Secretary of the Air Force shall use and manage the lands transferred under the authority in subsection (a) in such manner as to ensure compliance with applicable environmental laws (including regulations) of the Federal Government and State of New Mexico, and political subdivisions thereof.

(3) RESPONSIBILITY FOR CLEANUP OF HAZARDOUS SUBSTANCES.—Notwithstanding any other provision of law, the Secretary of the Air Force shall, upon the transfer of the lands under subsection (a), assume any existing or subsequent responsibility and liability for the cleanup of hazardous substances (as defined in section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(14))) located on or within the lands transferred.

(4) MINING.—The transfer of lands under subsection (a) shall be made in such manner as to ensure the continuation of valid, existing rights under the mining laws and the mineral leasing and geothermal leasing laws of the United States. Subject to the preceding sentence, upon the transfer of the lands, mining and mineral management activities shall be carried out in the lands in a manner consistent with the policies of the Department of Defense concerning mineral exploration and extraction on lands under the jurisdiction of the Department.

(f) RIGHTS-OF-WAY.—The transfer of lands under subsection (a) shall not affect the following rights-of-way:

(1) The right-of-way granted to the Otero County Electric Cooperative, numbered NMNM 58293.

(2) The right-of-way granted to U.S. West Corporation, numbered NMNM 59261.

(3) The right-of-way granted to the Highway Department of the State of New Mexico, numbered LC0 54403.

(g) PUBLIC ACCESS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary of the Air Force shall permit public access to the lands transferred under subsection (a).

(2) CONSTRUCTION SITE.—The Secretary of the Air Force may not permit public access to the immediate area affected by the construction of a wastewater treatment facility in the area with the legal description of T17S, R8E, Section 22, except that the Secretary of the Air Force shall permit public access on an adjoining unfenced parcel of land—

(A) located along the west boundary of such area; and

(B) that is 50 feet in width.

(3) PUBLIC USES.—Except as provided in paragraph (2), the Secretary of the Air Force shall permit, on the lands transferred under subsection (a), public uses that are consistent with the public uses on adjacent lands under the jurisdiction of the Secretary of the Interior.

(4) PERMIT NOT REQUIRED.—The Secretary of the Air Force may not require a permit for access authorized under this subsection to the lands transferred under subsection (a).

(5) ENTRY GATE.—The Secretary of the Air Force shall ensure that the entry gate to the lands transferred under subsection (a) that is located along United States Highway 70 shall be open to the public.

SEC. 2822. JOINT USE OF PROPERTY, PORT HUENEME, CALIFORNIA.

(a) AGREEMENT AUTHORIZED.—The Secretary of the Navy may enter into an agreement with the Oxnard Harbor District, Port Hueneme, California, a special district of the State of California (in this section referred to as the "District"), to provide for the joint use by Secretary and the District of a parcel of real property consisting of approximately 25 acres, together with improvements thereto, that comprises United States Navy Wharf Number 3, the location of the Naval Construction Battalion Center, Port Hueneme, California.

(b) PERIOD.—The agreement authorized under subsection (a) shall—

(1) be for an initial period of not more than 15 years; and

(2) contain an option for the District to extend the agreement for three additional periods of 5 years each.

(c) CONDITIONS.—The agreement authorized under subsection (a) shall be subject to the following conditions:

(1) That the District suspend operations in the joint use area during the periods when the Navy conducts operations at the Naval Construction Battalion Center.

(2) That the District carry out activities in the joint use area in a manner that does not interfere with the capability of the Secretary to carry out contingency operations at the Naval Construction Battalion Center.

(d) CONSIDERATION.—(1) As consideration for the use of the real property under subsection (a), the District—

(A) shall pay to the Secretary the fair market rental value (as determined by the Secretary) of the District's interest in the property; and

(B) may be required to furnish additional consideration as provided in paragraph (2).

(2) The Secretary may require that the agreement include a provision that the District—

(A) either—

(i) pay the Secretary an amount (as determined by the Secretary) equal to the cost to the Navy of replacing at the Naval Construction Battalion Center the facilities vacated by the Navy in the joint use area; or

(ii) construct the replacement facilities for the Navy; and

(B) pay the Secretary an amount (as determined by the Secretary) equal to the cost to the Navy of relocating Navy operations from the vacated facilities to the replacement facilities.

(e) NOTICE AND WAIT REQUIREMENTS.—The Secretary may not enter into the agreement 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 the House of Representatives a report containing an explanation of the terms of the proposed agreement and a description of the consideration that the Secretary expects to receive under the agreement.

(f) USE OF PROCEEDS.—(1) The Secretary may use amounts received under subsection (d)(1)(A) to pay for general supervision, administration and overhead expenses incurred by the Secretary under the agreement and for improvement, maintenance, repair, construction, or restoration of the port operations area or of roads and railways serving the area at the Naval Construction Battalion Center.

(2) The Secretary may use amounts received under subsection (d)(2) to pay for constructing new facilities, or making modifications to existing facilities, that are necessary to replace facilities vacated by the Navy in the joint use area and for relocating operations of the Navy from the vacated facilities to the replacement facilities.

(g) AUTHORITY TO REPLACE FACILITIES.—The Secretary may authorize the District to demolish existing facilities in the joint use area and, consistent with the restrictions required by subsection (c)(2), construct new facilities on the property for the joint use of the Navy and the District.

(h) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property subject to the agreement authorized under this section shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the District.

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the agreement authorized under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2823. LEASE OF PROPERTY, NAVAL RADIO RECEIVING FACILITY, IMPERIAL BEACH, CORONADO, CALIFORNIA.

(a) LEASE AUTHORIZED.—The Secretary of the Navy may lease to the Young Men's Christian Association of San Diego County, a California nonprofit public benefit corporation (in this section referred to as the "YMCA"), such interests in a parcel of real property (including any improvements thereon) consisting of approximately 45 acres at the Naval Radio Receiving Facility, Imperial Beach, Coronado, California, as the Secretary considers appropriate for the YMCA to operate and maintain a summer youth residence camp known as the YMCA San Diego Unified Recreational Facility (Camp SURF). Pursuant to the lease, the Secretary may authorize the YMCA to construct facilities on the parcel.

(b) LEASE TERMS.—The lease authorized in subsection (a) shall be for a period of 50 years, or such longer period as the Secretary determines to be in the best interests of the United States.

(c) CONSIDERATION.—As consideration for the lease of real property under subsection (a), the YMCA shall—

(1) agree to maintain and enhance the natural resources of the leased premises; and

(2) pay to the United States an amount in cash equal to the difference between the rental price prescribed by the Secretary under subsection (d) and the value of natural resources maintenance and enhancements performed by the YMCA, as determined by the Secretary.

(d) DETERMINATION OF RENTAL PRICE.—The Secretary may prescribe a rental price for the real property leased under subsection (a) that is less than the fair market rental value of such property.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the lease under subsection (a) as the Secretary considers necessary to protect the operation of the Naval Radio Receiving Facility, Imperial Beach, Coronado, California, and to protect the interests of the United States.

SEC. 2824. RELEASE OF REVERSIONARY INTEREST ON CERTAIN PROPERTY IN YORK COUNTY AND JAMES CITY COUNTY, VIRGINIA, AND NEWPORT NEWS, VIRGINIA.

(a) RELEASE AUTHORIZED.—The Secretary of the Navy may release the reversionary interest of the United States in the real property conveyed by the deed described in subsection (b).

(b) DEED DESCRIPTION.—The deed referred to in subsection (a) is a deed between the United States and the Commonwealth of Virginia dated August 17, 1966, which conveyed to the Commonwealth of Virginia certain parcels of land located in York County and James City County, Virginia, and the city of Newport News, Virginia.

(c) ADDITIONAL TERMS.—The Secretary may require such terms or conditions in connection with the release under this section as the Secretary considers appropriate to protect the interests of the United States and to ensure that the real property will continue to be used for public purposes.

(d) INSTRUMENT OF RELEASE.—The Secretary may execute and file in the appropriate office or offices a deed of release, amended deed, or other appropriate instrument effectuating the release of the reversionary interest under this section.

SEC. 2825. LAND TRANSFER, FORT DEVENS, MASSACHUSETTS.

(a) TRANSFER.—Notwithstanding any other provision of law and subject to subsection (b), the Secretary of the Army shall transfer administrative jurisdiction of approximately 800 acres of land at Fort Devens, Massachusetts, to the Secretary of the Interior for inclusion in the Oxbow National Wildlife Refuge, Massachusetts.

(b) LIMITATION ON TRANSFER.—The Secretary of the Army may not carry out the transfer referred to in subsection (a) unless the Secretary and the reuse authority for Fort Devens for the purposes 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), jointly determine that the transfer of the land under this section is consistent with the redevelopment plan prepared under section 2905(b) of such Act.

(c) ADMINISTRATION OF LAND.—The Secretary of the Interior shall administer the land transferred under this section in accordance with all laws applicable to areas in the National Wildlife Refuge System.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be transferred under this section shall be determined by a survey satisfactory to the Secretary of the Army and the Secretary of the Interior.

SEC. 2826. LAND CONVEYANCE, CORNHUSKER ARMY AMMUNITION PLANT, HALL COUNTY, NEBRASKA.

(a) CONVEYANCE AUTHORIZED.—Subject to subsection (b), the Secretary of the Army may convey to the Hall County, Nebraska, Board of Supervisors (in this section referred to as the "Board"), or the designee of the Board, all right, title and interest of the United States in and to the real property, together with any improvements thereon, located in Hall County, Nebraska, the site of the Cornhusker Army Ammunition Plant.

(b) REQUIREMENT RELATING TO CONVEYANCE.—The Secretary may not carry out the conveyance authorized under subsection (a) until the Secretary completes any environmental restoration required with respect to the property to be conveyed.

(c) UTILIZATION OF PROPERTY.—The Board or its designee, as the case may be, shall utilize the real property conveyed under subsection (a) in a manner consistent with the Cornhusker Army Ammunition Plant Reuse Committee Comprehensive Reuse Plan.

(d) CONSIDERATION.—In consideration for the conveyance under subsection (a), the Board or its designee, as the case may be, shall pay to the United States an amount equal to the fair market value of the real property to be conveyed, as determined by the Secretary.

(e) USE OF PROCEEDS.—(1) The Secretary shall deposit in the special account established under section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)) the amount received from the Board or its designee under subsection (d).

(2) Notwithstanding subparagraph (A) of such section 204(h)(2), the Secretary may use the entire amount deposited in the account under paragraph (1) for the purposes set forth in subparagraph (B) of such section 204(h)(2).

(f) 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 the survey shall be borne by the Board or its designee, as the case may be.

(g) 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. 2827. TRANSFER OR CONVEYANCE OF CERTAIN PARCELS OF PROPERTY THROUGH GENERAL SERVICES ADMINISTRATION.

(a) IN GENERAL.—(1) Subject to paragraph (2), the Administrator of General Services shall—

(A) transfer jurisdiction over all or a portion of a parcel of real property described in subsection (b) to another executive agency if the Administrator determines under subsection (c) that the transfer of jurisdiction to the agency is appropriate;

(B) convey all or a portion of such a parcel to a State or local government or nonprofit organization if the Administrator determines under subsection (d) that the conveyance to the government or organization is appropriate; or

(C) convey all or a portion of such a parcel to the entity specified to receive the conveyance under subsection (e) in accordance with that subsection.

(2) The Administrator shall carry out an action referred to in subparagraph (A), (B), or (C) of paragraph (1) only upon direction by the Secretary of Defense. The Secretary shall make the direction, if at all, in accordance with subsection (g).

(3) Upon the direction of the Secretary of Defense, the Secretary of the military department concerned shall transfer jurisdiction over an appropriate portion of a parcel of real property referred to in paragraph (1) to the Administrator in order to permit the Administrator to carry out the transfer of jurisdiction over or conveyance of the portion of the parcel under this section.

(b) COVERED PROPERTY.—(1) The parcels of real property referred to in subsection (a)(1) are the following:

(A) A parcel of real property, including any improvements thereon, consisting of approximately 337 acres and located in Tulsa, Oklahoma, the location of Air Force Plant No. 3.

(B) A parcel of real property, including any improvements thereon, consisting of approximately 2,900 acres and located in Calverton, New York, the location of the Naval Weapons Industrial Reserve Plant.

(C) A parcel of real property, including any improvements thereon, located in Johnson City (Westover), New York, the location of Air Force Plant No. 59.

(D) A parcel of real property, including any improvements thereon, consisting of approximately 4 acres and located in Dickinson, North Dakota, the location of a support complex, recreational facilities, and housing facilities for the Radar Bomb Scoring Site, Dickinson, North Dakota.

(E) A parcel of real property, including any improvements thereon, consisting of approximately 12 acres and located west of Finley, North Dakota, the location of a support complex, recreational facilities, and housing facilities for the Finley Air Force Station and Radar Bomb Scoring Site, Finley, North Dakota.

(F) A parcel of property, including any improvements thereon, consisting of approximately 440 acres located at the Hawthorne Army Ammunition Plant, Mineral County, Nevada, and commonly referred to as the Babbitt Housing Site.

(G) A parcel of real property, including any improvements thereon and the pier associated therewith, consisting of approximately 118 acres and located in Harpswell, Maine, the location of the Defense Fuel Supply Point, Casco Bay, Maine.

(2) The exact acreage and legal description of the real property referred to in paragraph (1) that is transferred or conveyed under this section shall be determined by a survey satisfactory to the Secretary of the military department concerned. The cost of the survey shall be borne by the Secretary concerned. The transferee or conveyee, if any, of the property under this section shall reimburse the Secretary concerned for the cost borne by that Secretary for the survey of the property.

(c) DETERMINATION OF TRANSFEREES.—(1) Subject to subsection (a)(2), the Administrator shall transfer jurisdiction over all or a portion of a parcel of real property referred to in subsection (b)(1) to an executive agency if the Administrator determines under this subsection that the transfer is appropriate.

(2) Not later than 5 days after the date of the enactment of this Act, the Administrator shall inform the heads of the executive agencies of the availability of the parcels of real property referred to in subsection (b)(1).

(3) The head of an executive agency having an interest in obtaining jurisdiction over any portion of a parcel of real property referred to in paragraph (2) shall notify the Administrator, in writing, of the interest within such time as the Administrator shall specify with respect to the parcel in order to permit the Administrator to determine under paragraph (4) whether the transfer of jurisdiction to the agency is appropriate.

(4)(A) The Administrator shall—

(i) evaluate in accordance with section 202(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483(a)) the notifications of interest, if any, received under paragraph (3) with respect to a parcel of real property; and

(ii) determine in accordance with that section the executive agency, if any, to which the transfer of jurisdiction is appropriate.

(B) The Administrator shall complete the determination under subparagraph (A) with respect to a parcel not later than 30 days after informing the heads of the executive agencies of the availability of the parcel.

(d) DETERMINATION OF CONVEYEES.—(1) Subject to subsection (a)(2), the Administrator shall convey all right, title, and interest of the United States in and to all or a portion of a parcel of real property referred to in paragraph (2) to a government or organization referred to in paragraph (3) if the Administrator determines under this subsection that the conveyance is appropriate.

(2) Paragraph (2) applies to any portion of a parcel of real property referred to in subsection (b)(1)—

(A) for which the Administrator receives no notification of interest from the head of an executive agency under subsection (c); or

(B) with respect to which the Administrator determines under paragraph (4)(B) of that subsection that a transfer of jurisdiction under this section would not be appropriate.

(3)(A) In the case of the property referred to in paragraph (2), the governments and organizations referred to in that paragraph are the following:

(i) The State government of the State in which the property is located.

(ii) Local governments affected (as determined by the Administrator) by operations of the Department of Defense at the property.

(iii) Nonprofit organizations located in the vicinity of the property and eligible under Federal law to be supported through the use of Federal surplus real property.

(B) In this paragraph, the term "nonprofit organization" means any organization listed in subsection (c)(3) of section 501 of the Internal Revenue Code of 1986 (26 U.S.C. 501) that is exempt from taxation under subsection (a) of that section.

(4) Not later than 5 days after completing the determination under subsection (c)(4)(B), the Administrator shall determine what, if any, parcels of property referred to in subsection (b)(1) are available for conveyance under this subsection and shall inform the appropriate governments and organizations of the availability of the parcels for conveyance under this section.

(5) A government or organization referred to in paragraph (4) shall notify the Administrator, in writing, of the interest of the government or organization, as the case may be, in the conveyance of all or a portion of the parcel of real property concerned to the government or organization. The government or organization shall notify the Administrator within such time as the Administrator shall specify with respect to the parcel in order to permit the Administrator to determine under paragraph (6) whether the conveyance of the parcel to the government or organization, as the case may be, is appropriate.

(6)(A) The Administrator shall—

(i) evaluate in accordance with section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) the notifications, if any, received under paragraph (5) with respect to a parcel of real property; and

(ii) determine in accordance with that section the government or organization, if any, to which the conveyance is appropriate.

(B) The Administrator shall complete the determination under subparagraph (A) with respect to a parcel not later than 70 days after notifying the governments and organizations concerned of the availability of the parcel for conveyance.

(e) ADDITIONAL CONVEYANCE AUTHORITY.—(1) Subject to subsection (g)(2), the Administrator shall, in lieu of transferring jurisdiction over or conveying the parcels of real property referred to in subsection (b)(1) in accordance with subsections (c) and (d), convey all or a portion of such parcels as follows:

(A) In the case of the parcel referred to in subparagraph (A) of subsection (b)(1), by conveying without consideration all right, title, and interest of the United States in and to the parcel to the City of Tulsa, Oklahoma.

(B) In the case of the parcel referred to in subparagraph (B) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to any economic development authority that the Governor of New York determines appropriate and identifies as such for the Administrator.

(C) In the case of the parcel referred to in subparagraph (C) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the Broome County Industrial Development Authority.

(D) In the case of the parcel referred to in subparagraph (D) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the North Dakota Board of Higher Education.

(E) In the case of the parcel referred to in subparagraph (E) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the City of Finley, North Dakota.

(F) In the case of the parcel referred to in subparagraph (F) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the government of Mineral County, Nevada.

(G) In the case of the parcel referred to in subparagraph (F) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the Town of Harpswell, Maine.

(2) The Administrator may require such additional terms and conditions in connection with a conveyance under this subsection as the Administrator and the Secretary of Defense jointly consider appropriate to protect the interests of the United States.

(f) REPORT BY ADMINISTRATOR.—(1) Not later than 125 days after the date of the enactment of this Act, the Administrator shall

submit to the Committees on Armed Services of the Senate and House of Representatives and to the Secretary of Defense a report on the activities of the Administrator under this section.

(2) The report shall include with respect to each parcel of real property referred to in subsection (b)(1) the following information:

(A) The interest, if any, for all or a portion of the parcel that was expressed by executive agencies under subsection (c) or by governments or nonprofit organizations under subsection (d).

(B) The use, if any, proposed for the portion of the parcel under each expression of interest.

(C) The determination of the Administrator whether a transfer or conveyance of all or a portion of the parcel, as the case may be, to the agency, government, or organization was appropriate.

(D) The other disposal options, if any, that the Administrator has identified for the parcel.

(E) Any other matters that the Administrator considers appropriate.

(g) DESIGNATION OF AUTHORITY TO BE USED.—(1) If the Administrator submits the report required under subsection (f) within the time specified in that subsection, the Secretary of Defense may direct the Administrator under subsection (a)(2) to carry out the transfer or conveyance under subsection (c) or (d) of all or a portion of a parcel of property referred to in subsection (b)(1) in accordance with the determinations made by the Administrator with respect to the transfer or conveyance of the parcel under subsection (c) or (d), respectively.

(2) If the Administrator does not submit the report required under subsection (f) within the time specified in that subsection, the Secretary may direct the Administrator to carry out the conveyances of the parcels of property that are authorized under subsection (e) in accordance with such subsection (e).

Subtitle D—Changes to Existing Land Transaction Authority

SEC. 2831. MODIFICATIONS OF LAND CONVEYANCE, FORT A.P. HILL MILITARY RESERVATION, VIRGINIA.

(a) PARTICIPATION OF ADDITIONAL POLITICAL SUBDIVISIONS IN REGIONAL CORRECTIONAL FACILITY.—Subparagraph (B) of subsection (c)(3) of section 603 of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102–25; 105 Stat. 108) is amended to read as follows:

"(B) Subparagraph (A) shall not be construed to prohibit any political subdivision not named in such subparagraph from—

"(i) participating initially in the written agreement referred to in paragraph (2); or

"(ii) agreeing at a later date to participate as a member of the governmental entity referred to in paragraph (2)(A), or by contract with such entity, in the construction or operation of the regional facility to be constructed on the parcel of land conveyed under this section.".

(b) TIME FOR CONSTRUCTION AND OPERATION OF CORRECTIONAL FACILITY.—(1) Subsection (d)(1)(A)(i) of such section is amended by striking out "not later than 24 months after the date of the enactment of this Act" and inserting in lieu thereof "not later than April 1, 1997".

(2) The Secretary of the Army shall provide the recipient of the conveyance of property under section 603 of such Act with such legal instrument as is appropriate to modify, in accordance with the amendment made by paragraph (1), any statement of conditions contained in any existing instrument which conveyed the property to that recipient. The Secretary shall record the instrument in the appropriate office or officers of the Commonwealth of Virginia or political subdivision within the Commonwealth.

SEC. 2832. MODIFICATION OF CONVEYANCE OF ELECTRICITY DISTRIBUTION SYSTEM, FORT DIX, NEW JERSEY.

Section 2846 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1904) is amended—

(1) by striking out subsection (f); and

(2) by redesignating subsections (g) and (h) as subsections (f) and (g), respectively.

SEC. 2833. MODIFICATION OF LAND CONVEYANCE, FORT KNOX, KENTUCKY.

Section 2816 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1655) is amended—

(1) in subsection (c), by striking out "for the construction of up to four units of military family housing at Fort Knox, Kentucky" and inserting in lieu thereof "for improvements to military family housing at Fort Knox, Kentucky, in an amount not to exceed $255,000";

(2) by striking out subsection (d); and

(3) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

SEC. 2834. PRESERVATION OF CALVERTON PINE BARRENS, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, NEW YORK, AS NATURE PRESERVE.

(a) PRESERVATION AS NATURE PRESERVE REQUIRED.—Section 2854 of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2626) is amended—

(1) by redesignating subsections (a) and (b) as subsections (c) and (d); and

(2) by inserting before subsection (c), as so redesignated, the following new subsections (a) and (b):

"(a) PURPOSE.—It is the purpose of this section to ensure that the Calverton Pine Barrens is maintained and preserved, in perpetuity, as a nature preserve in its current undeveloped state.

"(b) PROHIBITION ON INCONSISTENT DEVELOPMENT.—(1) The Secretary of the Navy may not carry out or permit any commercial or residential development of the property referred to in paragraph (2) that is inconsistent with the purpose specified in subsection (a).

"(2) Paragraph (1) applies to any parcel of real property within the Calverton Pine Barrens that is under the jurisdiction of the Secretary.".

(b) CONFORMING AMENDMENTS.—Subsection (c) of such section, as redesignated by subsection (a)(1), is amended—

(1) by striking out "PROHIBITION.—" and inserting in lieu thereof "REVERSIONARY INTEREST.—"; and

(2) by striking out "for commercial purposes" and all that follows through the period and inserting in lieu thereof "in a manner inconsistent with the purpose specified in subsection (a) (as determined by the head of the department or agency making the conveyance).".

Subtitle E—Other Matters

SEC. 2841. JOINT CONSTRUCTION CONTRACTING FOR COMMISSARIES AND NONAPPROPRIATED FUND INSTRUMENTALITY FACILITIES.

(a) SINGLE CONTRACT CONSTRUCTION.—Section 2685 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) The Secretary of a military department may authorize a nonappropriated fund instrumentality of the United States to enter into a contract for construction of a shopping mall or similar facility for a commissary store and one or more nonappropriated fund instrumentality activities. The Secretary may use the proceeds of adjustments or surcharges authorized by subsection (a) to reimburse the nonappropriated fund instrumentality for the portion of the cost of the contract that is attributable to construction of the commissary store or to pay the contractor directly for that portion of such cost.

"(2) In paragraph (1), the term 'construction', with respect to a facility, includes acquisition, conversion, expansion, installation, or other improvement of the facility.".

(b) OBLIGATION OF ANTICIPATED PROCEEDS.—Subsection (c) of such section is amended by inserting "or (d)" after "subsection (b)" both places it appears.

SEC. 2842. NATIONAL GUARD FACILITY CONTRACTS SUBJECT TO PERFORMANCE SUPERVISION BY THE ARMY OR THE NAVY.

(a) CONTRACTS SUBJECT TO SUPERVISION.—Subsection (a) of section 2237 of title 10, United States Code, is amended by striking out "under any provision" and all that follows through "and (4)" and inserting in lieu thereof "under section 2233(a)(1)".

(b) CONFORMING AMENDMENT.—Subsection (b) of such section is amended by striking out "or (4)" and inserting in lieu thereof "(4), (5), or (6)".

SEC. 2843. WAIVER OF REPORTING REQUIREMENTS FOR CERTAIN REAL PROPERTY TRANSACTIONS IN THE EVENT OF WAR OR NATIONAL EMERGENCY.

Section 2662 of title 10, United States Code, is amended by adding at the end the following:

"(g)(1) Subsections (a) and (e) do not apply—

"(A) during a period described in paragraph (2); or

"(B) to transactions described in such subsections that are undertaken to restore Federal Government operations, to provide public assistance or relief, or to restore public order in relation to a major disaster declared in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

"(2) The periods referred to in paragraph (1)(A) are as follows:

"(A) A period of war declared by Congress.

"(B) A period of national emergency declared by the President in accordance with the National Emergencies Act (50 U.S.C. 1601 et seq.)

"(3) Not later than 30 days after taking an action for which prior notification would, except for this subsection, otherwise be required under subsection (a) or (e), the Secretary of the military department concerned or, in the case of an element of the Department of Defense not within a military department, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the action taken.".

SEC. 2844. REPORT ON USE OF FUNDS FOR ENVIRONMENTAL RESTORATION AT CORNHUSKER ARMY AMMUNITION PLANT, HALL COUNTY, NEBRASKA.

(a) REPORT REQUIRED.—The Secretary of the Army shall submit to Congress a report describing the manner in which funds available to the Army for operation and maintenance (including funds in the Defense Environmental Restoration Account established under section 2703(a)(1) of title 10, United

States Code) will be used by the Secretary for environmental restoration and maintenance of the real property that comprises the Cornhusker Army Ammunition Plant, Hall County, Nebraska.

(b) CONTENTS.—The report shall include the following:

(1) The funding plan for environmental restoration at the Cornhusker Army Ammunition Plant.

(2) A legal opinion stating whether any portion of the funds to be used for such environmental restoration may be used for the repair of the roads at the Plant in order to bring such roads into compliance with applicable State and local public works codes.

(3) A survey of the roads at the Plant that identifies which roads, if any, are in need of repair in order to bring the roads at the Plant into compliance with such codes.

(4) An estimate of the cost of the repair of the roads referred to in paragraph (3) in order to bring the roads into compliance.

(5) An explanation of the purpose, cost, and source of funds for any proposed preservation of documents or other materials relating to the cultural, historical, and natural resources associated with the Plant.

(c) SUBMISSION OF REPORT.—The Secretary shall submit the report required by this section not later than May 1, 1995.

SEC. 2845. DEPARTMENT OF DEFENSE LABORATORY REVITALIZATION DEMONSTRATION PROGRAM.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a Department of Defense Laboratory Revitalization Demonstration Program. Under the program the Secretary may carry out minor military construction projects in accordance with subsection (b) and other applicable law to improve Department of Defense laboratories covered by the program.

(b) INCREASED MAXIMUM AMOUNTS APPLICABLE TO MINOR CONSTRUCTION PROJECTS.—For purpose of any military construction project carried out under the program—

(1) the amount provided in subsection (a)(1) of section 2805 of title 10, United States Code, shall be deemed to be $3,000,000;

(2) the amount provided in subsection (b)(1) of such section shall be deemed to be $1,500,000; and

(3) the amount provided in subsection (c)(1) of such section shall be deemed to be $1,000,000.

(c) DESIGNATION OF COVERED LABORATORIES.—Not later than 30 days before commencing the program, the Secretary shall designate the Department of Defense laboratories that are to be covered by the program and notify Congress of the laboratories so designated. Only the designated laboratories may be covered by the program.

(d) REPORT.—Not later than September 30, 1998, the Secretary shall submit to Congress a report on the program. The report shall include the Secretary's conclusions and recommendations regarding the desirability and feasibility of extending the authority set forth in subsection (b) to cover all Department of Defense laboratories.

(e) EXCLUSIVITY OF PROGRAM.—Nothing in this section may be construed to limit any other authority provided by law for any military construction project at a Department of Defense laboratory covered by the program.

(f) DEFINITIONS.—In this section:

(1) The term "laboratory" includes—

(A) a research, engineering, and development center;

(B) a test and evaluation activity owned, funded, and operated by the Federal Government through the Department of Defense; and

(C) a supporting facility of a laboratory.

(2) The term "supporting facility", with respect to a laboratory, means any building or structure that is used in support of research, development, test, and evaluation at a laboratory.

(3) The term "Department of Defense laboratory" does not include a contractor owned laboratory.

(g) EXPIRATION OF AUTHORITY.—The Secretary may not carry out the program after September 30, 1999.

SEC. 2846. AGREEMENTS OF SETTLEMENT FOR RELEASE OF IMPROVEMENTS AT OVERSEAS MILITARY INSTALLATIONS.

(a) AGREEMENTS SUBJECT TO OMB REVIEW.—Subsection (g) of section 2921 of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 10 U.S.C. 2687 note) is amended by inserting after the first sentence the following: "The prohibition set forth in the preceding sentence shall apply only to agreements of settlement for improvements having a value in excess of $10,000,000.".

(b) REPORTS TO CONGRESS.—Such subsection, as amended by subsection (a), is further amended—

(1) by inserting "(1)" before "The Secretary of Defense"; and

(2) by adding at the end the following:

"(2) Each year, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on each proposed agreement of settlement that was not submitted by the Secretary to the Director of the Office of Management and Budget in the previous year under paragraph (1) because the value of the improvements to be released pursuant to the proposed agreement did not exceed $10,000,000.".

SEC. 2847. REVISIONS TO RELEASE OF REVERSIONARY INTEREST, OLD SPANISH TRAIL ARMORY, HARRIS COUNTY, TEXAS.

(a) CLERICAL AMENDMENTS.—Section 2820 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103-160; 107 Stat. 1894) is amended—

(1) in subsection (a), by striking out "1936" and inserting in lieu thereof "1956"; and

(2) in subsection (b)(1), by striking out "value" and inserting in lieu thereof "size".

(b) PAYMENT FOR SURVEY.—Subsection (c) of such section is amended by adding at the end the following: "The cost of the survey shall be borne by the State of Texas.".

SEC. 2848. TRANSFER OF JURISDICTION, AIR FORCE HOUSING AT RADAR BOMB SCORING SITE, HOLBROOK, ARIZONA.

(a) TRANSFER AUTHORIZED.—As part of the closure of an Air Force Radar Bomb Scoring Site located near Holbrook, Arizona, the Secretary of the Air Force may transfer without reimbursement the administrative jurisdiction, accountability and control of the housing units and associated support facilities used in connection with the site to the Secretary of the Interior for use in connection with the Petrified Forest National Park.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be transferred under subsection (a) shall be determined by a survey satisfactory to the Secretary of the Air Force and the Secretary of the Interior.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Air Force may require such additional terms and conditions in connection with the transfer of real property under subsection (a) as the Secretary considers appropriate.

SEC. 2849. ASSISTANCE FOR PUBLIC PARTICIPATION IN DEFENSE ENVIRONMENTAL RESTORATION ACTIVITIES.

(a) ESTABLISHMENT OF RESTORATION ADVISORY BOARDS.—Section 2705 of title 10, United States Code, is amended by adding after subsection (c) the following:

"(d) RESTORATION ADVISORY BOARD.—(1) In lieu of establishing a technical review committee under subsection (c), the Secretary may permit the establishment of a restoration advisory board in connection with any installation (or group of nearby installations) where the Secretary is planning or implementing environmental restoration activities.

"(2) The Secretary shall prescribe regulations regarding the characteristics, composition, funding and establishment of restoration advisory boards pursuant to this subsection, if the Secretary decides to use this authority. Prescription of regulations shall not be a precondition to establishment of a restoration advisory board or impact restoration advisory board established prior to the date of enactment of this section.

"(3) The Secretary may provide for the payment of routine administrative expenses of a restoration advisory board from funds available for the operation and maintenance of the installation (or installations) for which the board is established or from the funds available under subsection (e)(4).".

(b) ASSISTANCE FOR CITIZEN PARTICIPATION ON TECHNICAL REVIEW BOARDS AND RESTORATION ADVISORY BOARDS.—Such section is further amended by adding after subsection (d), as added by subsection (a), the following:

"(e) ASSISTANCE FOR CITIZEN PARTICIPATION.—(1)(A) Subject to subparagraph (B), the Secretary shall make available under paragraph (4) funds to facilitate the participation of individuals from the private sector on technical review committees and restoration advisory boards for the purpose of ensuring public input into the planning and implementation of environmental restoration activities at installations where such committees and boards are in operation.

"(B) A committee or advisory board for an installation is eligible for funding assistance under this subsection only if the committee or board is composed of individuals from the private sector who reside in a community in the vicinity of the installation and who are not potentially responsible parties with respect to environmental hazards at the installation.

"(2) Individuals who are local community members of a technical review committee or restoration advisory board may use funds made available under this subsection only—

"(A) to obtain technical assistance in interpreting scientific and engineering issues with regard to the nature of environmental hazards at an installation and the restoration activities proposed or conducted at the installation; and

"(B) to assist such members and affected citizens to participate more effectively in environmental restoration activities at the installation.

"(3) The members of a technical review committee or restoration advisory board may employ technical or other experts in accordance with regulations prescribed under subsections (d) and (e)(1) of title 10, United States Code as added by this section.

"(4)(A) Subject to subparagraph (B), the Secretary shall make funds available under this subsection using funds in the following accounts:

"(i) In the case of a military installation not closed pursuant to a base closure law,

the Defense Environmental Restoration Account established in section 2703(a) of this title .

"(ii) In the case of a technical review committee or restoration advisory board established for a military installation to be closed, the Department of Defense Base Closure Account 1990 established under section 2906(a) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

"(B) The total amount of funds available under this subsection for fiscal year 1995 may not exceed $7,500,000.".

(c) INVOLVEMENT OF COMMITTEES AND BOARDS IN DEFENSE ENVIRONMENTAL RESTORATION PROGRAM.—Such section is further amended by adding after subsection (e), as added by subsection (b), the following:

"(f) INVOLVEMENT IN DEFENSE ENVIRONMENTAL RESTORATION PROGRAM.—If a technical review committee or restoration advisory board is established with respect to an installation, the Secretary shall consult with and seek the advice of the committee or board on the following issues:

"(1) Identifying environmental restoration activities and projects at the installation.

"(2) Monitoring progress on these activities and projects.

"(3) Collecting information regarding restoration priorities for the installation.

"(4) Addressing land use, level of restoration, acceptable risk, and waste management and technology development issues related to environmental restoration at the installation.

"(5) Developing environmental restoration strategies for the installation.".

(d) IMPLEMENTATION REQUIREMENTS.—Not later than 180 days after the date on which the Secretary announces a decision to establish restoration advisory boards, the Secretary of Defense shall—

(1) prescribe the regulations required under subsections (d) and (e)(1) of title 10, United States Code, as added by this section; and

(2) take appropriate actions to notify the public of the availability of funding under subsection (e) of such section, as so added.

"(e) REPORT.—The Secretary shall report to the Committees on Armed Services of the Senate and the House of Representatives by May 1, 1996, on the establishment of restoration advisory boards and funds expended for assistance for citizen participation.

SEC. 2850. SENSE OF THE SENATE ON AUTHORIZATION OF FUNDS FOR MILITARY CONSTRUCTION PROJECTS NOT REQUESTED IN THE PRESIDENT'S ANNUAL BUDGET REQUEST.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that, to the maximum extent practicable, the Senate should consider the authorization for appropriation of funds for a military construction project not included in the annual budget request of the Department of Defense only if:

(1) the project is consistent with past actions of the Base Realignment and Closure process;

(2) the project is included in the military construction plan of the military department concerned incorporated in the Future Years Defense Program;

(3) the project is necessary for reasons of the national security of the United States; and

(4) a contract for construction of the project can be awarded in that fiscal year.

(b) VIEWS OF THE SECRETARY OF DEFENSE.—In considering these criteria, the Senate should obtain the views of the Secretary of Defense. These views should include whether funds for a military construction project not included in the budget request can be offset by funds for other programs, projects, or activities, including military construction projects, in the budget request and, if so, the specific offsetting reductions recommended by the Secretary of Defense.

DEPARTMENT OF ENERGY NATIONAL SECURITY ACT FOR FISCAL YEAR 1995

The text of the bill (S. 2210) to authorize appropriations for fiscal year 1995 for defense activities of the Department of Energy, and for other purposes, as passed by the Senate on July 1, 1994, is as follows:

S. 2210

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 1995".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Congressional defense committees defined.

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

Sec. 3101. Weapons activities.
Sec. 3102. Environmental restoration and waste management.
Sec. 3103. Nuclear materials support and other defense programs.
Sec. 3104. Defense nuclear waste disposal.
Sec. 3105. General reduction in authorization of appropriations.

Subtitle B—Recurring General Provisions

Sec. 3121. Reprogramming.
Sec. 3122. Limits on general plant projects.
Sec. 3123. Limits on construction projects.
Sec. 3124. Funds transfer authority.
Sec. 3125. Authority for construction design.
Sec. 3126. Requirement for completion of conceptual design to precede request for construction funds.
Sec. 3127. Authority for emergency planning, design, and construction activities.
Sec. 3128. Funds available for all national security programs of the Department of Energy.
Sec. 3129. Availability of funds.

Subtitle C—Program Authorizations, Restrictions, and Limitations

Sec. 3131. Stockpile stewardship recruitment and training program.
Sec. 3132. Defense inertial confinement fusion program.
Sec. 3133. Payment of penalties.
Sec. 3134. Water management programs.
Sec. 3135. Limitation on use of funds for special access programs.
Sec. 3136. Protection of nuclear weapons facilities workers.
Sec. 3137. National security programs.
Sec. 3138. Scholarship and Fellowship Program for Environmental Restoration and Waste Management.
Sec. 3139. Hazardous materials management and hazardous materials emergency response training program.
Sec. 3140. Programs for persons who may have been exposed to radiation released from Hanford Nuclear Reservation.
Sec. 3141. Solar energy activities at Nevada Test Site, Nevada.

Subtitle D—Other Matters

Sec. 3151. Accounting procedures for Department of Energy funds.
Sec. 3152. Approval for certain nuclear weapons activities.
Sec. 3153. Study of feasibility of conducting certain activities at the Nevada Test Site, Nevada.
Sec. 3154. Nuclear Weapons Council Membership.
Sec. 3155. Office of Fissile Materials Disposition.
Sec. 3156. Extension of authority to loan personnel and facilities at Idaho National Engineering Laboratory.
Sec. 3157. Elimination of requirement for five-year plan for defense nuclear facilities.
Sec. 3158. Authority for appointment of certain scientific, engineering, and technical personnel.
Sec. 3159. Department of Energy Declassification Productivity Initiative.
Sec. 3160. Safety oversight and enforcement at defense nuclear facilities.
Sec. 3161. Conditions on contracts between the Federal Government and certain lessees and transferees of Department of Energy property.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD AUTHORIZATION

Sec. 3201. Authorization.

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.

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

SEC. 3101. WEAPONS ACTIVITIES.

(a) RESEARCH AND DEVELOPMENT.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for research and development in carrying out weapons activities necessary for national security programs in the amount of $1,187,818,000, to be allocated as follows:

(1) For core research and development, $795,551,000, to be allocated as follows:

(A) For operating expenses, $649,341,000.

(B) For capital equipment, $69,420,000.

(C) 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), $76,790,000, to be allocated as follows:

Project GPD-101, general plant projects, various locations, $8,500,000.

Project 95-D-102, Chemical and Metallurgy Research Building upgrades, Los Alamos National Laboratory, New Mexico, $3,300,000.

Project 94-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase V, various locations, $13,000,000.

Project 92-D-102, nuclear weapons research, development, and testing facilities

revitalization, Phase IV, various locations, $21,810,000.

Project 90-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase III, various locations, $7,700,000.

Project 88-D-106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $22,480,000.

(2) For inertial fusion, $176,473,000, to be allocated as follows:

(A) For operating expenses, $166,755,000.

(B) For capital equipment, $9,718,000.

(3) For technology transfer, $215,794,000, to be allocated as follows:

(A) For operating expenses, $209,794,000.

(B) For capital equipment, $6,000,000.

(b) TESTING.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for testing in carrying out weapons activities necessary for national security programs in the amount of $384,719,000, to be allocated as follows:

(1) For testing capabilities and readiness, $374,719,000, to be allocated as follows:

(A) For operating expenses, $338,249,000.

(B) For capital equipment, $15,470,000.

(C) 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), $21,000,000, to be allocated as follows:

Project GPD-101, general plant projects, various locations, $4,000,000.

Project 93-D-102, Nevada support facility, North Las Vegas, Nevada, $17,000,000.

(2) For operating expenses for solar energy development, $10,000,000.

(c) STOCKPILE SUPPORT.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for stockpile support in carrying out weapons activities necessary for national security programs in the amount of $1,557,085,000, to be allocated as follows:

(1) For operating expenses for stockpile support, $1,487,085,000.

(2) For capital equipment, $15,880,000.

(3) 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), $54,120,000, to be allocated as follows:

Project GPD-121, general plant projects, various locations, $1,000,000.

Project 95-D-122, sanitary sewer upgrade Oak Ridge Y-12 Plant, Oak Ridge, Tennessee, $2,200,000.

Project 95-D-123, replace transportation safeguards, aviation facility, Albuquerque, New Mexico, $2,000,000.

Project 94-D-124, hydrogen fluoride supply system, Oak Ridge Y-12 Plant, Oak Ridge, Tennessee, $6,300,000.

Project 94-D-125, upgrade life safety, Kansas City Plant, Kansas City, Missouri, $1,000,000.

Project 94-D-127, emergency notification system, Pantex Plant, Amarillo, Texas, $1,000,000.

Project 94-D-128, environmental safety and health analytical laboratory, Pantex Plant, Amarillo, Texas, $1,000,000.

Project 93-D-122, life safety upgrades, Y-12 Plant, Oak Ridge, Tennessee, $5,000,000.

Project 88-D-122, facilities capability assurance program, various locations, $19,620,000.

Project 88-D-123, security enhancements, Pantex Plant, Amarillo, Texas, $15,000,000.

(d) PROGRAM DIRECTION.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for program direction in carrying out weapons activities necessary for national security programs in the amount of $169,852,000, to be allocated as follows:

(1) For operating expenses for weapons program direction, $167,498,000.

(2) For capital equipment, $2,354,000.

(e) RECONFIGURATION.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for nuclear weapons complex reconfiguration in carrying out weapons activities necessary for national security programs in the amount of $152,271,000, to be allocated as follows:

(1) For operating expenses for reconfiguration, $94,271,000.

(2) 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), $58,000,000, all of which to be allocated as follows:

Project 93-D-123, complex-21, various locations.

(f) ADJUSTMENTS.—Subject to section 3105, the total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a) through (e) reduced by the sum of—

(1) $131,077,000, for use of prior year balances; and

(2) $11,000,000, for savings resulting from procurement reform.

SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) CORRECTIVE ACTIVITIES.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for corrective activities in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,012,000, all of which to be allocated to a plant project (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto) as follows:

Project 92-D-403, tank upgrades project, Lawrence Livermore National Laboratory, California.

(b) ENVIRONMENTAL RESTORATION.—(1) Subject to paragraph (2), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for environmental restoration for operating expenses in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,531,969,000.

(2) Subject to subsection (h), the amount authorized to be appropriated pursuant to this subsection is the amount authorized to be appropriated in paragraph (1) reduced by $133,900,000, as a result of the productivity savings initiative.

(c) WASTE MANAGEMENT.—(1) Subject to paragraph (2), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for waste management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $2,913,045,000, to be allocated as follows:

(A) For operating expenses, $2,408,029,000.

(B) For capital equipment, $104,790,000.

(C) 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), $400,226,000, to be allocated as follows:

Project GPD-171, general plant projects, various locations, $23,742,000.

Project 95-D-401, radiological support facilities, Richland, Washington, $1,585,000.

Project 95-D-402, install permanent electrical service, Waste Isolation Pilot Plant, New Mexico, $700,000.

Project 95-D-403, hazardous waste storage facility, Mound Plant, Miamisburg, Ohio, $597,000.

Project 95-D-405, industrial landfill V and construction demolition landfill VII, Oak Ridge Y-12 Plant, Oak Ridge, Tennessee, $1,000,000.

Project 95-D-406, road 5-01 reconstruction, area 5, Nevada Test Site, Nevada, $2,338,000.

Project 95-D-407, 219-S secondary containment upgrade, Richland, Washington, $2,000,000.

Project 95-D-408, Phase II liquid effluent treatment and disposal, Richland, Washington, $7,100,000.

Project 94-D-400, high explosive wastewater treatment system, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,000,000.

Project 94-D-402, liquid waste treatment system, Nevada Test Site, Nevada, $3,292,000.

Project 94-D-404, Melton Valley storage tank capacity increase, Oak Ridge National Laboratory, Oak Ridge, Tennessee, $21,373,000.

Project 94-D-406, low-level waste disposal facilities, K-25, Oak Ridge, Tennessee, $6,000,000.

Project 94-D-407, initial tank retrieval systems, Richland, Washington, $17,700,000.

Project 94-D-408, office facilities—200 East, Richland, Washington, $4,000,000.

Project 94-D-411, solid waste operation complex, Richland, Washington, $42,200,000.

Project 94-D-416, solvent storage tanks installation, Savannah River, South Carolina, $1,700,000.

Project 94-D-417, intermediate-level and low-activity waste vaults, Savannah River, South Carolina, $300,000.

Project 93-D-174, plant drain waste water treatment upgrades, Y-12 Plant, Oak Ridge, Tennessee, $1,400,000.

Project 93-D-178, building 374 liquid waste treatment facility, Rocky Flats, Golden, Colorado, $3,300,000.

Project 93-D-181, radioactive liquid waste line replacement, Richland, Washington, $3,300,000.

Project 93-D-182, replacement of cross-site transfer system, Richland, Washington, $18,910,000.

Project 93-D-183, multi-tank waste storage facility, Richland, Washington, $95,305,000.

Project 93-D-187, high-level waste removal from filled waste tanks, Savannah River, Aiken, South Carolina, $26,525,000.

Project 92-D-177, tank 101-AZ waste retrieval system, Richland, Washington, $5,000,000.

Project 92-D-188, waste management ES&H, and compliance activities, various locations, $2,846,000.

Project 91-D-171, waste receiving and processing facility, module 1, Richland, Washington, $3,995,000.

Project 90-D-172, aging waste transfer line, Richland, Washington, $3,819,000.

Project 90-D-177, RWMC transuranic (TRU) waste characterization and storage facility, Idaho National Engineering Laboratory, Idaho, $11,747,000.

Project 90-D-178, TSA retrieval containment building, Idaho National Engineering Laboratory, Idaho, $7,594,000.

Project 89-D-173, tank farm ventilation upgrade, Richland, Washington, $800,000.

Project 89-D-174, replacement high-level waste evaporator, Savannah River, South Carolina, $18,000,000.

Project 89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina, $500,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, California, $9,500,000.

Project 83-D-148, nonradioactive hazardous waste management, Savannah River, South Carolina, $6,000,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $45,058,000.

(2) Subject to subsection (h), the total amount authorized to be appropriated pursuant to this subsection is the sum of the amounts authorized to be appropriated in paragraph (1) reduced by $160,800,000, as a result of the productivity savings initiative.

(d) TECHNOLOGY DEVELOPMENT.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for technology development in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $426,409,000, to be allocated as follows:

(1) For operating expenses, $400,974,000.

(2) For capital equipment, $25,435,000.

(e) TRANSPORTATION MANAGEMENT.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for transportation management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $20,684,000, to be allocated as follows:

(1) For operating expenses, $20,240,000.

(2) For capital equipment, $444,000.

(f) PROGRAM DIRECTION.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for program direction in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $84,948,000, to be allocated as follows:

(1) For operating expenses, $83,748,000.

(2) For capital equipment, $1,200,000.

(g) FACILITY TRANSITION AND MANAGEMENT.—(1) Subject to paragraph (2), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for facility transition and management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $791,857,000, to be allocated as follows:

(A) For operating expenses, $681,550,000.

(B) For capital equipment, $23,947,000.

(C) 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), $86,360,000, to be allocated as follows:

Project GPD-171, general plant projects, various locations, $20,495,000.

Project 95-D-453, primary highway route north of the Wye Barricade, Richland, Washington, $2,500,000.

Project 95-D-454, 324 facility compliance/renovation, Richland, Washington, $1,500,000.

Project 95-D-455, Idaho National Engineering Laboratory radio communications upgrade, Idaho National Engineering Laboratory, Idaho, $1,440,000.

Project 95-D-456, security facilities upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $986,000.

Project 94-D-122, underground storage tanks, Rocky Flats, Colorado, $2,500,000.

Project 94-D-401, emergency response facility, Idaho National Engineering Laboratory, Idaho, $5,219,000.

Project 94-D-412, 300 area process sewer piping upgrade, Richland, Washington, $7,800,000.

Project 94-D-415, medical facilities, Idaho National Engineering Laboratory, Idaho, $4,920,000.

Project 94-D-451, infrastructure replacement, Rocky Flats Plant, Golden, Colorado, $10,600,000.

Project 93-D-172, electrical upgrade, Idaho National Engineering Laboratory, Idaho, $7,800,000.

Project 93-D-184, 325 facility compliance/renovation, Richland, Washington, $1,000,000.

Project 93-D-186, 200 area unsecured core area fabrication shop, Richland, Washington, $4,000,000.

Project 92-D-125, master safeguards and security agreement/materials surveillance task force security upgrades, Rocky Flats Plant, Golden, Colorado, $2,100,000.

Project 92-D-181, INEL fire and life safety improvements, Idaho National Engineering Laboratory, Idaho, $6,000,000.

Project 92-D-182, INEL sewer system upgrade, Idaho National Engineering Laboratory, Idaho, $1,900,000.

Project 92-D-186, steam system rehabilitation, Phase II, Richland, Washington, $5,600,000.

(2) Subject to subsection (h), the total amount authorized to be appropriated pursuant to this subsection is the sum of the amounts authorized to be appropriated in paragraph (1) reduced by $5,000,000, as a result of the productivity savings initiative.

(h) PRIOR YEAR BALANCES.—Subject to section 3105, the total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a), (b)(2), (c)(2), (d), (e), (f), and (g)(2) reduced by the sum of—

(1) $240,300,000 for use of prior year balances; and

(2) $17,500,000 for savings resulting from procurement reform.

SEC. 3103. NUCLEAR MATERIALS SUPPORT AND OTHER DEFENSE PROGRAMS.

(a) MATERIALS SUPPORT.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for materials support in carrying out nuclear materials support necessary for national security programs in the amount of $887,225,000, to be allocated as follows:

(1) For reactor operations, $163,634,000.

(2) For processing of nuclear materials, $369,468,000.

(3) For support services, $167,776,000.

(4) For capital equipment, $39,427,000.

(5) 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), $88,950,000, to be allocated as follows:

Project GPD-146, general plant projects, various locations, $21,000,000.

Project 95-D-154, health physics site support facility, Savannah River, South Carolina, $2,000,000.

Project 95-D-155, upgrade site road infrastructure, Savannah River, South Carolina, $750,000.

Project 95-D-156, radio trunking system, Savannah River, South Carolina, $2,100,000.

Project 95-D-157, D-area powerhouse life extension, Savannah River, South Carolina, $4,000,000.

Project 95-D-158, disassembly basin upgrades K, L, and P, Savannah River, South Carolina, $13,000,000.

Project 93-D-147, domestic water system upgrade, Phases I and II, Savannah River, South Carolina, $11,300,000.

Project 93-D-148, replace high-level drain lines, Savannah River, South Carolina, $2,700,000.

Project 93-D-152, environmental modification for production facilities, Savannah River, South Carolina, $2,900,000.

Project 92-D-143, health protection instrument calibration facility, Savannah River, South Carolina, $3,000,000.

Project 90-D-149, plantwide fire protection, Phases I and II, Savannah River, South Carolina, $21,000,000.

Project 92-D-150, operations support facilities, Savannah River, South Carolina, $2,000,000.

Project 92-D-153, engineering support facility, Savannah River, South Carolina, $3,200,000.

(6) For program direction, $58,000,000.

(b) OTHER DEFENSE PROGRAMS.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for other defense programs in carrying out defense programs necessary for national security programs in the amount of $692,204,000, to be allocated as follows:

(1) For verification and control technology, $358,102,000, to be allocated as follows:

(A) For operating expenses, $342,229,000.

(B) For capital equipment, $15,873,000.

(2) For nuclear safeguards and security, $85,816,000, to be allocated as follows:

(A) For operating expenses, $82,421,000.

(B) For capital equipment, $3,395,000.

(3) For security investigations, $38,827,000.

(4) For security evaluations, $14,780,000.

(5) For the Office of Nuclear Safety, $24,679,000, to be allocated as follows:

(A) For operating expenses, $24,629,000.

(B) For capital equipment, $50,000.

(6) For worker and community transition, $120,000,000.

(7) For fissile material control and disposition, $50,000,000.

(c) NAVAL REACTORS.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for naval reactors in carrying out nuclear materials support and other defense programs necessary for national security programs in the amount of $730,651,000, to be allocated as follows:

(1) For naval reactors development, $698,651,000, to be allocated as follows:

(A) For operating expenses:

(i) For plant development, $146,700,000.

(ii) For reactor development, $348,951,000.

(iii) For reactor operation and evaluation, $136,000,000.

(iv) For program direction, $18,800,000.

(B) For capital equipment, $28,200,000.

(C) 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), $20,000,000, to be allocated as follows:

Project GPN-101, general plant projects, various locations, $6,200,000.

Project 95-D-200, laboratory systems and hot cell upgrades, various locations, $2,400,000.

Project 95-D-201, advanced test reactor radioactive waste system upgrades, Idaho National Engineering Laboratory, Idaho, $700,000.

Project 93-D-200, engineering services facilities, Knolls Atomic Power Laboratory, Niskayuna, New York, $7,900,000.

Project 92-D-200, laboratories facilities upgrades, various locations, $2,800,000.

(2) For enrichment materials, for operating expenses, $32,000,000.

(d) ADJUSTMENTS.—Subject to section 3105, the total amount that may be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a), (b), and (c) reduced by the sum of—

(1) $40,000,000, for recovery of overpayment to the Savannah River Pension Fund;

(2) $6,500,000, for savings resulting from procurement reform; and

(3) $369,700,000, for transfer and use of prior year balances for materials support and other defense programs.

SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $129,430,000.

SEC. 3105. GENERAL REDUCTION IN AUTHORIZATION OF APPROPRIATIONS.

The total amount authorized to be appropriated pursuant to sections 3101, 3102, 3103, and 3104 is the sum of the amounts authorized to be appropriated in such sections reduced by $220,000,000 for use of prior year balances from fiscal year 1994.

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 the 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 authorized by this title if the total estimated cost of the construction project does not exceed $2,000,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $2,000,000, 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 section 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to the 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 action and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 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. FUNDS TRANSFER AUTHORITY.

The Secretary of Energy may transfer funds appropriated pursuant to this title to other agencies of the Federal 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, 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 $3,000,000.

(2) In the case of any project in which the total estimated cost for advance planning and design exceeds $600,000, 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 $3,000,000, funds for such planning and design must be specifically authorized by law.

SEC. 3126. REQUIREMENT FOR COMPLETION OF CONCEPTUAL DESIGN TO PRECEDE REQUEST FOR CONSTRUCTION FUNDS.

(a) REQUIREMENT.—Before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.

(b) EXCEPTIONS.—The requirement in subsection (a) does not apply to requests for funds—

(1) for the costs of preparing a conceptual design for a construction project referred to in that subsection; or

(2) for emergency planning, design, and construction activities under section 3127.

SEC. 3127. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy under sections 3101, 3102, and 3103, including those funds authorized to be appropriated for advance planning and construction design, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, 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. 3128. 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 that are made available 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. 3129. AVAILABILITY OF FUNDS.

When so specified in an appropriation Act, amounts appropriated for operating expenses, plant projects, and capital equipment may remain available until expended.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. STOCKPILE STEWARDSHIP RECRUITMENT AND TRAINING PROGRAM.

(a) CONDUCT OF PROGRAM.—(1) As part of the stockpile stewardship program established pursuant to section 3138 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1946; 42 U.S.C. 2121 note), the Secretary of Energy shall conduct a stockpile stewardship recruitment and training program at the

Sandia National Laboratories, the Lawrence Livermore National Laboratory, and the Los Alamos National Laboratory.

(2) The recruitment and training program shall be conducted in coordination with the Chairman of the Joint Nuclear Weapons Council established by section 179 of title 10, United States Code, and the directors of the laboratories referred to in paragraph (1).

(b) SUPPORT OF DUAL-USE PROGRAMS.—(1) As part of the recruitment and training program, the directors of the laboratories referred to in subsection (a)(1) may employ undergraduate students, graduate students, and postdoctoral fellows to carry out research sponsored by such laboratories for military or nonmilitary dual-use programs related to nuclear weapons stockpile stewardship.

(2) Of the amounts authorized to be appropriated to the Secretary of Energy pursuant to section 3101(a)(1) for weapons activities for core research and development and allocated by the Secretary for education initiatives, $4,000,000 shall be available for carrying out paragraph (1). The amount available under this paragraph shall be allocated equally among the laboratories referred to in subsection (a)(1).

(c) ESTABLISHMENT OF RETIREE CORPS.—As part of the training and recruitment program, the Secretary, in coordination with the directors of the laboratories referred to in subsection (a)(1), shall establish for the laboratories a retiree corps of retired scientists who have expertise in research and development of nuclear weapons. The directors may employ the retired scientists on a part-time basis to provide appropriate assistance on nuclear weapons issues, to contribute relevant information to be archived, and to help to provide training to other scientists.

(d) REPORT.—(1) Not later than February 1, 1995, the Secretary of Energy shall submit to the congressional defense committees a report on the demographic trends of the personnel of the laboratories referred to in subsection (a)(1) and on actions taken by the Department of Energy to remedy identified deficiencies in various skill areas.

(2) The report shall be prepared in coordination with the Chairman of the Joint Nuclear Weapons Council and the directors of the laboratories. Information included in the report shall be aggregated and compiled into statistical categories.

(3) The report shall include the following:

(A) An inventory of the weapons-related tasks that the laboratories need to perform to support their nuclear weapons responsibilities.

(B) An inventory of the skills necessary to complete the weapons-related tasks referred to in subparagraph (A).

(C) For each laboratory, the number of scientists needed in each skill area to perform such tasks.

(D) The number of the scientists providing services in each skill area at each laboratory, stated by age.

(E) An assessment of which skill areas are understaffed.

(F) The number of scientists entering the weapons program at each laboratory, and their skill areas.

(G) The number of full-time equivalent personnel with weapon skills, their distribution by skill and, for each such skill, their distribution by age.

(H) The number of scientists retiring from the weapons program in the 5- year period ending on the date of the report and the skill areas in which they worked in the year preceding their retirement.

(I) Based on the information contained in subparagraphs (A) through (H), a projection of the skills areas that will become understaffed in the five years following the date of the report.

(J) Alternative actions that may be taken to retain and recruit scientists for the weapons programs at the laboratories in order to preserve a sufficient skill base and to fulfill stockpile stewardship responsibilities.

(K) Any plans of the Secretary to take any of the alternative actions referred to in subparagraph (J).

SEC. 3132. DEFENSE INERTIAL CONFINEMENT FUSION PROGRAM.

Of the funds authorized to be appropriated by this title to the Department of Energy for fiscal year 1995, $176,473,000 shall be available for the defense inertial confinement fusion program.

SEC. 3133. PAYMENT OF PENALTIES.

The Secretary of Energy may pay to the Hazardous Substance Superfund established under section 9507 of the Internal Revenue Code of 1986 (26 U.S.C. 9507), from funds appropriated to the Department of Energy for environmental restoration and waste management activities pursuant to section 3102, stipulated civil penalties assessed under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.) in amounts as follows:

(1) $50,000, assessed against the Fernald Environmental Management Project, Ohio, under such Act.

(2) $50,000, assessed against the Portsmouth Gaseous Diffusion Plant, Ohio, under such Act.

SEC. 3134. WATER MANAGEMENT PROGRAMS.

From funds authorized to be appropriated pursuant to section 3102 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 Northglenn, in the State of Colorado, $11,415,000 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 section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)).

SEC. 3135. LIMITATION ON USE OF FUNDS FOR SPECIAL ACCESS PROGRAMS.

Not more than 20 percent of the funds appropriated or otherwise made available to the Department of Energy for fiscal year 1995 pursuant to this title that are available for limited access programs and special access program may be obligated for a limited access program or special access program until the Secretary of Energy submits to the congressional defense committees the annual reports required to be submitted in that fiscal year under subsections (a) and (b) of section 93 of the Atomic Energy Act of 1954 (42 U.S.C. 2122a).

SEC. 3136. PROTECTION OF NUCLEAR WEAPONS FACILITIES WORKERS.

Of the funds authorized to be appropriated by section 310(2) for environmental restoration and waste management activities, $11,000,000 shall be available to carry out activities authorized under section 3131 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1571; 42 U.S.C. 7274d), relating to worker protection at nuclear weapons facilities.

SEC. 3137. NATIONAL SECURITY PROGRAMS.

Notwithstanding any other provision of law, not more than 90 percent of the funds appropriated to the Department of Energy for national security programs under this title may be obligated for such programs until the Secretary of Energy submits to the congressional defense committees the five-year budget plan with respect to fiscal year 1995 required under section 3144 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1681; 42 U.S.C. 7271b).

SEC. 3138. SCHOLARSHIP AND FELLOWSHIP PROGRAM FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

Of the funds authorized to be appropriated to the Department of Energy for fiscal year 1995 for environmental restoration and waste management, $1,000,000 shall be available for the Scholarship and Fellowship Program for Environmental Restoration and Waste Management carried out under section 3123 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1572; 42 U.S.C. 7274e).

SEC. 3139. HAZARDOUS MATERIALS MANAGEMENT AND HAZARDOUS MATERIALS EMERGENCY RESPONSE TRAINING PROGRAM.

Of the funds authorized to be appropriated to the Department of Energy for fiscal year 1995 under section 3102(d), not more than $14,000,000 shall be available to carry out a hazardous materials management and hazardous materials emergency response training program at Hanford Nuclear Reservation, Richland, Washington.

SEC. 3140. PROGRAMS FOR PERSONS WHO MAY HAVE BEEN EXPOSED TO RADIATION RELEASED FROM HANFORD NUCLEAR RESERVATION.

(a) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy under section 3101 for fiscal year 1995, $3,295,591 shall be available for activities relating to the Hanford Health Information Network established pursuant to the authority set forth in section 3138 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1834).

(b) LIMITATION ON RELEASE OF CERTAIN PERSONAL INFORMATION.—(1) Information referred to in paragraph (2) that is collected from an individual pursuant to operation of the Hanford Health Information Network shall be used only by the Network unless the individual, or a designated legal representative of the individual, authorizes in writing the use of the information for another purpose.

(2) Paragraph (1) applies to the following information:

(A) The name, address, telephone number, and medical information and records of each individual requesting assistance and information from the Network.

(B) Such other information or categories of information as the chief officers of the health departments of the States of Washington, Oregon, and Idaho jointly designate as information covered by this subsection.

SEC. 3141. SOLAR ENERGY ACTIVITIES AT NEVADA TEST SITE, NEVADA.

Of the funds authorized to be appropriated to the Department of Energy under section 3101, $10,000,000 shall be available for development of solar energy at the Nevada Test Site, Nevada.

Subtitle D—Other Matters

SEC. 3151. ACCOUNTING PROCEDURES FOR DEPARTMENT OF ENERGY FUNDS.

(a) IN GENERAL.—The Secretary of Energy shall prescribe procedures to account for the use of funds for the performance of the programs and activities of the Department of

Energy for which funds are appropriated for national security programs of the Department of Energy. The procedures shall provide for such accounting for fiscal years beginning after fiscal year 1996.

(b) COVERED MATTERS.—The Secretary shall prescribe procedures under subsection (a)—

(1) to account for the funds appropriated to the Department for national security programs and activities of the Department that are not used for the purpose for which such funds were appropriated; and

(2) to provide an accounting for all encumbered funds, unencumbered funds, unobligated funds, costed funds, and uncosted obligations of the Department in that fiscal year.

SEC. 3152. APPROVAL FOR CERTAIN NUCLEAR WEAPONS ACTIVITIES.

(a) APPROVAL BY JOINT NUCLEAR WEAPONS COUNCIL.—Subsection (d) of section 179 of title 10, United States Code, is amended—

(1) by redesignating paragraphs (8) and (9) as paragraphs (9) and (10), respectively; and

(2) by inserting after paragraph (7) the following new paragraph (8):

"(8) Coordinating and approving activities initiated or conducted by the Department of Energy for the study, development, and production of nuclear warheads, including concept definition studies, feasibility studies, engineering development, hardware component fabrication, warhead production, and warhead retirement.".

(b) TECHNICAL AMENDMENTS.—Subsections (a)(3) and (b) of such section are amended by striking out "appointed" each place it appears and inserting in lieu thereof "designated".

SEC. 3153. STUDY OF FEASIBILITY OF CONDUCTING CERTAIN ACTIVITIES AT THE NEVADA TEST SITE, NEVADA.

Not later than April 1, 1995, the Secretary of Energy shall submit to Congress a report on the feasibility of conducting the following activities at the Nevada Test Site, Nevada:

(1) The demilitarization of large rocket motors, high energetic explosives and conventional ordnance.

(2) Disarmament and demilitarization of conventional weapons and components, generally.

(3) The conduct of experiments that assist in monitoring compliance with international agreements on the nonproliferation of nuclear weapons.

(4) The conduct of programs for the Department of Energy and the Department of Defense to develop simulator technologies for nuclear weapons design and effects, including advanced hydrodynamic simulators, fusion test facilities, and nuclear weapons effects simulators (such as the Decade and Jupiter simulators).

(5) The conduct of the stockpile stewardship program established pursuant to section 3138 of the National Defense Authorization Act for Fiscal Year 1994 (42 U.S.C. 2121 note).

(6) Experiments related to the nonproliferation of nuclear weapons, including experiments with respect to disablement of such weapons, nuclear forensics, sensors, and verification and monitoring.

SEC. 3154. NUCLEAR WEAPONS COUNCIL MEMBERSHIP.

Section 179(a)(1) title 10, United States Code, is amended to read as follows: "(3) Two senior representatives of the Department of Energy appointed by the Secretary of Energy.".

SEC. 3155. OFFICE OF FISSILE MATERIALS DISPOSITION.

(a) ESTABLISHMENT.—Title II of the Department of Energy Organization Act (42 U.S.C. 7131 et seq.) is amended by adding at the end the following:

"OFFICE OF FISSILE MATERIALS DISPOSITION

"SEC. 212. (a) There shall be within the Department an Office of Fissile Materials Disposition.

"(b) The Secretary shall designate the head of the Office. The head of the Office shall report to the Under Secretary.

"(c) The head of the Office shall be responsible for all activities of the Department relating to the management, storage, and disposition of fissile materials from weapons and weapons systems that are excess to the national security needs of the United States.".

(b) CONFORMING AMENDMENT.—The table of contents in the first section of such Act is amended by inserting after the item relating to section 210 the following new items:

"Sec. 211. Office of Minority Economic Impact.

"Sec. 212. Office of Fissile Materials Disposition.".

SEC. 3156. EXTENSION OF AUTHORITY TO LOAN PERSONNEL AND FACILITIES AT IDAHO NATIONAL ENGINEERING LABORATORY.

Section 1434 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456; 102 Stat. 2074), as amended by section 3136 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2641), is further amended—

(1) in the third sentence of subsection (a)(3), by striking out "fiscal years 1993 and 1994" and inserting in lieu thereof "fiscal years 1993, 1994, 1995, 1996, and 1997"; and

(2) in subsection (c), by striking out "September 30, 1994, with respect to the Idaho National Engineering Laboratory" and inserting in lieu thereof "September 30, 1997, with respect to the Idaho National Engineering Laboratory".

SEC. 3157. ELIMINATION OF REQUIREMENT FOR FIVE-YEAR PLAN FOR DEFENSE NUCLEAR FACILITIES.

Subsection (a) section 3135 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1575; 42 U.S.C. 7274g(a)) is amended—

(1) in paragraph (1)—

(A) by striking out "(A) defense nuclear facilities and (B) all other facilities owned or operated by the Department of Energy" in the first sentence and inserting in lieu thereof "all facilities owned or operated by the Department of Energy except defense nuclear facilities"; and

(B) by inserting "such" in the third sentence after "restoration at all";

(2) in paragraph (4), by striking out "The plan shall contain the following matter:" and inserting in lieu thereof "The plan shall include, with respect to the Department of Energy facilities required by paragraph (1) to be covered by the plan, the following matters:";

(3) by striking out paragraph (6); and

(4) by redesignating paragraph (7) as paragraph (6).

SEC. 3158. AUTHORITY FOR APPOINTMENT OF CERTAIN SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL.

(a) AUTHORITY.—(1) Notwithstanding any provision of title 5, United States Code, governing appointments in the competitive service and General Schedule classification and pay rates, or any other provision of law, the Secretary of Energy may—

(A) establish and set the rates of pay for not more than 200 positions in the Department of Energy for scientific, engineering, and technical personnel whose duties will relate to safety at defense nuclear facilities of the Department; and

(B) appoint persons to such positions.

(2) The rate of pay for a position established under paragraph (1) may not exceed the rate of pay payable for Level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(3) To the maximum extent practicable, the Secretary shall appoint persons under paragraph (1)(B) to the positions established under paragraph (1)(A) in accordance with the merit system principles set forth in section 2301 of such title.

(b) OPM REVIEW.—(1) The Secretary shall enter into an agreement with the Director of the Office of Personnel Management under which agreement the Director shall periodically evaluate the use of the authority set forth in subsection (a)(1).

(2) If the Director determines as a result of such evaluation that the Secretary of Energy is not appointing persons to positions under such authority in a manner consistent with the merit system principles set forth in section 2301 of title 5, United States Code, the Director shall notify the Secretary of that determination.

(3) Upon receipt of a notification under paragraph (2), the Secretary shall—

(A) take appropriate actions to appoint persons to positions under such authority in a manner consistent with such principles; or

(B) cease appointment of persons under such authority.

(c) TERMINATION.—(1) The authority provided under subsection (a)(1) shall terminate on September 30, 1997.

(2) An employee may not be separated from employment with the Department of Energy or receive a reduction in pay by reason of the termination of authority under paragraph (1).

SEC. 3159. DEPARTMENT OF ENERGY DECLASSIFICATION PRODUCTIVITY INITIATIVE.

Of the funds authorized to be appropriated to the Department of Energy under section 3103, $3,000,000 shall be available for the Department of Energy's Declassification Productivity Initiative.

SEC. 3160. SAFETY OVERSIGHT AND ENFORCEMENT AT DEFENSE NUCLEAR FACILITIES.

(a) FINDINGS.—Congress finds the following:

(1) Effective oversight of matters relating to nuclear safety at defense nuclear facilities and enforcement of nuclear safety standards at such facilities are critical to ensuring the safety of the public and the workers at such facilities.

(2) The Department of Energy has not devoted adequate attention historically to matters relating to nuclear safety at defense nuclear facilities.

(b) SAFETY AT DEFENSE NUCLEAR FACILITIES.—The Secretary of Energy shall take appropriate actions to ensure that—

(1) officials of the Department of Energy who are responsible for independent oversight of matters relating to nuclear safety at defense nuclear facilities and enforcement of nuclear safety standards at such facilities maintain independence from officials who are engaged in management of such facilities;

(2) the independent, internal oversight functions carried out by the Department include, at the minimum, activities relating to—

(A) the assessment of the safety of defense nuclear facilities;

(B) the assessment of the effectiveness of Department program offices in carrying out

programs relating to the environment, safety, health, and security at defense nuclear facilities;

(C) the provision to the Secretary of oversight reports that—

(i) contain validated technical information; and

(ii) provide a clear analysis of the extent to which line programs governing defense nuclear facilities meet applicable goals for the environment, safety, health, and security at such facilities; and

(D) the development of clear performance standards to be used in assessing the adequacy of the programs referred to in subparagraph (C)(ii);

(3) the Department has a system for bringing issues relating to nuclear safety at defense nuclear facilities to the attention of the officials of the Department (including the Secretary of Energy) having authority to resolve such issues in an adequate and timely manner; and

(4) an adequate number of qualified personnel of the Department are assigned to oversee matters relating to nuclear safety at defense nuclear facilities and enforce nuclear safety standards at such facilities.

(c) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Energy shall submit to the congressional defense committees a report describing—

(1) the actions that the Secretary has taken or will take to fulfill the requirements set forth in paragraphs (1), (2), and (3) of subsection (b);

(2) the actions in addition to the actions described under paragraph (1) that the Secretary could take in order to fulfill such requirements; and

(3) the respective roles with regard to nuclear safety at defense nuclear facilities of the following officials:

(A) The Associate Deputy Secretary of Energy for Field Management.

(B) The Assistant Secretary of Energy for Defense Programs.

(C) The Assistant Secretary of Energy for Environmental Restoration and Waste Management.

SEC. 3161. CONDITIONS ON CONTRACTS BETWEEN THE FEDERAL GOVERNMENT AND CERTAIN LESSEES AND TRANSFEREES OF DEPARTMENT OF ENERGY PROPERTY.

(a) CONDITIONS.—Notwithstanding any other provision of law, the head of a department or agency of the United States may require as a condition of a contract with an entity described in subsection (b) that such entity certifies to the head of the department or agency the following:

(1) That no officer, director, employee, or agent of the entity has utilized in the preparation of the bid or solicitation for the contract—

(A) any records or systems of records of the Federal Government that are covered by section 552a of title 5, United States Code;

(B) any information or data of the Federal Government that has not been released or otherwise made generally available for preparation of bids or proposals on the contract; or

(C) any commercial information or data of another entity that has not been released or otherwise made generally available for that purpose.

(2) That the entity has returned, destroyed, or otherwise disposed of all documents received from the Federal Government by reason of any earlier contract between the Federal Government and the entity for the operation of the facility which is leased, or with respect to which property is transferred, to the entity pursuant to a provision of law referred to in subsection (b).

(b) COVERED ENTITIES.—Subsection (a) applies to any entity, or the affiliate, successor to, or assign of the entity, to which the Secretary of Energy leases a Department of Energy facility under section 646(c) of the Department of Energy Organization Act (42 U.S.C. 7256(d)) or to which the Secretary transfers personal property of such a facility under section 3155(a) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1953; 42 U.S.C. 7274l(c)).

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD AUTHORIZATION

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1995, $17,933,000 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.).

OMNIBUS NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1995

The text of the bill (S. 2211) to authorize appropriations for fiscal year 1995 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; to revise and streamline the acquisition laws of the Federal Government; and for other purposes, as passed by the Senate on July 1, 1994, is as follows:

S. 2211

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 "Omnibus National Defense Authorization Act for Fiscal Year 1995".

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

(a) DIVISIONS.—This Act is organized into four 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.

(4) Division D—Federal Acquisition Streamlining.

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

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.
Sec. 4. General limitation.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Reserve components.
Sec. 106. Chemical demilitarization program.
Sec. 107. Joint Training, Analysis and Simulation Center.

Subtitle B—Army Programs

Sec. 111. Multiyear procurement authority for M1A2 tank upgrades.
Sec. 112. Transfer of replacement Army tank to Marine Corps Reserve.
Sec. 113. Replacement surveillance system for Korea.
Sec. 114. Small arms industrial base.
Sec. 115. Bunker defeat munition missiles.

Subtitle C—Navy Programs

Sec. 121. Nuclear aircraft carrier program.
Sec. 122. Seawolf submarine program.
Sec. 123. Naval amphibious ready groups.

Subtitle D—Air Force Programs

Sec. 131. Settlement of claims under the C-17 aircraft program.
Sec. 132. Retirement of bomber aircraft.

Subtitle E—Other Matters

Sec. 141. Preserving the bomber industrial base.
Sec. 142. Dual-use electric and hybrid vehicles.
Sec. 143. Sales authority of working-capital funded Army industrial facilities.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic research and exploratory development.
Sec. 203. Strategic environmental research and development program.
Sec. 204. High resolution imaging.

Subtitle B—Programs Requirements, Restrictions, and Limitations

Sec. 211. Tactical antisatellite technologies program.
Sec. 212. Transfer of MILSTAR communications satellite program.
Sec. 213. Transfer of funds for single-stage to orbit rocket.
Sec. 214. Limitation on dismantlement of intercontinental ballistic missiles.
Sec. 215. Limitation on obligation of funds for seismic monitoring research.
Sec. 216. Federally funded research and development centers.

Subtitle C—Missile Defense Programs

Sec. 221. Compliance of ballistic missile defense systems and components with ABM treaty.
Sec. 222. Revisions to the Missile Defense Act of 1991.
Sec. 223. Limitation.
Sec. 224. Management and budget responsibility for space-based chemical laser program.
Sec. 225. Senate advice and consent on agreements that modify the Anti-Ballistic Missile Treaty.

Subtitle D—Defense Conversion, Reinvestment, and Transition Assistance Matters

Sec. 231. Funding of defense technology reinvestment programs for fiscal year 1995.
Sec. 232. Financial commitment requirements for small business concerns for participation in technology reinvestment projects.
Sec. 233. Conditions on funding of defense technology reinvestment projects.
Sec. 234. Federal defense laboratory diversification and Navy reinvestment in the technology and industrial base.

Sec. 235. Small business defense conversion guaranteed loans.

Subtitle E—Other Matters

Sec. 241. Cooperative research and development agreements with NATO organizations.
Sec. 242. Defense women's health research program.
Sec. 243. Requirement for submission of annual report of the Semiconductor Technology Council to Congress.
Sec. 244. Report on oceanographic survey and research requirements to support littoral warfare.
Sec. 245. LANSCE/LAMPF upgrades.
Sec. 246. Study regarding live-fire survivability testing of F-22 aircraft.
Sec. 247. University Research Initiative support program.
Sec. 248. Manufacturing science and technology program.
Sec. 249. Defense experimental program to stimulate competitive research.
Sec. 250. Study on beaming high power laser energy to satellites.
Sec. 251. Advanced threat radar jammer.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home funding.
Sec. 304. National Security Education Trust Fund obligations.
Sec. 305. Transfer from National Defense Stockpile Transaction Fund.
Sec. 306. Support for the 1995 Special Olympics World Games.
Sec. 307. Air National Guard fighter aircraft.

Subtitle B—Defense Business Operations Fund

Sec. 311. Permanent authority for use of fund for managing working capital funds and certain activities.
Sec. 312. Implementation of improvement plan.
Sec. 313. Limitation on obligations against the capital asset fund.
Sec. 314. Limitation on obligations against the supply management divisions.

Subtitle C—Environmental Matters

Sec. 321. Prohibition on the purchase of surety bonds and other guarantees for the Department of Defense.
Sec. 322. Extension of prohibition on use of environmental restoration funds for payment of fines and penalties.
Sec. 323. Participation of Indian tribes in agreements for defense environmental restoration.
Sec. 324. Extension of authority to issue surety bonds for certain environmental programs.

Subtitle D—Matters Relating to Department of Defense Civilian Employees

Sec. 331. Extension of certain transition assistance authorities.
Sec. 332. Extension and expansion of authority to conduct personnel demonstration projects.
Sec. 333. Limitation on payment of severance pay to certain employees transferring to employment positions in nonappropriated fund instrumentalities.
Sec. 334. Retirement credit for certain service in nonappropriated fund instrumentalities before January 1, 1987.
Sec. 335. Travel, transportation, and relocation expenses of employees transferring to the United States Postal Service.
Sec. 336. Foreign employees covered by the Foreign National Employees Separation Pay Account.
Sec. 337. Increased authority to accept voluntary services.

Subtitle E—Other Matters

Sec. 341. Change of source for performance of depot-level workloads.
Sec. 342. Civil Air Patrol.
Sec. 343. Armed Forces Retirement Home.
Sec. 344. Clarification of authority to provide medical transportation under National Guard pilot program.
Sec. 345. ARMS Initiative loan guarantee program.
Sec. 346. Reauthorization of Department of Defense domestic elementary and secondary schools for dependents.
Sec. 347. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 348. Disposition of proceeds from operation of the Naval Academy laundry.
Sec. 349. Repeal of annual limitation on expenditures for emergency and extraordinary expenses of the Department of Defense Inspector General.
Sec. 350. Extension of authority for program to commemorate World War II.
Sec. 351. Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services.
Sec. 352. Transfer of certain excess Department of Defense property to educational institutions and training schools.
Sec. 353. Ships' stores.
Sec. 354. Humanitarian program for clearing landmines.
Sec. 355. Assistance to Red Cross for emergency communications services for members of the Armed Forces and their families.
Sec. 356. Maritime prepositioning ship enhancement.
Sec. 357. Roll-on/roll-off vessels for the Ready Reserve force.
Sec. 358. Payment of certain stipulated civil penalties.
Sec. 359. Sale of articles and services of industrial facilities of the Armed Forces to persons outside Department of Defense.
Sec. 360. Study of establishment of Land Management and Training Center at Fort Riley, Kansas.
Sec. 361. Procurement of portable ventilators for the Defense Medical Facility Office, Fort Detrick, Maryland.
Sec. 362. Review by Defense Inspector General of cost growth in certain contracts.
Sec. 363. Cost comparison studies for contracts for advisory and assistance services.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.
Sec. 402. Extension of temporary variation of end strength limitations for Marine Corps majors and lieutenant colonels.
Sec. 403. Retention of authorized strength of general officers on active duty in the Marine Corps for fiscal years after fiscal year 1995.
Sec. 404. Exception to limitation on number of general officers and flag officers serving on active duty.
Sec. 405. Temporary exclusion of Superintendent of Naval Academy from counting toward number of senior admirals authorized to be 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 reserves.

Subtitle C—Military Training Student Loads

Sec. 421. Authorization of training student loads.

Subtitle D—Authorization of Appropriations

Sec. 431. Authorization of appropriations for military personnel.

Subtitle E—Other Matters

Sec. 441. Repeal of required reduction in recruiting personnel.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. Service on successive selection boards.
Sec. 502. Promotion and other career management matters relating to warrant officers on active-duty lists.
Sec. 503. Enlistment or retirement of Navy and Marine Corps limited duty officers having twice failed of selection for promotion.
Sec. 504. Educational requirements for appointment in reserve components in grades above first lieutenant or lieutenant (junior grade).
Sec. 505. Limited exception from baccalaureate degree requirement for Alaska scout officers.
Sec. 506. Original appointments of limited duty officers of the Navy and Marine Corps serving in temporary grades.
Sec. 507. Selection for designated judge advocate positions.

Subtitle B—Reserve Component Matters

Sec. 511. Review of opportunities for ordering individual reserves to active duty with consent.
Sec. 512. Increased period of active duty service for Selected Reserve forces mobilized other than during war or national emergency.
Sec. 513. Repeal of obsolete provisions pertaining to transfer of regular enlisted members to reserve components.
Sec. 514. Sense of the Senate concerning the training and modernization of the reserve components.

Subtitle C—Other Matters

Sec. 521. Review of certain dismissals from the United States Military Academy.
Sec. 522. Transitional compensation and other benefits for dependents of members separated for dependent abuse.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Military pay raise for fiscal year 1995.

Subtitle B—Bonuses and Special and Incentive Pays

Sec. 611. Extension of certain bonuses for reserve forces.
Sec. 612. Extension and modification of certain bonuses and special pay for nurse officer candidates, registered nurses, and nurse anesthetists.
Sec. 613. Extension of authority relating to payment of other bonuses and special pays.

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Sec. 44151. Prohibition on use of funds for documenting economic or employment impact of certain acquisition programs.
Sec. 44152. Restriction on use of noncompetitive procedures for procurement from a particular source.

TITLE XLV—ACQUISITION MANAGEMENT

Subtitle A—Armed Services Acquisitions

Sec. 45001. Performance based management.
Sec. 45002. Results oriented acquisition program cycle.
Sec. 45003. Defense acquisition pilot program designations.

Subtitle B—Civilian Agency Acquisitions

Sec. 45051. Performance based management.
Sec. 45052. Results-oriented acquisition process.

Subtitle C—Miscellaneous

Sec. 45091. Contractor exceptional performance awards.
Sec. 45092. Department of Defense acquisition of intellectual property rights.

TITLE XLVI—STANDARDS OF CONDUCT

Subtitle A—Ethics Provisions

Sec. 46001. Amendments to Office of Federal Procurement Policy Act.
Sec. 46002. Amendments to title 18, United States Code.
Sec. 46003. Repeal of superseded and obsolete laws.
Sec. 46004. Implementation.

Subtitle B—Additional Amendments

Sec. 46051. Contracting functions performed by Federal personnel.
Sec. 46052. Repeal of executed requirement for study and report.
Sec. 46053. Interests of Members of Congress.
Sec. 46054. Waiting period for significant changes proposed for acquisition regulations.

Subtitle C—Whistleblower Protection

Sec. 46101. Armed services procurements.
Sec. 46102. Governmentwide whistleblower protections for contractor employees.

TITLE XLVII—DEFENSE TRADE AND COOPERATION

Sec. 47001. Purchases of foreign goods.
Sec. 47002. International cooperative agreements.
Sec. 47003. Acquisition, cross-servicing agreements, and standardization.

TITLE XLVIII—COMMERCIAL ITEMS

Sec. 48001. Definitions.
Sec. 48002. Preference for acquisition of commercial items and nondevelopmental items.
Sec. 48003. Acquisition of commercial items.
Sec. 48004. Class waiver of applicability of certain laws.
Sec. 48005. Inapplicability of certain provisions of law.
Sec. 48006. Flexible deadlines for submission of offers of commercial items.
Sec. 48007. Advocates for acquisition of commercial and nondevelopmental items.
Sec. 48008. Provisions not affected.
Sec. 48009. Comptroller General review of Federal Government use of market research.

TITLE XLIX—MISCELLANEOUS PROVISIONS

Sec. 49001. Comptroller General review of the provision of legal advice for inspectors general.
Sec. 49002. Cost savings for official travel.
Sec. 49003. Prompt resolution of audit recommendations.
Sec. 49004. Uniform suspension and debarment.

TITLE L—EFFECTIVE DATES AND IMPLEMENTATION

Sec. 50001. Effective dates.
Sec. 50002. Implementing regulations.
Sec. 50003. Evaluation by the Comptroller General.
Sec. 50004. Data collection through the Federal procurement data system.

TITLE LI—WAIVER OF THE APPLICATION OF THE PREVAILING WAGE-SETTING REQUIREMENTS TO VOLUNTEERS

Sec. 51001. Short title.
Sec. 51002. Purpose.
Sec. 51003. Waiver.
Sec. 51004. Report.

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 1995 under the provisions of this Act is $263,130,327,000, of which the total amount authorized to be appropriated for fiscal year 1995 under the provisions of—

(1) division A is $244,063,401,000;
(2) division B is $8,593,903,000; and
(3) division C is $10,473,023,000.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1995 for procurement for the Army as follows:

(1) For aircraft, $1,073,781,000.
(2) For missiles, $693,909,000.
(3) For weapons and tracked combat vehicles, $1,132,886,000.
(4) For ammunition, $870,361,000.
(5) For other procurement, $2,677,719,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1995 for procurement for the Navy as follows:

(1) For aircraft, $4,535,601,000.
(2) For weapons, including missiles and torpedoes, $2,428,539,000.
(3) For shipbuilding and conversion, $6,132,807,000.
(4) For other procurement, $3,310,217,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1995 for procurement for the Marine Corps in the amount of $528,857,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1995 for procurement for the Air Force as follows:

(1) For aircraft, $6,587,994,000.
(2) For missiles, $4,330,473,000.
(3) For other procurement, $6,961,153,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 1995 for Defense-wide procurement in the amount of $1,935,616,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1995 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, $85,000,000.
(2) For the Air National Guard, $270,000,000.
(3) For the Army Reserve, $75,000,000.
(4) For the Naval Reserve, $65,000,000.
(5) For the Air Force Reserve, $60,000,000.
(6) For the Marine Corps Reserve, $45,000,000.

SEC. 106. CHEMICAL DEMILITARIZATION PROGRAM.

(a) AUTHORIZATION.—There is hereby authorized to be appropriated for fiscal year 1995 the amount of $590,149,000 for—

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

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

(b) LIMITATION.—Of the funds specified in subsection (a)—

(1) $363,584,000 is for operation and maintenance;

(2) $215,265,000 is for procurement; and

(3) $11,300,000 is for research and development efforts in support of the nonstockpile chemical weapons program.

(c) AUTHORITY FOR OBLIGATION OF UNAUTHORIZED APPROPRIATIONS.—The Department of Defense may obligate and expend $25,000,000 of the funds appropriated for research, development, test, and evaluation under the heading "CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE" in title VI of Public Law 103-139 (107 Stat. 1436) in accordance with the appropriation for such funds in that Act.

(d) IDENTIFICATION OF FUNDS FOR PROGRAM.—Section 1412(f) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(f)) is amended by striking out the last sentence and inserting in lieu thereof the following: "Funds for military construction projects necessary to carry out this section shall be set forth in the budget of the Department of Defense for any fiscal year as a separate account.".

SEC. 107. JOINT TRAINING, ANALYSIS AND SIMULATION CENTER.

Of the funds authorized to be appropriated for other procurement for the Navy, $10,500,000 shall be available for procurement of command, control, communications and computer equipment for a Joint Training, Analysis and Simulation Center for the United States Atlantic Command.

Subtitle B—Army Programs

SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR M1A2 TANK UPGRADES.

The Secretary of the Army may enter into multiyear procurement contracts for procurement of M1A2 Abrams tank upgrades in accordance with section 2306(h) of title 10, United States Code.

SEC. 112. TRANSFER OF REPLACEMENT ARMY TANK TO MARINE CORPS RESERVE.

The Secretary of the Army shall transfer one M1A1 common tank to the Marine Corps Reserve not later than the latest date on which any of the additional 24 M1A2 upgrades provided for under authorizations of appropriations in this Act is accepted by the Army.

SEC. 113. REPLACEMENT SURVEILLANCE SYSTEM FOR KOREA.

(a) LEASE AUTHORIZED.—Funds available to the Army for procurement of OV-1 aircraft that remain unobligated by reason of the early retirement of OV-1 aircraft deployed in Korea may be used for leasing a moving target indicator radar or another surveillance system to replace the surveillance capability of such aircraft in Korea if—

(1) the lease provides for deployment of the system within 180 days after the date of the enactment of this Act;

(2) the Republic of Korea pays 50 percent of the cost of the lease;

(3) the lease includes an option for the Republic of Korea to purchase the leased system after the joint surveillance and target attack radar surveillance system (JSTARS) program attains initial operational capability; and

(4) the lease expires within 180 days after the date on which the JSTARS system is planned, as of the date of the enactment of this Act, to attain initial operational capability.

(b) WAIVER AUTHORITY.—Section 1024(b) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1460) is amended by striking out "section 1439(b)(2)" and inserting in lieu thereof "section 1439".

SEC. 114. SMALL ARMS INDUSTRIAL BASE.

(a) FUNDING FOR PROCUREMENT.—Of the funds authorized to be appropriated pursuant to section 101(3)—

(1) $38,902,000 shall be available for procurement of MK19-3 grenade machine guns;

(2) $13,000,000 shall be available for procurement of M16A2 rifles;

(3) $24,016,000 shall be available for procurement of M249 squad automatic weapons; and

(4) $13,165,000 shall be available for procurement of M4 carbines.

(b) MULTIYEAR CONTRACTS AUTHORIZED.—(1) During fiscal year 1995, the Secretary of the Army may, in accordance with section 2306(h) of title 10, United States Code, enter into multiyear contracts to meet the following objectives for quantities of small arms weapons to be acquired for the Army:

(A) 21,217 MK19-3 grenade machine guns;

(B) 1,002,277 M16A2 rifles;

(C) 71,769 M249 squad automatic weapons; and

(D) 132,510 M4 carbines.

(2) If the Army does not enter into contracts in fiscal year 1995 that will meet all the objectives set forth in paragraph (1), the Secretary shall, to the extent provided for in appropriations Acts, enter into multiyear contracts on or after October 1, 1995, to meet such objectives.

(3) Notwithstanding the first sentence of section 2306(h)(8) of title 10, United States Code, the period of a multiyear contract entered into under this subsection may not exceed 10 years.

(c) FOLLOW-ON WEAPONS.—The Secretary of the Army shall provide for procurement of product improvements for existing small arms weapons and may do so within multiyear contracts entered into pursuant to subsection (b).

(d) JOINT SMALL ARMS MASTER PLAN.—(1) The Secretaries of the military departments shall jointly develop a master plan for meeting the immediate and future needs of the Armed Forces for small arms. The Secretary of the Army shall coordinate the development of the joint small arms master plan. The joint small arms master plan shall include—

(A) an examination of the relative advantages and disadvantages of improving existing small arms weapons as compared to investing in new, advanced technology weapons; and

(B) an analysis of the effects of each such approach on the small arms industrial base.

(2) Not later than April 1, 1995, the Under Secretary of Defense for Acquisition and Technology shall—

(A) review the joint small arms master plan and the results of the examination of relative advantages and disadvantages of the two courses of action described in paragraph (1); and

(B) transmit the plan, together with any comments that the Under Secretary considers appropriate, to the congressional defense committees.

(e) FUNDING FOR RDT&E.—Of the funds authorized to be appropriated under section 201(1)—

(1) $5,000,000 shall be available for the Objective Crew-Served Weapons System; and

(2) $3,000,000 shall be available for product improvements to existing small arms weapons.

SEC. 115. BUNKER DEFEAT MUNITION MISSILES.

(a) AUTHORITY.—The Secretary of the Army may acquire up to 6,000 type classified standard bunker defeat munition weapons.

(b) FUNDING.—Funds authorized to be appropriated for the Army for fiscal year 1994 shall be available for acquisition of bunker defeat munition weapons in accordance with subsection (a) as follows:

(1) Of the amount authorized to be appropriated by section 101(4), $7,761,000.

(2) Of the amount authorized to be appropriated by section 201(1), $2,600,000.

Subtitle C—Navy Programs

SEC. 121. NUCLEAR AIRCRAFT CARRIER PROGRAM.

(a) TRANSFER OF FISCAL YEAR 1994 FUNDS.—To the extent provided in appropriations Acts, $1,200,000,000 may be transferred from the National Defense Sealift Fund to the funds appropriated pursuant to the authorization in section 102(a)(3).

(b) AVAILABILITY FOR CVN-76.—The funds transferred shall be available for the CVN-76 nuclear aircraft carrier program.

(c) RELATIONSHIP TO OTHER AUTHORIZATION.—The amount of the funds transferred shall be in addition to the amount authorized to be appropriated in section 102(a)(3) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1563).

(d) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority in paragraph (1) is in addition to any other transfer authority provided in this or any other Act.

SEC. 122. SEAWOLF SUBMARINE PROGRAM.

(a) LIMITATION OF COSTS.—Except as provided in subsection (b), the total amount obligated or expended for procurement of the SSN-21 and SSN-22 Seawolf submarines may not exceed $4,759,571,000.

(b) AUTOMATIC INCREASE OF LIMITATION AMOUNT.—The amount of the limitation set forth in subsection (a) is increased by the following amounts:

(1) The amounts of outfitting costs and post-delivery costs incurred for the submarines referred to in such subsection.

(2) The amounts of increases in costs attributable to economic inflation.

(3) The amounts of increases in costs attributable to compliance with changes in Federal, State, or local laws.

SEC. 123. NAVAL AMPHIBIOUS READY GROUPS.

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

(1) Extensive and compelling testimony from uniformed military and Department of Defense leadership has been received which supports a military requirement for twelve Amphibious Ready Groups.

(2) An official Department of Navy report required by the Fiscal Year 1993 National Defense Authorization Act clearly stipulates that a seventh LHD is required in order for the Navy to achieve a force structure of twelve Amphibious Ready Groups.

(3) The Department of Navy has identified funds for the purchase of LHD-7 in outyear budget projections.

(4) A significant shortfall in amphibious shipping and amphibious lift exists, both in the fiscal year 1995 budget request and in outyear force structure projections.

(5) Amphibious Assault Ships (LHDs) provide an important contingency capability and are uniquely suited to respond to world crises and to provide assistance after natural disasters.

(6) Twelve Amphibious Ready Groups are the correct number to sustain forward deployment and contingency requirements of the Navy.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of the Navy should, plan for, and budget to provide for,

the attainment of a twelfth Amphibious Ready Group as soon as possible. Further, the Secretary of the Navy should extend the existing contract option on the LHD-7 Amphibious Assault Ship in order to achieve twelve Amphibious Ready Groups.

(c) LHD-7 CONTRACT OPTION EXTENSION.—

(1) The Secretary of the Navy is authorized to extend the existing contract option for the LHD-7 Amphibious Assault ship if the Secretary determines that the extension would be in the best interest of the United States.

(2) The Secretary of the Navy shall immediately begin negotiations to extend the existing contract option for the LHD-7 Amphibious Assault Ship Program.

(3) On and after the date that is 30 days after the date on which the Secretary notifies Congress of an intention to do so, the Secretary may use such program funds authorized to be appropriated for other Navy programs for such contract. The notification shall include a description of the intended use of the funds.

(d) REPORT REQUIREMENT.—The Secretary of the Navy shall report to the Congress, after December 31, 1994, but before March 31, 1995, Department of the Navy intentions related to contract execution of the existing contract option for the LHD-7 Amphibious Assault Ship. The report shall include an explanation of the Department's actions related to the attainment of a twelfth Amphibious Ready Group and the costs and benefits of extending the existing contract option on the LHD-7 Amphibious Assault Ship.

Subtitle D—Air Force Programs

SEC. 131. SETTLEMENT OF CLAIMS UNDER THE C-17 AIRCRAFT PROGRAM.

(a) SUPPLEMENTAL AGREEMENTS AUTHORIZED.—On or before September 30, 1995, but subject to subsection (e), the Secretary of the Air Force may enter into supplemental agreements pertaining to Air Force prime contract F33657-81-C-2108 and such other Air Force contracts relating to the C-17 aircraft program in effect on the date of enactment of this Act as the Secretary determines appropriate—

(1) to settle claims and disputes arising under such contracts as provided in the C-17 settlement agreement letter;

(2) to revise the delivery schedules under such contracts as provided in the C-17 settlement agreement letter, for aircraft T-1 and P-1 through P-6; and

(3) to revise range specifications, payload specifications, and other specifications under such contracts as provided in Attachment B to the C-17 settlement agreement letter.

(b) FURTHER CONSIDERATION NOT REQUIRED.—The supplemental agreements referred to in subsection (a) may be entered into without requiring further consideration from the contractor only to the extent provided for in the C-17 settlement agreement letter.

(c) RELEASE OF CONTRACTOR CLAIMS REQUIRED.—Each supplemental agreement referred to in subsection (a) shall require the prime contractor to release and forever discharge the Government from all contractual claims, demands, requests for equitable adjustment, and any other causes of action, known or unknown, that the prime contractor may have on or before January 6, 1994 arising out of the C-17 program contracts as provided in the C-17 settlement agreement letter.

(d) CONTRACT MODIFICATIONS REGARDING CONTRACTOR COMMITMENTS.—The Secretary of the Air Force shall incorporate in each appropriate C-17 contract the prime contractor's commitment to extend the flight test program, redesign the wing, implement Computer Aided Design/Computer Aided Manufacturing System improvements, Management Information System improvements, and Advanced Quality System improvements, implement product improvement cost reduction projects, and resolve other C-17 program issues on a nonreimbursable or cost-share basis as provided in the C-17 settlement agreement letter.

(e) NOTICE-AND-WAIT REQUIREMENT.—The Secretary of the Air Force may not enter into a supplemental agreement referred to in subsection (a) until 30 days after the date on which the Secretary of Defense certifies to Congress that the terms and conditions set forth in the C-17 settlement agreement letter, including the settlement of claims, are in the best interests of the Government.

(f) CONSTRUCTION REGARDING OTHER CONTRACTOR OBLIGATIONS.—Nothing in this section shall be construed as relieving the contractor of any obligation provided for in the C-17 settlement agreement letter.

(g) C-17 SETTLEMENT AGREEMENT LETTER.—The C-17 settlement agreement letter referred to in this section is the agreement that was proposed to the prime contractor for the C-17 aircraft program by the Under Secretary of Defense for Acquisition and Technology by letter dated January 3, 1994, and was accepted by the prime contractor on January 6, 1994.

SEC. 132. RETIREMENT OF BOMBER AIRCRAFT.

No funds authorized to be appropriated by this Act or any other Act may be obligated or expended during fiscal year 1995 for retiring, or preparing to retire, any B-52H, B-1B, or F-111 bomber aircraft.

Subtitle E—Other Matters

SEC. 141. PRESERVING THE BOMBER INDUSTRIAL BASE.

(a) FUNDS TO PRESERVE THE BOMBER INDUSTRIAL BASE.—Of the funds authorized to be appropriated under section 103(1), not more than $150,000,000 shall be available only for the following purposes:

(1) To retain B-2 bomber production tooling in ready status.

(2) To preserve a production capability for spare parts and aircraft subsystems among lower-tier vendors.

(3) To develop detailed production plans for a derivative of the B-2 bomber that is not capable of delivering nuclear weapons.

(4) To carry out any other program, project, or activity, not prohibited by subsection (b) or (c), that the Secretary determines will help to preserve the bomber industrial base of the United States.

(b) PROHIBITION.—None of the funds made available pursuant to this section may be used to procure any major structural part for B-2 bomber aircraft or any other part for B-2 bomber aircraft that is not a part previously acquired or planned to be acquired for the B-2 bomber aircraft under the initial or sustaining spares program.

(c) NO AUTHORIZATION OF ADVANCE PROCUREMENT.—Nothing in this section shall be construed as authorizing the procurement, including long-lead procurement, of a twenty-second B-2 bomber.

(d) EXEMPTION FROM LIMITATION ON TOTAL PROGRAM COST.—Obligations of funds made available pursuant to this section for the purposes set forth in subsection (a) may not be counted for purposes of the limitation in section 131(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1569).

(e) ESTIMATES OF TOTAL COST REQUIRED—(1) Not later than January 15, 1995, the Secretary of Defense shall submit to the congressional defense committees two estimates of the total cost of acquisition of 20 additional B-2 bomber aircraft, including the cost of research, development, test and evaluation and the cost of related military construction.

(2) The Secretary shall assume for purposes of making one of the estimates that such aircraft will be procured at the rate of 2 aircraft in each of fiscal years 1997 and 1998, 3 such aircraft in each of fiscal years 1999 through 2002, and 4 such aircraft in fiscal year 2003. The Secretary shall assume for purposes of making the other estimate that such aircraft will be procured at an annual rate of 2.5 aircraft beginning in fiscal year 1997.

(3) In addition to stating the estimates in terms of estimated total actual cost, the Secretary shall state the estimates in terms of fiscal year 1995 constant dollars.

SEC. 142. DUAL-USE ELECTRIC AND HYBRID VEHICLES.

(a) FUNDING.—Of the funds authorized to be appropriated by this title, $15,000,000 shall be available for procurement of electric and hybrid vehicles for military uses and for commercialization of such vehicles for nonmilitary uses.

(b) LIMITATION.—(1) Funds made available pursuant to subsection (a) may not be expended until the Secretary of Defense and the Secretary of Energy enter into a memorandum of understanding that specifies the responsibilities of each Secretary for procurement and commercialization activities to be carried out with such funds.

(2) The provisions of the memorandum of understanding shall be consistent with the missions of the Department of Defense and the Department of Energy and with the goals and requirements set forth in the Energy Policy Act of 1992 (Public Law 102-486; 42 U.S.C. 13271 et seq.) and the amendments made to the Clean Air Act (42 U.S.C. 7401 et seq.) by Public Law 101-549 (commonly known as the "Clean Air Act Amendments of 1990"; 104 Stat. 2399).

SEC. 143. SALES AUTHORITY OF WORKING-CAPITAL FUNDED ARMY INDUSTRIAL FACILITIES.

Section 4543(a) of title 10, United States Code, is amended—

(1) in the matter above paragraph (1), by striking out "nondefense-related commercial";

(2) by striking out "and" at the end of paragraph (3);

(3) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon; and

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

"(5) the Secretary of the Army determines that the articles or services are not available from a commercial source located in the United States;

"(6) the purchaser of an article or service agrees to hold harmless and indemnify the United States, except in cases of willful misconduct or extreme negligence, from any claim for damages or injury to any person or property arising out of the article or service;

"(7) the article to be sold can be manufactured, or the service to be sold can be substantially performed, by the industrial facility with only incidental subcontracting and it is in the public interest to manufacture such article or perform such service; and

"(8) the sale will not interfere with performance of the military mission of the industrial facility.".

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1995 for the use of the Department of Defense for research, development, test, and evaluation, as follows:

(1) For the Army, $5,152,308,000.

(2) For the Navy, $8,796,129,000.

(3) For the Air Force, $12,329,796,000.

(4) For Defense-wide activities, $9,565,299,000, of which—

(A) $230,495,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $12,501,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC RESEARCH AND EXPLORATORY DEVELOPMENT.

(a) FISCAL YEAR 1995.—Of the amounts authorized to be appropriated by section 201, $4,210,356,000 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. STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM.

Of the amounts authorized to be appropriated by section 201, $170,000,000 shall be available for the Strategic Environmental Research and Development Program.

SEC. 204. HIGH RESOLUTION IMAGING.

Of the funds authorized to be appropriated pursuant to section 201(3), $10,000,000 shall be available for high resolution imaging of space objects using excimer lasers.

Subtitle B—Programs Requirements, Restrictions, and Limitations

SEC. 211. TACTICAL ANTISATELLITE TECHNOLOGIES PROGRAM.

(a) DEMONSTRATION AND VALIDATION ACTIVITIES.—Subject to subsection (e), the Secretary of Defense shall continue the demonstration and validation of kinetic energy antisatellite technologies under the tactical antisatellite technologies program.

(b) LEVEL FUNDING.—Subject to subsection (e), of the amounts authorized to be appropriated in this title, $10,000,000 shall be available for fiscal year 1995 for engineering development under the tactical antisatellite technologies program.

(c) REQUIREMENT OF OBLIGATION OF PRIOR YEAR FUNDS.—To the extent provided in appropriations Acts, the Secretary shall obligate for engineering development under the tactical antisatellite technologies program all funds available for fiscal year 1993 and fiscal year 1994 for the Kinetic Energy Antisatellite (KE-ASAT) program that remain available for obligation on the date of the enactment of this Act.

(d) REPORT.—The Secretary shall submit to Congress the report required by section 1363 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2560).

(e) LIMITATION.—No funds appropriated to the Department of Defense for fiscal year 1995 may be obligated for the tactical antisatellite technologies program until the Secretary of Defense certifies to Congress that there is a requirement for an antisatellite program.

SEC. 212. TRANSFER OF MILSTAR COMMUNICATIONS SATELLITE PROGRAM.

(a) TRANSFER TO NAVY.—The Secretary of Defense shall transfer responsibility for program management and funding for the MILSTAR communications satellite program from the Secretary of the Air Force to the Secretary of the Navy before October 1, 1995.

(b) FUNDING IN FUTURE YEARS DEFENSE PROGRAM.—It is the sense of Congress that the Secretary should transfer from the Air Force to the Navy sufficient proposed funding in the Future Years Defense Program to cover all costs for the MILSTAR communications satellite program and related programs, projects, and activities.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority in subsection (b) is in addition to the transfer authority provided in section 1001.

SEC. 213. TRANSFER OF FUNDS FOR SINGLE-STAGE TO ORBIT ROCKET.

The Secretary of Defense shall, to the extent provided in appropriations Acts, transfer to the National Aeronautics and Space Administration the unobligated balance of funds appropriated to the Department of Defense for the Advanced Research Projects Agency for single-stage to orbit rocket research and development.

SEC. 214. LIMITATION ON DISMANTLEMENT OF INTERCONTINENTAL BALLISTIC MISSILES.

Funds authorized to be appropriated in this Act may not be obligated or expended for deactivating or dismantling United States intercontinental ballistic missiles (ICBMs) of the United States below that number of such missiles that is necessary to support 500 deployed intercontinental ballistic missiles until 180 days after the date on which the Secretary of Defense has delivered to the congressional defense committees a report on the results of a nuclear posture review being conducted by the Secretary.

SEC. 215. LIMITATION ON OBLIGATION OF FUNDS FOR SEISMIC MONITORING RESEARCH.

Funds authorized to be appropriated by this Act that are made available for seismic monitoring of nuclear explosions may not be obligated for a project unless the project is authorized in a plan approved in advance by the Secretary of Defense and the Secretary of Energy.

SEC. 216. FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

(a) CENTERS COVERED.—Funds appropriated or otherwise made available for the Department of Defense for fiscal year 1995 pursuant to an authorization of appropriations in section 201 may be obligated to procure work from a federally funded research and development center only in the case of a center named in the report required by subsection (b) and, in the case of such a center, only in an amount not in excess of the amount of the proposed funding level set forth for that center in such report.

(b) REPORT ON ALLOCATIONS FOR CENTERS.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report containing—

(1) the name of each federally funded research and development center from which work is proposed to be procured for the Department of Defense for fiscal year 1995; and

(2) for each such center, the proposed funding level and the estimated personnel level for fiscal year 1995.

The total of the proposed funding levels set forth in the report for all federally funded research and development centers may not exceed the amount set forth in subsection (d).

(c) LIMITATION PENDING SUBMISSION OF REPORT.—No funds appropriated or otherwise made available for the Department of Defense for fiscal year 1995 may be obligated to obtain work from a federally funded research and development center until the Secretary of Defense submits the report required by subsection (b).

(d) FUNDING.—Of the amounts authorized to be appropriated to the Department of Defense for research, development, test, and evaluation for fiscal year 1995 pursuant to section 201, not more than a total of $1,300,000,000 may be obligated to procure services from the federally funded research and development centers named in the report required by subsection (b).

(e) AUTHORITY TO WAIVE FUNDING LIMITATION.—The Secretary of Defense may waive the limitation regarding the maximum funding amount that applies under subsection (a) to a federally funded research and development center. Whenever the Secretary proposes to make such a waiver, the Secretary shall submit to the congressional defense committees notice of the proposed waiver and the reasons for the waiver. The waiver may then be made only after the end of the 60-day period that begins on the date on which the notice is submitted to those committees, unless the Secretary determines that it is essential to the national security that funds be obligated for work at that center in excess of that limitation before the end of such period and notifies the congressional defense committees of that determination and the reasons for the determination.

(f) UNDISTRIBUTED REDUCTION.—The total amount authorized to be appropriated for research, development, test, and evaluation in section 201 is hereby reduced by $52,650,000.

(g) LIMITATION ON COMPENSATION.—No employee or executive officer of a federally funded research and development center named in the report required by subsection (b) may be compensated at a rate exceeding Executive Schedule Level I by that federally funded research and development center.

Subtitle C—Missile Defense Programs

SEC. 221. COMPLIANCE OF BALLISTIC MISSILE DEFENSE SYSTEMS AND COMPONENTS WITH ABM TREATY.

(a) REQUIRED COMPLIANCE REVIEW FOR BRILLIANT EYES.—The Secretary of Defense shall review the space-based, midcourse missile tracking system known as Brilliant Eyes to determine whether, and under what conditions, the development, testing, and deployment of that system in conjunction with a theater ballistic missile defense system, with a limited national missile defense system, and with both such systems, would be in compliance with the ABM Treaty, including the interpretation of that treaty set forth in the enclosure to the July 13, 1993, ACDA letter.

(b) LIMITATION.—Of the funds appropriated pursuant to the authorizations of appropriations in section 201 that are made available for the Brilliant Eyes program, not more than $50,000,000 may be obligated until the Secretary of Defense submits to the appropriate congressional committees a report on the compliance of the Brilliant Eyes program with the ABM Treaty.

(c) COMPLIANCE REVIEW FOR NAVY UPPER TIER SYSTEM.—(1) If the funds made available for fiscal year 1995 for the theater ballistic missile program known as the "Navy Upper Tier" program pursuant to the authorizations of appropriations in section 201 or

otherwise exceed $17,725,000, the Secretary of Defense shall review the Navy Upper Tier program to determine whether the development, testing, and deployment of that system would be in compliance with the ABM Treaty, including the interpretation of the Treaty set forth in the enclosure to the July 13, 1993, ACDA letter.

(2) In the event a compliance review is necessary under paragraph (1), not more than $17,725,000 may be obligated for the Navy Upper Tier program before the date on which the Secretary submits to the appropriate congressional committees a report on the compliance of the Navy Upper Tier program with the ABM Treaty.

(d) DEFINITIONS.—In this section:

(1) The term "July 13, 1993, ACDA letter" means the letter dated July 13, 1993, from the Acting Director of the Arms Control and Disarmament Agency to the chairman of the Committee on Foreign Relations of the Senate relating to the correct interpretation of the ABM Treaty and accompanied by an enclosure setting forth such interpretation.

(2) The term "ABM Treaty" means the Treaty between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missiles, signed in Moscow on May 26, 1972.

(3) The term "appropriate congressional committees" means—

(A) the Committee on Armed Services, the Committee on Foreign Affairs, and the Committee on Appropriations of the House of Representatives; and

(B) the Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Appropriations of the Senate.

SEC. 222. REVISIONS TO THE MISSILE DEFENSE ACT OF 1991.

The Missile Defense Act of 1991 (part C of title II of Public Law 102-190; 10 U.S.C. 2431 note) is amended—

(1) by striking out sections 235, 236, and 237;

(2) in section 238, by inserting before the period at the end of the second sentence the following: ", and shall submit to the Congress additional interim reports on the progress of such negotiations at six-month intervals thereafter until such time as the President notifies the congressional defense committees that such negotiations have been concluded or terminated"; and

(3) by redesignating section 238, 239, and 240 as sections 234, 235, and 236, respectively.

SEC. 223. LIMITATION.

No funds appropriated pursuant to an authorization of appropriations in this title or otherwise made available for fiscal year 1995 for programs managed by the Ballistic Missile Defense Organization may be obligated for such programs until the Secretary of Defense submits to Congress the report required by section 235(b) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1598).

SEC. 224. MANAGEMENT AND BUDGET RESPONSIBILITY FOR SPACE-BASED CHEMICAL LASER PROGRAM.

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

(1) In section 243 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1615) Congress directed the Secretary of Defense to transfer management and budget responsibility for research and development regarding far-term follow-on technologies from the Ballistic Missile Defense Organization unless the Secretary certifies that it is in the national security interest of the United States for the Ballistic Missile Defense Organization to retain that responsibility.

(2) For purposes of section 243 of such Act, a far-term follow-on technology was defined as any technology that is not incorporated into a ballistic missile defense architecture and is not likely to be incorporated within 15 years into a weapon system for ballistic missile defense.

(3) The Secretary of Defense has recommended pursuant to section 243 of such Act that management and budget responsibility for chemical laser technology be retained in the Ballistic Missile Defense Organization.

(b) ASSIGNMENT OF RESPONSIBILITY.—Subject to subsection (c), the Ballistic Missile Defense Organization is authorized to retain management and budget responsibility for chemical laser technology programs.

(c) REQUIREMENTS.—(1) The Director of the Ballistic Missile Defense Organization shall ensure that, to the extent practicable, the conduct of research and development related to space-based chemical lasers reflects appropriate consideration of a broad range of military missions and possible nonmilitary applications for such lasers.

(2) If, as a result of budgetary limitations, the Director of the Ballistic Missile Defense Organization is unable to program sufficient funds to ensure that the space-based chemical laser program remains an option for the acquisition process within the next fifteen years, the Secretary of Defense shall—

(A) establish a new high energy laser research and development program outside of the Ballistic Missile Defense Organization;

(B) transfer $50,000,000 out of funds available for fiscal year 1995 for programs administered by the Ballistic Missile Defense Organization to the new high energy laser research and development program; and

(C) assign the duty to perform the management and budget responsibilities for the new program to the Secretary of the military department determined by the Secretary of Defense most appropriate to perform such responsibilities or, if the Secretary determines more appropriate, to the head of the Defense Agency of the Department of Defense that the Secretary determines most appropriate to perform such responsibilities.

SEC. 225. SENATE ADVICE AND CONSENT ON AGREEMENTS THAT MODIFY THE ANTI-BALLISTIC MISSILE TREATY.

(a) REQUIREMENT FOR ADVICE AND CONSENT OF SENATE.—Whenever the President negotiates an international agreement that would substantively modify the ABM Treaty, the United States shall not be bound by such agreement unless the agreement is entered into pursuant to the treaty making power of the President under the Constitution (which includes a requirement for advice and consent of the Senate).

(b) ABM TREATY DEFINED.—In this section, the term "ABM Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, signed in Moscow on May 26, 1972, with related protocol, signed in Moscow on July 3, 1974.

Subtitle D—Defense Conversion, Reinvestment, and Transition Assistance Matters

SEC. 231. FUNDING OF DEFENSE TECHNOLOGY REINVESTMENT PROGRAMS FOR FISCAL YEAR 1995.

(a) FUNDS AVAILABLE.—Of the amount authorized to be appropriated under section 201 for Defense-wide activities, $625,000,000 shall be available for activities described in the defense reinvestment program element of the budget of the Department of Defense for fiscal year 1995.

(b) ALLOCATION OF FUNDS.—The funds made available under subsection (a) shall be allocated as follows:

(1) $245,000,000 shall be available for defense dual-use critical technology partnerships under section 2511 of title 10, United States Code.

(2) $80,000,000 shall be available for commercial-military integration partnerships under section 2512 of such title.

(3) $80,000,000 shall be available for defense regional technology alliances under section 2513 of such title.

(4) $30,000,000 shall be available for defense advanced manufacturing technology partnerships under section 2522 of such title.

(5) $50,000,000 shall be available for support of manufacturing extension programs under section 2523 of such title.

(6) $25,000,000 shall be available for defense manufacturing engineering education grants under section 2196 of such title.

(7) $30,000,000 shall be available for the advanced materials synthesis and processing partnership program.

(8) $35,000,000 shall be available for the agile manufacturing/enterprise integration program.

(9) $40,000,000 shall be available for the maritime technology program, as provided for in section 1352(c)(2) of the National Shipbuilding and Shipyard Conversion Act of 1993 (subtitle D of title XIII of Public Law 103-160; 107 Stat. 1809; 10 U.S.C. 2501 note).

(10) $10,000,000 shall be available for grants under section 2198 of title 10, United States Code, to United States institutions of higher education and other United States not-for-profit organizations to support the management training program in Japanese language and culture.

(c) AVAILABILITY OF FUNDS FOR FISCAL YEAR 1994 PROJECTS.—Funds made available under subsection (a) may also be used to make awards to projects of the types that were solicited under programs referred to in subsection (b) in fiscal year 1994.

SEC. 232. FINANCIAL COMMITMENT REQUIREMENTS FOR SMALL BUSINESS CONCERNS FOR PARTICIPATION IN TECHNOLOGY REINVESTMENT PROJECTS.

(a) DEFENSE DUAL-USE CRITICAL TECHNOLOGY PARTNERSHIPS.—Section 2511(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) The Secretary shall consider a partnership proposal submitted by a small business concern without regard to the ability of the small business concern to immediately meet its share of the anticipated partnership costs. Upon the selection of a partnership proposal submitted by a small business concern, the Secretary shall extend to the small business concern a period of not less than 120 days within which to arrange to meet its financial commitment requirements under the partnership from sources other than a person of a foreign country. If the Secretary determines upon the expiration of that period that the small business concern will be unable to meet its share of the anticipated partnership costs, the Secretary may revoke the selection of the partnership proposal submitted by the small business concern.".

(b) COMMERCIAL-MILITARY INTEGRATION PARTNERSHIPS.—Section 2512(c)(3) of such title is amended by adding at the end the following new subparagraph:

"(C) The Secretary shall consider a partnership proposal submitted by a small business concern without regard to the ability of the small business concern to immediately meet its share of the anticipated partnership

costs. Upon the selection of a partnership proposal submitted by a small business concern, the Secretary shall extend to the small business concern a period of not less than 120 days within which to arrange to meet its financial commitment requirements under the partnership from sources other than a person of a foreign country. If the Secretary determines upon the expiration of that period that the small business concern will be unable to meet its share of the anticipated partnership costs, the Secretary may revoke the selection of the partnership proposal submitted by the small business concern.".

(c) REGIONAL TECHNOLOGY ALLIANCES ASSISTANCE PROGRAM.—Section 2513(e) of such title is amended by adding at the end the following new paragraph:

"(4) The Secretary shall consider a proposal for a regional technology alliance that is submitted by a small business concern without regard to the ability of the small business concern to immediately meet its share of the anticipated costs of the alliance. Upon the selection of a proposal submitted by a small business concern, the Secretary shall extend to the small business concern a period of not less than 120 days within which to arrange to meet its financial commitment requirements under the regional technology alliance from sources other than a person of a foreign country. If the Secretary determines upon the expiration of that period that the small business concern will be unable to meet its share of the anticipated costs, the Secretary may revoke the selection of the proposal submitted by the small business concern.".

(d) DEFINITION OF PERSON OF A FOREIGN COUNTRY.—Section 2491 of such title is amended by adding at the end the following new paragraph:

"(16) The term 'person of a foreign country' has the meaning given such term in section 3502(d) of the Primary Dealers Act of 1988 (22 U.S.C. 5342(d)).".

SEC. 233. CONDITIONS ON FUNDING OF DEFENSE TECHNOLOGY REINVESTMENT PROJECTS.

(a) BENEFITS TO UNITED STATES ECONOMY.—In providing for the establishment or financial support of partnerships and other cooperative arrangements under chapter 148 of title 10, United States Code, using funds made available under section 231, the Secretary of Defense shall ensure that the principal economic benefits of such partnerships and other arrangements accrue to the economy of the United States.

(b) USE OF COMPETITIVE SELECTION PROCEDURES.—Funds made available under subsection (a) of section 231 for defense reinvestment programs described in subsection (b) of such section shall be provided only to projects selected using competitive procedures pursuant to a solicitation incorporating cost-sharing requirements for the non-Federal Government participants in the projects.

SEC. 234. FEDERAL DEFENSE LABORATORY DIVERSIFICATION AND NAVY REINVESTMENT IN THE TECHNOLOGY AND INDUSTRIAL BASE.

(a) REQUIREMENT FOR PROGRAMS.—(1) Subchapter III of chapter 148 of title 10 is amended by inserting at the end thereof the following:

"SEC. 2519. FEDERAL DEFENSE LABORATORY DIVERSIFICATION PROGRAM.

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Defense shall conduct a program in accordance with this section for the purpose of promoting cooperation between Department of Defense laboratories and industry on research and development of dual-use technologies in order to further the national security objectives set forth in section 2501(a) of this title.

"(b) PARTNERSHIPS.—(1) The Secretary shall provide for the establishment under the program of cooperative arrangements (hereinafter in this section referred to as 'partnerships') between a Department of Defense laboratory and eligible firms and nonprofit research corporations referred to in section 2511(b) of this title. A partnership may also include one or more additional Federal laboratories, institutions of higher education, agencies of State and local governments, and other entities, as determined appropriate by the Secretary.

"(2) For purposes of this section, a federally funded research and development center shall be considered a Department of Defense laboratory if the center is sponsored by the Department of Defense.

"(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 enter into cooperative research and development agreements under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a) in order to establish partnerships.

"(2) Subject subsection (d), the Secretary may provide a partnership with technical and other assistance in order to facilitate the achievement of the purpose of this section.

"(d) FINANCIAL COMMITMENT OF NON-FEDERAL GOVERNMENT PARTICIPANTS.—(1) The Secretary shall ensure that the non-Federal Government participants in a partnership make a substantial contribution to the total cost of partnership activities. The amount of the contribution shall be commensurate with the risk undertaken by such participants and the potential benefits of the activities for such participants.

"(2) The regulations prescribed pursuant to section 2511(c)(2) of this title shall apply to in-kind contributions made by non-Federal Government participants in a partnership.

"(e) SELECTION PROCESS.—Competitive procedures shall be used in the establishment of partnerships.

"(f) SELECTION CRITERIA.—The criteria for the selection of a proposed partnership for establishment under this section shall include the criteria set forth in section 2511(f) of this title.

"(g) REGULATIONS.—The Secretary shall prescribe regulations for the purposes of this section.

"SEC. 2520. NAVY REINVESTMENT PROGRAM.

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary of the Navy shall conduct a program in accordance with this section for the purpose of promoting cooperation between the Department of the Navy and industry on research and development of dual-use technologies in order to further the national security objectives set forth in section 2501(a) of this title.

"(b) PARTNERSHIPS.—The Secretary shall provide for the establishment under the program of cooperative arrangements (hereinafter in this section referred to as 'partnerships') between Department of the Navy entities and eligible firms and nonprofit research corporations referred to in section 2511(b) of this title. A partnership may also include one or more Federal laboratories, institutions of higher education, agencies of State and local governments, and other entities, as determined appropriate by the Secretary.

"(c) PROGRAM REQUIREMENTS AND ADMINISTRATION.—Subsections (c) through (f) of section 2519 of this title shall apply in the administration of the program.

"(d) SELECTION CRITERIA.—In addition to the selection criteria referred to in section 2519(f) of this title, the criteria for the selection of a proposed partnership for establishment under this section shall include the potential effectiveness of the partnership in the further development and application of each technology proposed to be developed by the partnership for Navy acquisition programs.

"(e) REGULATIONS.—The Secretary shall prescribe regulations for the purposes of this section.".

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

2519. Federal Defense Laboratory Diversification Program.
2520. Navy Reinvestment Program.

(b) CLARIFYING AMENDMENT.—Section 2491(5) of title 10, United States Code, is amended by inserting before the period at the end the following: ", and includes a federally funded research and development center sponsored by a Federal agency".

(c) FUNDING.—(1) Of the amount authorized to be appropriated in section 201(4), $56,600,000 shall be available for the Federal Defense Laboratory Diversification Program under section 2519 of title 10, as added by subsection (a)(1).

(2) Of the amount authorized to be appropriated in section 201(2), $50,000,000 shall be available for the Navy Reinvestment Program under section 2520 of title 10, as added by subsection (a)(1).

SEC. 235. SMALL BUSINESS DEFENSE CONVERSION GUARANTEED LOANS.

(a) AUTHORIZATIONS.—Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended—

(1) in subsection (l), as added by section 405(3) of the Small Business Credit and Business Opportunity Enhancement Act of 1992—

(A) by striking "(l) There" and inserting "(3) There" and indenting appropriately; and

(B) by striking "subsection (k)", and inserting "paragraphs (1) and (2)";

(2) by redesignating subsection (k), as added by section 405(3) of the Small Business Credit and Business Opportunity Act of 1992, as subsection (l);

(3) in subsection (l), as so redesignated, by inserting after paragraph (1), the following new paragraph:

"(2) The Administration is authorized to make not more than $1,000,000,000 in loans on a guaranteed basis, in accordance with section 7(a)(21), such amount to remain available until expended.";

(4) in subsection (n)—

(A) by striking "(n) There" and inserting "(3) There" and indenting appropriately; and

(B) by striking "subsection (m)" and inserting "paragraphs (1) and (2)";

(5) in subsection (m), by inserting after paragraph (1), the following new paragraph:

"(2) The Administration is authorized to make not more than $1,000,000,000 in loans on a guaranteed basis, in accordance with section 7(a)(21), such amount to remain available until expended.";

(6) by redesignating subsection (o) as subsection (n); and

(7) in subsection (p)—

(A) by striking "(p) There" and inserting "(2) There", and indenting appropriately; and

(B) by striking "subsection (o)" and inserting "paragraph (1)".

(b) TECHNICAL CLARIFICATION.—Section 7(a)(21)(A) of the Small Business Act (15 U.S.C. 636(a)(21)(A)) is amended by striking "under the" and inserting "on a guaranteed basis under the".

(c) JOB CREATION AND COMMUNITY BENEFIT.—Section 7(a)(21) of the Small Business Act (15 U.S.C. 636(a)(21)) is amended by adding at the end the following new subparagraph:

"(E) In providing assistance under this paragraph, the Administration shall develop procedures to ensure, to the maximum extent practicable, that such assistance is used for projects that have substantial potential for stimulating new economic activity in communities most impacted by reductions in Federal defense expenditures.".

(d) AUTHORITY TO TRANSFER APPROPRIATIONS.—Of the amount authorized to be appropriated pursuant to section 201(4), $27,400,000 may be transferred by the Secretary of Defense, to the extent provided in an act appropriating funds for the Department of Defense, to the Small Business Administration for the purpose of providing loan guarantees under section 7(a)(21)(A) of the Small Business Act, such amount to remain available until expended.

Subtitle E—Other Matters

SEC. 241. COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS WITH NATO ORGANIZATIONS.

(a) APPLICABILITY OF EXISTING AUTHORITY TO NATO ORGANIZATIONS.—Section 2350a of title 10, United States Code, is amended in subsections (a), (e)(2), and (i)(1) by inserting "or NATO organizations" after "major allies of the United States" each place it appears.

(b) NATO ORGANIZATION DEFINED.—Subsection (i) of such section is amended by adding at the end the following new paragraph:

"(4) The term 'NATO organization' means any North Atlantic Treaty Organization subsidiary body referred to in section 2350(2) of this title and any other organization of the North Atlantic Treaty Organization.".

SEC. 242. DEFENSE WOMEN'S HEALTH RESEARCH PROGRAM.

(a) CONTINUATION OF PROGRAM.—The Secretary of Defense shall continue the Defense Women's Health Research Program established in response to the enactment of section 251 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1606).

(b) PARTICIPATION BY ALL MILITARY DEPARTMENTS.—The Departments of the Army, Navy, and Air Force shall each participate in the activities under the program.

(c) ARMY TO BE EXECUTIVE AGENT.—The Secretary of Defense shall designate the Secretary of the Army to be the executive agent for administering the program.

(d) PROGRAM ACTIVITIES.—The program shall include the following activities regarding health risks and health care for women in the Armed Forces:

(1) The coordination and support activities described in section 251 of Public Law 103-160.

(2) Epidemiologic research regarding women deployed for military operations, including research on patterns of illness and injury, environmental and occupational hazards (including exposure to toxins), side-effects of pharmaceuticals used by women so deployed, psychological stress associated with military training, deployment, combat and other traumatic incidents, and other conditions of life, and human factor research regarding women so deployed.

(3) Development of a data base to facilitate long-term research studies on issues related to the health of women in military service, and continued development and support of a women's health information clearinghouse to serve as an information resource for clinical, research, and policy issues affecting women in the Armed Forces.

(4) Research on policies and standards issues, including research supporting the development of military standards related to training, operations, deployment, and retention and the relationship between such activities and factors affecting women's health.

(5) Research on interventions having a potential for addressing conditions of military service that adversely affect the health of women in the Armed Forces.

(e) IMPLEMENTATION PLAN.—If, before October 1, 1995, the Secretary of Defense changes the implementation plan for the program that the Secretary submitted to the Committees on Armed Services of the Senate and the House of Representatives on May 2, 1994, the Secretary shall submit the modified plan to such committees before executing the changes.

(f) FUNDING.—Of the amount authorized to be appropriated pursuant to section 201, $40,000,000 shall be available for the Defense Women's Health Research Program referred to in subsection (a).

SEC. 243. REQUIREMENT FOR SUBMISSION OF ANNUAL REPORT OF THE SEMICONDUCTOR TECHNOLOGY COUNCIL TO CONGRESS.

Section 273(b)(2)(I) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (15 U.S.C. 4603) is amended by inserting "and submit to Congress by March 31 of each year after "Publish".

SEC. 244. REPORT ON OCEANOGRAPHIC SURVEY AND RESEARCH REQUIREMENTS TO SUPPORT LITTORAL WARFARE.

(a) REPORT REQUIRED.—Not later than March 1, 1995, the Secretary of the Navy shall submit to Congress a report on the oceanographic survey and research and development requirements needed to support Navy operations in littoral regions.

(b) CONTENT OF REPORT.—The report shall contain the following:

(1) An identification of unique properties, including acoustics, bathymetry, bottom type, and ocean dynamics that affect shallow water operations in littoral regions.

(2) A list of the principal littoral regions that—

(A) designates each region as high, medium, or low priority based on the probable need for Navy operations in such regions; and

(B) for each region, is annotated to identify—

(i) the date of the most recent detailed survey; and

(ii) the extent to which that survey provides insight into the region's properties identified pursuant to paragraph (1).

(3) An assessment of the Navy's current and projected access to each region for surveying purposes.

(4) An assessment of the ability of current oceanographic survey and research assets to develop the information identified in paragraph (1).

SEC. 245. LANSCE/LAMPF UPGRADES.

Of the amounts authorized to be appropriated by section 201(4), $20,000,000 shall be available to complete the Los Alamos Neutron Scattering Experiment/Los Alamos Meson Physics Facility upgrades at the Los Alamos National Laboratory, Los Alamos, New Mexico.

SEC. 246. STUDY REGARDING LIVE-FIRE SURVIVABILITY TESTING OF F-22 AIRCRAFT.

(a) REQUIREMENT.—The Secretary of Defense shall request the National Research Council of the National Academy of Sciences to conduct a study regarding the desirability of waiving for the F-22 aircraft program the survivability tests required by section 2366(c) of title 10, United States Code, and to submit to the Secretary and Congress, within 180 days after the date of the enactment of this Act, a report containing the conclusions of the Council regarding the desirability of waiving such tests.

(b) CONTENT OF REPORT.—The report shall contain the following matters:

(1) Conclusions regarding the practicality of full-scale, full-up testing for the F-22 aircraft program.

(2) A discussion of the implications regarding the affordability of the F-22 aircraft program of conducting and of not conducting the survivability tests, including an assessment of the potential life cycle benefits that could be derived from full-scale, full-up live fire testing in comparison to the costs of such testing.

(3) A discussion of what, if any, changes of circumstances affecting the F-22 aircraft program have occurred since completion of the milestone II program review to cause the program manager to request a waiver of the survivability tests for the F-22 aircraft program that was not requested at that time.

(4) The sufficiency of the F-22 aircraft program testing plans to fulfill the same requirements and purposes as are provided in subsection (e)(3) of section 2366 of title 10, United States Code, for realistic survivability testing for purposes of subsection (a)(1)(A) of such section.

(5) Any recommendations regarding survivability testing for the F-22 aircraft program that the Council considers appropriate on the basis of the study.

SEC. 247. UNIVERSITY RESEARCH INITIATIVE SUPPORT PROGRAM.

Of the amounts authorized to be appropriated under section 201, $10,000,000 shall be available for the University Research Initiative Support Program established pursuant to section 802 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1701; 10 U.S.C. 2358 note).

SEC. 248. MANUFACTURING SCIENCE AND TECHNOLOGY PROGRAM.

(a) PROGRAM AUTHORIZED.—(1) Section 2525 of title 10, United States Code, is amended to read as follows:

"SEC. 2525. MANUFACTURING SCIENCE AND TECHNOLOGY PROGRAM.

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish a Manufacturing Science and Technology Program to further the national security objectives of section 2501(a) of this title. The Under Secretary of Defense for Acquisition and Technology shall administer the program.

"(b) PURPOSE.—The purpose of the program is to enhance the capability of industry to meet the manufacturing needs of the Department of Defense.

"(c) EXECUTION.—The Secretary may carry out projects under the program through the Secretaries of the military departments and the heads of Defense Agencies.

"(d) COMPETITION AND COST SHARING.—(1) Competitive procedures shall be used for awarding all grants and entering into all contracts, cooperative agreements, and other transactions under the program.

"(2) A grant may not be awarded under the program, and a contract, cooperative agreement, or other transaction may not be entered into under the program, on any basis

other than a cost-sharing basis unless the Secretary of Defense determines that the grant, contract, cooperative agreement, or other transaction, as the case may be, is for a program that—

"(A) is not likely to have any immediate and direct commercial application; or

"(B) is of sufficiently high risk to discourage cost sharing by non-Federal Government sources.".

(2) The item relating to section 2525 in the table of sections at the beginning of subchapter IV of chapter 148 of such title is amended to read as follows:

"2525. Manufacturing Science and Technology Program.".

(b) FUNDING.—Of the amounts appropriated pursuant to section 201, not more than $125,000,000 shall be available for the Manufacturing Science and Technology Program under section 2525 of title 10, United States Code (as amended by subsection (a)), of which—

(1) not more than $30,000,000 shall be available for the Army;

(2) not more than $35,000,000 shall be available for the Navy;

(3) not more than $50,000,000 shall be available for the Air Force; and

(4) not more than $10,000,000 shall be available for the Defense Logistics Agency.

SEC. 249. DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

(a) PROGRAM REQUIRED.—The Secretary of Defense, acting through the Director of Defense Research and Engineering, shall carry out a Defense Experimental Program to Stimulate Competitive Research (DEPSCoR) as part of the university research programs of the Department of Defense.

(b) PROGRAM OBJECTIVES.—The objectives of the program are as follows:

(1) To enhance the capabilities of institutions of higher education in eligible States to develop, plan, and execute science and engineering research that is competitive under the peer-review systems used for awarding Federal research assistance.

(2) To increase the probability of long-term growth in the competitively awarded financial assistance that institutions of higher education in eligible States receive from the Federal Government for science and engineering research.

(c) PROGRAM ACTIVITIES.—In order to achieve the program objectives, the following activities are authorized under the program:

(1) Competitive award of research grants.

(2) Competitive award of financial assistance for graduate students.

(d) ELIGIBLE STATES.—(1) The Director of the National Science Foundation shall designate which States are eligible States for the purposes of this section and shall notify the Director of Defense Research and Engineering of the States so designated.

(2) The Director of the National Science Foundation shall designate a State as an eligible State if, as determined by the Director—

(A) the institutional average amount of Federal financial assistance for research and development received by the institutions of higher education in the State for the fiscal year preceding the fiscal year for which the designation is effective, or for the last fiscal year for which statistics are available, is less than the amount equal to 50 percent of the national institutional average amount of Federal financial assistance for research and development received by the institutions of higher education in the United States for such preceding or last fiscal year, as the case may be;

(B) the State has demonstrated a commitment to developing research bases in the State and to improving science and engineering research and education programs at institutions of higher education in the State; and

(C) the State is an eligible State for purposes of the Experimental Program to Stimulate Competitive Research conducted by the National Science Foundation.

(e) COORDINATION WITH SIMILAR FEDERAL PROGRAMS.—(1) The Secretary shall consult with the Director of the National Science Foundation and the Director of the Office of Science and Technology Policy in the planning, development, and execution of the program and shall coordinate the program with the Experimental Program to Stimulate Competitive Research conducted by the National Science Foundation and with similar programs sponsored by other departments and agencies of the Federal Government.

(2) All solicitations under the Defense Experimental Program to Stimulate Competitive Research shall be made to, and all awards shall be made through, the State committees established for purposes of the Experimental Program to Stimulate Competitive Research conducted by the National Science Foundation.

(3) A State committee referred to in paragraph (2) shall ensure that activities carried out in the State of that committee under the Defense Experimental Program to Stimulate Competitive Research are coordinated with the activities carried out in the State under other similar initiatives of the Federal Government to stimulate competitive research.

SEC. 250. STUDY ON BEAMING HIGH POWER LASER ENERGY TO SATELLITES.

(a) STUDY.—(1) The Secretary of Defense and the Administrator of the National Aeronautics and Space Administration shall jointly carry out a study to determine the cost, feasibility, and advisability of the development and utilization of a system to deliver energy to satellites by beaming high power laser energy from ground sources.

(2) In determining the cost, feasibility, and advisability of the system referred to in paragraph (1), the Secretary and the Administrator shall take into account the impact on the environment of the development and utilization of the system and the effect, if any, of the development and utilization of the system on the arms control efforts or obligations of the United States.

(3) In carrying out the study, the Secretary and the Administrator shall consider the development of a space energy laser (SELENE) system using a free electron laser at the Naval Air Weapons Station, China Lake, California.

(b) REPORT.—The Secretary and the Administrator shall jointly submit to the congressional defense committees a report on the study required under subsection (a). The Secretary and the Administrator shall submit the report not later than July 1, 1995.

SEC. 251. ADVANCED THREAT RADAR JAMMER.

(a) LIMITATION REGARDING JOINT DEVELOPMENT PROGRAM WITH CERTAIN FOREIGN ENTITIES.—The Secretary of Defense may not negotiate or enter into any agreement with, nor accept funds from, a foreign government or an entity controlled by a foreign government for a joint program for the development of an advanced threat radar jammer for combat helicopters until 30 days after the Secretary, in consultation with the Secretary of State, the Secretary of the Army, and the Director of the Defense Security Assistance Agency, conducts a comprehensive review of the program and submits a report on the results of that review to the congressional defense committees.

(b) MATTERS COVERED BY REVIEW AND REPORT.—The matters relating to the program referred to in subsection (a) that are required to be covered by the review and report are as follows:

(1) The legal basis for seeking for the program funds that are neither authorized to be appropriated nor appropriated.

(2) The consistency of the program with the Department of Defense policy that no foreign military sale of a defense system, and no commitment to foreign military sale of a defense system, be made before operational test and evaluation of the system is successfully completed and the Under Secretary of Defense for Acquisition and Technology has specifically approved the system for sale to a foreign government.

(3) The mission requirement for an advanced threat radar jammer for combat helicopters.

(4) An assessment of each threat for which an advanced threat radar jammer would be developed, particularly with regard to each threat to a foreign country with which the United States would jointly develop an advanced threat radar jammer.

(5) The potential for sensitive electronic warfare technology to be made available to potential adversaries of the United States as a result of United States participation in the program.

(6) The availability of other nondevelopmental items and less sophisticated technologies for countering the emerging radar detection threats to United States combat helicopters and combat helicopters of United States allies.

(7) A capability assessment of similar technologies available from other foreign countries and the consequences of proliferation of such technologies in regions of potential conflict.

(c) INAPPLICABILITY TO MAJOR ALLIES OF THE UNITED STATES.—This section does not apply with respect to a major ally of the United States.

(d) 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 of Defense. Such term does not include an organization or corporation that is owned, but is not controlled, either directly or indirectly, by a foreign government if the ownership of that organization or corporation by that foreign government was effective before October 23, 1992.

(2) The term "major ally of the United States" has the meaning given such term in section 2350a(i)(2) of title 10, United States Code.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1995 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, $17,542,914,000.

(2) For the Navy, $21,326,470,000.

(3) For the Marine Corps, $2,096,695,000.

(4) For the Air Force, $18,789,023,000.

(5) For Defense-wide activities, $9,994,325,000.

(6) For Medical Programs, Defense, $9,854,459,000.

(7) For the Army Reserve, $1,253,709,000.

(8) For the Naval Reserve, $828,319,000.

(9) For the Marine Corps Reserve, $81,462,000.

(10) For the Air Force Reserve, $1,478,990,000.

(11) For the Army National Guard, $2,452,148,000.

(12) For the Air National Guard, $2,780,178,000.

(13) For the National Board for the Promotion of Rifle Practice, $2,544,000.

(14) For the Defense Inspector General, $140,798,000.

(15) For Drug Interdiction and Counterdrug Activities, Defense-wide, $714,200,000.

(16) For the United States Court of Appeals for the Armed Services, $6,126,000.

(17) For Environmental Restoration, Defense, $2,180,200,000.

(18) For Humanitarian Assistance, $71,900,000.

(19) For Former Soviet Union Threat Reduction, $400,000,000.

(20) For the Contributions for International Peacekeeping and Peace Enforcement Activities Fund, $300,000,000.

(21) For support for the 1996 Summer Olympics, $10,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1995 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Business Operations Fund, $798,400,000.

(2) For the National Defense Sealift Fund, $227,800,000.

SEC. 303. ARMED FORCES RETIREMENT HOME FUNDING.

There is hereby authorized to be appropriated for fiscal year 1995 from the Armed Forces Retirement Home Trust Fund the sum of $59,317,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. NATIONAL SECURITY EDUCATION TRUST FUND OBLIGATIONS.

During fiscal year 1995, $14,300,000 is authorized to be obligated from the National Security Education Trust Fund established by section 804(a) of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1904(a)).

SEC. 305. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than $250,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 1995 in amounts as follows:

(1) For the Army, $50,000,000.

(2) For the Navy, $50,000,000.

(3) For the Air Force, $50,000,000.

(4) For Defense-wide activities, $100,000,000.

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

SEC. 306. SUPPORT FOR THE 1995 SPECIAL OLYMPICS WORLD GAMES.

(a) AUTHORITY TO PROVIDE SUPPORT.—The Secretary of Defense may provide logistical support and personnel services in connection with the 1995 Special Olympics World Games to be held in New Haven, Connecticut.

(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 of appropriations in subsection (c).

(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 1995 Special Olympics World Games.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $3,000,000 for the Department of Defense for fiscal year 1995 to carry out subsection (a).

SEC. 307. AIR NATIONAL GUARD FIGHTER AIRCRAFT.

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

(1) The Bottom-Up Review force structure proposal would accomplish most of the remaining reductions in the total number of Air Force general purpose fighter wings by reducing the Air National Guard and Air Force Reserve fighter force from 10 wings to 7 wings.

(2) The current plan for implementing the reduction referred to in paragraph (1) is to reduce the number of fighter aircraft in each Air National Guard fighter unit from 24 or 18 primary aircraft authorized to 15 primary aircraft authorized and to convert some Air National Guard fighter units to other purposes.

(3) The number of Air National Guard Combat Readiness Training Centers in operation during fiscal year 1995 should not be less than the number of such centers in operation at the end of fiscal year 1994.

(4) The Commission on Roles and Missions of the Armed Forces established by section 952 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 10 U.S.C. 111 note; 107 Stat. 1738) is required to submit to Congress a report under section 954(b) of such Act on possible changes to existing allocations among the Armed Forces of military roles, missions, and functions.

(5) The Commission is not expected to submit the report until the middle of fiscal year 1995.

(6) The report of the Commission should contain a review of and recommendations on the assignment of roles and missions to units of the Air National Guard and the Air Force Reserve in relation to active component units that are the counterparts to such units and on requirements for resources for training of such units.

(b) REQUIREMENT.—After submission of the report referred to in paragraph (3), the Secretary of Defense shall review its findings on the role and requirements for general purpose fighter units of the Air National Guard, and shall complete within 30 days a study which recommends the appropriate level of primary aircraft authorized (PAA) for such units, following which, if the Secretary determines changes in that level are appropriate, he may notify the Congress of his determination and he may seek any reprogramming of funds that he considers appropriate to ensure that such changes are implemented.

Subtitle B—Defense Business Operations Fund

SEC. 311. PERMANENT AUTHORITY FOR USE OF FUND FOR MANAGING WORKING CAPITAL FUNDS AND CERTAIN ACTIVITIES.

Section 316(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 2208 note) is amended by striking out "During" and all that follows through "December 31, 1994, the" and inserting in lieu thereof "The".

SEC. 312. IMPLEMENTATION OF IMPROVEMENT PLAN.

(a) PROGRESS REPORT ON IMPLEMENTATION.—Not later than February 1, 1995, the Secretary of Defense shall submit to the congressional defense committees a report on the progress made in implementing the Defense Business Operations Fund Improvement Plan, dated September, 1993. The report shall describe the progress made in reaching the milestones established in the plan and provide an explanation for the failure to meet any of the milestones. The Secretary shall submit a copy of the report to the Comptroller General of the United States at the same time the Secretary submits the report to the congressional defense committees.

(b) RESPONSIBILITIES OF THE COMPTROLLER GENERAL.—(1) The Comptroller General shall monitor and evaluate the progress of the Department of Defense in developing and implementing the improvement plan referred to in subsection (a).

(2) Not later than March 1, 1995, the Comptroller General shall submit to the congressional defense committees a report containing the following:

(A) The findings and conclusions of the Comptroller General resulting from the monitoring and evaluation conducted under paragraph (1).

(B) An evaluation of the progress report submitted to the congressional defense committees by the Secretary of Defense pursuant to subsection (a).

(C) Any recommendations for legislation or administrative action concerning the Fund that the Comptroller General considers appropriate.

SEC. 313. LIMITATION ON OBLIGATIONS AGAINST THE CAPITAL ASSET FUND.

The Secretary of Defense may not incur obligations against funds in the capital asset subaccount of the Defense Business Operations Fund during fiscal year 1995 in a total amount in excess of $1,500,000.

SEC. 314. LIMITATION ON OBLIGATIONS AGAINST THE SUPPLY MANAGEMENT DIVISIONS.

(a) LIMITATION.—(1) The Secretary of Defense may not incur obligations against the supply management divisions of the Defense Business Operations Fund during fiscal year 1995 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 1995, the Secretary shall exclude obligations and sales for fuel, commissary and subsistence items, retail operations, repair of equipment and spare parts in support of repair, direct vendor deliveries, foreign military sales, initial outfitting requiring equipment furnished by the Federal Government, and the cost of operations.

(b) WAIVER AUTHORITY.—The Secretary of Defense may waive the limitation in subsection (a) if the Secretary determines that such waiver is necessary in order to maintain the readiness and combat effectiveness of the Armed Forces. The Secretary shall immediately notify Congress of any such waiver and the reasons for such waiver.

(c) DETERMINATIONS OF EFFECTS OF LIMITATION ON READINESS AND COMBAT EFFECTIVENESS.—Not later than 60 days after the date of the enactment of this Act, the secretaries of the military departments and the Director of the Defense Logistics Agency shall each submit to the Secretary of Defense a report containing the views of such official on the effects of the limitation in subsection (a) on the ability of the Department of Defense to maintain the readiness and combat effectiveness of the Armed Forces. If the Secretary of Defense determines, after considering the reports, that the limitation will impair the readiness and combat effectiveness of any of the Armed Forces, the Secretary shall exercise the waiver authority provided in subsection (b).

Subtitle C—Environmental Matters

SEC. 321. PROHIBITION ON THE PURCHASE OF SURETY BONDS AND OTHER GUARANTEES FOR THE DEPARTMENT OF DEFENSE.

No funds appropriated or otherwise made available to the Department of Defense for fiscal year 1995 may be obligated or expended for the purchase of surety bonds or other guarantees of financial responsibility in order to guarantee the performance of any direct function of the Department of Defense.

SEC. 322. EXTENSION OF PROHIBITION ON USE OF ENVIRONMENTAL RESTORATION FUNDS FOR PAYMENT OF FINES AND PENALTIES.

None of the funds appropriated for fiscal year 1995 pursuant to the authorization of appropriations provided in section 301(17) may be used for the payment of a fine or penalty imposed against the Department of Defense unless the act or omission for which the fine or penalty is imposed arises out of activities funded by the account.

SEC. 323. PARTICIPATION OF INDIAN TRIBES IN AGREEMENTS FOR DEFENSE ENVIRONMENTAL RESTORATION.

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

(1) by striking out "SERVICE OF OTHER AGENCIES.—The Secretary" and inserting in lieu thereof the following: "SERVICE OF OTHER AGENCIES.—

"(1) IN GENERAL.—The Secretary";

(2) in paragraph (1), as so designated, by inserting "any Federally recognized Indian tribe or" before "any State or local government agency,"; and

(3) by adding at the end the following:

"(2) DEFINITION.—For purposes of this subsection, the term 'Indian tribe' has the meaning given such term in section 101(36) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9701(36)).".

SEC. 324. EXTENSION OF AUTHORITY TO ISSUE SURETY BONDS FOR CERTAIN ENVIRONMENTAL PROGRAMS.

Section 2701(j) of title 10, United States Code, is amended by striking out "December 31, 1995" and inserting in lieu thereof "December 31, 1999".

Subtitle D—Matters Relating to Department of Defense Civilian Employees

SEC. 331. EXTENSION OF CERTAIN TRANSITION ASSISTANCE AUTHORITIES.

(a) REDUCTION-IN-FORCE NOTIFICATION REQUIREMENTS.—Section 4433(b)(2) of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102-484; 106 Stat. 2721; 5 U.S.C. 3502 note) is amended by striking out "February 1, 1998" and inserting in lieu thereof "February 1, 2000".

(b) SEPARATION PAY.—(1) Section 5597(e) of title 5, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1999".

(2) Section 4436(d)(2) of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (5 U.S.C. 8348 note) is amended by striking out "January 1, 1998" and inserting in lieu thereof "January 1, 2000".

(c) RESTORATION OF CERTAIN LEAVE.—Section 6304(d)(3) of title 5, United States Code, is amended by striking out "the closure of an installation" and inserting in lieu thereof "the closure of an installation of the Department of Defense pursuant to 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) during any period, and the closure of any other installation".

(d) CONTINUED HEALTH BENEFITS.—Section 8905a(d)(4)(B) of title 5, United States Code, is amended—

(1) by striking out "October 1, 1997" each place it appears and inserting in lieu thereof "October 1, 1999"; and

(2) in clause (ii), by striking out "February 1, 1998," and inserting in lieu thereof "February 1, 2000,".

SEC. 332. EXTENSION AND EXPANSION OF AUTHORITY TO CONDUCT PERSONNEL DEMONSTRATION PROJECTS.

(a) CHINA LAKE DEMONSTRATION PROJECT.—(1) Section 6 of the Civil Service Miscellaneous Amendments Act of 1983 (Public Law 98-224; 98 Stat. 49) is amended by striking out "September 30, 1995,".

(2) In the event of a reorganization of the organization carrying out the personnel demonstration project referred to in section 6 of Public Law 98-224, such section shall apply with respect to the successor to that organization.

(b) DEFENSE LABORATORIES PERSONNEL DEMONSTRATION PROJECTS.—(1) The Secretary of Defense may carry out personnel demonstration projects at Department of Defense laboratories designated by the Secretary as Department of Defense science and technology reinvention laboratories.

(2) Each personnel demonstration project carried out under the authority of paragraph (1) shall be similar to the personnel demonstration project that is authorized by section 6 of Public Law 98-224 to be continued at the Naval Weapons Center, China Lake, California, and at the Naval Ocean Systems Center, San Diego, California.

(3) If the Secretary carries out a demonstration project at a laboratory pursuant to paragraph (1), section 4703 (other than subsection (d)) of title 5, United States Code, shall apply to such demonstration project, except that the authority of the Secretary to carry out the demonstration project is that which is provided in paragraph (1) rather than the authority that is provided in such section 4703.

SEC. 333. LIMITATION ON PAYMENT OF SEVERANCE PAY TO CERTAIN EMPLOYEES TRANSFERRING TO EMPLOYMENT POSITIONS IN NONAPPROPRIATED FUND INSTRUMENTALITIES.

(a) IN GENERAL.—Section 5595 of title 5, United States Code, is amended by adding at the end the following:

"(h)(1) Severance pay under this section may not be paid to—

"(A) a person described in paragraph (4)(A) during any period in which the person is employed in a defense nonappropriated fund instrumentality; or

"(B) a person described in paragraph (4)(B) during any period in which the person is employed in a Coast Guard nonappropriated fund instrumentality.

"(2)(A) Except as provided in subparagraph (B), payment of severance pay to a person referred to in paragraph (1) may be resumed upon any involuntary separation of the person from the position of employment in a nonappropriated fund instrumentality, not by removal for cause on charges of misconduct, delinquency, or inefficiency.

"(B) Payment of severance pay may not be resumed under subparagraph (A) in the case of a person who, upon separation, is entitled to immediate payment of retired or retainer pay as a member or former member of the uniformed services or to an immediate annuity under—

"(i) a retirement system for persons retiring from employment by a nonappropriated fund instrumentality;

"(ii) subchapter III of chapter 83 of this title;

"(iii) subchapter II of chapter 84 of this title; or

"(iv) any other retirement system of the Federal Government for persons retiring from employment by the Federal Government.

"(3) Upon resumption of payment of severance pay under paragraph (2)(A) in the case of a person separated as described in such paragraph, the amount of the severance pay so payable for a period shall be reduced (but not below zero) by the portion (if any) of the amount of any severance pay payable for such period to the person by the nonappropriated fund instrumentality that is attributable to credit for service taken into account under subsection (c) in the computation of the amount of the severance pay so resumed.

"(4) Paragraph (1) applies to a person who, on or after January 1, 1987, moves without a break in service—

"(A) from employment in the Department of Defense that is not employment in a defense nonappropriated fund instrumentality to employment in a defense nonappropriated fund instrumentality; or

"(B) from employment in the Coast Guard that is not employment in a Coast Guard nonappropriated fund instrumentality to employment in a Coast Guard nonappropriated fund instrumentality.

"(5) The Secretary of Defense, in consultation with the Secretary of Transportation, shall prescribe regulations to carry out this subsection.

"(6) In this subsection:

"(A) The term 'defense nonappropriated fund instrumentality' means a nonappropriated fund instrumentality of the Department of Defense.

"(B) The term 'Coast Guard nonappropriated fund instrumentality' means a nonappropriated fund instrumentality of the Coast Guard.

"(C) The term 'nonappropriated fund instrumentality' means a nonappropriated fund instrumentality described in section 2105(c) of this title.".

(b) APPLICABILITY.—Subsection (h) of section 5595 of title 5, United States Code, as added by subsection (a), shall take effect on the date of the enactment of this Act and apply with respect to pay periods that begin on or after such date.

SEC. 334. RETIREMENT CREDIT FOR CERTAIN SERVICE IN NONAPPROPRIATED FUND INSTRUMENTALITIES BEFORE JANUARY 1, 1987.

(a) STUDY REQUIRED.—The Secretary of Defense shall conduct a study to determine the level of interest among employees of the Department of Defense referred to in subsection (b) in obtaining credit under the Civil Service Retirement and Disability System or the Federal Employees' Retirement System for former service described in such subsection as an employee of a nonappropriated fund instrumentality of the United States.

(b) EMPLOYEES CONCERNED.—The employees referred to in subsection (a) are employees who, for at least 12 months during the period beginning on January 1, 1966, and ending on December 31, 1986, performed service as an employee described in section 2105(c) of title 5, United States Code, conducting a program described in section 8332(b)(16)(A) of such title.

(c) CONDUCT OF STUDY.—In carrying out the study under subsection (a), the Secretary shall—

(1) provide an opportunity for all employees referred to in that subsection to express interest in obtaining retirement credit for the former service in a nonappropriated fund instrumentality of the United States; and

(2) inform such employees that deposits to the Civil Service Retirement and Disability Fund would be required of the interested employees under section 8334(c) of title 5, United States Code, or section 8411(f) of such title.

(d) REPORT.—Not later than February 1, 1995, the Secretary shall submit to Congress a report on the results of the study required by subsection (a). The report shall contain the following matters:

(1) An analysis of the issues, to include existing legal rights of the employees described in paragraph (b) above under the Civil Service Retirement Disability System or the Federal Employees' Retirement System.

(2) An Analysis of the inequities, if any, that may have been caused by conversion from employment by nonappropriated fund instrumentalities of the United States to employment by the Department of Defense.

(3) The number of full time and part time employees described in paragraph (b) above that are affected by any inequities described in paragraph (2).

(4) The Department of Defense recommendations, if any, to redress any inequities described in paragraph (2), and

(5) The cost to the Federal Government of any recommendation described in paragraph (4).

SEC. 335. TRAVEL, TRANSPORTATION, AND RELOCATION EXPENSES OF EMPLOYEES TRANSFERRING TO THE UNITED STATES POSTAL SERVICE.

(a) IN GENERAL.—(1) Subchapter II of chapter 57 of title 5, United States Code, is amended by adding at the end the following:

"§ 5735. Travel, transportation, and relocation expenses of employees transferring to the United States Postal Service

"(a) IN GENERAL.—Notwithstanding any other provision of law, employees of the Department of Defense described in subsection (b) may be authorized travel, transportation, and relocation expenses and allowances in connection with appointments referred to in such subsection under the same conditions and to the same extent authorized by this subchapter for transferred employees.

"(b) COVERED EMPLOYEES.—Subsection (a) applies to any employee of the Department of Defense who—

"(1) is scheduled for separation from the Department, other than for cause;

"(2) is selected for appointment to a continuing position with the United States Postal Service; and

"(3) accepts the appointment.".

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

"5735. Travel, transportation, and relocation expenses of employees transferring to the United States Postal Service.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and apply to persons separated from employment by the Department of Defense on or after such date.

SEC. 336. FOREIGN EMPLOYEES COVERED BY THE FOREIGN NATIONAL EMPLOYEES SEPARATION PAY ACCOUNT.

Section 1581 of title 10, United States Code, is amended—

(1) by striking out "foreign national employees of the Department of Defense" each place it appears in subsections (a) and (b) and inserting in lieu thereof "foreign nationals referred to in subsection (e)"; and

(2) by striking out subsection (e) and inserting in lieu thereof the following:

"(e) EMPLOYEES COVERED.—This section applies only with respect to separation pay of foreign nationals employed by the Department of Defense, and foreign nationals employed by a foreign government for the benefit of the Department of Defense, under any of the following agreements that provide for payment of separation pay:

"(1) A contract.

"(2) A treaty.

"(3) A memorandum of understanding with a foreign nation.

SEC. 337. INCREASED AUTHORITY TO ACCEPT VOLUNTARY SERVICES.

(a) EXPANSION OF AUTHORITY.—The text of section 1588 of title 10, United States Code, is amended to read as follows:

"(a) AUTHORITY TO ACCEPT SERVICES.—Subject subsection (b) and notwithstanding section 1342 of title 31, the Secretary concerned may accept from any person the following services:

"(1) Voluntary medical services, dental services, nursing services, or other health-care related services.

"(2) Voluntary services to be provided for a museum or a natural resources program.

"(3) Voluntary services to be provided for programs providing services to members of the armed forces and the families of such members, including the following programs:

"(A) Family support programs.

"(B) Child development and youth services programs.

"(C) Library and education programs.

"(D) Religious programs.

"(E) Housing referral programs.

"(F) Programs providing employment assistance to spouses of such members.

"(b) REQUIREMENTS AND LIMITATIONS.—(1) The Secretary concerned shall notify the person of the scope of the services accepted.

"(2) With respect to a person providing voluntary services accepted under subsection (a), the Secretary concerned—

"(A) shall—

"(i) supervise the person to the same extent as the Secretary would supervise a compensated employee providing similar services; and

"(ii) ensure that the person is licensed, privileged, has appropriate credentials, or is otherwise qualified under applicable law or regulations to provide such services; and

"(B) may not—

"(i) place the person in a policy-making position; or

"(ii) except as provided subsection (e), compensate the person for the provision of such services.

"(c) AUTHORITY TO RECRUIT AND TRAIN PERSONS PROVIDING SERVICES.—The Secretary concerned may recruit and train persons to provide voluntary services accepted under subsection (a).

"(d) STATUS OF PERSONS PROVIDING SERVICES.—(1) Subject to paragraph (3), while providing voluntary services accepted under subsection (a) or receiving training under subsection (c) a person, other than a person referred to in paragraph (2), shall be considered to be an employee of the Federal Government only for purposes of the following provisions of law:

"(A) Subchapter I of chapter 81 of title 5, relating to compensation for work-related injuries.

"(B) Section 2733 of this title and section 2733 of title 28, relating to claims for damages or loss.

"(C) Section 522a of title 5, relating to maintenance of records on individuals.

"(D) Chapter 11 of title 18, relating to conflicts of interest.

"(2) Subject to paragraph (3), while providing a nonappropriated fund instrumentality of the United States with voluntary services accepted under subsection (a), or receiving training under subsection (c) to provide such an instrumentality with services accepted under subsection (a), a person shall be considered an employee of that instrumentality only for the following purposes:

"(A) Subchapter II of chapter 81 of title 5, relating to compensation of nonappropriated fund employees for work-related injuries.

"(B) Section 2733 of this title and section 2733 of title 28, relating to tort claims.

"(3) A person providing voluntary services accepted under subsection (a) shall be considered to be an employee of the Federal Government under paragraph (1) or (2) only with respect to services that are within the scope of the services so accepted.

"(4) For purposes of determining the compensation for work-related injuries payable under chapter 81 of title 5 (pursuant to this subsection) to a person providing voluntary services accepted under subsection (a), the monthly pay of the person for such services shall be deemed to be the amount determined by multiplying—

"(A) the average monthly number of hours that the person provided the services, by

"(B) the minimum wage determined in accordance with section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)).

"(e) REIMBURSEMENT OF INCIDENTAL EXPENSES.—The Secretary concerned may provide for reimbursement of a person for incidental expenses incurred by the person in providing voluntary services accepted under subsection (a). The Secretary shall determine which expenses are eligible for reimbursement under this subsection. Any such reimbursement may be made from appropriated or nonappropriated funds.".

(b) CONFORMING AND TECHNICAL AMENDMENTS.—(1) Section 8171(a) of title 5, United States Code, is amended by inserting ", or to a volunteer providing such an instrumentality with services accepted under section 1588 of title 10," after "described by section 2105(c) of this title".

(2) Subchapter II of chapter 81 of such title is amended—

(A) in section 8171—

(i) in subsection (a)—

(I) by striking out "Chapter 18 of title 33" in the first sentence and inserting in lieu thereof "The Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.)";

(II) by striking out "section 902(2) of title 33" in the first sentence and inserting in lieu thereof "section 2(2) of such Act (33 U.S.C. 902(2))"; and

(III) by striking out "section 903(a) of title 33 which follows the first comma" in the second sentence and inserting in lieu thereof "section 3(a) of such Act (33 U.S.C. 903(3)) which follows the second comma";

(ii) in subsection (b), by striking out "section 902(4) of title 33" and inserting in lieu thereof "section 2(4) of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 902(4))";

(iii) in subsection (c)(1), by striking out "section 939(b) of title 33" and inserting in lieu thereof "39(b) of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 939(b))"; and

(iv) in subsection (d), by striking out "sections 918 and 921 of title 33" and inserting in lieu thereof "sections 18 and 21 of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 18 and 21, respectively)"; and

(B) by striking out "section 902(2) of title 33" in sections 8172 and 8173 and inserting in lieu thereof "section 2(2) of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 2(2))".

Subtitle E—Other Matters

SEC. 341. CHANGE OF SOURCE FOR PERFORMANCE OF DEPOT-LEVEL WORKLOADS.

The text of section 2469 of title 10, United States Code, is amended to read as follows:

"(a) REQUIREMENT FOR COMPETITION.—The Secretary of Defense shall ensure that the performance of a depot-level maintenance workload described in subsection (b) is not changed to performance by a contractor or by another depot-level maintenance activity of the Department of Defense unless the change is made using—

"(1) merit-based selection procedures for competitions among all depot-level maintenance activities of the Department of Defense; or

"(2) competitive procedures for competitions among private and public sector entities.

"(b) SCOPE.—Subsection (a) applies to any depot-level maintenance workload that has a value of not less than $3,000,000 and is being performed by a depot-level activity of the Department of Defense.

"(c) INAPPLICABILITY OF OMB CIRCULAR A-76.—Office of Managment and Budget Circular A-76 does not apply to a performance change to which subsection (a) applies.".

SEC. 342. CIVIL AIR PATROL.

(a) PROVISION OF FUNDS.—Subsection (b) of section 9441 of title 10, United States Code, is amended—

(1) by redesignating paragraphs (8), (9), (10), and (11) as paragraphs (9), (10), (11), and (12), respectively; and

(2) by inserting after paragraph (7) the following new paragraph (8):

"(8) provide funds for the national headquarters of the Civil Air Patrol, including funds for the payment of staff compensation and benefits, administrative expenses, travel, per diem and allowances, rent and utilities, and other operational expenses;".

(b) LIAISONS.—Such section is further amended by adding at the end the following new subsection:

"(d)(1) The Secretary of the Air Force may authorize the Civil Air Patrol to employ, as administrators and liaison officers, persons retired from service in the Air Force whose qualifications are approved under regulations prescribed by the Secretary and who request such employment.

"(2) A person employed pursuant to paragraph (1) may receive the person's retired pay and an additional amount for such employment that is not more than the difference between the person's retired pay and the pay and allowances the person would be entitled to receive if ordered to active duty in the grade in which the person retired from service in the Air Force. The additional amount shall be paid to the Civil Air Patrol by the Secretary from funds appropriated for that purpose.

"(3) A person employed pursuant to paragraph (1) may not, while so employed, be considered to be on active duty or inactive-duty training for any purpose.".

SEC. 343. ARMED FORCES RETIREMENT HOME.

(a) INCREASED MAXIMUM LIMITATION ON DEDUCTIONS FROM PAY.—Section 1007(i) of title 37, United States Code, is amended—

(1) in paragraph (1), by striking out "50 cents" and inserting in lieu thereof "$2.00"; and

(2) in paragraph (3), by adding at the end the following: "The amount fixed for a grade or length of service may not be increased by more than 50 cents during any 12-month period.".

(b) MODIFICATION OF FEES PAID BY RESIDENTS.—(1) Paragraph (2) of section 1514(c) of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 414(c)) is amended to read as follows:

"(2) The fee shall be fixed as a percentage of the monthly income and monthly payments (including Federal payments) received by a resident, subject to such adjustments in the fee as the Retirement Home Board may make under paragraph (1). The percentage shall be the same for each establishment of the Retirement Home.".

(2)(A) Subsections (d) and (e) of section 1514 of such Act are repealed.

(B) Such section is further amended by adding after subsection (c) the following new subsection (d):

"(d) APPLICATION OF FEES.—Subject to such adjustments in the fee as the Retirement Home Board may make under subsection (c), each resident of the Retirement Home shall be required to pay a monthly fee equal to the amount determined by multiplying the total amount of all monthly income and monthly payments (including Federal payments) received by the resident by a percentage as follows:

"(1) In the case of a permanent health care resident—

"(A) in fiscal year 1998, 35 percent;

"(B) in fiscal year 1999, 45 percent; and

"(C) in fiscal year 2000, 65 percent.

"(2) In the case of a resident who is not a permanent health care resident—

"(A) in fiscal year 1998, 30 percent;

"(B) in fiscal year 1999, 35 percent; and

"(C) in fiscal year 2000, 40 percent.

(c) MODERNIZATION OF FACILITIES.—(1) The Chairman of the Armed Forces Retirement Home Board shall carry out a study to identify and evaluate alternatives for modernization of the facilities at the United States Soldiers' and Airmen's Home.

(2) The Chairman shall submit an interim report and a final report on the results of the study to the Committees on Armed Services of the Senate and House of Representatives. The Chairman shall submit the interim report not later than April 1, 1995, and the final report not later than December 31, 1995.

(d) EFFECTIVE DATES.—(1) The amendments made by subsection (a) shall take effect on January 1, 1995, and apply to years that begin on or after that date.

(2) The amendments made by subsection (b) shall take effect October 1, 1997.

SEC. 344. CLARIFICATION OF AUTHORITY TO PROVIDE MEDICAL TRANSPORTATION UNDER NATIONAL GUARD PILOT PROGRAM.

Paragraph (1) of section 376(h) of the National Defense Authorization Act for Fiscal Year 1993 (32 U.S.C. 501 note) is amended to read as follows:

"(1) The term 'health care' includes the following services:

"(A) Medical care services.

"(B) Dental care services.

"(C) Transportation, by air ambulance or other means, for medical reasons.".

SEC. 345. ARMS INITIATIVE LOAN GUARANTEE PROGRAM.

(a) PROGRAM AUTHORIZED.—Subject to subsection (b), the Secretary of the Army may carry out a loan guarantee program to encourage commercial firms to use ammunition manufacturing facilities pursuant to section 193 of the Armament Retooling and Manufacturing Support Act of 1992 (subtitle H of title I of Public Law 102-484; 106 Stat. 2348). Under such program, the Secretary may guarantee the repayment of any loan made to a commercial firm to fund, in whole or in part, the establishment of a commercial activity under the Act.

(b) ADVANCED BUDGET AUTHORITY.—Loan guarantees under this section may not be committed except to the extent that appropriations of budget authority to cover their costs are made in advance, as required by section 504 of the Federal Credit Reform Act of 1990 (title V of the Congressional Budget Act of 1974; 2 U.S.C. 661c).

(c) PROGRAM ADMINISTRATION.—(1) The Secretary may enter into agreements with the Administrator of the Small Business Administration, the Administrator of the Farmers Home Administration, and the Administrator of the Rural Development Administration under which such Administrators may, under this section—

(A) process applications for loan guarantees;

(B) guarantee repayment of loans; and

(C) provide any other services to the Secretary to administer the loan guarantee program.

(2) Each Administrator may guarantee loans under this section to commercial firms of any size, notwithstanding any size limitations imposed on other loan guarantee programs that the Administrator administers.

(3) To the extent practicable, each Administrator shall use the same procedures for processing loan guarantee applications under this section as the Administrator uses for processing loan guarantee applications under other loan guarantee programs that the Administrator administers.

(d) LOAN LIMITS.—Loan guarantees under this section may not exceed—

(1) $20,000,000 for any borrower; and

(2) $65,000,000 for all borrowers.

(e) TRANSFER OF FUNDS.—The Secretary of the Army may transfer to an Administrator providing services under subsection (c), and an Administrator may accept, such funds as may be necessary to administer the loan guarantee program under this section.

(f) REPORTING REQUIREMENT.—Not later than July 1 of each year in which a guarantee issued under this section is in effect, the Secretary shall submit to the congressional defense committees a report containing the

amounts of loans guaranteed under this section during the preceding calendar year. No report is required after fiscal year 1997.

(g) AUTHORIZATION FOR USE OF EXISTING BUDGET AUTHORITY.—Funds appropriated for the Armament Retooling and Manufacturing Support Initiative by title III of Public Law 102-396 under the heading "PROCUREMENT OF AMMUNITION, ARMY" (106 Stat. 1887) may be made available for loan guarantees under this section only to the extent provided in an appropriations Act enacted after the date of the enactment of this Act.

(h) EXTENSION OF AUTHORITY.—Section 193(a) of the Armament Retooling and Manufacturing Support Act of 1992 (subtitle H of title I of Public Law 102-484; 106 Stat. 2348) is amended by striking out "During fiscal years 1993 and 1994," and inserting in lieu thereof "During fiscal years 1993 through 1996,".

SEC. 346. REAUTHORIZATION OF DEPARTMENT OF DEFENSE DOMESTIC ELEMENTARY AND SECONDARY SCHOOLS FOR DEPENDENTS.

(a) CONTINUED AUTHORITY.—Chapter 108 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2164. Department of Defense domestic dependent elementary and secondary schools

"(a) AUTHORITY OF SECRETARY.—If the Secretary of Defense makes a determination that appropriate educational programs are not available through a local educational agency for dependents of members of the armed forces and dependents of civilian employees of the Federal Government residing on a military installation in the United States (including territories, commonwealths, and possessions of the United States), the Secretary may provide for the elementary or secondary education of the dependents of such members of the armed forces and, to the extent authorized in subsection (c), the dependents of such civilian employees.

"(b) FACTORS FOR SECRETARY TO CONSIDER.—(1) Factors to be considered by the Secretary of Defense in making a determination under subsection (a) shall include the following:

"(A) The extent to which such dependents are eligible for free public education in the local area adjacent to the military installation.

"(B) The extent to which the local educational agency is able to provide a comparable educational program for such dependents.

"(2) For purposes of paragraph (1)(B), an appropriate educational program is a program that, as determined by the Secretary, is comparable to a program of free public education provided for children in the following communities:

"(A) In the case of a military installation located in a State (other than an installation referred to in subparagraph (B)), similar communities in the State.

"(B) In the case of a military installation with boundaries contiguous to two or more States, similar communities in the contiguous States.

"(C) In the case of a military installation located in a territory, commonwealth, or possession, the District of Columbia, except that an educational program determined comparable under this subparagraph may be considered appropriate for the purposes of paragraph (1)(B) only if the program is conducted in the English language.

"(c) ELIGIBILITY OF DEPENDENTS OF FEDERAL EMPLOYEES.—(1) A dependent of a Federal employee residing on a military installation at any time during the school year may enroll in an educational program provided by the Secretary of Defense pursuant to subsection (a) for dependents residing on such installation.

"(2)(A) Except as provided in subparagraph (B), a dependent of a Federal employee who is enrolled in an educational program provided by the Secretary pursuant to subsection (a) and who is not residing on a military installation may be enrolled in the program for not more than five consecutive school years.

"(B) A dependent referred to in subparagraph (A) may be enrolled in the program for more than five consecutive school years if the Secretary determines that, in the interest of the dependent's educational well-being, there is good cause to extend the enrollment for more than the five-year period described in such subparagraph. Any such extension may be made for only one school year at a time.

"(3) A dependent of a Federal employee may continue enrollment in a program under this subsection for the remainder of a school year notwithstanding a change during such school year in the status of the Federal employee that, except for this paragraph, would otherwise terminate the eligibility of the dependent to be enrolled in the program. The preceding sentence does not limit the authority of the Secretary to remove the dependent from enrollment in the program at any time for good cause determined by the Secretary.

"(d) SCHOOL BOARDS.—(1) The Secretary of Defense shall provide for the establishment of a school board for each Department of Defense elementary or secondary school established for a military installation under this section.

"(2) The school board shall be composed of the number of members, not less than three, prescribed by the Secretary.

"(3) The parents of the students attending the school shall elect the school board in accordance with procedures which the Secretary shall prescribe.

"(4) The elected school board shall be considered a local civic group with a function of rendering a public service of providing counsel through oversight of school expenditures and operations. The Secretary shall prescribe the oversight procedures and audit standards applicable to the functions of the school board.

"(5) Meetings conducted by the school board shall be open to the public.

"(6) A school board need not comply with the provisions of the Federal Advisory Committee Act (5 U.S.C. App.), but may close meetings in accordance with such Act.

"(e) ADMINISTRATION AND STAFF.—(1) The Secretary of Defense may enter into such arrangements as may be necessary to provide educational programs at the school.

"(2) The Secretary may, without regard to the provisions of any other law relating to the number, classification, or compensation of employees—

"(A) establish such positions for civilian employees in schools established under this section;

"(B) appoint individuals to such positions; and

"(C) fix the compensation of such individuals for service in such positions.

"(3)(A) Except as provided in subparagraph (B), in fixing the compensation of employees appointed for a school pursuant to paragraph (2), the Secretary shall consider—

"(i) the compensation of comparable employees of the local educational agency in the capital of the State where the military installation is located;

"(ii) the compensation of comparable employees in the local educational agency that provides public education to students who reside adjacent to the military installation; or

"(iii) the average compensation for similar positions in not more than three other local educational agencies in the State in which the military installation is located.

"(B) In fixing the compensation of employees in schools established in the territories, commonwealths, and possessions pursuant to the authority of this section, the Secretary shall determine the level of compensation required to attract qualified employees. For employees in such schools, the Secretary, without regard to the provisions of title 5, may provide for the tenure, leave, hours of work, and other incidents of employment to be similar to that provided for comparable positions in the public schools of the District of Columbia. For purposes of the first sentence, a school shall be considered to have been established pursuant to the authority of this section if the school was established pursuant to other similar authority before the date on which this section takes effect.

"(f) SUBSTANTIVE AND PROCEDURAL RIGHTS AND PROTECTIONS FOR CHILDREN.—(1) The Secretary shall provide the following substantive rights, protections, and procedural safeguards (including due process procedures) in the educational programs provided for under this section:

"(A) In the case of children with disabilities aged 3 to 5, inclusive, all substantive rights, protections, and procedural safeguards (including due process procedures) available to children with disabilities aged 3 to 5, inclusive, under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

"(B) In the case of infants and toddlers with disabilities, all substantive rights, protections, and procedural safeguards (including due process procedures) available to infants and toddlers with disabilities under part H of such Act (20 U.S.C. 1471 et seq.).

"(C) In the case of all other children with disabilities, all substantive rights, protections, and procedural safeguards (including due process procedures) available to children with disabilities who are 3 to 5 years old under part B of such Act.

"(2) Paragraph (1) may not be construed as diminishing for children with disabilities enrolled in day educational programs provided for under this section the extent of substantive rights, protections, and procedural safeguards that were available under section 6(a) of Public Law 81-874 (20 U.S.C. 241(a)) to children with disabilities as of October 7, 1991.

"(3) In this subsection:

"(A) The term 'children with disabilities' has the meaning given the term in section 602(a)(1) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(a)(1)).

"(B) The term 'children with disabilities aged 3 to 5, inclusive' means such term as used in such Act (20 U.S.C. 1400 et seq.).

"(C) The term 'infants and toddlers with disabilities' has the meaning given the term in section 672(1) of such Act (20 U.S.C. 1472(1)).

"(g) REIMBURSEMENT.—When the Secretary of Defense provides educational services under this section to an individual who is a dependent of an employee of a Federal agency outside the Department of Defense, the head of the other Federal agency shall, upon request of the Secretary of Defense, reimburse the Secretary for those services at

rates routinely prescribed by the Secretary for those services. Any payments received by the Secretary under this subsection shall be credited to the account designated by the Secretary for the operation of educational programs under this section.".

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

"2164. Department of Defense domestic dependent elementary and secondary schools.".

SEC. 347. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) AVAILABILITY OF FUNDS.—Of the amounts authorized to be appropriated pursuant to section 301(5)—

(1) $50,000,000 shall be available for providing assistance to local educational agencies under subsection (b) of section 386 of Public Law 102-484; and

(2) $8,000,000 shall be available for making payments to local educational agencies under subsection (d) of such section.

(b) NOTIFICATION AND DISBURSAL.—(1) On or before June 30, 1995, the Secretary of Defense (with respect to assistance provided in subsection (b) of section 386 of Public Law 102-484) and the Secretary of Education (with respect to payments made under subsection (d) of such section) shall notify each local educational agency eligible for assistance under subsections (b) and (d) of such section, respectively, for fiscal year 1995 of such agency's eligibility for such assistance and the amount of such assistance.

(2) The Secretary of Defense (with respect to funds made available under subsection (a)(1)) and the Secretary of Education (with respect to funds made available under subsection (a)(2)) shall disburse such funds not later than 30 days after notification to eligible local education agencies.

SEC. 348. DISPOSITION OF PROCEEDS FROM OPERATION OF THE NAVAL ACADEMY LAUNDRY.

Section 6971 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "(a)"; and

(B) in the first sentence, by striking out "and the Academy dairy" and inserting in lieu thereof "the Academy dairy, and the Academy laundry"; and

(2) by striking out subsection (b).

SEC. 349. REPEAL OF ANNUAL LIMITATION ON EXPENDITURES FOR EMERGENCY AND EXTRAORDINARY EXPENSES OF THE DEPARTMENT OF DEFENSE INSPECTOR GENERAL.

Section 127(c) of title 10, United States Code, is amended—

(1) by striking out "(1)" after "(c)"; and

(2) by striking out paragraph (2).

SEC. 350. EXTENSION OF AUTHORITY FOR PROGRAM TO COMMEMORATE WORLD WAR II.

Section 378 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2387; 10 U.S.C. 113 note) is amended by striking out "1995" each place it appears in subsections (a) and (b) and inserting in lieu thereof "1996".

SEC. 351. 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), as amended by section 370(b) of Public Law 103-160 (107 Stat. 1634), is further amended by striking out "September 30, 1994" and inserting in lieu thereof "September 30, 1995".

SEC. 352. TRANSFER OF CERTAIN EXCESS DEPARTMENT OF DEFENSE PROPERTY TO EDUCATIONAL INSTITUTIONS AND TRAINING SCHOOLS.

(a) AUTHORITY TO TRANSFER.—Subsection (b)(1) of section 2535 of title 10, United States Code, is amended by striking out subparagraph (G) and inserting in lieu thereof the following:

"(G) notwithstanding title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.) and any other provision of law, authorize the transfer to a nonprofit educational institution or training school, on a nonreimbursable basis, of any such property already in the possession of such institution or school whenever the program proposed by such institution or school for the use of such property will contribute materially to national defense; and".

(b) TREATMENT OF PROPERTY LOANED BEFORE DECEMBER 31, 1993.—Except for property determined by the Secretary to be needed by the Department of Defense, property loaned before December 31, 1993, to an educational institution or training school under section 2535(b) of title 10, United States Code, or section 4(a)(7) of the Defense Industrial Reserve Act (as in effect before October 23, 1992) shall be regarded as surplus property. Upon certification by the Secretary to the Administrator of General Services that the property is being used by the borrowing educational institution or training school for a purpose consistent with that for which the property was loaned, the Administrator may authorize the conveyance of all right, title, and interest of the United States in such property to the borrower if the borrower agrees to accept the property. The Administrator may require any additional terms and conditions in connection with a conveyance so authorized that the Administrator considers appropriate to protect the interests of the United States.

SEC. 353. SHIPS' STORES.

Section 371 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1634; 10 U.S.C. 7604 note) is amended—

(1) by striking out subsections (a), (b), and (d); and

(2) in subsection (c), by striking out "(c) CODIFICATION.—Section 7604" and inserting in lieu thereof "Effective as of November 30, 1993, section 7604".

SEC. 354. HUMANITARIAN PROGRAM FOR CLEARING LANDMINES.

(a) PROGRAM AUTHORIZED.—The Secretary of Defense may carry out a program for humanitarian purposes to provide for the instruction, education, training, and advising of personnel of other nations in the various procedures that have been determined effective for detecting and clearing landmines.

(b) FORMS OF ASSISTANCE.—Under the program the Secretary may provide personnel to conduct the instruction, education, or training or to furnish advice. In addition or alternatively, the Secretary may provide financial assistance or in-kind assistance in support of such instruction, education, or training.

(c) LIMITATIONS ON ACTIONS OF UNITED STATES PERSONNEL.—The Secretary of Defense shall ensure that no member of the Armed Forces of the United States—

(1) while providing assistance under subsection (a), engages in the physical detection, lifting, or destroying of landmines unless the member does so for the concurrent purpose of supporting a United States military operation; or

(2) provides such assistance as part of a military operation that does not involve the Armed Forces of the United States.

(d) FUNDING.—Of the funds authorized to be appropriated in section 301, not more than $10,000,000 shall be available for a program carried out under subsection (a).

SEC. 355. ASSISTANCE TO RED CROSS FOR EMERGENCY COMMUNICATIONS SERVICES FOR MEMBERS OF THE ARMED FORCES AND THEIR FAMILIES.

(a) FISCAL YEAR 1995.—Of the funds authorized to be appropriated by section 301(5), $14,500,000 shall be available for obtaining emergency communications services for members of the Armed Forces and their families from the American National Red Cross.

(b) FISCAL YEARS 1996 AND 1997.—Of the amounts authorized to be appropriated for the Department of Defense for fiscal years 1996 and 1997 for operation and maintenance for Defense-wide activities, $14,500,000 shall be available for each such fiscal year for obtaining emergency communications services for members of the Armed Forces and their families from the American National Red Cross.

SEC. 356. MARITIME PREPOSITIONING SHIP ENHANCEMENT.

Section 2218 of title 10, United States Code, is amended by adding at the end of subsection (f) the following new paragraph:

"(3) Not more than three vessels built in foreign shipyards may be purchased for the Marine Corps maritime prepositioning ship program with funds in the National Defense Sealift Fund. Vessels purchased under the authority of this paragraph may not be counted for purposes of the limitation in paragraph (1).".

SEC. 357. ROLL-ON/ROLL-OFF VESSELS FOR THE READY RESERVE FORCE.

(a) TRANSFER AUTHORIZED.—To the extent provided in appropriations Acts, in order to provide for purchase of up to seven roll-on/roll-off vessels for the Ready Reserve Force of the National Defense Reserve Fleet maintained under section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744), the Secretary of Defense may transfer to the Maritime Administration not more than $43,000,000 out of funds authorized by this Act to be appropriated to the Department of Defense for fiscal year 1995, other than funds for procurement of national defense features for vessels.

(b) USE BY MARITIME ADMINISTRATION.—Funds transferred to the Maritime Administration pursuant to subsection (a) shall be used only for the purpose set forth in such subsection.

SEC. 358. PAYMENT OF CERTAIN STIPULATED CIVIL PENALTIES.

Of the funds authorized to be appropriated by section 301(17), the Secretary of Defense may pay not more than $500,000 to the Hazardous Substance Superfund established under section 9507 of the Internal Revenue Code of 1986 (26 U.S.C. 9507) as payment of stipulated civil penalties assessed under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

SEC. 359. SALE OF ARTICLES AND SERVICES OF INDUSTRIAL FACILITIES OF THE ARMED FORCES TO PERSONS OUTSIDE DEPARTMENT OF DEFENSE.

(a) AUTHORITY TO SELL OUTSIDE DOD.—The Secretary of Defense may sell in accordance with this section to persons outside the Department of Defense articles and services produced in working-capital funded industrial facilities of the Armed Forces that are

not available from any United States commercial source.

(b) DESIGNATION OF PARTICIPATING INDUSTRIAL FACILITIES.—The Secretary may designate up to three facilities referred to in subsection (a) as the facilities from which articles and services produced in such facilities may be sold under this section.

(c) CONDITIONS FOR SALES.—A sale of articles or services may be made under this section only if—

(1) the Secretary of Defense determines that the articles or services are not available from a commercial source in the United States;

(2) the purchaser agrees to hold harmless and indemnify the United States, except in cases of willful misconduct or extreme negligence, from any claim for damages or injury to any person or property arising out of the articles or services;

(3) the articles or services can be substantially performed by the industrial facility concerned with only incidental subcontracting and that performance is in the public interest;

(4) the Secretary determines that the sale of the articles or services will not interfere with the military mission of the industrial facility concerned; and

(5) the sale of the goods and services is made on the basis that it will not interfere with performance of work by the industrial facility concerned for the Department of Defense.

(d) METHODS OF SALE.—(1) The Secretary shall permit a purchaser of articles or services under this section to use advance incremental funding to pay for the articles or services.

(2) In the sale of articles and services under this section, the Secretary shall—

(A) charge the purchaser, at a minimum, the variable costs, capital improvement costs, and equipment depreciation costs that are associated with the articles or services sold;

(B) enter into a firm, fixed-price contract or, if agreed by the purchaser, a cost reimbursement contract for the sale; and

(C) develop and maintain (from sources other than appropriated funds) working capital to be available for paying design costs, planning costs, procurement costs, and other costs associated with the articles or services sold.

(e) DELEGATION OF AUTHORITY.—The Secretary may delegate the authority to sell articles and services in accordance with this section to the commander of each industrial facility designated pursuant to subsection (b) in accordance with regulations prescribed by the Secretary.

(f) DEPOSIT OF PROCEEDS.—Proceeds from sales of articles and services under this section shall be credited to the funds, including working capital funds and operation and maintenance funds, incurring the costs of performance.

(g) RELATIONSHIP TO ARMS EXPORT CONTROL ACT.—Nothing in this section shall be construed to affect the application of the export controls provided for in section 38 of the Arms Export Control Act (22 U.S.C. 2778) to items which incorporate or are produced through the use of an article sold under this section.

(h) DEFINITIONS.—In this section:

(1) The term "advance incremental funding", with respect to a sale of articles or services, means a series of partial payments for the articles or services that includes—

(A) one or more partial payments before the commencement of work or the incurring of costs in connection with the production of the articles or the performance of the services, as the case may be; and

(B) subsequent progress payments that result in full payment being completed as the required work is being completed.

(2) The term "variable costs", with respect to sales of articles or services, means the costs that are expected to fluctuate directly with the volume of sales and—

(A) in the case of articles, the volume of production necessary to satisfy the sales orders; or

(B) in the case of services, the extent of the services sold.

SEC. 360. STUDY OF ESTABLISHMENT OF LAND MANAGEMENT AND TRAINING CENTER AT FORT RILEY, KANSAS.

(a) STUDY.—The Secretary of the Army shall carry out a study of the feasibility and advisability of establishing at Fort Riley, Kansas, a center for the land management activities and land management training activities of the Department of Defense.

(b) REPORT.—The Secretary shall submit to the congressional defense committees a report on the study required under subsection (a). The Secretary shall submit the report not later than May 1, 1996.

SEC. 361. PROCUREMENT OF PORTABLE VENTILATORS FOR THE DEFENSE MEDICAL FACILITY OFFICE, FORT DETRICK, MARYLAND.

Of the funds authorized to be appropriated by section 301(5), $2,500,000 shall be available for the procurement of portable ventilators for the Defense Medical Facility Office, Fort Detrick, Maryland.

SEC. 362. REVIEW BY DEFENSE INSPECTOR GENERAL OF COST GROWTH IN CERTAIN CONTRACTS.

(a) REVIEW.—The Inspector General of the Department of Defense shall carry out a review of a representative sample of existing contracts for the performance of commercial activities which resulted from a cost comparison study conducted by the Department of Defense under Office of Management and Budget Circular A-76 (or any other successor administrative regulation or policy) to determine the extent to which the cost incurred by a contractor under any such contract has exceeded the cost of the contract at the time the contract was entered into.

(b) REPORT.—Not later than April 1, 1995, the Inspector General shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing the results of the review carried out under subsection (a).

SEC. 363. COST COMPARISON STUDIES FOR CONTRACTS FOR ADVISORY AND ASSISTANCE SERVICES.

(a) IN GENERAL.—(1) Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2410l. Contracts for advisory and assistance services: cost comparison studies

"(a) REQUIREMENT.—(1)(A) Before the Secretary of Defense enters into a contract described in subparagraph (B), the Secretary shall determine whether Department of Defense personnel have the capability to perform the services proposed to be covered by the contract.

"(B) Subparagraph (A) applies to any contract of the Department of Defense for advisory and assistance services which contract will have a value in excess of $100,000.

"(2) If the Secretary determines that such personnel have that capability, the Secretary shall conduct a study comparing the cost of performing the services with Department of Defense personnel and the cost of performing the services with contractor personnel.

"(b) WAIVER.—The Secretary of Defense may, pursuant to guidelines prescribed by the Secretary, waive the requirement under subsection (a)(2) to perform a cost comparison study based on factors that are not related to cost.".

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

"2410l. Contracts for advisory and assistance services: cost comparison studies.".

(b) PROCEDURES FOR CONDUCT OF STUDIES.—The Secretary of Defense shall prescribe the following procedures:

(1) Procedures for carrying out a cost comparison study under subsection (a)(2) of section 2410l of title 10, United States Code, as added by subsection (a), which may contain a requirement that the cost comparison study include consideration of factors that are not related to cost, including the quality of the service required to be performed, the availability of Department of Defense personnel, the duration and recurring nature of the services to be performed, and the consistency of the workload.

(2) Procedures for reviewing contracts entered into after a waiver under subsection (b) of such section to determine whether the contract is justified and sufficiently documented.

(c) EFFECTIVE DATE.—Section 2410l of title 10, United States Code, as added by subsection (a), shall take effect 180 days after the date of the enactment of this Act.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 1995, as follows:

(1) The Army, 510,000.

(2) The Navy, 441,641.

(3) The Marine Corps, 174,000.

(4) The Air Force, 400,051.

SEC. 402. EXTENSION OF TEMPORARY VARIATION OF END STRENGTH LIMITATIONS FOR MARINE CORPS MAJORS AND LIEUTENANT COLONELS.

(a) EXTENSION OF AUTHORITY.—Subsection (a) of section 402 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1639; 10 U.S.C. 523 note) is amended by striking out "and 1995" and inserting in lieu thereof "through 1997"

(b) LIMITATION.—The table in subsection (b) of such section is amended to read as follows:

"Fiscal year:	Number of officers who may be serving on active duty in the grade of:	
	Major	Lieutenant colonel
1994	3,023	1,578
1995	3,157	1,634
1996	3,157	1,634
1997	3,157	1,634.".

(c) CLERICAL AMENDMENT.—The caption of subsection (b) of such section is amended by striking out "AND 1995.—" and inserting in lieu thereof "THROUGH 1997.—".

SEC. 403. RETENTION OF AUTHORIZED STRENGTH OF GENERAL OFFICERS ON ACTIVE DUTY IN THE MARINE CORPS FOR FISCAL YEARS AFTER FISCAL YEAR 1995.

Section 526(a)(4) of title 10, United States Code, is amended by striking out "before October 1, 1995," and all that follows through "that date".

SEC. 404. EXCEPTION TO LIMITATION ON NUMBER OF GENERAL OFFICERS AND FLAG OFFICERS SERVING ON ACTIVE DUTY.

Section 525(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) Subject to subparagraph (C), an officer while serving in a position referred to in subparagraph (B), if serving in the grade of general or admiral, is in addition to the number that would otherwise be permitted for that officer's armed force for that grade under paragraph (1) or (2).

"(B) Subparagraph (A) applies to the following positions:

"(i) Commander in Chief of a combatant command.

"(ii) Commander, United States Forces, Korea.

"(iii) Deputy Commander in Chief, United States European Command, but only while the Commander in Chief of such command is also the Supreme Allied Commander Europe.

"(C) Subparagraph (A) does not apply to an officer serving in a position referred to in subparagraph (B) unless the Secretary of Defense, when considering that officer for recommendation to the President for appointment to such position, concurrently considered one officer from each of the other armed forces (other than the Coast Guard) for recommendation to the President for appointment to the position.

"(D) The Chairman of the Joint Chiefs of Staff may recommend officers to the Secretary of Defense for consideration by the President for appointment to any of the positions referred to in subparagraph (B).

"(E) This paragraph shall cease to be effective at the end of September 30, 1997.".

SEC. 405. TEMPORARY EXCLUSION OF SUPERINTENDENT OF NAVAL ACADEMY FROM COUNTING TOWARD NUMBER OF SENIOR ADMIRALS AUTHORIZED TO BE ON ACTIVE DUTY.

(a) GRADE RELIEF.—If the next officer appointed to serve as Superintendent of the United States Naval Academy after April 1, 1994, is an officer described in subsection (b), that officer, while so serving, shall not be counted for purposes of the limitations contained in section 525(b)(2) of title 10, United States Code.

(b) QUALIFYING OFFICER.—Subsection (a) applies in the case of a retired officer who—

(1) holds the grade of admiral on the retired list;

(2) is ordered to active duty pursuant to section 688 of title 10, United States Code, to serve as Superintendent of the United States Naval Academy; and

(3) is appointed pursuant to section 601 of that title to have the grade of admiral while serving on active duty in that position.

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, 1995, as follows:

(1) The Army National Guard of the United States, 400,000.

(2) The Army Reserve, 242,000.

(3) The Naval Reserve, 109,000.

(4) The Marine Corps Reserve, 42,000.

(5) The Air National Guard of the United States, 115,581.

(6) The Air Force Reserve, 78,706.

(7) The Coast Guard Reserve, 8,000.

(b) WAIVER AUTHORITY.—The Secretary of Defense may increase the end strength authorized by subsection (a) by not more than 2 percent.

(c) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be reduced proportionately by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be increased proportionately by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1995, 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, 23,650.

(2) The Army Reserve, 11,940.

(3) The Naval Reserve, 17,510.

(4) The Marine Corps Reserve, 2,285.

(5) The Air National Guard of the United States, 9,098.

(6) The Air Force Reserve, 648.

Subtitle C—Military Training Student Loads

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) IN GENERAL.—For fiscal year 1995, the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 69,420.

(2) The Navy, 43,064.

(3) The Marine Corps, 25,377.

(4) The Air Force, 36,840.

(b) SCOPE.—The average military training student load authorized for an armed force under subsection (a) applies to the active and reserve components of that armed force.

(c) ADJUSTMENTS.—The average military training 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—Authorization of Appropriations

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 1995 a total of $70,790,397,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1995.

Subtitle E—Other Matters

SEC. 441. REPEAL OF REQUIRED REDUCTION IN RECRUITING PERSONNEL.

Section 431 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2400) is repealed.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

SEC. 501. SERVICE ON SUCCESSIVE SELECTION BOARDS.

(a) SERVICE ON SUCCESSIVE BOARDS AUTHORIZED.—Section 628 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) A special selection board convened under this section shall be composed in accordance with section 612 of this title or, in the case of a warrant officer, composed in accordance with section 573 of this title and regulations prescribed by the Secretary of the military department concerned, except that the prohibitions on service on successive selection boards set forth in sections 612(b) and 573(e) of this title do not apply to service on successive selection boards authorized under paragraph (2).

"(2) An officer may serve on a selection board convened under section 611(a) of this title or, in the case of a warrant officer, section 573(a) of this title and on a successive special selection board convened under this section if the service on the successive board is approved by the Secretary of the military department concerned and the successive board does not consider any officer who was considered by the first board.".

(b) CONFORMING AMENDMENT.—Subsections (a)(1) and (b)(1) of section 628 of such title are amended by striking out "(composed in accordance with" and all that follows through "concerned)" and inserting in lieu thereof "(composed as provided in subsection (f))".

SEC. 502. PROMOTION AND OTHER CAREER MANAGEMENT MATTERS RELATING TO WARRANT OFFICERS ON ACTIVE-DUTY LISTS.

(a) EXCEPTION FROM MANDATORY CONSIDERATION BY PROMOTION SELECTION BOARD.—Section 575(d) of such title is amended by inserting "(except for warrant officers precluded from consideration under regulations prescribed by the Secretary concerned under section 577 of this title)" after "under consideration".

(b) SECRETARIAL SUBMISSION OF PROMOTION SELECTION BOARD REPORT.—Section 576(f)(1) of such title is amended by striking out the second sentence.

(c) PROMOTION FORMALITIES DEEMED COMPLETED.—Section 578 of such title is amended by adding at the end the following new subsections:

"(e) A warrant officer who is appointed to a higher grade under this section is considered to have accepted such appointment on the date on which the appointment is made unless the officer expressly declines the appointment.

"(f) A warrant who has served continuously as an officer since the officer took the oath of office set forth under section 3331 of title 5 is not required to take a new oath upon appointment to a higher grade under this section.".

(d) WARRANT OFFICERS SUBJECT TO MANAGEMENT AUTHORITIES.—Section 582(2) of such title is amended by inserting before the period at the end the following: "(other than such officers recalled to active duty before February 1, 1992, who have served continuously on active duty since such date)".

SEC. 503. ENLISTMENT OR RETIREMENT OF NAVY AND MARINE CORPS LIMITED DUTY OFFICERS HAVING TWICE FAILED OF SELECTION FOR PROMOTION.

(a) AUTHORITY.—Subsection (f) of section 6383 of title 10, United States Code, is amended to read as follows:

"(f)(1) An officer subject to discharge under subsection (b), (d), or (e) who is not eligible for retirement or for retention under paragraph (2) may, upon the officer's request and in the discretion of the Secretary of the Navy, be enlisted in the grade prescribed by the Secretary.

"(2) If an officer subject to discharge under subsection (b) or (d) is within two years of qualifying for retirement under section 6323 of this title as of the date on which the officer is to be discharged, the officer shall be retained on active duty until becoming qualified for retirement under that section (unless sooner retired or discharged under another provision of law) and shall then be retired.".

(b) CONFORMING AMENDMENTS.—Section 6383 of such title is amended—

(1) in subsection (i), by striking out "or the discharge under subsection (d)" and inserting in lieu thereof "or the discharge under subsection (b) or (d)";

(2) by striking out subsection (g);

(3) by redesignating subsections (h), (i), and (j) as subsections (g), (h), and (i), respectively; and

(4) in subsections (a), (b), and (d), by striking out "Except as provided in subsection (i)," each place it appears and inserting in lieu thereof "Except as provided in subsection (h),".

SEC. 504. EDUCATIONAL REQUIREMENTS FOR APPOINTMENT IN RESERVE COMPONENTS IN GRADES ABOVE FIRST LIEUTENANT OR LIEUTENANT (JUNIOR GRADE).

Section 596(a) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a) IN GENERAL.—"; and

(2) by striking out "an accredited educational institution" and inserting in lieu thereof "an educational institution described in paragraph (2)"; and

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

"(2) An educational institution referred to in paragraph (1) is—

"(A) an accredited educational institution; or

"(B) an unaccredited educational institution if at least three accredited educational institutions generally grant baccalaureate degree credit for completion of courses of the unaccredited institution equivalent to the baccalaureate degree credit granted by the unaccredited institution for the completion of such courses.".

SEC. 505. LIMITED EXCEPTION FROM BACCALAUREATE DEGREE REQUIREMENT FOR ALASKA SCOUT OFFICERS.

Section 596 of title 10, United States Code, is amended—

(1) by adding at the end of subsection (b) the following new paragraph:

"(5) The appointment or recognition of an individual referred to in subsection (c) in a higher grade (not above major) of the Alaska Army National Guard while such individual is serving in a Scout unit or a Scout supporting unit."; and

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

"(c) PERSONS COVERED BY ALASKA SCOUT EXCEPTION.—Subsection (b)(5) applies to a member of the Alaska Army National Guard who resides permanently at a location in Alaska that is more than 50 miles from the cities of Anchorage, Fairbanks, and Juneau, Alaska, by paved road.".

SEC. 506. ORIGINAL APPOINTMENTS OF LIMITED DUTY OFFICERS OF THE NAVY AND MARINE CORPS SERVING IN TEMPORARY GRADES.

Section 5589 of title 10, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f) Original appointments as regular officers of the Navy or Marine Corps may be made from among officers serving on active duty in a higher grade pursuant to a temporary appointment in that grade under section 5596 of this title. The grade in which an officer is appointed under this subsection shall be the grade in which the officer is serving pursuant to the temporary appointment. The officer's date of rank for the grade of the original appointment shall be the same as the date of rank for the grade of the temporary appointment.".

SEC. 507. SELECTION FOR DESIGNATED JUDGE ADVOCATE POSITIONS.

(a) To the extent that selection for the positions described in subsection (b) is not governed by Chapter 36 of title 10, United States Code, the Secretary of Defense shall prescribe regulations to ensure that officers selected to serve in such positions are selected for such service by boards governed, insofar as practicable, by the procedures prescribed for selection boards under Chapter 36 of title 10, United States Code.

(b) The positions referred to in subsection (a) are—

(1) the Judge Advocate General and Assistant Judge Advocate General of the Army,

(2) the Judge Advocate General and Deputy Judge Advocate General of the Navy,

(3) the Staff Judge Advocate to the Commandant of the Marine Corps, and

(4) the Judge Advocate General and Deputy Judge Advocate General of the Air Force.

Subtitle B—Reserve Component Matters

SEC. 511. REVIEW OF OPPORTUNITIES FOR ORDERING INDIVIDUAL RESERVES TO ACTIVE DUTY WITH CONSENT.

(a) REVIEW REQUIRED.—The Secretary of Defense shall—

(1) review the opportunities for individual members of the reserve components of the Armed Forces to be ordered to active duty, with the consent of the members concerned, during peacetime in positions traditionally filled by active duty personnel; and

(2) identify and remove any impediments, in regulations or other administrative rules, to increasing such opportunities.

(b) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the results of the review. The report shall contain—

(1) a plan for increasing the opportunities for individual members of the reserve components of the Armed Forces to be ordered to active duty, with the consent of the members concerned, during peacetime in positions traditionally filled by active duty personnel; and

(2) any additional legislation that the Secretary considers necessary in order to increase such opportunities.

SEC. 512. INCREASED PERIOD OF ACTIVE DUTY SERVICE FOR SELECTED RESERVE FORCES MOBILIZED OTHER THAN DURING WAR OR NATIONAL EMERGENCY.

(a) REVISION TO PERIOD OF EXTENSION OF ACTIVE DUTY.—Section 673b of title 10, United States Code, is amended—

(1) in subsection (a), by striking out "90 days." and inserting in lieu thereof "180 days."; and

(2) by striking out subsection (i).

(b) REPORT REQUIRED.—(1) Not later than April 1, 1995, the Secretary of Defense shall submit to the congressional defense committees a report on increasing the authority of the President to order units and members of the reserve components to active duty without the consent of the members concerned.

(2) The report shall include the following:

(A) An analysis of options for increased presidential authority.

(B) An assessment of the effects of each option on recruiting, retention, employer support for the reserve components, and the families of members of the reserve components.

(C) Programs that the Secretary recommends to mitigate any negative effects.

(D) Any option that the Secretary recommends.

(E) Any proposed legislation that the Secretary considers necessary to implement any recommended option.

SEC. 513. REPEAL OF OBSOLETE PROVISIONS PERTAINING TO TRANSFER OF REGULAR ENLISTED MEMBERS TO RESERVE COMPONENTS.

(a) ARMY.—Section 3914 of title 10, United States Code, is amended by striking out the second and third sentences.

(b) AIR FORCE.—Section 8914 of such title, is amended by striking out the second and third sentences.

SEC. 514. SENSE OF THE SENATE CONCERNING THE TRAINING AND MODERNIZATION OF THE RESERVE COMPONENTS.

(a) FINDINGS.—(1) The force structure specified in the Pentagon's Bottom Up Review assumes increased reliance on the reserve components of the Armed Forces;

(2) The mobilization of the reserve components for the Persian Gulf War was handicapped by training, readiness, and equipment shortfalls;

(3) The mobilization of the Army reserve components for the Persian Gulf War was handicapped by lack of a standard readiness evaluation system, which resulted in a lengthy reevaluation of training and equipment readiness of Army National Guard and Reserve units before they could by deployed;

(4) Funding and scheduling constraints continue to limit the opportunity for combat units of the Army National Guard to carry out adequate maneuver training;

(5) Funding constraints continue to handicap the readiness and modernization of the reserve components and their interoperability with the active forces: Now, therefore

(b) PURPOSE.—It is the sense of the Senate that the Department of Defense should establish a standard readiness and evaluation system and that it should provide in its annual budget submissions adequate resources to ensure that National Guard and reserve units are trained and modernized to the standards needed for them to carry out the full range of missions required of them under the Bottom Up Review.

Subtitle C—Other Matters

SEC. 521. REVIEW OF CERTAIN DISMISSALS FROM THE UNITED STATES MILITARY ACADEMY.

(a) REVIEW REQUIRED.—The Secretary of the Army shall promptly carry out a thorough review of the dismissals from the Corps of Cadets of the United States Military Academy of James Webster Smith in 1874 and Johnson Chesnut Whittaker in 1882.

(b) PURPOSES OF REVIEW.—The purpose of each review shall be to determine the validity of the original proceedings and the extent, if any, to which racial prejudice or other improper factors now known may have tainted the original proceedings.

(c) CORRECTION OF RECORDS.—If the Secretary determines that the dismissal of James Webster Smith or Johnson Chesnut Whittaker was in error or an injustice, the Secretary may correct that person's military records (including the records of proceedings in such case).

(d) POSTHUMOUS COMMISSION.—Upon recommendation of the Secretary in the case of James Webster Smith or Johnson Chesnut Whittaker, the President may issue in the name of James Webster Smith or Johnson Chesnut Whittaker, as the case may be, a posthumous commission as an officer in the regular Army in the grade of second lieutenant. Sections 1521(b) and 1523 of title 10, United States Code, shall apply with respect to a commission so issued.

SEC. 522. TRANSITIONAL COMPENSATION AND OTHER BENEFITS FOR DEPENDENTS OF MEMBERS SEPARATED FOR DEPENDENT ABUSE.

(a) REQUIREMENT.—Subsection (a) of section 1058 of title 10, United States Code, as added by section 554(a)(1) of Public Law 103-160 (197 Stat. 1663), is amended by amending subsection (e) to read as follows:

"(e) COMMENCEMENT AND DURATION OF PAYMENT.—(1) Payment of transitional compensation under this section—

"(A) in the case of a member convicted by a court-martial for a dependent-abuse offense, may commence as of the date of the approval of the court-martial sentence by the person acting under section 860(c) of this title (article 60(c) of the Uniform Code of Military Justice) if the sentence, as approved, includes a dismissal, dishonorable discharge, bad conduct discharge, or forfeiture of all pay and allowances; and

"(B) in the case of a member being considered under applicable regulations for administrative separation from active duty in accordance with such regulations (if the basis for the separation includes a dependent-abuse offense), may commence as of the date on which the separation action is initiated by a commander of the member pursuant to such regulations, as determined by the Secretary concerned.

"(2) Transitional compensation with respect to a member may be paid for a period of 36 months, except that, if as of the date on which payment of transitional compensation commences the unserved portion of the member's period of obligated active duty service is less than 36 months, the period for which transitional compensation is paid shall be equal to the greater of—

"(A) the unserved portion of the member's period of obligated active duty service; or

"(B) 12 months.

"(3)(A) If a member is sentenced by a court-martial to receive punishment that includes a dismissal, dishonorable discharge, bad conduct discharge, or forfeiture of all pay and allowances as a result of a conviction by a court-martial for a dependent-abuse offense and each such punishment applicable to the member under the sentence is remitted, set aside, or mitigated to a lesser punishment that does not include any such punishment, any payment of transitional compensation that has commenced under this section on the basis of such sentence in that case shall cease.

"(B) If administrative separation of a member from active duty is proposed on a basis that includes a dependent-abuse offense and the proposed administrative separation is disapproved by competent authority under applicable regulations, payment of transitional compensation in such case shall cease.

"(C) Cessation of payments under subparagraph (A) or (B) shall be effective as of the first day of the first month following the month in which the Secretary concerned notifies the recipient of such transitional compensation in writing that payment of the transitional compensation will cease. The recipient may not be required to repay amounts of transitional compensation received before that effective date (except to the extent necessary to recoup any amount that was erroneous when paid).".

(c) HEALTH, COMMISSARY, AND OTHER BENEFITS.—Such section is further amended—

(1) by redesignating subsections (j) and (k) as subsections (k) and (l), respectively; and

(2) by inserting after subsection (i) the following new subsection (j):

"(j) HEALTH, COMMISSARY, AND OTHER BENEFITS.—(1) A dependent or former dependent entitled to payment of monthly transitional compensation under this section shall, while receiving payments in accordance with this section, be entitled to receive medical and dental care, to use commissary and exchange stores, and to receive any other benefit that a dependent of a member of the armed forces is entitled to receive on the basis of being a dependent of a member of the armed forces to the same extent and in the same manner as a dependent of a member of the armed forces on active duty for a period of not more than 30 days.

"(2) If a dependent or former dependent eligible or entitled to receive a particular benefit under this subsection is eligible or entitled to receive that benefit under another provision of law, the eligibility or entitlement of that dependent or former dependent to such benefit shall be determined under such other provision of law instead of this subsection.".

(c) CONFORMING AMENDMENTS.—(1) The heading for such section is amended to read as follows:

"§ 1058. Dependents of members separated for dependent abuse: transitional compensation and other benefits".

(2) The table of sections at the beginning of chapter 53 of such title is amended by striking out the item relating to section 1058 (as added by section 554(a)(2) of Public Law 103-160 (107 Stat. 1066)) and inserting in lieu thereof the following:

"1058. Dependents of members separated for dependent abuse: transitional compensation and other benefits.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1995.

(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 1995 shall not be made.

(b) INCREASE IN BASIC PAY, BAS, AND BAQ.—Effective on January 1, 1995, the rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased by 2.6 percent.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. EXTENSION OF CERTAIN BONUSES FOR RESERVE FORCES.

(a) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(b) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(c) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(d) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(e) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(i) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

SEC. 612. EXTENSION AND MODIFICATION OF CERTAIN BONUSES AND SPECIAL PAY FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1998,".

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1998,".

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended—

(1) by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1998,"; and

(2) by striking out "$6,000" and inserting in lieu thereof "$15,000".

SEC. 613. EXTENSION OF AUTHORITY RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1994" and inserting in lieu thereof "September 30, 1995".

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(c) ENLISTMENT BONUSES FOR CRITICAL SKILLS.—Sections 308a(c) and 308f(c) of title 37, United States Code, are each amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(d) SPECIAL PAY FOR ENLISTED MEMBERS OF THE SELECTED RESERVE ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(e) 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, 1995" and inserting in lieu thereof "October 1, 1996".

(f) SPECIAL PAY FOR CRITICALLY SHORT WARTIME HEALTH SPECIALISTS IN THE SELECTED RESERVES.—Section 613(d) of the National Defense Authorization Act, Fiscal Year 1989 (37 U.S.C. 302 note) is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(g) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of title 37, United States Code, is amended by striking out "September 30, 1995" and inserting in lieu thereof "September 30, 1996".

(h) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of title 37, United States Code, is amended by striking out "September 30, 1995," and inserting in lieu thereof "September 30, 1996,".

(i) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of title 37, United States Code, is amended by striking out "October 1, 1995" and inserting in lieu thereof "October 1, 1996".

Subtitle C—Travel and Transportation Allowances

SEC. 621. RESPONSIBILITY FOR PREPARATION OF TRANSPORTATION MILEAGE TABLES.

Section 404(d)(1)(A) of title 37, United States Code, is amended by striking out "the Secretary of the Army" and inserting in lieu thereof "the Secretary of Defense".

Subtitle D—Retired Pay and Survivor Benefits

SEC. 631. CLARIFICATION OF CALCULATION OF RETIRED PAY FOR OFFICERS WHO RETIRE IN A GRADE LOWER THAN THE GRADE HELD AT RETIREMENT.

(a) PREVENTION OF RETIRED PAY BASED ON GRADE HIGHER THAN RETIRED GRADE.—Section 1401a(f) of title 10, United States Code, is amended—

(1) in the first sentence, by inserting "based on the grade in which the member is retired" after "at an earlier date";

(2) in the second sentence, by inserting ", except that such computation may not be based on a rate of basic pay for a grade higher than the grade in which the member is retired" before the period at the end; and

(3) by striking out the third sentence.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to the computation of the retired pay of a member of the armed forces who retires on or after the date of the enactment of this Act.

SEC. 632. CREDITING OF RESERVE SERVICE OF ENLISTED MEMBERS FOR COMPUTATION OF RETIRED PAY.

(a) ARMY.—(1) Section 3925 of title 10, United States Code, is amended—

(A) in subsection (a), by striking out "and of computing his retired pay under section 3991 of this title,"; and

(B) by striking out subsection (c).

(2) Section 3991 of such title is amended—

(A) in subsection (a)—

(i) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) FORMULA.—The monthly retired pay of a member entitled to such pay under this subtitle by reason of retirement under a provision of law referred to in paragraph (3) is computed by multiplying the retired pay base (as computed under section 1406(c) or 1407 of this title) by the retired pay multiplier prescribed in section 1409 of this title for the number of years credited to the member under section 1405 of this title."; and

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

"(3) APPLICABILITY.—Paragraph (1) applies to a member retired under the authority of section 3911, 3914, 3917, 3918, 3920, or 3924 of this title."; and

(B) in subsection (b), by striking out paragraph (3).

(3) The text of section 3992 of such title is amended to read as follows:

"(a) RECOMPUTATION REQUIRED.—An enlisted member or warrant officer of the Army who is advanced on the retired list under section 3964 of this title is entitled to recompute the member's or officer's retired pay in accordance with this section.

"(b) FORMULA.—To recompute an enlisted member's retired pay or a warrant officer's retired pay, multiply the retired pay base (as computed under section 1406(c) or 1407 of this title) by the retired pay multiplier prescribed in section 1409 of this title for the number of years credited to the member or officer under section 1405 of this title.

"(c) ROUNDING TO NEXT LOWER DOLLAR.—The amount computed under subsection (b), if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(b) NAVY AND MARINE CORPS.—The table in section 6333(a) of title 10, United States Code, is amended by striking out "his years of active service in the armed forces" in formula C under the column designated "Column 2" and inserting in lieu thereof "the years of service credited to him under section 1405".

(c) AIR FORCE.—(1) Section 8925 of title 10, United States Code, is amended—

(A) in subsection (a), by striking out "and of computing his retired pay under section 8991 of this title,"; and

(B) by striking out subsection (c).

(2) Section 8991 of such title is amended—

(A) in subsection (a)—

(i) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) FORMULA.—The monthly retired pay of a member entitled to such pay under this subtitle by reason of retirement under a provision of law referred to in paragraph (3) is computed by multiplying the retired pay base (as computed under section 1406(e) or 1407 of this title) by the retired pay multiplier prescribed in section 1409 of this title for the number of years credited to the member under section 1405 of this title."; and

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

"(3) APPLICABILITY.—Paragraph (1) applies to a member retired under the authority of section 8911, 8914, 8917, 8918, 8920, or 8924 of this title."; and

(B) in subsection (b), by striking out paragraph (3).

(3) The text of section 8992 of such title is amended to read as follows:

"(a) RECOMPUTATION REQUIRED.—An enlisted member or warrant officer of the Air Force who is advanced on the retired list under section 8964 of this title is entitled to recompute the member's or officer's retired pay in accordance with this section.

"(b) FORMULA.—To recompute an enlisted member's retired pay or a warrant officer's retired pay, multiply the retired pay base (as computed under section 1406(e) or 1407 of this title) by the retired pay multiplier prescribed in section 1409 of this title for the number of years credited to the member or officer under section 1405 of this title.

"(c) ROUNDING TO NEXT LOWER DOLLAR.—The amount computed under subsection (b), if not a multiple of $1, shall be rounded to the next lower multiple of $1.".

(d) CONFORMING AMENDMENT.—Section 1405 of such title is amended by adding at the end the following new subsection:

"(c) EXCLUSION OF TIME REQUIRED TO BE MADE UP.—Time required to be made up by an enlisted member of the Army or Air Force under section 972 of this title may not be counted in determining years of service under subsection (a).".

(e) EFFECTIVE DATE.—This section shall apply to the computation of the retired or retainer pay of any enlisted member who retires or is transferred to the Fleet Reserve or the Fleet Marine Corps Reserve on or after the date of the enactment of this Act.

SEC. 633. FORFEITURE OF ANNUITY OR RETIRED PAY OF MEMBERS CONVICTED OF ESPIONAGE.

(a) FORFEITURE.—Section 8312(b)(2)(A) of title 5, United States Code, is amended—

(1) by striking out "or article 106 (spies)" and inserting in lieu thereof ", article 106 (spies), or article 106a (espionage)"; and

(2) by striking out "or article 106" and inserting in lieu thereof ", article 106, or article 106a".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to persons convicted of espionage under section 906a of title 10, United States Code (article 106a of the Uniform Code of Military Justice), on or after the date of the enactment of this Act.

SEC. 634. COMPUTATION OF RETIRED PAY TO PREVENT PAY INVERSIONS.

Section 1401a(f) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(f) PREVENTION OF PAY INVERSIONS.—"; and

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

"(2)(A) Subject to subparagraph (B), for the purpose of computing the monthly retired pay of a member or former member of an armed force under paragraph (1), the Secretary concerned may waive any provision of a regulation that, as such provision was in effect on the earlier date applicable to the member or former member under paragraph (1), required a member to serve for a minimum period in a grade as a condition for retirement in that grade.

"(B) Any waiver under subparagraph (A) shall apply in the case of a member or former member only to that part of the minimum period of service provided for a grade in the regulation that exceeds the minimum period of service in such grade that was authorized by a provision of this title to be required as a condition for retirement in that grade (as such provision of this title was in effect on the earlier date applicable to the member or former member under paragraph (1)).

"(C) The Secretary concerned may waive the provision of a regulation under subparagraph (A) in the case of a particular member or former member or for any group of members or former members.".

SEC. 635. COST-OF-LIVING INCREASES IN SBP CONTRIBUTIONS TO BE EFFECTIVE CONCURRENTLY WITH PAYMENT OF RELATED RETIRED PAY COST-OF-LIVING INCREASES.

(a) SURVIVOR BENEFIT PLAN.—Section 1452(h) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(h)"; and

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

"(2)(A) Notwithstanding paragraph (1), when the initial payment of an increase in retired pay under section 1401a of this title (or any other provision of law) to a person is

later than the effective date of that increase by reason of the application of subsection (b)(2)(B) of such section, then the amount of the reduction in the person's retired pay shall be effective on the date of that initial payment of the increase in retired pay rather than the effective date of the increase in retired pay.

"(B) Subparagraph (A) may not be construed as delaying, for purposes of determining the amount of a monthly annuity under section 1451 of this title, the effective date of an increase in a base amount under subsection (h) of such section from the effective date of an increase in retired pay under section 1401a of this title to the date on which the initial payment of that increase in retired pay is made in accordance with subsection (b)(2)(B) of such section 1401a.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect with respect to retired pay payable for months beginning on or after the date of the enactment of this Act.

SEC. 636. REQUIREMENT FOR EQUAL TREATMENT OF CIVILIAN AND MILITARY RETIREES IN THE EVENT OF DELAYS IN COST-OF-LIVING ADJUSTMENTS.

(a) CIVIL SERVICE ANNUITIES.—(1) Section 8340 of title 5, United States Code, is amended—

(A) in subsection (b), by striking out "Except as provided in subsection (c)" and inserting in lieu thereof "Except as provided in subsections (c) and (h)"; and

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

"(h)(1) Whenever, by law, there is a difference between the date on which a cost-of-living adjustment under this section is to take effect and the date on which a corresponding cost-of-living adjustment of the retired pay of members and former members of the uniformed services under section 1401a of title 10 is to take effect, then, notwithstanding subsection (b) and any other provision of law, the date on which the cost-of-living adjustment under this section takes effect shall be the earlier of the two dates.

"(2) Whenever, by law, there is a difference between the first month for which a cost-of-living adjustment taking effect under this section is payable and the first month for which a corresponding cost-of-living adjustment of the retired pay of members and former members of the uniformed services taking effect under section 1401a of title 10 is payable, then the first month for which the cost-of-living adjustment under this section is first payable shall (notwithstanding the effective date provided for such adjustment in subsection (b) of this section or in any other law) be the earlier of the two months.

"(3) For purposes of this subsection, a cost-of-living adjustment of the retired pay of members and former members of the uniformed services under section 1401a of title 10 corresponds to a cost-of-living adjustment under this section when, without regard to any provision of law other than subsection (b) of this section and section 1401a(b)(1) of title 10, the cost-of-living adjustments under this section and under section 1401a of title 10 would take effect on the same date.".

(2) Section 8462 of title 5, United States Code, is amended—

(A) in subsection (b)(1), by striking out "Except as provided in subsection (c)" and inserting in lieu thereof "Except as provided in subsections (c) and (f)"; and

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

"(f)(1) Whenever, by law, there is a difference between the date on which a cost-of-living adjustment under this section is to take effect and the date on which a corresponding cost-of-living adjustment of the retired pay of members and former members of the uniformed services under section 1401a of title 10 is to take effect, then, notwithstanding subsection (b)(1) and any other provision of law, the date on which the cost-of-living adjustment under this section takes effect shall be the earlier of the two dates.

"(2) Whenever, by law, there is a difference between the first month for which a cost-of-living adjustment taking effect under this section is payable and the first month for which a corresponding cost-of-living adjustment of the retired pay of members and former members of the uniformed services taking effect under section 1401a of title 10 is payable, then the first month for which the cost-of-living adjustment under this section is first payable shall (notwithstanding the effective date provided for such adjustment in subsection (b)(1) of this section or in any other law) be the earlier of the two months.

"(3) For purposes of this subsection, a cost-of-living adjustment of the retired pay of members and former members of the uniformed services under section 1401a of title 10 corresponds to a cost-of-living adjustment under this section when, without regard to any provision of law other than subsection (b)(1) of this section and section 1401a(b)(1) of title 10, the cost-of-living adjustments under this section and under section 1401a of title 10 would take effect on the same date.".

(b) UNIFORMED SERVICES RETIRED PAY.—Section 1401a of title 10, United States Code, is amended—

(1) in subsection (b)(1), by inserting (except as provided in subsection (i))" after "Effective on December 1 of each year"; and

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

"(i)(1) Whenever, by law, there is a difference between the date on which a cost-of-living adjustment under this section is to take effect and the date on which a corresponding cost-of-living adjustment of annuities of retired employees of the United States under section 8340 or 8462 of title 5 is to take effect, then, notwithstanding subsection (b) and any other provision of law, the date on which the cost-of-living adjustment under this section takes effect shall be the earlier (or earliest) such date.

"(2) Whenever, by law, there is a difference between the first month for which a cost-of-living adjustment taking effect under this section is payable and the first month for which a corresponding cost-of-living adjustment of annuities of retired employees of the United States taking effect under section 8340 or 8462 of title 5 is payable, then the first month for which the cost-of-living adjustment under this section is first payable shall (notwithstanding the effective date provided for such adjustment in subsection (b)(1) of this section or in any other law) be the earlier (or earliest) such month.

"(3) For purposes of this subsection, a cost-of-living adjustment of annuities of retired employees of the United States under section 8340 or 8462 of title 5 corresponds to a cost-of-living adjustment under this section when, without regard to any provision of law other than subsection (b)(1) of this section and sections 8340(b) and 8462(b)(1) of title 5, the cost-of-living adjustments under this section and under sections 8340 and 8462 of title 5 would take effect on the same date.".

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 1998.

Subtitle E—Defense Conversion, Reinvestment, and Transition Assistance Matters

SEC. 641. ELIGIBILITY OF MEMBERS RETIRED UNDER TEMPORARY SPECIAL RETIREMENT AUTHORITY FOR SERVICEMEN'S GROUP LIFE INSURANCE.

(a) ELIGIBILITY.—Section 1965(5) of title 38, United States Code, is amended—

(1) by striking out "and" at the end of subparagraph (C);

(2) by redesignating subparagraph (D) as subparagraph (E); and

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

"(D) a person transferred to the Retired Reserve of a uniformed service under the temporary special retirement authority provided in section 1331a of title 10 who has not received the first increment of retirement pay or has not reached sixty-one years of age; and".

(b) INSURANCE COVERAGE.—Section 1967(a) of such title is amended—

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

(2) by adding "and" at the end of paragraph (3);

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

"(4) any member assigned to the Retired Reserve of a uniform service who meets the qualifications set forth in section 1965(5)(D) of this title;"; and

(4) in the second sentence, by inserting after "section 1965(5)(C) of this title," the following: "or the first day a member of the Reserves meets the qualifications of section 1965(5)(D) of this title,".

(c) DURATION OF COVERAGE.—Section 1968(a) of such title is amended—

(1) in the matter above paragraph (1), by striking out "section 1965(5)(B) or (C)" and inserting in lieu thereof "subparagraphs (B), (C), or (D) of section 1965(5)";

(2) in paragraph (4)—

(A) by striking out "or" at the end of subparagraph (A);

(B) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; or"; and

(C) by adding at the end the following new subparagraph:

"(C) unless on the date of such separation or release the member is transferred to the Retired Reserve of a uniformed service under the temporary special retirement authority provided in section 1331a of title 10, in which event the insurance, unless converted to an individual policy under terms and conditions set forth in section 1977(e) of this title, shall, upon timely payment of premiums under terms prescribed by the Secretary directly to the administrative office established under section 1966(b) of this title, continue in force until receipt of the first increment of retirement pay by the member or the member's sixty-first birthday, whichever occurs earlier."; and

(3) by adding at the end the following:

"(6) with respect to a member of the Retired Reserve who meets the qualifications of section 1965(5)(D) of this title, at such time as the member receives the first increment of retirement pay, or the member's sixty-first birthday, whichever occurs earlier, subject to the timely payment of the initial and subsequent premiums, under terms prescribed by the Secretary, directly to the administrative office established under section 1966(b) of this title.".

(d) DEDUCTIONS.—Section 1969 of such title is amended—

(1) in subsection (a)(2)—

(A) by striking out "or is assigned" and inserting in lieu thereof "is assigned"; and

(B) by inserting after "section 1965(5)(C) of this title," the following: "or is assigned to the Retired Reserve and meets the qualifications of section 1965(5)(D) of this title,"; and

(2) in subsection (e), by striking out "section 1965(5)(C)" in the first sentence and inserting in lieu thereof "subparagraph (C) or (D) of section 1965(5)".

SEC. 642. ANNUAL PAYMENTS FOR MEMBERS RETIRED UNDER GUARD AND RESERVE TRANSITION INITIATIVE.

(a) ANNUAL PAYMENT FOR ONE TO FIVE YEARS.—Subsection (d) of section 4416 of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102-484; 10 U.S.C. 1162 note) is amended—

(1) by striking out "for 5 years" and inserting in lieu thereof "for a period of years prescribed by the Secretary concerned";

(2) by striking out "5-year"; and

(3) by adding at the end the following: "A period prescribed for purposes of this subsection may not be less than one year nor more than five years.".

(b) COMPUTATION OF ANNUAL PAYMENT.—Subsection (e) of such section is amended by adding at the end the following:

"(3) In the case of a member who will attain 60 years of age within one year after the date on which an annual payment would otherwise be made to the member under this section, the amount of the payment made on that date shall be computed under this paragraph instead of paragraph (1). The amount of such payment shall be equal to 1/12 of the product of—

"(A) the amount computed for the member under paragraph (1); and

"(B) the number equal to 1/30 of the total number of days in the period beginning on such date and ending on the day before the date of the member's 60th birthday.".

(c) COORDINATION WITH RETIRED PAY.—Such section is further amended by adding at the end the following:

"(i) COORDINATION WITH RETIRED PAY.—Fifty percent of the monthly amount of retired pay payable under chapter 67 of this title to a member who receives one or more annual payments under this section shall be deducted and withheld from such monthly amount of retired pay. The deductions shall be terminated when the total amount so deducted and withheld equals the total amount paid to the member under this section. The amount deducted and withheld from the last monthly payment of retired pay before termination of deductions may be less than 50 percent of the monthly amount.".

SEC. 643. INCREASED ELIGIBILITY AND APPLICATION PERIODS FOR TROOPS-TO-TEACHERS PROGRAM.

(a) PERIOD OF ELIGIBILITY.—Subsection (c) of section 1151 of title 10, United States Code, is amended—

(1) in paragraph (1)(A), by striking out "seven-year period beginning on October 1, 1992," and inserting in lieu thereof "nine-year period beginning on October 1, 1990,"; and

(2) by striking out paragraph (4).

(b) APPLICATION PERIOD.—Subsection (e)(1) of such section is amended by striking out "submitted" in the first sentence and all that follows through the end of the second sentence and inserting in lieu thereof "timely submitted to the Secretary of Defense. An application is timely submitted if the application is submitted not later than the latest date applicable to the applicant under this paragraph. An application shall be submitted not later than one year after the date of the discharge or release of the applicant from active duty. In the case of an applicant discharged or released from active duty before January 19, 1994, an application shall be submitted not later than one year after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995. In the case of an applicant becoming educationally qualified for teacher placement assistance in accordance with subsection (c)(2), an application shall be submitted not later than one year after the date on which the applicant becomes educationally qualified.".

SEC. 644. ASSISTANCE FOR ELIGIBLE MEMBERS TO OBTAIN EMPLOYMENT WITH LAW ENFORCEMENT AGENCIES.

(a) REVISED PROGRAM AUTHORITY.—Section 1152 of title 10, United States Code, is amended to read as follows:

"§ 1152. Assistance to eligible members and former members to obtain employment with law enforcement agencies

"(a) PLACEMENT PROGRAM.—The Secretary of Defense may enter into an agreement with the Attorney General to establish or participate in a program to assist eligible members and former members of the armed forces to obtain employment as law enforcement officers with State law enforcement agencies, local law enforcement agencies, or Indian tribes that perform law enforcement functions (as determined by the Secretary of the Interior) following the discharge or release of such members or former members from active duty.

"(b) ELIGIBLE MEMBERS.—Any member or former member who, during the 6-year period beginning on October 1, 1993, is separated from the armed forces with an honorable discharge or is released from service on active duty characterized as honorable by the Secretary concerned shall be eligible to participate in a program covered by an agreement referred to in subsection (a).

"(c) SELECTION.—In the selection of applicants for participation in a program covered by an agreement referred to in subsection (a), preference shall be given to a member or former member who—

"(1) is selected for involuntary separation, is approved for separation under section 1174a or 1175 of this title, or retires pursuant to the authority provided in section 4403 of Public Law 102-484 (10 U.S.C. 1293 note); and

"(2) has a military occupational specialty, training, or experience related to law enforcement (such as service as a member of the military police) or satisfies such other criteria for selection as, in accordance with the agreement, the Secretary, the Attorney General, or a participating State or local law enforcement agency or participating Indian tribe may prescribe.

"(d) GRANTS TO FACILITATE EMPLOYMENT.—(1) The Secretary may provide funds to the Attorney General for grants under this section to reimburse State law enforcement agencies, local law enforcement agencies, or Indian tribes that perform law enforcement functions (as determined by the Secretary of the Interior) for costs, including salary and fringe benefits, of employing members or former members pursuant to a program referred to in subsection (a).

"(2) No grant with respect to an eligible member or former member may exceed a total of $50,000.

"(3) Any grant with respect to an eligible member or former member shall be disbursed within 5 years after the date of the placement of a member or former member with a participating law enforcement agency or Indian tribe.

"(4) Preference in awarding grants through existing law enforcement hiring programs shall be given to State or local law enforcement agencies or Indian tribes that agree to hire eligible members and former members.

"(e) ADMINISTRATIVE EXPENSES.—Ten percent of the amount, if any, appropriated for a fiscal year to carry out a program established pursuant to subsection (a) may be used to administer the program.

"(f) REQUIREMENT FOR APPROPRIATION.—No member or former member may be selected to participate in the program established by this section unless a sufficient amount of appropriated funds are available at the time of the selection to satisfy the obligations to be incurred by the United States under an agreement referred to in subsection (a) that applies with respect to such member or former member.".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 58 of title 10, United States Code, is amended to read as follows:

"1152. Assistance to eligible members and former members to obtain employment with law enforcement agencies.".

SEC. 645. TREATMENT OF RETIRED AND RETAINER PAY OF MEMBERS OF CADRE OF CIVILIAN COMMUNITY CORPS.

Section 159(c)(3) of the National and Community Service Act of 1990 (42 U.S.C. 12619(c)(3)) is amended by adding at the end the following: "In the case of a member of the permanent cadre who was recommended for appointment in accordance with section 162(a)(2)(A) and is entitled to retired or retainer pay, section 5532 of title 5, United States Code, shall not apply to reduce the member's retired or retainer pay by reason of the member being paid as a member of the cadre.".

Subtitle F—Other Matters

SEC. 651. DISABILITY COVERAGE FOR OFFICER CANDIDATES GRANTED EXCESS LEAVE.

(a) ELIGIBILITY FOR RETIREMENT.—Section 1201 of title 10, United States Code, is amended—

(1) by inserting "(a) MEMBERS ON ACTIVE DUTY ENTITLED TO PAY.—" before "Upon a determination"; and

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

"(b) MEMBERS ON EXCESS LEAVE.—(1) Upon a determination by the Secretary concerned that a member referred to in paragraph (2) is unfit to perform the duties of the member's office, grade, rank, or rating because of a physical disability incurred during a period described in such paragraph, the Secretary may retire the member, with retired pay computed under section 1401 of this title, if the Secretary also makes the determinations described in paragraphs (1), (2), and (3) of subsection (a) with regard to such member.

"(2) Paragraph (1) applies to a member of the armed forces who, during a period of authorized absence—

"(A) is participating in a program leading to appointment, designation, or assignment in the armed forces in an officer category; and

"(B) is not entitled to basic pay by reason of the application of section 502(b) of title 37 to such absence.".

(b) ELIGIBILITY FOR PLACEMENT ON TEMPORARY DISABILITY RETIRED LIST.—Section 1202 of such title is amended—

(1) by striking out "or any other members" and inserting in lieu thereof "any other members"; and

(2) by inserting after "more than 30 days," the following: "or any member referred to in section 1201(b)(2) of this title".

(c) ELIGIBILITY FOR SEPARATION.—Section 1203 of such title is amended—

(1) by inserting "(a) MEMBERS ON ACTIVE DUTY ENTITLED TO PAY.—" before "Upon a determination";

(2) by striking out the second sentence (relating to transfer to inactive status); and

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

"(b) MEMBERS ON EXCESS LEAVE.—Upon a determination by the Secretary concerned that a member referred to in paragraph (2) of section 1201(b) of this title is unfit to perform the duties of the member's office, grade, rank, or rating because of a physical disability incurred during a period described in such paragraph, the Secretary may separate the member, with severance pay computed under section 1212 of this title, if the Secretary also makes the determinations described in paragraphs (1), (2), (3), and (4) of subsection (a) with regard to such member.

"(c) TRANSFER TO INACTIVE STATUS LIST.—If a member authorized to be separated under subsection (a) or (b) is eligible for transfer to the inactive status list under section 1209 of this title, and so elects, the member shall be transferred to that list instead of being separated.".

(d) CONFORMING AMENDMENTS.—(1) Chapter 61 of title 10, United States Code, is amended—

(A) by striking out the heading of section 1201 and inserting in lieu thereof the following:

"§ 1201. Regulars, members on active duty for more than 30 days, certain members on excess leave: retirement";

(B) by striking out the heading of section 1202 and inserting in lieu thereof the following:

"§ 1202. Regulars, members on active duty for more than 30 days, certain members on excess leave: temporary disability retired list";

and

(C) by striking out the heading of section 1203 and inserting in lieu thereof the following:

"§ 1203. Regulars, members on active duty for more than 30 days, certain members on excess leave: separation".

(2) The table of sections at the beginning of such chapter is amended by striking out the items relating to sections 1201, 1202, and 1203 and inserting in lieu thereof the following:

"1201. Regulars, members on active duty for more than 30 days, certain members on excess leave: retirement

"1202. Regulars, members on active duty for more than 30 days, certain members on excess leave: temporary disability retired list.

"1203. Regulars, members on active duty for more than 30 days, certain members on excess leave: separation.".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act and apply with respect to physical disabilities incurred on or after such date.

SEC. 652. USE OF MORALE, WELFARE, AND RECREATION FACILITIES BY MEMBERS OF RESERVE COMPONENTS AND DEPENDENTS.

Section 1065 of title 10, United States Code, is amended to read as follows:

"§ 1065. Use of certain morale, welfare, and recreation facilities by members of reserve components and dependents

"(a) MEMBERS OF THE SELECTED RESERVE.—Members of the Selected Reserve in good standing (as determined by the Secretary concerned) shall be permitted to use MWR retail facilities on the same basis as members on active duty.

"(b) RETIREES UNDER AGE 60.—Members of the reserve components who would be eligible for retired pay under chapter 67 of this title but for the fact that the member is under 60 years of age shall be permitted to use MWR retail facilities on the same basis as retired members and retired former members of the Regular Army, Regular Navy, Regular Air Force, and Regular Marine Corps.

"(c) MEMBERS OF READY RESERVE NOT IN SELECTED RESERVE.—Subject to such regulations as the Secretary of Defense may prescribe, members of the Ready Reserve (other than members of the Selected Reserve) may be permitted to use MWR retail facilities on the same basis as members serving on active duty.

"(d) DEPENDENTS.—(1) Dependents of members referred to in subsection (a) shall be permitted to use MWR retail facilities on the same basis as dependents of members on active duty.

"(2) Dependents of members referred to in subsection (b) shall be permitted to use MWR retail facilities on the same basis as dependents of retired members and retired former members of the Regular Army, Regular Navy, Regular Air Force, and Regular Marine Corps.

"(e) MWR RETAIL FACILITY DEFINED.—In this section, the term 'MWR retail facilities' means exchange stores and other revenue generating facilities operated by nonappropriated fund activities of the Department of Defense for the morale, welfare, and recreation of members of the armed forces.".

SEC. 653. SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR DEPARTMENT OF DEFENSE PERSONNEL OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—Chapter 53 of Title 10, United States Code, is amended by adding at the end the following new section:

"§ 1060a. Special supplemental food program

"(a) AUTHORITY.—The Secretary of Defense may carry out a program to provide special supplemental food benefits to members of the armed forces on duty at stations outside the United States (and its territories and possessions) and to eligible civilians serving with, employed by, or accompanying the armed forces outside the United States (and its territories and possessions).

"(b) FEDERAL PAYMENTS AND COMMODITIES.—For the purpose of obtaining Federal payments and commodities in order to carry out the program referred to in subsection (a), the Secretary of Agriculture shall make available to the Secretary of Defense from funds appropriated for such purpose, the same payments and commodities as are made for the special supplemental food program in the United States under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

"(c) PROGRAM ADMINISTRATION.—(1)(A) The Secretary of Defense shall administer the program referred to in subsection (a) and, except as provided in subparagraph (B), shall determine eligibility for program benefits under the criterion published by the Secretary of Agriculture under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

"(B) The Secretary of Defense shall prescribe regulations governing computation of income eligibility standards for families of individuals participating in the program under this section.

"(2) The program benefits provided under the program shall be similar to benefits provided by State and local agencies in the United States.

"(d) DEPARTURE FROM STANDARDS.—The Secretary of Defense may authorize departures from standards prescribed by the Secretary of Agriculture regarding the supplemental foods to be made available in the program when local conditions preclude strict compliance or when such compliance is highly impracticable.

"(e) REGULATIONS.—The Secretary of Defense shall prescribe regulations to administer the program authorized by this section.

"(f) DEFINITIONS.—In this section:

"(1) The term 'eligible civilian' means—

"(A) a dependent of a member of the armed forces residing with the member outside the United States;

"(B) an employee of a military department who is a national of the United States and is residing outside the United States in connection with such individual's employment or a dependent of such individual residing with the employee outside the United States; or

"(C) an employee of a Department of Defense contractor who is a national of the United States and is residing outside the United States in connection with such individual's employment or a dependent of such individual residing with the employee outside the United States.

"(2) The term 'national of the United States' means—

"(A) a citizen of the United States; or

"(B) a person who, though not a citizen of the United States, owes permanent allegiance to the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22))).

"(3) The term 'dependent' has the meaning given such term in subparagraph (A), (D), (E), and (I) of section 1072(2) of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 53 of title 10, United States Code, is amended by adding at the end the following new item:

"1060a. Special supplemental food program.".

SEC. 654. REIMBURSEMENT FOR CERTAIN LOSSES OF HOUSEHOLD EFFECTS CAUSED BY HOSTILE ACTION.

(a) AUTHORITY TO REIMBURSE.—Chapter 163 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2738. Reimbursement for certain losses of household effects caused by hostile action

"(a) AUTHORITY TO REIMBURSE.—The Secretary concerned or, subject to appeal to the Secretary, the Judge Advocate General of an armed force under the Secretary's jurisdiction, or the Chief Counsel of the Coast Guard, as appropriate, if designated by the Secretary, may reimburse a member of the armed forces in an amount not more than $100,000 for a loss described in subsection (b).

"(b) COVERED LOSSES.—This section applies with respect to a loss of household effects sustained during a move made incident to a change of permanent station when, as determined by the Secretary, the loss was caused by a hostile action incident to war or a warlike action by a military force.

"(c) LIMITATION.—The Secretary may provide reimbursement under this section for a loss described in subsection (b) only to the extent that the loss is not reimbursed under insurance or under the authority of another provision of law.

"(d) APPLICABILITY OF OTHER AUTHORITIES AND REQUIREMENTS.—Subsections (b), (d), (e), (f), and (g) of section 2733 of this title shall apply to a request for a reimbursement under this section as if the request were a claim against the United States.".

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

"2738. Reimbursement for certain losses of household effects caused by hostile action.".

(c) EFFECTIVE DATE.—(1) Section 2738 of title 10, United States Code, as added by subsection (a), applies with respect to losses incurred after June 30, 1990.

(2) In the case of a loss incurred after June 30, 1990, and before the date of the enactment of this Act, a request for reimbursement shall be filed with the Secretary of the military department concerned not later than two years after such date of enactment.

SEC. 655. PAYMENT FOR TRANSIENT HOUSING FOR RESERVES PERFORMING CERTAIN TRAINING DUTY.

Section 404 of title 37, United States Code, is amended—

(1) by redesignating subsection (j) as subsection (k); and

(2) by inserting after subsection (i) the following new subsection (j):

"(j)(1) In the case of a member of a reserve component performing annual training duty or inactive-duty training who is not otherwise entitled to travel and transportation allowances in connection with such duty under subsection (a) of this section, the Secretary concerned may reimburse the member for housing service charge expenses incurred by the member in occupying transient government housing during the performance of such duty.

"(2) Any payment or other benefit under this section shall be provided in accordance with regulations prescribed by the Secretaries concerned.

"(3) The Secretary may pay service charge expenses under paragraph (1) out of funds appropriated for operation and maintenance for the reserve component concerned.".

SEC. 656. STUDY OF OFFSET OF DISABILITY COMPENSATION BY RECEIPT OF SEPARATION BENEFITS AND INCENTIVES.

(a) STUDY.—(1) The Comptroller General shall carry out a study of the offset of the amount of disability compensation from the Department of Veterans Affairs that is received by an individual separated from the Armed Forces by the amount of any of the following benefits:

(A) Separation pay under section 1174 of title 10, United States Code.

(B) A special separation benefit under a special separation benefits program carried out under section 1174a(a) of such title.

(C) A voluntary separation incentive under section 1175 of such title.

(2) In carrying out the study, the Comptroller General shall—

(A) determine the purposes for the availability of the benefits referred to paragraph (1);

(B) determine the justifications for the offset referred to in that paragraph;

(C) assess the effect of the offset by—

(i) determining the number of members of the Armed Forces who will separate from the Armed Forces during the period beginning on the date of the enactment of this Act and ending on September 30, 1999;

(ii) determining the number of such members who will be provided a benefit referred to in that paragraph, and the average amount of the benefit to be provided;

(iii) determining the number of such members who will be entitled to disability compensation from the Department of Veterans Affairs, and the average monthly amount of the compensation to which the members will be entitled; and

(iv) evaluating the extent, if any, to which the offset affects the capacity of members who are separated from the Armed Forces to meet financial obligations (including obligations relating to housing and medical care) of such members that arise as a result of the service of the members in the Armed Forces or the separation of such members from that service;

(D) determine the extent, if any, to which the offset of disability compensation by the amount of a benefit referred to in subparagraph (B) or (C) of paragraph (1) reduces the effectiveness of the benefits in meeting the purposes determined under subparagraph (A) of this paragraph; and

(E) determine the cost of the repeal of the offset.

(b) REPORT.—(1) The Comptroller General shall submit to the Committees on Armed Services and the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the results of the study required under subsection (a). The report shall include the recommendations of the Comptroller General on improvements to the provision of the benefits referred to in subsection (a)(1).

(2) The Comptroller General shall submit the report not later than 180 days after the date of the enactment of this Act.

TITLE VII—HEALTH CARE PROVISIONS

SEC. 701. REVISION OF DEFINITION OF DEPENDENTS TO INCLUDE YOUNG PEOPLE BEING ADOPTED BY MEMBERS OR FORMER MEMBERS.

(a) ELIGIBILITY FOR HEALTH BENEFITS.—Section 1072 of title 10, United States Code, is amended—

(1) in paragraph (2)(D), by striking out the matter above clause (i) and inserting in lieu thereof the following:

"(D) a child who—"; and

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

"(6) The term 'child', with respect to a member or former member of a uniformed service, means the following:

"(A) An unmarried natural child.

"(B) An unmarried adopted child.

"(C) An unmarried stepchild.

"(D) An unmarried person—

"(i) who is placed in the home of the member or former member by a placement agency (recognized by the Secretary of Defense) in anticipation of the legal adoption of the person by the member or former member; and

"(ii) who otherwise meets the requirements specified in paragraph (2)(D).".

(b) CONFORMING AMENDMENT.—Section 401(b)(1)(B) of title 37, United States Code, is amended by striking out "placement agency for the purpose of adoption" and inserting in lieu thereof "placement agency (recognized by the Secretary of Defense) in anticipation of the legal adoption of the child by the member".

SEC. 702. AVAILABILITY OF DEPENDENTS' DENTAL PROGRAM OUTSIDE THE UNITED STATES.

Section 1076a of title 10, United States Code, is amended—

(1) by redesignating subsection (g) as subsection (h); and

(2) by inserting after subsection (f) the following new subsection (g):

"(g) CARE OUTSIDE THE UNITED STATES.—The Secretary shall exercise the authority provided under subsection (a) to establish basic dental benefits plans for providing dental benefits outside the United States for spouses and children of members of the uniformed services accompanying the members on permanent assignments to duty outside the United States.".

SEC. 703. CONDITIONS UNDER WHICH MEDICAL AND DENTAL CARE OF ABUSED DEPENDENTS IS AUTHORIZED.

Section 1076(e)(1)(A) of title 10, United States Code, is amended to read as follows:

"(A) a member of a uniformed service is convicted by a court-martial or a civil court for an offense involving abuse of a dependent of the member, as determined in accordance with regulations prescribed by the administering Secretary for such uniformed service, and—

"(i) in the case of a court-martial conviction, the member receives a dishonorable or bad-conduct discharge or is dismissed or administratively discharged from a uniformed service as a result of the conviction; or

"(ii) in the case of a civil court conviction, the member is administratively discharged from a uniformed service as a result of the conviction; and".

SEC. 704. COORDINATION OF BENEFITS WITH MEDICARE.

Section 1086(d) of title 10, United States Code, is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3)(A) Subject to subparagraph (B), if a person described in paragraph (2) receives medical or dental care for which payment may be made under medicare and a plan contracted for under subsection (a), the amount payable for that care under the plan shall be the amount equal to the excess of the total amount of the charges imposed by the provider or providers of such care over the sum of—

"(i) the amount paid for that care under medicare; and

"(ii) the total of all amounts paid or payable by third party payers other than medicare.

"(B) The amount payable for care under a plan pursuant to subparagraph (A) may not exceed the total amount that would be paid under the plan if payment for that care were made solely under the plan.

"(C) In this paragraph:

"(i) The term 'medicare' means title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

"(ii) The term 'third party payer' has the meaning given such term in section 1095(h)(1) of this title.".

SEC. 705. AUTHORITY FOR REIMBURSEMENT OF PROFESSIONAL LICENSE FEES UNDER RESOURCE SHARING AGREEMENTS.

Section 1096 of title 10, United States Code, is amended by adding at the end the following:

"(d) REIMBURSEMENT FOR LICENSE FEES.—In any case in which it is necessary for a member of the uniformed services to pay a professional license fee imposed by a government in order to provide health care services at a facility of a civilian health care provider pursuant to an agreement entered into under subsection (a), the Secretary of Defense may reimburse the member for up to $500 of the amount of the license fee paid by the member.".

SEC. 706. CHIROPRACTIC HEALTH CARE DEMONSTRATION PROGRAM.

(a) REQUIREMENT FOR PROGRAM.—(1) Not later than 120 days after the date of enactment of this Act, the Secretary of Defense, in consultation with the secretaries of the military departments, shall develop and carry out a demonstration program to evaluate the feasibility and advisability of furnishing chiropractic care through the medical care facilities of the Armed Forces.

(2) In carrying out the program, the Secretary of Defense shall—

(A) subject to paragraph (3), designate not less than 10 major military medical treatment facilities of the Department of Defense to furnish chiropractic care under the program; and

(B) enter into agreements with such number of chiropractors as the Secretary determines sufficient for the purposes of the program to furnish chiropractic care at such facilities under the program.

(3) The Secretary may not designate under paragraph (2) any treatment facility that is located on a military installation scheduled for closure or realignment under a base closure law.

(b) PROGRAM PERIOD.—The Secretary shall carry out the demonstration program in fiscal years 1995 through 1997.

(c) REPORTING REQUIREMENTS.—(1) Not later than January 30, 1995, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the demonstration program. The report shall—

(A) identify the treatment facilities designated pursuant to subsection (a)(2)(A); and

(B) include a discussion of the plan for the conduct of the program.

(2) Not later than May 1, 1995, the Secretary of Defense shall submit to the committees referred to in paragraph (1) a plan for evaluating the program, including a schedule for conducting progress reviews and for submitting a final report to the committees.

(3) The Secretary shall submit to the committees referred to in paragraph (1) a final report in accordance with the plan submitted to such committees pursuant to paragraph (2).

(d) OVERSIGHT ADVISORY COMMITTEE.—(1)(A) Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall establish an oversight advisory committee to assist and advise the Secretary with regard to the development and conduct of the demonstration program.

(B) The oversight advisory committee shall include the following members:

(i) The Comptroller General of the United States, or a designee from within the General Accounting Office.

(ii) The Assistant Secretary of Defense for Health Affairs, or a designee.

(iii) The Surgeon General of the Army, or a designee.

(iv) The Surgeon General of the Navy, or a designee.

(v) The Surgeon General of the Air Force, or a designee.

(vi) Not fewer than four independent representatives of the chiropractic health care profession, appointed by the Secretary of Defense.

(2) The oversight advisory committee shall assist the Secretary of Defense regarding—

(A) issues involving the professional credentials of the chiropractors participating in the program;

(B) the granting of professional practice privileges for the chiropractors at the treatment facilities participating in the program;

(C) the preparation of the reports required under subsection (c); and

(D) the evaluation of the program.

(e) DEFINITION.—For purposes of this section, the term "base closure law" means each of the following:

(1) 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).

(2) Title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note).

(3) Section 2687 of title 10, United States Code.

SEC. 707. IMPLEMENTATION OF ANNUAL HEALTH CARE SURVEY REQUIREMENT.

Section 724 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2440; 10 U.S.C. 1071 note) is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection (b):

"(b) EXEMPTION.—An annual survey under subsection (a) shall be treated as not a collection of information for the purposes for which such term is defined in section 3502(4) of title 44.".

SEC. 708. STUDY AND REPORT ON FINANCIAL RELIEF FOR CERTAIN MEDICARE-ELIGIBLE MILITARY RETIREES WHO INCUR MEDICARE LATE ENROLLMENT PENALTIES.

(a) STUDY.—The Secretary of Defense, in consultation with the Secretary of Health and Human Services, shall conduct a study regarding possible financial relief from late enrollment penalties for military retirees and dependents of such retirees who reside within the service area of a base closure site and who have failed to timely enroll in medicare part B due to reliance upon the military treatment facility located at such site.

(b) REPORT.—Not later than March 31, 1995, the Secretary of Defense shall report to Congress the results of the study under paragraph (1). Such report shall also—

(1) identify by base closure site the number of military retirees within a 65 mile catchment area who have failed to enroll in medicare part B and are subjected to late enrollment penalties;

(2) determine the estimated aggregate amount of the penalties by base closure site;

(3) describe the characteristics of the population that are subject to the penalties, such as age and income level;

(4) address the appropriateness of waiving such penalties;

(5) identify the Department of Defense funds that should be used to pay the penalties if waiving such penalties is not recommended;

(6) outline a program for a special medicare part B enrollment period for affected retirees living near bases already closed and bases which are designated for closure in the future; and

(7) include legislative recommendations for implementing a program which removes the financial burden from the medicare-eligible beneficiaries who have been or will be adversely impacted by base-closure actions.

(c) DEFINITIONS.—For purposes of this section:

(1) The term "base closure" means a base closure under a base closure law (within the meaning given such term in section 2825(d) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 2687 note)).

(2) The term "medicare part B" means the public health insurance program under part B of title XVIII of the Social Security Act.

(3) The term "military treatment facility" means a facility of a uniformed service referred to in section 1074(a) of title 10, United States Code, in which health care is provided.

SEC. 709. ELIGIBILITY FOR PARTICIPATION IN DEMONSTRATION PROGRAMS FOR SALE OF PHARMACEUTICALS.

Subparagraph (B) of section 702(c)(2) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1079 note) is amended to read as follows:

"(B) either—

"(i) resides in an area that is adversely affected (as determined by the Secretary) 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; or

"(ii) can demonstrate to the satisfaction of the Secretary that the person obtained pharmaceuticals at a health care facility referred to in clause (i) before the closure of the facility.".

SEC. 710. COST ANALYSIS OF TIDEWATER TRICARE DELIVERY OF PEDIATRIC HEALTH CARE TO MILITARY FAMILIES.

(a) COST ANALYSIS REQUIRED.—Not later than July 1, 1995, the Assistant Secretary of Defense (Health Affairs) shall determine the amount of the expenditures made by the Department of Defense for pediatric care for each of fiscal years 1992, 1993, and 1994 under the program for delivery of health care services in the Tidewater region of Virginia carried out pursuant to section 712(b) of Public Law 102-190 (105 Stat. 1402). The Assistant Secretary shall determine the total amount of such expenditures and the amount of such expenditures for each case.

(b) USE OF ANALYSIS.—In establishing any managed care system involving the furnishing of pediatric care by the Department of Defense (including the furnishing of pediatric care under the Civilian Health and Medical Program of the Uniformed Services), the Assistant Secretary shall consider the amounts determined under subsection (a) in determining the appropriate standards, limitations, and requirements to apply to the cost of pediatric care under the system.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Use of Merit Based Selection Procedures

SEC. 801. POLICY FOR MERIT BASED AWARD OF CONTRACTS AND GRANTS.

(a) POLICY.—Section 2301 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e)(1) It is the policy of Congress that the Department of Defense should not be required by legislation to award a new contract or grant to a specific non-Federal Government entity. It is further the policy of Congress that any program, project, or technology identified in legislation be procured through merit-based selection procedures.

"(2) A provision of law may not be construed as requiring the Department of Defense to award a new contract or grant to a specific non-Federal Government entity unless that provision of law—

"(A) specifically refers to this subsection;

"(B) specifically identifies the particular non-Federal Government entity to be awarded the contract or grant; and

"(C) sets forth the national defense purpose to be fulfilled by requiring the department to award a new contract or grant to the specified non-Federal Government entity.

"(3) The head of an agency may not award a contract or make a grant pursuant to a provision of law that authorizes or requires the awarding of the contract or the making of the grant, as the case may be, in a manner that is inconsistent with the policy set forth in paragraph (1) until—

"(A) the Secretary of Defense submits to Congress a notice in writing of the intent to award such contract or to make such grant; and

"(B) a period of 180 days elapses after the date on which the notice is received by Congress.

"(4) For purposes of this subsection—

"(A) a contract is a new contract unless the work provided for in the contract is a continuation of the work provided for in a preceding contract; and

"(B) a grant is a new grant unless the work funded by the grant is substantially a continuation of the work for which funding is provided in a preceding grant.

"(5) Paragraph (3) does not apply to the Secretary of Transportation or the Administrator of the National Space and Aeronautics Administration.".

SEC. 802. CONTINUATION OF EXPIRING REQUIREMENT FOR ANNUAL REPORT ON THE USE OF COMPETITIVE PROCEDURES FOR AWARDING CERTAIN CONTRACTS TO COLLEGES AND UNIVERSITIES.

Paragraph (3) of section 2361(c) of title 10, United States Code, is repealed.

Subtitle B—Acquisition Assistance Programs

SEC. 811. PROCUREMENT TECHNICAL ASSISTANCE PROGRAMS.

(a) FUNDING.—Of the amount authorized to be appropriated under section 301(5), $12,000,000 shall be available for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) SPECIFIC PROGRAMS.—Of the amounts made available pursuant to subsection (a), $600,000 shall be available for fiscal year 1995 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 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.

SEC. 812. PILOT MENTOR-PROTEGE PROGRAM.

Of the amounts authorized to be appropriated for fiscal year 1995 pursuant to title I of this Act, $50,000,000 shall be available for conducting the pilot Mentor-Protege Program established pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2301 note).

SEC. 813. INFRASTRUCTURE ASSISTANCE FOR HISTORICALLY BLACK COLLEGES AND OTHER MINORITY INSTITUTIONS OF HIGHER EDUCATION.

Of the amounts authorized to be appropriated for fiscal year 1995 pursuant to title II of this Act, $35,000,000 shall be available for such fiscal year for infrastructure assistance to historically Black colleges and universities and minority institutions under section 2323(c)(3) of title 10, United States Code.

SEC. 814. EXTENSION OF TEST PROGRAM FOR NEGOTIATION OF COMPREHENSIVE SMALL BUSINESS SUBCONTRACTING PLANS.

Section 834(e) 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, 1994" in the second sentence and inserting in lieu thereof "September 30, 1998".

SEC. 815. LIMITATION REGARDING ACQUISITION ASSISTANCE REGULATIONS REQUIRED BY PUBLIC LAW 103-160 BUT NOT ISSUED.

(a) LIMITATION ON THE USE OF FUNDS.—None of the funds authorized to be appropriated by this Act that are made available for program element 65104D activities may be expended until the Secretary of Defense takes the actions required by the following provisions of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160):

(1) Section 811(d)(1), relating to regulations that address the matters described in subsections (g) and (h)(2) of section 2323 of title 10, United States Code.

(2) Section 813(b)(1), relating to the Department of Defense policy regarding the pilot Mentor-Protege Program.

(b) ACTIONS REQUIRED.—(1) With respect to the regulations referred to in subsection (a)(1), the Secretary shall—

(A) publish proposed regulations within 15 days after the date of the enactment of this Act in accordance with section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b);

(B) provide a period of not less than 60 days for public comment on the proposed regulations; and

(C) publish the final regulations not later than 120 days after the date of the enactment of this Act.

(2) With respect to the action referred to in subsection (a)(2), the Secretary shall ensure that—

(A) within 30 days after the date of the enactment of this Act, the Department of Defense policy regarding the pilot Mentor-Protege Program is incorporated into the Department of Defense Supplement to the Federal Acquisition Regulation as an appendix; and

(B) any subsequent revision to such policy (or any successor to such policy) is published and maintained in such supplement as an appendix.

(c) PROGRAM ELEMENT 65104D ACTIVITIES DEFINED.—For purposes of this section, the program element 65104D activities referred to in subsection (a) are the activities described as program element 65104D in the materials submitted to Congress by the Secretary of Defense in support of the budget for fiscal year 1995 that was submitted to Congress pursuant to section 1105(a) of title 31, United States Code.

SEC. 816. TREATMENT UNDER SUBCONTRACTING PLANS OF PURCHASES FROM QUALIFIED NONPROFIT AGENCIES FOR THE BLIND OR SEVERELY DISABLED.

(a) REVISION AND EXTENSION OF AUTHORITY.—Section 2410d of title 10, United States Code, relating to credit under small business subcontracting plans for certain purchases, is amended—

(1) in subsection (b)—

(A) in paragraph (2)—

(i) by striking out "and" at the end of subparagraph (A);

(ii) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

(iii) by adding at the end the following new subparagraph:

"(C) a central nonprofit agency designated by the Committee for Purchase from People Who Are Blind or Severely Disabled under section 2(c) of such Act (41 U.S.C. 47(c).";

(B) by striking out paragraph (3); and

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

(2) in subsection (c), by striking out "September 30, 1994" and inserting in lieu thereof "September 30, 1997".

(b) CONFORMING AMENDMENT.—Section 2301(d) of such title is amended by striking out "approved commodities and services (as defined in such section)" and inserting in lieu thereof "commodities and services".

Subtitle C—Other Matters

SEC. 821. USE OF CERTAIN FUNDS PENDING SUBMISSION OF A NATIONAL TECHNOLOGY AND INDUSTRIAL BASE PERIODIC DEFENSE CAPABILITY ASSESSMENT AND A PERIODIC DEFENSE CAPABILITY PLAN.

(a) LIMITATION.—None of the funds authorized to be appropriated by this Act that are made available for program element 65104D activities may be expended until the Secretary of Defense submits to Congress—

(1) a national technology and industrial base periodic defense capability assessment required by section 2505 of title 10, United States Code; and

(2) and a periodic defense capability plan required by section 2506 of such title.

(b) PROGRAM ELEMENT 65104D ACTIVITIES DEFINED.—For purposes of this section, the program element 65104D activities referred to in subsection (a) are the activities described as program element 65104D in the materials submitted to Congress by the Secretary of Defense in support of the budget for fiscal year 1995 that was submitted to Congress pursuant to section 1105(a) of title 31, United States Code.

SEC. 822. DELEGATION OF INDUSTRIAL MOBILIZATION AUTHORITY.

Section 2538 of title 10, United States Code, is amended—

(1) by striking out "through the Secretary of Defense" each place it appears in subsections (a), (c), and (d) and inserting in lieu thereof "through the head of any department"; and

(2) in subsection (c)—

(A) by striking out "in the opinion of the Secretary of Defense" in the matter above paragraph (1) and inserting in lieu thereof "in the opinion of the head of any department"; and

(B) by striking out "Secretary" each place it appears in paragraphs (2) and (3) and inserting in lieu thereof "head of the department".

SEC. 823. PERMANENT AUTHORITY FOR THE DEPARTMENT OF DEFENSE TO SHARE EQUITABLY THE COSTS OF CLAIMS UNDER INTERNATIONAL ARMAMENTS COOPERATIVE PROGRAMS.

Subsection (c) of section 843 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2469; 10 U.S.C. 2350a note) is repealed.

SEC. 824. DETERMINATIONS OF PUBLIC INTEREST UNDER THE BUY AMERICAN ACT.

(a) CONSIDERATIONS.—Section 2533 of title 10, United States Code, is amended—

(1) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a) In determining under section 2 of title III of the Act of March 3, 1993 (41 U.S.C. 10a), popularly known as the 'Buy American Act', whether application of title III of such Act is inconsistent with the public interest, the Secretary of Defense shall consider the following:

"(1) The bids or proposals of small business firms in the United States which have offered to furnish American goods.

"(2) The bids or proposals of all other firms in the United States which have offered to furnish American goods.

"(3) The United States balance of payments.

"(4) The cost of shipping goods which are other than American goods.

"(5) Any duty, tariff, or surcharge which may enter into the cost of using goods which are other than American goods.

"(6) Any need to coordinate acquisition activities of the Department of Defense with

obligations contained in international agreements and with the acquisition activities of major United States allies.

"(7) A need to ensure that the Department of Defense has access to advanced state-of-the-art commercial technology.

"(8) A need to protect the national technology and industrial base and to provide for a defense mobilization base.

"(9) A need to ensure that application of different rules of origin for United States end items and foreign end items does not result in an award to a firm other than a firm providing a product produced in the United States.

"(10) Any need—

"(A) to maintain the same source of supply for spare and replacement parts for an end item that qualifies as an American good; or

"(B) to maintain the same source of supply for spare and replacement parts in order not to impair integration of the military and commercial industrial base.

"(11) The national security interests of the United States."; and

(2) by redesignating subsection (c) as subsection (b).

(b) CONFORMING AND CLERICAL AMENDMENTS.—(1) The heading of section 2533 of such title is amended to read as follows:

"§ 2533. Determinations of public interest under the Buy American Act".

(2) The item relating to such section in the table of sections at the beginning of subchapter V of chapter 148 of such title is amended to read as follows:

"2533. Determinations of public interest under the Buy American Act.".

SEC. 825. DOCUMENTATION FOR AWARDS FOR COOPERATIVE AGREEMENTS OR OTHER TRANSACTIONS UNDER THE DEFENSE TECHNOLOGY REINVESTMENT PROGRAM.

At the time of the award for a cooperative agreement or other transaction under a program carried out under chapter 148 of title 10, United States Code, the head of the agency concerned shall include in the file pertaining to such agreement or transaction a brief explanation of the manner in which the award advances and enhances a particular national security objective set forth in section 2501(a) of such title or a particular policy objective set forth in section 2501(b) of such title.

SEC. 826. COMPTROLLER GENERAL ASSESSMENT OF EXTENT TO WHICH TECHNOLOGY AND INDUSTRIAL BASE PROGRAMS ATTAIN POLICY OBJECTIVES.

Not later than 180 days after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress an assessment of the extent to which awards for cooperative agreements and other transactions under programs carried out under chapter 148 of title 10, United States Code, have been made specifically to advance and enhance a particular national security objective set forth in section 2501(a) of such title or to achieve a particular policy objective set forth in section 2501(b) of such title.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Secretarial Matters

SEC. 901. ADDITIONAL ASSISTANT SECRETARY OF DEFENSE.

(a) ESTABLISHMENT OF POSITION.—Section 138(a) of title 10, United States Code, is amended by striking out "ten" and inserting in lieu thereof "eleven".

(b) EXECUTIVE LEVEL IV.—Section 5315 of title 5, United States Code, is amended by striking out "Assistant Secretaries of Defense (10)." and inserting in lieu thereof the following:

"Assistant Secretaries of Defense (11).".

SEC. 902. ORDER OF SUCCESSION TO SECRETARIES OF THE MILITARY DEPARTMENTS.

(a) ARMY.—Section 3017 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) The General Counsel of the Department of the Army.".

(b) NAVY.—Section 5017 of such title is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (5) and (6), respectively; and

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

"(3) The General Counsel of the Department of the Navy.".

(c) AIR FORCE.—Section 8017 of such title is amended—

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

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

"(3) The General Counsel of the Department of the Air Force.".

Subtitle B—Commission on Roles and Missions of the Armed Forces

SEC. 911. REVIEW OF RESERVE COMPONENTS.

Section 953(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1739) is amended—

(1) in subsection (d)—

(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 the following new paragraph:

"(9) the role of the National Guard and the other reserve components.";

(2) in subsection (e)(3), by inserting after "Department of Defense" the following: ", including the National Guard and the other reserve components"; and

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

"(h) RECOMMENDATIONS CONCERNING RESERVE COMPONENTS.—The Commission shall address the roles, missions, and functions of the reserve components within the total force of the armed forces, particularly in light of lower budgetary resources that will be available to the Department of Defense in the future. The Commission should employ or consult private citizens with extensive experience in matters concerning the National Guard and other reserve components.".

SEC. 912. SUPPORT BY FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

Section 957 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1741; 10 U.S.C. 111 note) is amended—

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

"(f) SUPPORT FROM FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.—Upon the request of the chairman of the Commission, the Secretary of Defense shall make available to the Commission, without reimbursement, the services of one or more federally funded research and development centers covered by sponsoring agreements of the Department of Defense. The cost of the services made available pursuant to this subsection may not exceed $20,000,000."; and

(2) by striking out the section heading and inserting in lieu thereof the following:

"SEC. 957. PERSONNEL MATTERS; EXPERT SERVICES.".

SEC. 913. REVISION IN COMPOSITION OF COMMISSION.

(a) REVISION.—Section 952(b) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 111 note; 107 Stat. 1738) is amended—

(1) in the first sentence of paragraph (1), by striking out "seven" and inserting in lieu thereof "eight"; and

(2) in paragraph (2)—

(A) by inserting "(A)" before "The Commission"; and

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

"(B) The additional member of the Commission appointed under this paragraph after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1995 shall have previous military experience and management experience with the reserve components.".

(b) APPOINTMENT.—The Secretary of Defense shall make the appointment required as a result of the amendments made by subsection (a) not later than 15 days after the date of the enactment of this Act.

Subtitle C—Other Matters

SEC. 921. COMPOSITION OF RESERVE FORCES POLICY BOARD.

Section 175(a) of title 10, United States Code, is amended—

(1) in paragraph (4), by striking out "or Regular Marine Corps" and inserting in lieu thereof "and an officer of the Regular Marine Corps each";

(2) by striking out "and" at the end of paragraph (8);

(3) by striking out the period at the end of paragraph (9) and inserting in lieu thereof "; and"; and

(4) by adding at the end the following:

"(10) an officer of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps serving in a position on the Joint Staff who is designated by the Chairman of the Joint Chiefs of Staff.".

SEC. 922. CONTINUATION OF UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) CLOSURE PROHIBITED.—The Uniformed Services University of the Health Sciences may not be closed.

(b) BUDGETARY COMMITMENT TO CONTINUATION.—It is the sense of Congress that the Secretary of Defense should budget for the ongoing operation of the Uniformed Services University of the Health Sciences as an institution of professional education that is vital to the education and training each year of significant numbers of personnel of the uniformed services for careers as uniformed services health care providers.

(c) EVALUATION OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.—

(1) GAO REPORT.—By June 1, 1995, the Comptroller General of the United States shall submit to the appropriate Committees of the Congress a detailed report that—

(A) compares the cost of obtaining physicians from the Uniformed Services University of the Health Sciences with other sources of military physicians;

(B) assesses the retention rate needs of the military for physicians in relation to the respective retention rates of Uniformed Services University of the Health Sciences physicians and physicians obtained from other sources and the factors which contribute to retention rates among military physicians obtained from all sources;

(C) reviews the quality of the medical education provided at the Uniformed Services University of the Health Sciences with the quality of medical education provided by other sources of military physicians;

(D) reviews the overall issue of the special needs of military medicine and how these special needs are being met by Uniformed Services University of Health Sciences physicians and physicians obtained from other sources;

(E) assesses the extent to which the Uniformed Services University of the Health Sciences has responded to the 1990 report of the Inspector General of the Department of Defense and make recommendations as to resolution of any continuing issues relating to management and internal fiscal controls of the Uniformed Services University of the Health Sciences, including issues relating to the Henry M. Jackson Foundation for the Advancement of Military Medicine identified in the 1990 report; and

(F) makes such recommendations as the Comptroller General deems appropriate.

SEC. 923. JOINT DUTY CREDIT FOR CERTAIN DUTY PERFORMED DURING MILITARY OPERATIONS IN SUPPORT OF UNIFIED, COMBINED, OR UNITED NATIONS MILITARY OPERATIONS.

(a) CREDIT AUTHORIZED.—Section 664 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(i) SPECIAL AUTHORITY.—(1) The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, may give an officer who has completed service described in paragraph (2) credit for having completed a full tour of duty in a joint duty assignment, or credit countable for determining cumulative service in joint duty assignments, for the purposes of any provision of this title, notwithstanding the length of such service or whether such service is within the definition of the term 'joint duty assignment' prescribed pursuant to section 668 of this title.

"(2) Service referred to in paragraph (1) is service performed by an officer in combat or combat related military operations, under the operational control of the commander of a unified combatant command, the commander of combined forces of allied nations, or the United Nations, in which the officer gained significant experience in joint matters, as determined by the Secretary.

"(3) Officers for whom joint duty credit is granted pursuant to this subsection—

"(A) shall not be counted for the purposes of paragraphs (7), (8), (9), (11), or (12) of section 667 of this title and subsections (a)(3) and (b) of section 662 of this title; and

"(B) are not subject to the requirements of section 661(c) of this title relating to the sequence for completion of a joint professional military education school, completion of a full tour of duty in a joint duty assignment, and selection for a joint specialty.".

(b) APPLICABILITY.—Subsection (i) of section 664 of title 10, United States Code, as added by subsection (a), shall apply with respect to military operations conducted after July 1, 1992.

SEC. 924. ASSISTANCE FOR CERTAIN WORKERS DISLOCATED DUE TO REDUCTIONS BY THE UNITED STATES IN THE EXPORT OF DEFENSE ARTICLES AND SERVICES.

(a) ASSISTANCE UNDER DEFENSE CONVERSION ADJUSTMENT PROGRAM.—Section 325 of the Job Training Partnership Act (29 U.S.C. 1662d) is amended—

(1) in subsection (a)—

(A) by striking out "or by closures of United States military facilities" in the first sentence and inserting in lieu thereof ", by closures of United States military facilities, or by reductions in the export of defense articles and defense services as a result of United States policy (including reductions in the amount of defense articles and defense services under agreements to provide such articles or services or through termination or completion of any such agreements)"; and

(B) by striking out "or by closures of United States military facilities" in the second sentence and inserting in lieu thereof ", by closures of United States military facilities, or by reductions in the export of defense articles and defense services as a result of United States policy";

(2) in subsection (d), by striking out "or by the closure of United States military installations" and inserting in lieu thereof ", by closures of United States military facilities, or by reductions in the export of defense articles and defense services as a result of United States policy (including reductions in the amount of defense articles and defense services under agreements to provide such articles or services or through termination or completion of any such agreements)"; and

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

"(f) DEFINITION.—For purposes of this section, the term 'defense articles and defense services' means defense articles, defense services, or design and construction services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), including defense articles and defense services licensed or approved for export under section 38 of that Act (22 U.S.C. 2778).".

(b) ASSISTANCE UNDER DEFENSE DIVERSIFICATION PROGRAM.—Section 325A of the Job Training Partnership Act (29 U.S.C. 1662d-1) is amended—

(1) in subsection (b)(3)(A), by striking out "or the closure or realignment of a military installation" and inserting in lieu thereof ", the closure or realignment of a military installation, or reductions in the export of defense articles and defense services as a result of United States policy (including reductions in the amount of defense articles and defense services under agreements to provide such articles or services or through termination or completion of any such agreements)";

(2) in subsection (k)(1), by striking out "or by the closure of United States military installations" and inserting in lieu thereof ", the closure of United States military installations, or reductions in the export of defense articles and defense services as a result of United States policy (including reductions in the amount of defense articles and defense services under agreements to provide such articles or services or through termination or completion of any such agreements)"; and

(3) in subsection (o), by adding at the end the following new paragraph:

"(3) DEFENSE ARTICLES AND DEFENSE SERVICES.—The term 'defense articles and defense services' means defense articles, defense services, or design and construction services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), including defense articles and defense services licensed or approved for export under section 38 of that Act (22 U.S.C. 2778).".

Subtitle D—Professional Military Education

SEC. 931. AUTHORITY FOR MARINE CORPS UNIVERSITY TO AWARD THE DEGREE OF MASTER OF MILITARY STUDIES.

(a) AUTHORITY TO AWARD.—(1) Chapter 609 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 7102. Marine Corps University: master of military studies

"(a) AUTHORITY.—Upon the recommendation of the Director and faculty of the Marine Corps Command and Staff College, the President of the Marine Corps University may confer the degree of master of military studies upon graduates of the college who fulfill the requirements for the degree.

"(b) REGULATIONS.—The authority provided by subsection (a) shall be exercised under regulations prescribed by the Secretary of the Navy.".

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

"7102. Marine Corps University: master of military studies.".

(b) EFFECTIVE DATE.—The authority provided by section 7102(a) of title 10, United States Code, as added by subsection (a), shall become effective on the date on which the Secretary of Education determines that the requirements established by the Command and Staff College of the Marine Corps University for the degree of master of military studies are in accordance with generally applicable requirements for a degree of master of arts.

SEC. 932. BOARD OF ADVISORS OF MARINE CORPS UNIVERSITY.

(a) BOARD.—(1) Chapter 609 of title 10, United States Code, as amended by section 931, is further amended by adding at the end the following new section:

"§ 7103. Marine Corps University: Board of Advisors

"(a) IN GENERAL.—A Board of Advisors to the President of the Marine Corps University is constituted annually of—

"(1) the chairman of the Committee on Armed Services of the Senate, or the designee of the chairman; and

"(2) six persons designated by the Secretary of the Navy.

"(b) TERMS.—(1) The persons designated by the Secretary of the Navy shall serve for 3 years each except that any member whose term of office has expired shall continue to serve until the successor to the member is designated.

"(2) Members may be reappointed for one or more successive terms.

"(3) If a member of the Board dies or resigns, the official who designated that member shall designate a successor to serve for the unexpired portion of the term of the member.

"(c) VISITS.—The Board shall visit the Marine Corps University semiannually upon the call of the President of the Marine Corps University. With the approval of the President of the University, the Board, or any of its members, may make other visits to the University in connection with the duties of the Board or to consult with the President of the University.".

(2) The table of sections at the beginning of such chapter, as amended by section 931, is further amended by adding at the end the following new item:

"7103. Marine Corps University: Board of Advisors.".

(b) INITIAL DESIGNATIONS OF MEMBERS.—Of the members of the Board of Advisors of the Marine Corps University initially designated under section 7103(a)(2) of title 10, United States Code, as added by subsection (a)—

(1) two shall be designated for a term of 3 years;

(2) two shall be designated for a term of 2 years; and

(3) two shall be designated for a term of 1 year.

SEC. 933. AUTHORITY FOR AIR UNIVERSITY TO AWARD THE DEGREE OF MASTER OF AIRPOWER ART AND SCIENCE.

(a) AUTHORITY TO AWARD.—(1) Chapter 901 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9317. Air University: master of airpower art and science

"(a) AUTHORITY.—Upon the recommendation of the faculty of the School of Advanced Airpower Studies of the Air University, the Commander of the university may confer the degree of master of airpower art and science upon graduates of the school who fulfill the requirements for the degree.

"(b) REGULATIONS.—The authority provided by subsection (a) shall be exercised under regulations prescribed by the Secretary of the Air Force.".

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

"9317. Air University: master of airpower art and science.".

(b) EFFECTIVE DATE.—The authority provided by section 9317(a) of title 10, United States Code, as added by subsection (a), shall become effective on the date on which the Secretary of Education determines that the requirements established by the School of Advanced Airpower Studies of the Air University for the degree of master of airpower art and science are in accordance with generally applicable requirements for a degree of master of arts or a degree of master of science.

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 1995 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 $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1002. EMERGENCY SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1994.

There is authorized to be appropriated as emergency supplemental appropriations for fiscal year 1994 for the incremental costs arising from ongoing United States operations in Somalia, Bosnia, Southwest Asia, and Haiti, $1,198,300,000 as follows:

(1) For Military Personnel:

(A) For the Army, $6,600,000.

(B) For the Navy, $19,400,000.

(C) For the Air Force, $18,400,000.

(2) For Operation and Maintenance:

(A) For the Army, $420,100,000.

(B) For the Navy, $104,800,000.

(C) For the Air Force, $560,100,000.

(D) For Defense-wide activities, $21,600,000.

(3) For Procurement:

(A) For Aircraft Procurement, Army, $20,300,000.

(B) For Other Procurement, Army, $200,000.

(C) For Other Procurement, Air Force, $26,800,000.

SEC. 1003. DATE FOR SUBMISSION OF FUTURE-YEARS MISSION BUDGET.

Section 222(a) of title 10, United States Code, is amended by striking out "at the same time" in the second sentence and inserting in lieu thereof "not later than 60 days after the date on which".

SEC. 1004. SUBMISSION OF FUTURE-YEARS DEFENSE PROGRAM IN ACCORDANCE WITH LAW.

If, as of the end of the 90-day period beginning on the date on which the President's budget for fiscal year 1996 is submitted to Congress, the Secretary of Defense has not submitted to Congress the fiscal year 1996 future-years defense program and, after consultation with the Inspector General of the Department of Defense, a certification that such program satisfies the requirements of section 221(b) of title 10, United States Code, then during the 30-day period beginning on the last day of such 90-day period the Secretary may not obligate more than 10 percent of the fiscal year 1995 advance procurement funds that are available for obligation as of the end of that 90-day period. If, as of the end of such 30-day period, the Secretary of Defense has not submitted to Congress the fiscal year 1996 future-years defense program together with such a certification, then the Secretary may not make any further obligation of fiscal year 1995 advance procurement funds until such program and certification are submitted to Congress. If the Secretary submits to Congress the fiscal year 1996 future-years defense program, together with such a certification, during the 30-day period described in the first sentence, the limitation on obligation of advance procurement funds prescribed in that sentence shall cease to apply effective as of the date of the submission of such program and certification.

Subtitle B—Matters Relating to Allies and Other Nations

SEC. 1011. REPEAL OF LIMITATION ON OVERSEAS MILITARY END STRENGTH.

Section 1302 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2545; 10 U.S.C. 113 note) is repealed.

SEC. 1012. AUTHORIZED END STRENGTH FOR MILITARY PERSONNEL IN EUROPE.

(a) END STRENGTH.—Paragraph (1) of section 1002(c) of the National Defense Authorization Act, 1985 (22 U.S.C. 1928 note) is amended to read as follows:

"(1) The end strength level of members of the Armed Forces of the United States assigned to permanent duty ashore in European member nations of NATO may not exceed a permanent ceiling of approximately 100,000 in any fiscal year.

"(2) Notwithstanding paragraph (1), the end strength level of members of the Armed Forces of the United States assigned to permanent duty ashore in European member nations of NATO may exceed 100,000 in a fiscal year if, before September 1 of that fiscal year, the President certifies to Congress that it is essential for the end strength level to exceed 100,000 in that fiscal year in order to attain national security objectives of the United States in Europe and that the number of personnel in excess of 100,000 does not exceed the number of additional personnel necessary to attain such objectives. In no event may the end strength level exceed 113,000 in any fiscal year.".

(b) CONFORMING AMENDMENT.—Section 1303 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2546) is repealed.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1995.

SEC. 1013. EXTENSION AND REVISION OF AUTHORITIES RELATING TO COOPERATIVE THREAT REDUCTION.

(a) FUNDING FOR FISCAL YEAR 1995.—Funds authorized to be appropriated under section 301(19) shall be available for cooperative threat reduction with states of the former Soviet Union under the Cooperative Threat Reduction Act of 1993 (title XII of Public Law 103-160; 22 U.S.C. 5951 et seq.).

(b) SEMI-ANNUAL REPORTS.—Section 1207 of such Act (22 U.S.C. 5956) is amended by striking out "and not later than October 30, 1994," and inserting in lieu thereof "October 30, 1994, April 30, 1995, and October 30, 1995,".

SEC. 1014. DEFENSE COOPERATION BETWEEN THE UNITED STATES AND ISRAEL.

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

(1) The President has made a commitment to maintaining the qualitative superiority of the Israeli Defense Force over any potential combination of potential adversaries.

(2) Despite the peace process in which Israel is engaged, Israel continues to face difficult threats to its national security.

(3) The threats are compounded by the proliferation of weapons of mass destruction and ballistic missiles.

(4) Congress recognizes the many benefits to the United States resulting from the strategic relationship that exists between the United States and Israel.

(5) Congress is supportive of the objective of the President to enhance United States-Israel military and technical cooperation, particularly in the areas of missile defense and counter-proliferation.

(6) Congress is supportive of the establishment of the United States-Israel Science and Technology Commission in 1993.

(7) Maintaining the qualitative superiority of the Israeli Defense Force and strengthening the defense ties and science and technology cooperation between the United States and Israel will help ensure that Israel has the military strength and political support necessary to take risks for peace while providing Arab states with an incentive to pursue negotiations instead of war.

(8) Israel continues to cooperate with the United States on numerous theater missile defense programs, including the Arrow Tactical Anti-Missile program and the boost phase intercept technology program.

(9) It is in the national interests of the United States and Israel to strengthen existing mechanisms for cooperation and to eliminate unnecessary barriers to further collaboration between the United States and Israel.

(b) SENSE OF CONGRESS.—It is the sense of Congress that Congress—

(1) encourages the President to ensure that any conventional defense system or technology offered for release to any NATO or

other major non-NATO ally should concurrently be available for purchase by Israel unless such action would contravene United States national interests; and

(2) urges the President to make available to Israel, within existing technology transfer laws, regulations, and policies, advanced United States technology necessary for continued progress in cooperative United States-Israel research and development of theater missile defenses.

SEC. 1015. MILITARY-TO-MILITARY CONTACTS AND COMPARABLE ACTIVITIES.

(a) ACTIVITIES AUTHORIZED.—(1) Chapter 6 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 166b. Military-to-military contacts and comparable activities

"(a) AUTHORITY.—The Secretary of Defense may conduct military-to-military contacts and comparable activities that are designed to encourage a democratic orientation of defense establishments and military forces of other countries.

"(b) ADMINISTRATION.—The Secretary may provide funds appropriated for carrying out subsection (a) to the following officials for use as provided in subsection (c):

"(1) The commander of a combatant command, upon the request of the commander.

"(2) An officer designated by the Chairman of the Joint Chiefs of Staff, with respect to an area or areas not under the area of responsibility of a commander of a combatant command.

"(3) The head of any Department of Defense component.

"(c) AUTHORIZED ACTIVITIES.—An official provided funds under subsection (b) may use such funds for the following activities and expenses:

"(1) The activities of traveling contact teams, including any transportation expenses, translation services expenses, and administrative expenses that are related to such activities.

"(2) The activities of military liaison teams.

"(3) Exchanges of—

"(A) civilian or military personnel between the Department of Defense and defense ministries of foreign governments; and

"(B) military personnel between units of the armed forces and units of foreign armed forces.

"(4) Seminars and conferences held primarily in a theater of operations.

"(5) Distribution of publications primarily in a theater of operations.

"(6) Personnel expenses for Department of Defense civilian and military personnel to the extent that such expenses relate to participation in activities described in paragraphs (3), (4), and (5).

"(7) Reimbursement of military personnel appropriations accounts for the pay and allowances paid to National Guard personnel and other reserve components personnel for service while engaged in activities referred to in other paragraphs of this subsection.

"(d) RELATIONSHIP TO OTHER FUNDING.—Any amount provided during any fiscal year to an official under subsection (b) for activities or expenses referred to in subsection (c) shall be in addition to amounts otherwise available for such activities and expenses for that fiscal year.

"(e) LIMITATIONS.—(1) Funds may not be provided under this section for a fiscal year for any activity for which—

"(A) funding was proposed in the budget submitted to Congress for such fiscal year pursuant to section 1105(a) of title 31; and

"(B) Congress did not authorize appropriations.

"(2) An activity may not be conducted under this section with a foreign country unless the Secretary of State approves the conduct of such activity in that foreign country.

"(3) Funds may not be provided under this section for a fiscal year for any country which was not eligible in that fiscal year for assistance under chapter 5 of part II of the Foreign Assistance Act of 1961.

"(4) Funds may not be used under this section for the provision of military education or training, defense articles, or defense services to any country.

"(f) MILITARY-TO-MILITARY CONTACTS DEFINED.—In this section, the term 'military-to-military contacts' means contacts between members of the armed forces and members of foreign armed forces through activities described in subsection (c).".

(2) The table of sections at the beginning of chapter 6 of such title is amended by adding at the end the following new item:

"166b. Military-to-military contacts and comparable activities.".

(b) FUNDING.—Of the amount authorized to be appropriated under section 301(5) for operation and maintenance for Defense-wide activities, $46,300,000 shall be available to the Secretary of Defense for the purposes of carrying out activities under section 166b of title 10, United States Code, as added by subsection (a).

SEC. 1016. FOREIGN DISASTER RELIEF.

(a) AUTHORITY.—(1) Subchapter I of chapter 20 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 404. Foreign disaster relief

"(a) IN GENERAL.—The President may conduct disaster relief activities outside the United States to respond to manmade or natural disasters when necessary to prevent loss of lives.

"(b) FORMS OF ASSISTANCE.—Assistance provided under this section may include transportation, supplies, services, and equipment.

"(c) DETERMINATION REQUIRED.—No assistance may be furnished pursuant to this section unless the President determines that the provision of disaster relief is in the national interest of the United States and is necessary to prevent loss of lives.

"(d) REPORT REQUIRED.—Not later than 48 hours after the commencement of disaster relief activities, the President shall transmit to the Congress a report containing the determination required by subsection (c) and a description of the following:

"(1) The manmade or natural disaster for which disaster relief is necessary.

"(2) The threat to human lives presented by the disaster.

"(3) The United States military personnel and material resources that are involved or expected to be involved.

"(4) The disaster relief that is being provided or is expected to be provided by other nations or public or private relief organizations.

"(5) The anticipated duration of the disaster relief activities.".

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

"404. Foreign disaster relief.".

(b) FUNDING OF ACTIVITIES.—Of the amount authorized to be appropriated under subsection 301(5), $46,300,000 shall be available to the Secretary of Defense for the purpose of carrying out disaster relief activities under section 404 of title 10, United States Code, as added by subsection (a).

SEC. 1017. BURDENSHARING POLICY AND REPORT.

(a) POLICY.—It is the policy of the United States that the North Atlantic Treaty Organization (NATO) allies should assist the United States in paying the incremental cost incurred by the United States for maintaining members of the Armed Forces in assignments to permanent duty ashore in Europe solely for performing United States obligations for support of NATO.

(b) IMPLEMENTATION.—The President shall take all necessary actions to ensure the effective implementation of the burdensharing policy set forth in subsection (a).

(c) REPORT.—The Secretary of Defense shall include in the annual burdensharing report required by section 1002(d) of the Department of Defense Authorization Act, 1985 (22 U.S.C. 1928 note) the following matters:

(1) A specific enumeration and description of the United States military resources and military personnel assigned to permanent duty ashore in Europe primarily in support of NATO and an analysis of the cost of providing and maintaining such resources and personnel in such assignment primarily for that purpose.

(2) A specific enumeration and description of the United States military resources and military personnel assigned to permanent duty ashore in Europe primarily in support of other United States interests in other regions of the world and an analysis of the cost of providing and maintaining such resources and personnel in such assignment primarily for that purpose.

(3) A specific enumeration and description of the offsets to United States costs of providing and maintaining United States military resources and military personnel in Europe that the United States has previously received from other NATO member nations, set out by country and by type of assistance, including both "in-kind" assistance and direct cash reimbursement, and the projected offsets for the five fiscal years following the fiscal year in which the report is submitted.

(4) A detailed identification of the costs associated with maintaining United States military personnel in assignments to permanent duty ashore in Europe for NATO and the difference in cost that would result from stationing such personnel at military bases within the United States and continuing to assign to such personnel the mission to perform United States obligations under NATO.

(5) A comparison of the defense spending by each NATO member country as a percentage of Gross Domestic Product (GDP) beginning in 1985 and the projected future defense spending as a percentage of Gross Domestic Product through 2000.

(6) A review of all actions taken by the United States to ensure the effective implementation of the United States burdensharing policy set forth in subsection (a).

(d) INCREMENTAL COST DEFINED.—In this section, the term "incremental cost", with respect to maintaining members of the Armed Forces in assignments to permanent duty ashore in Europe, includes the cost of transportation to and from duty stations in Europe, any variation in the cost of housing and food as compared to the cost of housing and food for members of the Armed Forces stationed in the United States, and any additional expenditures associated with infrastructure necessary to support United States forces in Europe.

SEC. 1018. REVIEW AND REPORT REGARDING DEPARTMENT OF DEFENSE PROGRAMS RELATING TO REGIONAL SECURITY AND HOST NATION DEVELOPMENT IN THE WESTERN HEMISPHERE.

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

(1) The political environment in the Western Hemisphere has been characterized in recent years by significant democratic advances and an absence of international strife; but democracy is fragile in some nations of the region.

(2) It is desirable for the Department of Defense to perform a positive role in influencing regional armed forces to make positive contributions to the democratic process and to domestic development programs.

(3) Congress receives a number of annual reports relating to specific authorities granted to the Secretary of Defense under title 10, United States Code, such as the authorities relating to the conduct of bilateral or regional cooperation programs under section 1051, participation of developing countries in combined exercises under section 2110, and the training of special operations forces with friendly forces under section 2011.

(4) The annual reports are replete with statistics and dollar figures and generally lacking in substance.

(5) Congress does not receive annual reports with respect to other authorities of the Secretary of Defense, such as that relating to Latin American cooperation under section 1050 of title 10, United States Code.

(6) Testimony before Congress, including in particular the testimony of the Commander in Chief, United States Southern Command, and the Commander in Chief, United States Atlantic Command, has emphasized the conduct of a large number of complementary programs under the leadership and supervision of those two commanders to foster appropriate military roles in democratic host nations and to assist countries in developing forces properly trained to address their security needs, including needs regarding illegal immigration, insurgencies, smuggling of illegal arms, munitions, and explosives across borders, and drug trafficking.

(7) Most of the programs referred to in paragraph (6) provide excellent and often unique training and experience to the United States forces involved.

(8) The expansion of the military-to-military contact program to the Western Hemisphere will provide another tool to encourage a democratic orientation of the defense establishments and military forces of countries in the region.

(9) There is a need to conduct a comprehensive review of the several authorities in title 10, United States Code, for the Secretary of Defense to engage in cooperative regional security programs with other countries in the Western Hemisphere in order to determine whether the authorities continue to be appropriate and necessary, particularly in the light of the changed circumstances in the region.

(10) There is a need to conduct a comprehensive review of the various programs carried out pursuant to such authorities to ensure that such programs are designed to meet the needs of the host nations involved and the regional objectives of the United States.

(11) There is a need to assess the strengths and weaknesses of the various regional security organizations, defense forums, and defense education institutions in the Western Hemisphere in order to identify any improvements needed to harmonize the defense policies of the United States and those of friendly nations of the region.

(b) REPORT REQUIRED.—Not later than May 1, 1995, the Secretary of Defense, shall—

(1) carry out a comprehensive review and assessment of the matters referred to in paragraphs (9), (10), and (11) of subsection (a); and

(2) after consultation with the Chairman of the Joint Chiefs of Staff and the commanders of the combatant commands responsible for regions in the Western Hemisphere, submit to the Committees on Armed Services of the Senate and House of Representatives a report on regional defense matters.

(c) CONTENT OF REPORT.—The report shall contain a detailed and comprehensive description, discussion, and analysis of the following matters:

(1) The Department of Defense plan to support United States strategic objectives in the Western Hemisphere.

(2) The external and internal threats to the national security of the nations of the region.

(3) The various regional security cooperative programs carried out by the Department of Defense in the region in 1994, including training and education programs in the host nations and in the United States and defense contacts set forth on a country-by-country basis, the statutory authority, if any, for such programs, and the strategic objectives served.

(4) The various regional security organizations, defense forums, and defense education institutions that the United States maintains or in which the United States participates.

(5) An assessment of the contribution that such programs, defense contacts, organizations, forums, and institutions make to the advancement of regional security, host nation security and national development, and the strategic objectives of the United States.

(6) The changes made or to be made in the programs, organizations, forums, and institutions as a result of the comprehensive review.

(7) Any recommended legislation considered necessary to improve the ability of the Department to achieve its strategic objectives.

(d) CLASSIFICATION OF REPORT.—The report shall be submitted in an unclassified form and may, if necessary, have a classified supplement.

SEC. 1019. PAYMENTS-IN-KIND FOR RELEASE OF UNITED STATES OVERSEAS MILITARY FACILITIES TO NATO HOST COUNTRIES.

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

(1) The United States has invested $6,500,000,000 in military infrastructure in North Atlantic Treaty Organization (NATO) countries.

(2) As part of an overall plan to reduce United States troop strength in Europe from 323,432 in 1987 to 100,000 by the end of 1996, the Department of Defense plans to close or reduce United States military presence at 867 military sites overseas.

(3) Most of the overseas military sites announced for closure are in Europe where the United States has already closed 434 such sites.

(4) When the United States closes military sites in Europe, the United States brings the military personnel home but leaves buildings, roads, sewers, and other real property improvements behind.

(5) Some allies have agreed to pay the United States for the residual value of the real property improvements left behind.

(6) Although the United States military drawdown has been rapid since 1990, European allies have been slow to pay the United States the residual value of the sites released by the United States.

(7) As of 1994, the United States has recouped only $33,300,000 in cash, and most of that was recovered in 1989.

(8) Although the United States has released to Germany over 60 percent of the military sites planned for closure by the United States in that country and the current value of United States facilities to be returned to the German government is estimated at approximately $2,700,000,000, the German government has budgeted only $25,000,000 for fiscal year 1994 for payment of compensation for the United States investment in such improvements.

(b) POLICY.—It is the sense of Congress that—

(1) the President should redouble efforts to recover the value of the United States investment in the military infrastructure of NATO countries;

(2) the President should enter into negotiations with the government of each NATO host country with a presumption that payments to compensate the United States for the negotiated value of improvements will be made in cash and deposited in the Department of Defense Overseas Military Facility Investment Recovery Account;

(3) the President should enter into negotiations for payments-in-kind only as a last resort and only after informing the Congress that negotiations for cash payments have not been successful; and

(4) to the extent that in-kind contributions are received in lieu of cash payments in any fiscal year, the in-kind contributions should be used for projects which are identified priorities of the Department of Defense.

(c) REQUIREMENTS AND LIMITATIONS RELATING TO PAYMENTS-IN-KIND.—(1) Subsection (e) of section 2921 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2687 note) is amended—

(A) by inserting "(1)" after "NEGOTIATIONS FOR PAYMENTS-IN-KIND.—";

(B) by striking out "a written notice" and all that follows and inserting in lieu thereof "to the congressional defense committees (and one additional copy to each of the Subcommittees on Defense of the Committees on Appropriations of the Senate and the House of Representatives) a written notice regarding the intended negotiations."; and

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

"(2) The notice shall contain the following:

"(A) A justification for entering into negotiations for payments-in-kind with the host country.

"(B) The types of benefit options to be pursued by the Secretary in the negotiations.

"(C) A discussion of the adjustments that are intended to be made in the future-years defense program or in the budget of the Department of Defense for the fiscal year in which the notice is submitted or the following fiscal year in order to reflect costs that it may no longer be necessary for the United States to incur as a result of the payments-in-kind to be sought in the negotiations.".

(2) Such section is amended by adding at the end the following new subsection:

"(h) CONGRESSIONAL OVERSIGHT OF PAYMENTS-IN-KIND.—(1) Not less than 30 days before concluding an agreement for acceptance of military construction or facility improvements as a payment-in-kind, the Secretary of Defense shall submit to Congress a notification on the proposed agreement that contains the following matters:

"(A) A description of the military construction project or facility improvement project, as the case may be.

"(B) A certification that the project is needed by United States forces.

"(C) An explanation of how the project will aid in the achievement of the mission of those forces.

"(D) A certification that, if the project were to be carried out by the Department of Defense, appropriations would be necessary for the project and it would be necessary to provide for the project in the next future-years defense program.

"(2) Not less than 30 days before concluding an agreement for acceptance of host nation support or host nation payment of operating costs of United States forces as a payment-in-kind, the Secretary of Defense shall submit to Congress a notification on the proposed agreement that contains the following matters:

"(A) A description of each activity to be covered by the payment-in-kind.

"(B) A certification that the costs to be covered by the payment-in-kind are included in the budget of one or more of the military departments or that it will otherwise be necessary to provide for payment of such costs in a budget of one or more of the military departments.

"(C) A certification that, unless the payment-in-kind is accepted or funds are appropriated for payment of such costs, the military mission of the United States forces with respect to the host nation concerned will be adversely affected.".

Subtitle C—Nonproliferation and Counterproliferation of Weapon Systems and Related Systems

SEC. 1021. EXTENSION AND REVISION OF NONPROLIFERATION AUTHORITIES.

(a) EXTENSION OF NONPROLIFERATION AUTHORITIES.—Section 1505 of the National Defense Authorization Act for Fiscal Year 1993 (22 U.S.C. 5859a) is amended—

(1) in subsection (a), by striking out "during fiscal year 1994" and inserting in lieu thereof "during fiscal years 1994 and 1995"; and

(2) in subsection (e), by striking out "fiscal year 1994" and inserting in lieu thereof "fiscal years 1994 and 1995".

(b) ACTIVITIES FOR WHICH ASSISTANCE MAY BE PROVIDED.—Subsection (b)(4) of such section is amended by striking out "nuclear proliferation through joint technical projects and improved intelligence sharing" and inserting in lieu thereof "nuclear, biological, chemical, and missile proliferation through technical projects and improved information sharing".

(c) SOURCES OF ASSISTANCE.—Subsection (d) of such section is amended—

(1) in paragraph (1)—

(A) by inserting "for fiscal year 1994" after "under this section"; and

(B) by striking out "fiscal year 1994 or" and inserting in lieu thereof "fiscal year 1994. Funds provided as assistance under this section for fiscal year 1995 shall be derived from amounts made available to the Department of Defense for fiscal year 1995. Alternatively, funds provided as assistance under this section for a fiscal year referred to in this paragraph may be derived"; and

(2) in paragraph (3), by inserting after "$25,000,000" the following: "for fiscal year 1994 or $15,000,000 for fiscal year 1995".

SEC. 1022. JOINT COMMITTEE FOR THE REVIEW OF COUNTERPROLIFERATION PROGRAMS OF THE UNITED STATES.

(a) COMPOSITION.—Subsection (a) of section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat 1845) is amended—

(1) in paragraph (1)—

(A) by striking out "Non-Proliferation" in the matter above subparagraph (A) and inserting in lieu thereof "Counterproliferation";

(B) by striking out subparagraphs (B) and (E); and

(C) by redesignating subparagraphs (C), (D), and (F) as subparagraphs (B), (C), and (D), respectively;

(2) in paragraph (2), by adding at the end the following: "The Secretary of Energy shall serve as the Vice Chairman of the committee."; and

(3) in paragraph (4), by adding at the end the following: "The Secretary of Energy may delegate to the Under Secretary of Energy responsible for national security programs of the Department of Energy the performance of the duties of the Vice Chairman of the committee."; and

(4) by striking out paragraph (5).

(b) PURPOSES OF COMMITTEE.—Subsection (b) of such section is amended—

(1) in paragraph (1)(A), by striking out "nonproliferation policy" and inserting in lieu thereof "counterproliferation policy"; and

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

"(3) To prioritize programs and funding.

"(4) To encourage and facilitate interagency and interdepartmental funding of programs in order to ensure necessary levels of funding to develop, operate, and field highly-capable systems.

"(5) To insure that Department of Energy programs are integrated with the operational needs of other departments and agencies of the Federal Government.

"(6) To ensure that Department of Energy national security programs include development of systems for deployment as well as research.".

(c) DUTIES.—Subsection (c) of such section is amended—

(1) in paragraph (1)—

(A) by striking out "(including counterproliferation capabilities) and technologies for support of United States nonproliferation policy" in the matter above subparagraph (A) and inserting in lieu thereof "and technologies for support of United States nonproliferation policy and counterproliferation policy";

(B) by inserting "and" at the end of subparagraph (D); and

(C) by striking out subparagraphs (F) and (G);

(2) by striking out paragraphs (2), (3), and (7);

(3) in paragraph (4), by striking out "to support fully the nonproliferation policy of the United States";

(4) by redesignating paragraphs (4), (5), and (6) as paragraphs (2), (3), and (4), respectively; and

(5) by adding at the end the following new paragraph (5):

"(5) assess each fiscal year the effectiveness of the committee actions during the preceding fiscal year, including, particularly, the status of recommendations made during such preceding fiscal year that were reflected in the budget submitted to Congress pursuant to section 1105(a) of title 31, United States Code, for the fiscal year following the fiscal year in which the assessment is made.".

(d) COMMITTEE RECOMMENDATIONS.—Subsection (e) of such section is amended to read as follows:

"(e) RECOMMENDATIONS.—The committee shall submit to the President and the heads of all appropriate departments and agencies of the Federal Government such programmatic recommendations regarding existing, planned, or new programs as the committee considers appropriate to encourage funding for capabilities and technologies at the level necessary to support United States counterproliferation policy.".

(e) EXTENSION OF COMMITTEE.—Subsection (f) of such section is amended by striking out "six months after the date on which the report of the Secretary of Defense under section 1606 is submitted to Congress" and inserting in lieu thereof "at the end of September 30, 1996".

SEC. 1023. REPORT ON COUNTERPROLIFERATION ACTIVITIES AND PROGRAMS.

(a) REPORT REQUIRED.—Not later than May 1, 1995, and not later than May 1 of each year thereafter, the Secretary of Defense shall submit to the appropriate committees of Congress a report of the findings of the Counterproliferation Program Review Committee established by section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat 1845). The Secretary shall submit any special annex of the report to the committees of Congress that traditionally receive information in the annex in the performance of oversight functions of such committees.

(b) CONTENT OF THE REPORT.—The report shall include the following matters:

(1) A complete list, by specific program element, of the existing, planned, or newly proposed capabilities and technologies reviewed by the committee pursuant to section 1605(c) of Public Law 103-160.

(2) A complete description of the requirements and priorities established by the Counterproliferation Program Review Committee.

(3) A comprehensive discussion of the near-term, mid-term, and long-term programmatic options formulated by the committee for meeting requirements prescribed by the committee and for eliminating deficiencies identified by the committee, including the annual funding requirements and completion dates established for each such option.

(4) An explanation of the recommendations made pursuant to section 1605(c) of Public Law 103-160, together with a full discussion of the actions taken to implement such recommendations or otherwise taken on the recommendations.

(5) A discussion and assessment of the status of each committee recommendation during the fiscal year preceding the fiscal year in which the report is submitted, including, particularly, the status of recommendations made during such preceding fiscal year that were reflected in the budget submitted to Congress pursuant to section 1105(a) of title 31, United States Code, in the fiscal year of the report.

(6) Each specific Department of Energy program that the Secretary of Energy plans to develop to initial operating capability and each such program that the Secretary does not plan to develop to initial operating capability.

(7) For each technology program scheduled to reach initial operational capability, a recommendation from the Chairman of the Joint Chiefs of Staff that represents the views of the commanders of the unified and specified commands regarding the utility and requirement of the program.

(c) FORMS OF REPORT.—The report shall be submitted in both unclassified and classified

forms, including an annex to the classified report for special compartmented information programs, special access programs, and special activities programs.

(d) DEFINITIONS.—In this section:

(1) The term "appropriate committees of Congress" means—

(A) the Committee on Armed Services, the Committee on Appropriations, and the Select Committee on Intelligence of the Senate; and

(B) the Committee on Armed Services, the Committee on Appropriations, and the Select Committee on Intelligence of the House of Representatives.

(2) The term "intelligence community" has the meaning given such term in section 3 of the National Security Act of 1947 (50 U.S.C. 401a).

SEC. 1024. AMOUNTS FOR COUNTERPROLIFERATION ACTIVITIES.

(a) COUNTERPROLIFERATION ACTIVITIES.—Of the amount authorized to be appropriated in section 201(4), $12,500,000 shall be available for counterproliferation activities.

(b) EDUCATION IN SUPPORT OF COUNTERPROLIFERATION ACTIVITIES.—Of the amount authorized to be appropriated in section 301(5), not more than $1,000,000 shall be available for providing education to members of the Armed Forces in matters relating to counterproliferation.

(c) ADDITIONAL AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) In addition to the transfer authority provided in section 1001, 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 1995 to counterproliferation programs, projects, and activities identified as areas for progress by the Joint Committee for the Review of Counterproliferation Programs established by section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1845). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary may transfer under the authority of this subsection may not exceed $100,000,000.

(3) The authority provided by this subsection to transfer authorizations—

(A) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(B) may not be used to provide authority for an item that has been denied authorization by Congress.

(4) A transfer made from one account to another under the authority of this subsection 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.

(5) The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this subsection.

(d) USE OF FUNDS FOR TECHNOLOGY DEVELOPMENT.—(1) Of the funds authorized to be appropriated by section 201(4) for a counterproliferation technology project in Program Element 602301E—

(A) $5,000,000 shall be available for a program to detect, locate, and disarm weapons of mass destruction that are hidden by a hostile state or terrorist or terrorist group in confined area outside the United States; and

(B) $10,000,000 shall be available for the training program referred to in paragraph (3).

(2) The Secretary of Defense shall make funds available for the program referred to in paragraph (1)(A) in a manner that, to the maximum extent practicable, ensures the effective utilization of existing resources of the national weapons laboratories.

(3)(A) The training program referred to in paragraph (1)(B) is a training program carried out jointly by the Secretary of Defense and the Director of the Federal Bureau of Investigation in order to expand and improve United States efforts to deter the possible proliferation and acquisition weapons of mass destruction by organized crime organizations in Eastern Europe, the Baltic countries, and the former Soviet Union.

(B) The funds available under paragraph (1)(B) for the program referred to in subparagraph (A) may not be obligated or expended for that program until the Secretary of Defense and the Director of the Federal Bureau of Investigation jointly submit to the congressional defense committees a report that—

(i) identifies the nature and extent of the threat posed to the United States by the possible proliferation and acquisition of weapons of mass destruction by organized crime organizations in Eastern Europe, the Baltic countries, and the former Soviet Union;

(ii) assesses the actions that the United States should undertake in order to assist law enforcement agencies of Eastern Europe, the Baltic countries, and the former Soviet Union in the efforts of such agencies to prevent and deter the theft of nuclear weapons material; and

(iii) contains an estimate of—

(I) the cost of undertaking such actions, including the costs of personnel, support equipment, and training;

(II) the time required to commence the carrying out of the program referred to in paragraph (1); and

(III) the amount of funds, if any, that will be required in fiscal years after fiscal year 1995 in order to carry out the program.

SEC. 1025. RESTRICTION RELATING TO REPORT ON PROLIFERATION OF FOREIGN MILITARY SATELLITES.

None of the funds available to the Department of Defense for travel may be expended for travel by the Assistant Secretary of Defense for International Security Policy until the Secretary of Defense submits to Congress the report required by section 1363 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2560) together with the certification required by section 211(d) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1584).

Subtitle D—Peace Operations

SEC. 1031. REPORTS ON REFORMING MULTILATERAL PEACE OPERATIONS.

(a) REPORTS REQUIRED.—The Secretary of Defense shall submit to the congressional defense committees two reports on United States proposals for improving United Nations management of peace operations. The Secretary shall submit the first report not later than December 1, 1994, and the second report not later than June 1, 1995.

(b) CONTENT OF REPORTS.—(1) Each report shall contain—

(A) a discussion of the status of implementation of United States proposals contained in section IV (relating to strengthening the United Nations) of the document entitled "The Clinton Administration's Policy on Reforming Multilateral Peace Operations" that was issued by the Executive Office of the President in May 1994; and

(B) an analysis of the results of such implementation.

(2) Each report shall cover, at a minimum, the following matters:

(A) The reconfiguration and expansion of the staff for the United Nations Department of Peacekeeping Operations.

(B) The elimination by the United Nations of lengthy, potentially disastrous delays after a peace operation has been authorized.

(C) The establishment by the United Nations of a professional peace operations training program for commanders and other military and civilian personnel.

(D) United States assistance to facilitate improvements by the United Nations in the matters described in subparagraphs (A) and (C) and the terms under which such assistance has been or is being provided.

(c) DEFINITION.—Is this section, the term "peace operation" means an operation to maintain or restore international peace and security under chapter VI or chapter VII of the Charter of the United Nations.

SEC. 1032. SUPPORT FOR INTERNATIONAL PEACEKEEPING AND PEACE ENFORCEMENT.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the President should initiate consultations with the bipartisan leadership of Congress, including the leadership of the relevant committees, as far in advance as possible regarding international peacekeeping or peace enforcement activities of the United Nations that would involve the participation of United States combat forces and such consultations should continue throughout the duration of such activities;

(2) the consultations should take place prior to the vote by the United States on United Nations Security Council resolutions authorizing, extending, or revising the mandates for these types of activities;

(3) United Nations Security Council resolutions authorizing peacekeeping or peace enforcement activities should clearly state the threat to international peace and security presented by the conflict in question, as well as the political and military objectives, the anticipated duration, and an exit strategy for each activity;

(4) the United States should be fully reimbursed for troop contributions and assistance provided to United Nations peacekeeping and peace enforcement activities;

(5) the United Nations should rarely conduct peace enforcement operations in view of the complexity of such operations and the difficulty of achieving unity of command and expeditious decisionmaking through the United Nations;

(6) United States combat forces should be under the operational control of qualified commanders and should have clear and effective command and control arrangements, appropriate rules of engagement, and clear and unambiguous mission statements;

(7) United States combat forces should not be under the command and control of foreign commanders in peace enforcement operations conducted by the United Nations except in the most extraordinary circumstances; and

(8) the Secretary of Defense should have the lead responsibility within the executive branch for the management of peacekeeping and peace enforcement activities of the United Nations in which United States combat forces participate.

(b) SUPPORT AUTHORIZED.—(1) Section 403 of title 10, United States Code, is amended to read as follows:

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"§ 403. International peacekeeping and international peace enforcement: support involving United States combat forces

"(a) AUTHORITY.—Notwithstanding any other provision of law, the Secretary of Defense may—

"(1) pay, out of funds in the Contributions for International Peacekeeping and Peace Enforcement Activities Fund established by subsection (g), the United States fair share (as determined by the Secretary) of assessments for international peacekeeping or international peace enforcement activities of the United Nations in which United States combat forces participate; and

"(2) furnish assistance, on a reimbursable basis, in support of such activities.

"(b) FORMS OF ASSISTANCE.—Assistance provided under this section may include supplies, services, and equipment.

"(c) DETERMINATION REQUIRED.—No assessment may be paid and no assistance may be furnished pursuant to this section unless the President determines that the provision of assistance is in the national interest of the United States.

"(d) ADVANCE NOTICE.—(1) In the case of any international peacekeeping or international peace enforcement operation of the United Nations in which United States combat forces are to participate, not less than 15 days before an initial deployment of United States combat forces, payment of a United Nations assessment, furnishing of assistance of a value in excess of $14,000,000, or waiver of reimbursement to the United States under subsection (e), the President shall transmit to the designated congressional committees a report, which may be classified in whole or in part, that contains the determination required by subsection (c) and the following matters:

"(A) A description of the threat to international peace and security presented by the conflict involved.

"(B) The United States interests that will be advanced by the operation and by the United States action.

"(C) The political and military objectives of the operation.

"(D) The exit criteria and likely duration of the operation.

"(E) The personnel and material resources that have been pledged, or are otherwise expected to be made available, by other nations to the United Nations for the operation.

"(F) The units of the armed forces that will participate.

"(G) The necessity for involvement of United States forces.

"(H) The command arrangements for those forces and, if any of the United States forces are to be placed under the operational control of foreign commanders, the justification for doing so.

"(I) The rules of engagement for the operation.

"(J) An assessment of the risks involved in the operation.

"(K) In the case of payment of an assessment, the amount to be paid and the terms under which the payment is to be made.

"(L) In the case of assistance, the supplies, services, or equipment to be provided by the United States and the terms under which such supplies, services, or equipment are to be provided.

"(M) In the case of a waiver of reimbursement, the justification for the waiver.

"(2) If the President determines that an unforeseen emergency requires the immediate deployment of United States combat troops or the immediate furnishing of assistance of a value in excess of $14,000,000 under this section, the President—

"(A) may waive the requirement of paragraph (1) that a report be transmitted at least 15 days in advance of the action; and

"(B) shall promptly notify the designated committees of such waiver and such deployment or transfer.

"(e) REIMBURSEMENT.—(1) The President shall require reimbursement from the United Nations or from any other source for the participation of any force of the armed forces in support of international peacekeeping or international peace enforcement activities of the United Nations or for the provision of assistance by the Secretary of Defense in support of such activities.

"(2) Any funds received as reimbursements shall be used as follows:

"(A) As a first priority, for the payment of the incremental costs of the military departments and Defense Agencies providing the participating United States forces or the supplies, services, or equipment involved.

"(B) As a second priority, for the payment of the incremental costs of any other United States forces that are operating in support of international peacekeeping or international peace enforcement activities but for which reimbursement is not possible.

"(3) After use of reimbursement funds for the purposes specified in paragraph (2), any remainder of such funds shall be credited to the Contributions for International Peacekeeping and Peace Enforcement Activities Fund established by subsection (g).

"(4) Reimbursements utilized for the payment of incremental costs shall be credited, at the option of the Secretary of the military department concerned or the head of the Defense Agency concerned, either to an appropriation, fund, or other account obligated to pay such costs or to an appropriate appropriation, fund, or other account available for paying such costs.

"(f) WAIVER OF REIMBURSEMENT.—The President may waive, in whole or in part, any reimbursement required under subsection (a)(2) or (e) in exceptional circumstances upon determining that such waiver is in the national interest of the United States.

"(g) ESTABLISHMENT OF ACCOUNT.—There is hereby established in the Treasury of the United States a fund to be known as the 'Contributions for International Peacekeeping and Peace Enforcement Activities Fund'. Amounts appropriated or otherwise credited to the Fund shall be available until expended for, and shall be used for, paying assessments for United Nations operations under this section.

"(h) AUTHORITY INAPPLICABLE WHEN UNITED STATES COMBAT FORCES NOT INVOLVED.—The authority in subsection (a) to pay United Nations assessments for international peacekeeping and international peace enforcement activities of the United Nations may not be construed as authorizing payment of United Nations assessments for any such activity in which United States combat forces do not participate.

"(i) COORDINATION WITH OTHER LAWS.—This section may not be construed as superseding any provision of the War Powers Resolution. This section does not provide authority for the participation of United States combat forces in any international peacekeeping or international peace enforcement operation.

"(j) DEFINITIONS.—In this section:

"(1) The term 'designated congressional committees' means the Committees on Armed Services, Appropriations, and Foreign Relations of the Senate and the Committees on Armed Services, Appropriations, and Foreign Affairs of the House of Representatives.

"(2) The term 'combat forces' means forces of the armed forces that have combat missions as primary missions.

"(3) The term 'international peacekeeping' means those activities performed pursuant to Chapter VI of the United Nations Charter.

"(4) The term 'international peace enforcement' means those activities performed pursuant to Chapter VII of the United Nations Charter.".

(2) The item relating to section 403 in the table of sections at the beginning of subchapter I of chapter 20 of such title is amended to read as follows:

"403. International peacekeeping and international peace enforcement: support involving United States combat forces.".

(c) AUTHORIZED SUPPORT FOR FISCAL YEAR 1995.—Not more than $300,000,000 is authorized to be appropriated for fiscal year 1995 for the Contributions for International Peacekeeping and Peace Enforcement Activities Fund under section 301(20).

Subtitle E—Reporting Requirements

SEC. 1041. REPORT ON OFFENSIVE BIOLOGICAL WARFARE PROGRAM OF THE STATES OF THE FORMER SOVIET UNION.

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

(1) The United States has identified nonproliferation as a high priority in the conduct of United States national security policy.

(2) The United States is seeking universal adherence to global regimes that control nuclear, chemical, and biological weapons and is promoting new measures that provide increased transparency of biological weapons-related activities and facilities in an effort to help deter violations of and enhance compliance with the Biological Weapons Convention (BWC).

(3) Questions continue to arise regarding offensive biological weapons research, development, testing production, and storage in the countries of the former Soviet Union as well as in other countries.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the President should continue to urge all signatories to the Biological Weapons Convention to comply fully with the terms of that convention and with other international agreements relating to the control of biological weapons; and

(2) as the President encourages increased transparency of biological weapons-related activities and facilities to deter violations of and enhance compliance with the Biological Weapons Convention, the President should also take appropriate actions to ensure that the United States is prepared to counter the effects of use of biological weapons by others.

(c) REPORT REQUIRED.—Not later than 120 days after the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the status of the offensive biological warfare program in the Russian Federation and the other independent states of the former Soviet Union.

(d) CONTENT OF REPORT.—The report shall include the following matters:

(1) An assessment of the extent of compliance of the independent states of the former Soviet Union with the Biological Weapons Convention and other international agreements relating to the control of biological weapons.

(2) An evaluation of the extent of control and oversight by the government of the Russian Federation over the former Soviet military and dual civilian-military biological warfare programs.

(3) The extent, if any, of the biological warfare agent stockpile in any of the independent states of the former Soviet Union.

(4) The extent and scope, if any, of continued biological warfare research, development, testing, and production by such state, including the sites and types of activity at those sites.

(5) An evaluation of the effectiveness of possible delivery systems of biological weapons, including tube and rocket artillery, bomber aircraft, and ballistic missiles.

(6) An evaluation of United States capabilities to detect and monitor biological warfare research, development, testing, production, and storage.

(7) On the basis of the assessment and evaluations referred to in other paragraphs of this subsection, recommendations by the Secretary of Defense and Chairman of the Joint Chiefs of Staff for the improvement of United States biological warfare defense and counter-measures.

(e) FORM OF REPORT.—The Secretary shall submit the report in classified and unclassified versions.

(f) DEFINITIONS.—In this section:

(1) The term "Biological Weapons Convention" means the Convention on the Prohibition, Production, and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction, done at Washington, London, and Moscow on April 10, 1972.

(2) The term "independent states of the former Soviet Union" has the same meaning given that term in section 3 of the FREEDOM Support Act (22 U.S.C. 5801).

SEC. 1042. TERMINATION OF CERTAIN DEPARTMENT OF DEFENSE REPORTING REQUIREMENTS.

(a) IMMEDIATE TERMINATION.—Except as provided in subsection (c), notwithstanding the date set forth in subsection (a) of section 1151 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1758; 10 U.S.C. 113 note), the reporting requirements referred to in subsection (b) are terminated effective on the date of the enactment of this Act.

(b) APPLICABILITY.—Subsection (a) applies to each reporting requirement specified in enclosures 1 and 2 of the letter, dated April 29, 1994, by which the Director for Administration and Management, Office of the Secretary Defense, citing the authority of the provision of law referred to in subsection (a), submitted a list of reporting requirements recommended for termination by the Department of Defense.

(c) PRESERVATION OF REQUIREMENTS.—(1) The reporting requirements set forth in the provisions of law referred to in paragraph (2) shall not terminate under subsection (a) of section 1151 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1758; 10 U.S.C. 113 note).

(2) Paragraph (1) applies to the following reports:

(A) Reports required under the following provisions of title 10, United States Code:

(i) Section 2662, relating to reports on real property transactions.

(ii) Section 2672a(b), relating to reports on urgent acquisitions of land.

(iii) Section 2687(b)(1), relating to notifications of certain base closures and realignments.

(iv) Section 2690(b)(2), relating to notifications of proposed conversions of heating facilities at United States installations in Europe.

(v) Section 2804(b), relating to reports on contingency military construction projects.

(vi) Section 2806(c)(2), relating to reports on contributions for NATO infrastructure in excess of amounts appropriated for such contributions.

(vii) Subsections (b) and (c) of section 2807, relating to notifications and reports on architectural and engineering services and construction design.

(viii) Section 2823(b), relating to notifications regarding disagreements between certain officials on the availability of locations for suitable alternative housing for the Department of Defense.

(ix) Subsections (b) and (c) of section 2825, relating to notifications regarding improvements of family housing or construction of replacement family housing.

(x) Section 2827(b), relating to notifications regarding relocation of military family housing units.

(xi) Section 2835(g)(1), relating to economic analyses on the cost effectiveness of leasing family housing to be constructed or rehabilitated.

(xii) Section 2861(a), relating to the annual report on military construction activities and family housing activities.

(xiii) Subsections (e) and (f) of section 2865, relating to notifications regarding unauthorized energy conservation construction projects and an annual report regarding energy conservation actions.

(B) Reports required under the following provisions of title 37, United States Code:

(i) Section 406(i), relating to the annual report regarding dependents accompanying members stationed outside the United States in relation to the eligibility of such members to receive travel and transportation allowances.

(ii) Section 1008(a), relating to the annual report by the President on adjustments of rates of pay and allowances for members of the uniformed services.

(C) Reports required under the following provisions of law:

(i) Section 326(a)(5) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2368; 10 U.S.C. 2301 note), relating to reports on use of certain ozone-depleting substances.

(ii) Subsections (e) and (f) of section 2921 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2687 note), relating to notifications regarding negotiations for payments-in-kind for the release of improvements at overseas military installations to host countries and an annual report on the status and use of the Department of Defense Overseas Military Facility Investment Recovery Account.

(iii) Section 1505(f)(3) of the Military Child Care Act of 1989 (title XV of Public Law 101-189; 103 Stat. 1594; 10 U.S.C. 113 note), relating to reports on closures of military child development centers.

(iv) Subsections (a) and (d) of section 7 of the Organotin Antifouling Paint Control Act of 1988 (Public Law 100-133; 102 Stat. 607; 33 U.S.C. 2406), relating to the annual report on the monitoring of estuaries and near-coastal waters for concentrations of organotin.

Subtitle F—Acceptance of Pre-release Services of Nonviolent Offenders

SEC. 1051. USE OF INMATE LABOR AT MILITARY INSTALLATIONS.

(a) USE OF INMATE LABOR AUTHORIZED.—Chapter 155 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2610. Acceptance of services of inmates of State and local correctional facilities

"(a) USE OF INMATE LABOR.—Subject to subsection (c), the Secretary of a military department may accept in accordance with this section the services of nonviolent offenders incarcerated in a correctional facility of a State or local government. Services so accepted shall be performed at a military installation in the vicinity of the correctional facility pursuant to an agreement entered into by the Secretary and the chief executive of the State or local government.

"(b) AUTHORIZED SERVICES.—The services authorized to be accepted are as follows:

"(1) Construction, maintenance, or repair of roads.

"(2) Construction of levees or other flood prevention structures.

"(3) Construction, maintenance, or repair of any other public ways or works.

"(4) Clearance, maintenance, or reforesting of public lands.

"(5) Custodial services.

"(c) CONDITIONS FOR ACCEPTANCE OF SERVICES.—The Secretary may accept the services of nonviolent offenders for a military installation under this section only if the Secretary finds that—

"(1) Federal Government employees and contractor employees performing services at the installation will not be displaced;

"(2) no contract for the provision of services at the installation will otherwise be impaired; and

"(3) in the case of services in any skill, craft, or trade, there is no surplus of labor for hire in such skill, craft, or trade in the vicinity of the installation.

"(d) LIMITATION ON PAYMENTS TO CUSTODIAL GOVERNMENTS.—(1) Except as provided in paragraph (2), the Secretary of a military department may not compensate a State or local government for the costs incurred by such government in the provision of services accepted under this section.

"(2) The Secretary may—

"(A) reimburse a State or local government for administrative and other costs directly incurred by that government in making available and supervising offenders as they provide services accepted under this section; and

"(B) pay a nominal amount to the State or local government in order to support any alcohol and drug abuse treatment programs conducted by that government for the offenders who provide such services.

"(e) PROHIBITION ON COMPENSATION OF INMATES.—The Secretary may not compensate any offender for services accepted under this section.

"(f) SUPPORT AUTHORIZED.—The Secretary may provide equipment, supplies, or other materials to be used by offenders in the provision of services accepted under this section.

"(g) INAPPLICABILITY OF OTHER LAWS.—The following provisions of law shall not apply with respect to services accepted under this section:

"(1) Section 1342 of title 31.

"(2) The Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.).

"(3) The Act entitled 'An Act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes', approved March 3, 1931 (46 Stat. 1494; 40 U.S.C. 276a et seq.), commonly referred to as the 'Davis-Bacon Act'.

"(4) The Act entitled 'An Act to provide conditions for the purchases of supplies and

the making of contracts by the United States, and for other purposes', approved June 30, 1936 (49 Stat. 2036; 41 U.S.C. 35 et seq.), commonly referred to as the 'Walsh-Healey Act'.

"(5) The Service Contract Act of 1965 (41 U.S.C. 351 et seq.).".

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

"2610. Acceptance of services of inmates of State and local correctional facilities.".

SEC. 1052. REVISION OF AUTHORITY FOR USE OF NAVY INSTALLATIONS TO PROVIDE EMPLOYMENT TRAINING TO NONVIOLENT OFFENDERS IN STATE PENAL SYSTEMS.

(a) SOURCES OF TRAINING.—Subsection (b) of section 1374 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1821; 10 U.S.C. 5013 note) is amended—

(1) by striking out the subsection caption and inserting in lieu thereof "SOURCES OF TRAINING.—"; and

(2) by inserting before the period at the end the following: "or may provide such training directly at such installations by agreement with the State concerned".

(b) LIABILITY AND INDEMNIFICATION.—Subsection (e) of such section is amended—

(1) by inserting "(1)" before "A nonprofit organization"; and

(2) by adding at the end the following:

"(2) In any case in which the Secretary provides prerelease employment training directly by agreement with the State concerned, the State shall—

"(A) be liable for any loss or damage to Federal Government property that may result from, or in connection with, the provision of the training except to the extent that the loss or damage results from a wrongful act or omission of Federal Government personnel; and

"(B) hold harmless and indemnify the United States from and against any suit, claim, demand, action, or liability arising out of any claim for personal injury or property damage that may result from, or in connection with, the provision of the training except to the extent that the personal injury or property damage results from a wrongful act or omission of Federal Government personnel.".

SEC. 1053. USE OF ARMY INSTALLATIONS TO PROVIDE EMPLOYMENT TRAINING TO NONVIOLENT OFFENDERS IN STATE PENAL SYSTEMS.

(a) DEMONSTRATION PROJECT AUTHORIZED.—The Secretary of the Army may conduct a demonstration project to test the feasibility of using Army facilities to provide employment training to nonviolent offenders in a State penal system prior to their release from incarceration. The demonstration project shall be limited to not more than three military installations under the jurisdiction of the Secretary.

(b) SOURCES OF TRAINING.—The Secretary may enter into a cooperative agreement with one or more private, nonprofit organizations for purposes of providing at the military installations included in the demonstration project the prerelease employment training authorized under subsection (a) or may provide such training directly at such installations by agreement with the State concerned.

(c) USE OF FACILITIES.—Under a cooperative agreement entered into under subsection (b), the Secretary may lease or otherwise make available to a nonprofit organization participating in the demonstration project at a military installation included in the demonstration project any real property or facilities at the installation that the Secretary considers to be appropriate for use to provide the prerelease employment training authorized under subsection (a). Notwithstanding section 2667(b)(4) of title 10, United States Code, the use of such real property or facilities may be permitted with or without reimbursement.

(d) ACCEPTANCE OF SERVICES.—Notwithstanding section 1342 of title 31, United States Code, the Secretary may accept voluntary services provided by persons participating in the prerelease employment training authorized under subsection (a).

(e) LIABILITY AND INDEMNIFICATION.—(1) A nonprofit organization participating in the demonstration project shall—

(A) be liable for any loss or damage to Federal Government property that may result from, or in connection with, the provision of prerelease employment training by the organization under the demonstration project; and

(B) hold harmless and indemnify the United States from and against any suit, claim, demand, action, or liability arising out of any claim for personal injury or property damage that may result from or in connection with the demonstration project.

(2) In any case in which the Secretary provides prerelease employment training directly by agreement with the State concerned, the State shall—

(A) be liable for any loss or damage to Federal Government property that may result from, or in connection with, the provision of the training except to the extent that the loss or damage results from a wrongful act or omission of Federal Government personnel; and

(B) hold harmless and indemnify the United States from and against any suit, claim, demand, action, or liability arising out of any claim for personal injury or property damage that may result from, or in connection with, the provision of the training except to the extent that the personal injury or property damage results from a wrongful act or omission of Federal Government personnel.

(f) REPORT.—Not later than two years after the date of the enactment of this Act, the Secretary shall submit to Congress a report evaluating the success of the demonstration project and containing such recommendations with regard to the termination, continuation, or expansion of the demonstration project as the Secretary considers appropriate.

Subtitle G—Discrimination and Sexual Harassment

SEC. 1056. DEPARTMENT OF DEFENSE POLICIES AND PROCEDURES ON DISCRIMINATION AND SEXUAL HARASSMENT.

(a) MILITARY DEPARTMENT POLICIES.—(1) Subject to paragraph (2), the Secretary of the Navy and the Secretary of the Air Force shall review and revise the regulations of the Department of the Navy and the Department of the Air Force, respectively, relating to equal opportunity policy and complaint procedures to ensure that the such regulations are substantially equivalent to the regulations of the Army on such matters.

(2) In revising regulations pursuant to paragraph (1), the Secretary of the Navy or the Secretary of the Air Force, as the case may be, may make such additions and modifications as the Secretary of Defense determines appropriate to strengthen the regulations beyond the substantial equivalent of the Army regulations in accordance with—

(A) the recommendations of the Department of Defense Task Force on Discrimination and Sexual Harassment; and

(B) the experience of the Army, Navy, Air Force, and Marine Corps regarding equal opportunity cases.

(3) The Secretary of the Army shall review the regulations of the Department of the Army relating to equal opportunity policy and complaint procedures and revise the regulations as the Secretary of Defense considers appropriate to strengthen the regulations in accordance with the recommendations and experience described in subparagraphs (A) and (B) of paragraph (2).

(b) REQUIREMENTS REGARDING REPORT OF TASK FORCE ON DISCRIMINATION AND SEXUAL HARASSMENT.—(1) The Department of Defense Task Force on Discrimination and Sexual Harassment shall transmit the report of the task force to the Secretary of Defense not later than October 1, 1994.

(2) The Secretary of Defense shall transmit to Congress the report of the task force not later than October 10, 1994.

(3) Not later than 45 days after receiving the report, the Secretary of Defense shall—

(A) review the recommendations for action contained in such report;

(B) determine which recommendations the Secretary approves for implementation and which recommendations the Secretary disapproves; and

(C) submit to Congress a report that—

(i) identifies the approved recommendations and the disapproved recommendations; and

(ii) explains the reasons for each such approval and disapproval.

(4) The Secretary of Defense shall implement the approved recommendations not later than April 1, 1995.

(c) The Advisory Board or the investigative capability of the Department of Defense should consider and include in its report—

(1) whether the Department of Defense should establish a separate unit to oversee all matters related to allegations of discrimination or sexual misconduct in the Department of Defense; and

(2) whether additional data collection and reporting procedures are needed to enhance the ability of the Department of Defense to deal with sexual misconduct.

(d) The Secretary of Defense shall ensure that regulations governing consideration of equal opportunity matters in performance evaluations include consideration of an individual's commitment to elimination of discrimination or of sexual harassment.

Subtitle H—Other Matters

SEC. 1061. REDESIGNATION OF UNITED STATES COURT OF MILITARY APPEALS AND THE COURTS OF MILITARY REVIEW.

(a) UNITED STATES COURT OF APPEALS FOR THE ARMED SERVICES.—Section 941 of title 10, United States Code (article 141 of the Uniform Code of Military Justice), is amended by striking out "United States Court of Military Appeals" and inserting in lieu thereof "United States Court of Appeals for the Armed Services".

(b) COURTS OF MILITARY CRIMINAL APPEALS.—Section 866 of title 10, United States Code (article 66 of the Uniform Code of Military Justice), is amended by striking out "Court of Military Review" each place it appears and inserting in lieu thereof "Court of Military Criminal Appeals".

(c) CONFORMING AMENDMENTS TO TITLE 10.—(1) The following sections of title 10, United States Code, are amended by striking out "Court of Military Appeals" each place it appears and inserting in lieu thereof "Court of

Appeals for the Armed Services": sections 707(a)(2), 866(e), 867, 867a(a), 870, 871(c)(1), 873, 942, 943, 944, 945, and 946(b)(1).

(2) The following sections of title 10, United States Code, are amended by striking out "Court of Military Review" each place it appears and inserting in lieu thereof "Court of Military Criminal Appeals": sections 707(a)(2), 862(b), 867, 868, 869, 870, 871, and 873.

(3)(A) The heading of subchapter XII of chapter 47 of such title is amended to read as follows:

"SUBCHAPTER XII—UNITED STATES COURT OF APPEALS FOR THE ARMED SERVICES".

(B) The table of subchapters at the beginning of chapter 47 of such title is amended by striking out the item relating to subchapter XII and inserting in lieu thereof the following:

"XII. United States Court of Appeals for the Armed Services ..... 941 141".

(4)(A) The heading of section 866 of such title is amended to read as follows:

"§ 867. Art. 66. Review by Court of Military Criminal Appeals".

(B) The heading of section 867 of such title is amended to read as follows:

"§ 867. Art. 67. Review by the Court of Appeals for the Armed Services".

(C) The table of sections at the beginning of subchapter IX of chapter 47 of such title is amended by striking out the items relating to sections 866 and 867 (articles 66 and 67) and inserting in lieu thereof the following:

"866. 66. Review by Court of Military Criminal Appeals.

"867. 67. Review by the Court of Appeals for the Armed Services.".

(d) CONFORMING AMENDMENTS TO OTHER UNITED STATES CODE TITLES.—(1) The following provisions of the United States Code are amended by striking out "Court of Military Appeals" each place it appears and inserting in lieu thereof "Court of Appeals for the Armed Services":

(A) In title 5, sections 8334(a)(1), 8336(l), 8337(a), 8338(c), 8339(d)(7), and 8339(h) and the table in 8334(c).

(B) In title 18, sections 202(e)(2) and 6001(4).

(C) In title 28, sections 1259 and 2101(g).

(D) In title 44, section 906.

(2)(A) The heading of section 1259 of title 28, United States Code, is amended to read as follows:

"§ 1259. Court of Appeals for the Armed Services; certiorari".

(B) The table of sections at the beginning of chapter 81 of such title is amended by striking out the item relating to section 1259 and inserting in lieu thereof the following:

"1259. Court of Appeals for the Armed Services; certiorari.".

(e) CONFORMING AMENDMENT TO OTHER LAW.—Section 109 of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended by striking out "Court of Military Appeals" each place it appears in paragraphs (8) and (10) and inserting in lieu thereof "Court of Appeals for the Armed Services".

SEC. 1062. ASSISTANCE TO FAMILY MEMBERS OF CERTAIN POW/MIAS WHO REMAIN UNACCOUNTED FOR.

(a) SINGLE POINT OF CONTACT.—The Secretary of Defense shall designate an official of the Department of Defense to serve as a single point of contact within the department—

(1) for the immediate family members (or their designees) of any unaccounted-for Korean conflict POW/MIA; and

(2) for the immediate family members (or their designees) of any unaccounted-for Cold War POW/MIA.

(b) FUNCTIONS.—The official designated under subsection (a) shall serve as a liaison between the family members of unaccounted-for Korean conflict POW/MIAs and unaccounted-for Cold War POW/MIAs and the Department of Defense and other Federal departments and agencies that may hold information that may be related to such POW/MIAs. The functions of that official shall include assisting family members—

(1) with the procedures the family may follow in their search for information about the unaccounted-for Korean conflict POW/MIA or unaccounted-for Cold War POW/MIA, as the case may be;

(2) in learning where they may locate information about the unaccounted-for POW/MIA; and

(3) in learning how and where to identify classified records that contain pertinent information and that will be declassified.

(c) ASSISTANCE IN OBTAINING DECLASSIFICATION.—The official designated under subsection (a) shall seek to obtain the rapid declassification of any relevant classified records that are identified.

(d) REPOSITORY.—The official designated under subsection (a) shall provide for a centralized repository for all documents relating to unaccounted-for Korean conflict POW/MIAs and unaccounted-for Cold War POW/MIAs that are located as a result of the official's efforts.

(e) DEFINITIONS.—For purposes of this section:

(1) The term "unaccounted-for Korean conflict POW/MIA" means a member of the Armed Forces or civilian employee of the United States who, as a result of service during the Korean conflict, was at any time classified as a prisoner of war or missing-in-action or otherwise unaccounted for and whose person or remains have not been returned to the United States and who remains unaccounted for.

(2) The term "unaccounted-for Cold War POW/MIA" means a member of the Armed Forces or civilian employee of the United States who, as a result of service during the period from September 2, 1945, to August 21, 1991, was at any time classified as a prisoner of war or missing-in-action or otherwise unaccounted for and whose person or remains have not been returned to the United States and who remains unaccounted for.

(3) The term "Korean conflict" has the meaning given such term in section 101(9) of title 38, United States Code.

SEC. 1063. NATIONAL GUARD ASSISTANCE FOR CERTAIN YOUTH AND CHARITABLE ORGANIZATIONS.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—Chapter 5 of title 32, United States Code, is amended by adding at the end the following:

"§ 508. Assistance for certain youth and charitable organizations

"(a) AUTHORITY TO PROVIDE SERVICES.—Members and units of the National Guard may provide the services described in subsection (b) to an eligible organization in conjunction with training required under this chapter in any case in which—

"(1) the provision of such services does not adversely affect the quality of that training or otherwise interfere with the ability of a member or unit of the National Guard to perform the military functions of the member or unit;

"(2) the services to be provided are not commercially available, or any commercial entity that would otherwise provide such services has approved, in writing, the provision of such services by the National Guard;

"(3) National Guard personnel will enhance their military skills as a result of providing such services; and

"(4) the provision of the services will not result in a significant increase in the cost of the training.

"(b) AUTHORIZED SERVICES.—The services authorized to be provided under subsection (a) are as follows:

"(1) Ground transportation.

"(2) Air transportation in support of Special Olympics.

"(3) Administrative support services.

"(4) Technical training services.

"(5) Emergency medical assistance and services.

"(6) Communications services.

"(7) Security services.

"(c) OTHER AUTHORIZED ASSISTANCE.—Facilities and equipment of the National Guard, including military property of the United States issued to the National Guard and General Services Administration vehicles leased to the National Guard, and General Services Administration vehicles leased to the Department of Defense, may be used in connection with providing services to any eligible organization under this section.

"(d) ELIGIBLE ORGANIZATIONS.—The organizations eligible to receive services under this section are as follows:

"(1) The Boy Scouts of America.

"(2) The Girl Scouts of America.

"(3) The Boys Clubs of America.

"(4) The Girls Clubs of America.

"(5) The Young Men's Christian Association.

"(6) The Young Women's Christian Association.

"(7) The Civil Air Patrol.

"(8) The United States Olympic Committee.

"(9) The Special Olympics.

"(10) The Campfire Boys.

"(11) The Campfire Girls.

"(12) The 4-H Club.

"(13) The Police Athletic League.

"(14) Any other youth or charitable organization designated by the Secretary of Defense.".

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

"508. Assistance for certain youth and charitable organizations.".

SEC. 1064. DEFENSE MAPPING AGENCY.

(a) UNAUTHORIZED USE OF NAME.—Chapter 167 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2798. Unauthorized use of Defense Mapping Agency name, initials, or seal

"(a) No person may, except with the written permission of the Secretary of Defense, knowingly use the words 'Defense Mapping Agency', the initials 'DMA', the seal of the Defense Mapping Agency, or any colorable imitation of such words, initials, or seal in connection with any merchandise, retail product, impersonation, solicitation or commercial activity in a manner reasonably calculated to convey the impression that such use is approved, endorsed, or authorized by the Secretary of Defense.

"(b) Whenever it appears to the Attorney General that any person is engaged or about to engage in an act or practice which constitutes or will constitute conduct prohibited by subsection (a), the Attorney General may initiate a civil proceeding in a district court of the United States to enjoin such act or practice. Such court shall proceed as soon as practicable to hearing and determination

of such action and may, at any time before such final determination, enter such restraining orders or prohibitions, or take such other action as is warranted, to prevent injury to the United States or to any person or class of persons for whose protection the action is brought.".

(b) LIMITATION ON LIABILITY RELATING TO NAVIGATIONAL AIDS.—Chapter 167 of such title, as amended by subsection (a), is further amended by adding at the end the following new section:

"§ 2799. Civil actions barred

"(a) CLAIMS BARRED.—No civil action may be brought against the United States on the basis of the content of a navigational aid prepared or disseminated by the Defense Mapping Agency.

"(b) NAVIGATIONAL AIDS COVERED.—Subsection (a) applies with respect to a navigational aid in the form of a map, a chart, or a publication and any other form or medium of product or information in which the Defense Mapping Agency prepares or disseminates navigational aids.".

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

"2798. Unauthorized use of Defense Mapping Agency name, initials, or seal.
"2799. Civil actions barred.".

(d) EFFECTIVE DATE.—Section 2799 of title 10, United States Code, as added by subsection (b), shall take effect on the date of the enactment of this Act and shall apply with respect to (1) civil actions brought before such date that are pending adjudication on such date, and (2) civil actions brought on or after such date.

SEC. 1065. TRANSFER OF NAVAL VESSELS TO BRAZIL.

(a) AUTHORITY.—The Secretary of the Navy is authorized to transfer to the Government of Brazil the "KNOX" class frigates, MILLER (FF 1091) and VALDEZ (FF 1096). Such transfers shall be on a lease basis under chapter 6 of the Arms Export Control Act (22 U.S.C. 2796 et seq.).

(b) WAIVER OF REQUIREMENTS FOR NOTIFICATION TO CONGRESS.—Section 62 of the Arms Export Control Act does not apply with respect to a lease authorized by subsection (a), except that section 62 of such Act shall apply to any renewal of the lease.

(c) COSTS OF TRANSFERS.—Any expense of the United States in connection with a transfer authorized by subsection (a) shall be charged to the Government of Brazil.

(d) EXPIRATION OF AUTHORITY.—The authority granted by subsection (a) shall expire at the end of the 2-year period beginning on the date of the enactment of this Act, except that leases entered into during that period may be renewed.

SEC. 1066. TRANSFERS OF M1A1 TANKS TO THE MARINE CORPS.

(a) TRANSFER REQUIRED.—Subject to subsection (b), as M1A1 tanks of the Army become excess to the requirements of the active component of the Army, the Secretary of the Army shall transfer to the Marine Corps, at no expense to the Army, as many of such tanks as are necessary to satisfy the requirements of the Marine Corps for tanks, as determined by the Secretary of Defense.

(b) TRANSFER LIMITS.—The Secretary of the Army shall transfer under subsection (a) 84 M1A1 tanks selected by the Secretary of the Army.

(c) EXCLUSION OF CERTAIN TRANSFERS.—If any of the tanks transferred under subsection (a) are transferred to the Marine Corps Reserve, the number of tanks not in excess of 48 that are so transferred shall not be counted for purposes of subsection (b).

(d) LIMITATION ON TRANSFERS TO ARMY NATIONAL GUARD.—After the date of the enactment of this Act, the Secretary of the Army shall transfer not more than one M1A1 tank to the National Guard for each M1A1 tank transferred to the Marine Corps until the Secretary has transferred the total number of tanks required in subsection (b). The tanks transferred to the Marine Corps shall be in a material condition comparable to the material condition of the tanks transferred to the National Guard.

(e) TREATMENT OF CERTAIN TRANSFERRED TANKS UNDER LIMITATIONS.—The transfer of a tank under section 112 shall not be counted for purposes of subsection (a), (b), (c), or (d).

SEC. 1067. LIMITATION REGARDING MERGER OF TELECOMMUNICATIONS SYSTEMS.

(a) LIMITATION.—Funds available to the Department of Defense may not be expended to merge defense telecommunications systems with the telecommunications system known as "FTS-2000" or with any other civil telecommunications system until—

(1) the Secretary of Defense submits to the congressional defense committees a report containing—

(A) a certification by the Secretary that the merged telecommunications systems, including the associated services, will provide assured, secure telecommunications support for Department of Defense activities; and

(B) a description of how the merger of the systems will be implemented and the merged systems will be managed to meet defense information infrastructure requirements, including requirements to support deployed forces and intelligence activities; and

(2) 30 days elapse after the date on which such report is received by the committees.

(b) DEFENSE TELECOMMUNICATIONS ACTIVITY DEFINED.—In this section, the term "defense telecommunications system" means a system of telecommunications equipment and services that, pursuant to section 2315 of title 10, United States Code, is exempt from the requirements of section 111 of the Federal Property and Administrative Services Act of 1949.

SEC. 1068. ACQUISITION OF STRATEGIC SEALIFT SHIPS.

(a) AMOUNT FOR SHIPBUILDING AND CONVERSION.—Notwithstanding section 102(3), there is hereby authorized to be appropriated for the Navy for fiscal year 1995, $5,532,007,000 for procurement for shipbuilding and conversion.

(b) NATIONAL DEFENSE SEALIFT FUND.—Notwithstanding section 302(2), there is hereby authorized to be appropriated for the Armed Forces and other activities and agencies of the Department of Defense $828,600,000 for providing capital for the National Defense Sealift Fund.

SEC. 1069. REQUIREMENT FOR SECRETARY OF DEFENSE TO SUBMIT RECOMMENDATIONS ON CERTAIN PROVISIONS OF LAW CONCERNING MISSING PERSONS.

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

(1) The families of American personnel who became prisoners of war or missing in action while serving in the Armed Forces of the United States and national veterans organizations have expressed concern to Congress for several years regarding provisions of chapter 10 of title 37, United States Code, relating to missing persons, that authorize the Secretaries of the military departments to declare missing Armed Forces personnel dead based solely on the passage of time.

(2) Proposed legislation concerning revisions to those provisions of law has been pending before Congress for several years.

(3) It is important for Congress to obtain the views of the Secretary of Defense with respect to the appropriateness of revising those provisions of law before acting further on proposed amendments to such provisions.

(b) RECOMMENDATIONS REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Secretaries of the military departments, the national POW/MIA family organizations, and the national veterans organizations, shall—

(1) conduct a review of the provisions of chapter 10 of title 37, United States Code, relating to missing persons; and

(2) submit to Congress the Secretary's recommendations as to whether those provisions of law should be amended.

SEC. 1070. CONTACT BETWEEN THE DEPARTMENT OF DEFENSE AND THE MINISTRY OF NATIONAL DEFENSE OF CHINA ON POW/MIA ISSUES.

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

(1) The Select Committee on POW/MIA Affairs of the Senate concluded in its final report, dated January 13, 1993, that "many American POW's had been held in China during the Korean conflict and that foreign POW camps in both China and North Korea were run by Chinese officials" and, further, that "given the fact that only 26 Army and 15 Air Force personnel returned from China following the war, the committee can now firmly conclude that the People's Republic of China surely has information on the fate of other unaccounted for American POW's from the Korean conflict.".

(2) The Select Committee on POW/MIA Affairs recommended in such report that "the Department of State and Defense form a POW/MIA task force on China similar to Task Force Russia.".

(3) Neither the Department of Defense nor the Department of State has held substantive discussions with officials from the People's Republic of China concerning unaccounted for American prisoners of war of the Korean conflict.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense should establish contact with officials of the Ministry of Defense of the People's Republic of China regarding unresolved issues relating to American prisoners of war and American personnel missing in action as a result of the Korean conflict.

SEC. 1071. DISCLOSURE OF INFORMATION CONCERNING UNACCOUNTED FOR UNITED STATES PERSONNEL FROM THE KOREAN CONFLICT, AND THE COLD WAR.

Section 1082 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 50 U.S.C. 401 note) is amended—

(1) in subsection (a), by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) Paragraph (1) applies to any record, live-sighting report, or other information in the custody of the official custodian referred to in subsection (d)(3) that may pertain to the location, treatment, or condition of (i) United States personnel who remain not accounted for as a result of service in the Armed Forces of the United States or other Federal Government service during the Korean conflict, the Vietnam era, or the Cold War, or (ii) their remains.";

(2) in subsection (c)—

(A) by striking out the first sentence in paragraph (1) and inserting in lieu thereof

the following: "In the case of records or other information originated by the Department of Defense, the official custodian shall make such records and other information available to the public pursuant to this section not later than September 30, 1995.";

(B) in paragraph (2), by striking out "after March 1, 1992,"; and

(C) in paragraph (3), by striking out "a Vietnam-era POW/MIA who may still be alive in Southeast Asia," and inserting in lieu thereof "any United States personnel referred to in subsection (a)(2) who remain not accounted for but who may still be alive in captivity,";

(3) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) DEFINITIONS.—For purposes of this section:

"(1) The terms 'Korean conflict' and 'Vietnam era' have the meanings given those terms in section 101 of title 38, United States Code.

"(2) The term 'Cold War' shall have the meaning determined by the Secretary of Defense.

"(3) The term 'official custodian' means—

"(A) in the case of records, reports, and information relating to the Korean conflict or the Cold War, the Archivist of the United States; and

"(B) in the case of records, reports, and information relating to the Vietnam era, the Secretary of Defense."; and

(4) by striking out the section heading and inserting in lieu thereof the following new section heading:

"SEC. 1082. DISCLOSURE OF INFORMATION CONCERNING UNACCOUNTED FOR UNITED STATES PERSONNEL OF THE COLD WAR, THE KOREAN CONFLICT, AND THE VIETNAM ERA.".

SEC. 1072. REQUIREMENT FOR CERTIFICATION BY SECRETARY OF DEFENSE CONCERNING DECLASSIFICATION OF VIETNAM-ERA POW/MIA RECORDS.

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

(1) The Senate, by Senate Resolution 324, 102d Congress, 2d session, agreed to on July 2, 1992, unanimously requested the President to "expeditiously issue an Executive Order requiring all executive branch departments and agencies to declassify and publicly release without compromising United States national security all documents, files, and other materials pertaining to POW's and MIA's.".

(2) The President, in an executive order dated July 22, 1992, ordered declassification of all United States Government documents, files, and other materials pertaining to American personnel who became prisoners of war or missing in action in Southeast Asia.

(3) The President stated on Memorial Day of 1993 that all such documents, files, and other materials pertaining to the personnel covered by that executive order should be declassified by Veterans Day of 1993.

(4) The President declared on Veterans Day of 1993 that all such documents, files, and other materials had been declassified.

(5) Nonetheless, since that Veterans Day declaration in 1993, there have been found still classified more United States Government documents, files, and other materials pertaining to American personnel who became prisoners of war or missing in action in Southeast Asia.

(b) REVIEW AND CERTIFICATION.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall—

(1) conduct a review to determine whether there continue to exist in classified form documents, files, or other materials pertaining to American personnel who became prisoners of war or missing in action in Southeast Asia that should be declassified in accordance with Senate Resolution 324, 102d Congress, 2d session, agreed to on July 2, 1992, and the executive order of July 22, 1992; and

(2) Certify to Congress that all documents, files, and other materials pertaining to such personnel have been declassified and specify in the certification the date on which the declassification was completed.

SEC. 1073. INFORMATION CONCERNING UNACCOUNTED FOR UNITED STATES PERSONNEL OF THE VIETNAM CONFLICT.

Not later than 45 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress the following information pertaining to United States personnel involved in the Vietnam conflict that remain not accounted for:

(1) A complete listing by name of all such personnel about whom it is possible that officials of the Socialist Republic of Vietnam can produce additional information or remains that could lead to the maximum possible accounting for those personnel, as determined on the basis of all information available to the United States Government.

(2) A complete listing by name of all such personnel about whom it is possible that officials of the Lao People's Democratic Republic can produce additional information or remains that could lead to the maximum possible accounting for those personnel, as determined on the basis of all information available to the United States Government.

SEC. 1074. REPORT ON POW/MIA MATTERS CONCERNING NORTH KOREA.

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

(1) The Select Committee on POW/MIA Affairs of the Senate concluded in its final report, dated January 13, 1994, that "it is likely that a large number of possible MIA remains can be repatriated and several records and documents on unaccounted for POW's and MIA's can be provided from North Korea once a joint working level commission is set up under the leadership of the United States.".

(2) The Select Committee recommended in such report that "the Departments of State and Defense take immediate steps to form this commission through the United Nations Command at Panmunjom, Korea" and that the "commission should have a strictly humanitarian mission and should not be tied to political developments on the Korean peninsula.".

(3) In August 1993, the United States and North Korea entered into an agreement concerning the repatriation of remains of United States personnel.

(4) The establishment of a joint working level commission with North Korea could enhance the prospects for results under the August 1993 agreement.

(b) REPORT.—The Secretary of Defense shall—

(1) at the end of January, May, and September of 1995, submit a report to Congress on the status of efforts to obtain information from North Korea concerning United States personnel involved in the Korean conflict who remain not accounted for and to obtain from North Korea any remains of such personnel; and

(2) actively seek to establish a joint working level commission with North Korea, consistent with the recommendations of the Select Committee on POW/MIA Affairs of the Senate set forth in the final report of the committee, dated January 13, 1993, to resolve the remaining issues relating to United States personnel who became prisoners of war or missing in action during the Korean conflict.

SEC. 1075. ELIMINATION OF DISPARITY BETWEEN EFFECTIVE DATES FOR MILITARY AND CIVILIAN RETIREE COST-OF-LIVING ADJUSTMENTS FOR FISCAL YEAR 1995.

(a) IN GENERAL.—The fiscal year 1995 increase in military retired pay shall (notwithstanding subparagraph (B) of section 1401a(b)(2) of title 10, United States Code) first be payable as part of such retired pay for the month of March 1995.

(b) DEFINITIONS.—For the purposes of subsection (a):

(1) The term "fiscal year 1995 increase in military retired pay" means the increase in retired pay that, pursuant to paragraph (1) of section 1401a(b) of title 10, United States Code, becomes effective on December 1, 1994.

(2) The term "retired pay" includes retainer pay.

(c) LIMITATION.—Subsection (a) shall be effective only if there is appropriated to the Department of Defense Military Retirement Fund (in an Act making appropriations for the Department of Defense for fiscal year 1995 that is enacted before March 1, 1995) such amount as is necessary to offset increased outlays to be made from that fund during fiscal year 1995 by reason of the provisions of subsection (a).

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal year 1995 to the Department of Defense Military Retirement Fund the sum of $376,000,000 to offset increased outlays to be made from that fund during fiscal year 1995 by reason of the provisions of subsection (a).

SEC. 1076. MILITARY RECRUITING ON CAMPUS.

(a) DENIAL OF FUNDS.—(1) No funds available to the Department of Defense may be provided by grant or contract to any institution of higher education that has a policy of denying, or which effectively prevents, the Secretary of Defense from obtaining for military recruiting purposes—

(A) entry to campuses or access to students on campuses; or

(B) access to directory information pertaining to students.

(2) Students referred to in paragraph (1) are individuals who are 17 years of age or older.

(b) PROCEDURES FOR DETERMINATION.—The Secretary of Defense, in consultation with the Secretary of Education, shall prescribe regulations that contain procedures for determining if and when an educational institution has denied or prevented access to students or information described in subsection (a).

(c) DEFINITION.—For purposes of this section, the term "directory information" means, with respect to a student, the student's name, address, telephone listing, date and place of birth, level of education, degrees received, and the most recent previous educational institution enrolled in by the student.

SEC. 1077. STUDY ON CONVERGENCE OF GEOSAT AND EOS ALTIMETRY PROGRAMS.

(a) REQUIREMENT.—The Secretary of the Navy and the Administrator of the National Aeronautics and Space Administration shall jointly conduct a study on the convergence of the National Aeronautics and Space Administration Earth Observing System Altimetry mission with the Navy Geosat Follow-On program. The study shall assess whether a converged system, which may involve

minor modifications to the Geosat Follow-On satellite, could—

(1) satisfy the needs of the Earth Observing System program for altimetry data;

(2) reduce the expenses of the National Aeronautics and Space Administration in satisfying such needs;

(3) be available in time to serve as the follow-on to the Topex/Poseidon mission; and

(4) continue to meet the requirements of the Navy for altimetry data at no additional cost to the Navy.

(b) CONSULTATION.—In concluding the study, the Secretary and the Administrator shall consult with appropriate members of the scientific community.

(c) REPORT.—The Secretary and the Administrator shall submit to the Committees on Armed Services, Commerce, Science, and Transportation and the Committees on Armed Services and Science, Space, and Technology of the House of Representatives a report on the results of the study conducted under subsection (a), together with the recommendations of the Secretary and the Administrator thereon. The Secretary and the Administrator shall submit not later than February 15, 1995.

SEC. 1078. VISAS FOR OFFICIALS OF TAIWAN.

Section 4(b)(6) of the Taiwan Relations Act (22 U.S.C. 3302(b)(6)) is amended—

(1) by inserting "(A)" immediately after "(6)"; and

(2) by adding at the end the following:

"(B) Whenever the president of Taiwan or any other high-level official of Taiwan shall apply to visit the United States for the purposes of discussions with United States Federal or State government officials concerning:

"(i) Trade or business with Taiwan that will reduce the United States-Taiwan trade deficit;

"(ii) Prevention of nuclear proliferation;

"(iii) Threats to the national security of the United States;

"(iv) The protection of the global environment;

"(v) The protection of endangered species; or

"(vi) Regional humanitarian disasters.

The official shall be admitted to the United States, unless the official is otherwise excludable under the immigration laws of the United States.".

SEC. 1079. SENSE OF THE SENATE CONCERNING PARTICIPATION IN ALLIED DEFENSE COOPERATION.

It is the sense of the Senate that the President should use existing authorities to the greatest extent possible to authorize the provision of the following types of assistance and cooperation to countries like Poland, Hungary and the Czech Republic who are making significant progress in working with NATO—

(1) Excess defense articles as defined in the Foreign Assistance Act of 1961 and the Arms Control Export Act;

(2) Loan materials, supplies and equipment for research and development purposes;

(3) Leases and loans of major defense equipment and other defense articles;

(4) Cooperative military airlift agreements;

(5) The procurement of communications support and related supplies and services;

(6) Actions to standardize equipment with North Atlantic Treaty Organization members.

SEC. 1080. INTERAGENCY PLACEMENT PROGRAM FOR FEDERAL EMPLOYEES AFFECTED BY REDUCTION IN FORCE ACTIONS.

(a) STUDY AND REPORT.—(1) No later than 6 months after the date of the enactment of this Act, the Office of Personnel Management, in consultation with the Department of Defense, shall conduct a study and submit a report to the Congress on—

(A) the feasibility of establishing a mandatory interagency placement program for Federal employees affected by reduction in force actions; and

(B) any action taken by the Office of Personnel Management under subsection (b).

(2) In conducting the study under this section, the Office of Personnel Management, in consultation with the Department of Defense, shall seek comments from all Federal agencies.

(b) AGREEMENTS TO ESTABLISH INTERAGENCY PLACEMENT PROGRAM.—(1) If, during the 6-month period after the date of the enactment of this Act, the Office of Personnel Management, in consultation with the Department of Defense, determines that a Government-wide interagency placement program for Federal employees affected by reduction in force actions is feasible, the Office of Personnel Management may enter into an agreement with each agency that agrees to participate, to establish such a program. A program established under this subsection shall not be required to be an interagency placement program as defined under subsection (c)(3).

(2) If the Office of Personnel Management makes a determination to establish a program as provided under paragraph (1), the Office shall include in the report submitted under subsection (a) each agency that decides not to participate in the program and the reasons of the agency for the decision.

(c) DEFINITIONS.—For purposes of this section—

(1) the term "agency" means an "Executive agency" as defined under section 105 of title 5, United States Code, and—

(A) includes the United States Postal Service and the Postal Rate Commission; and

(B) does not include the General Accounting Office;

(2) the term "Federal employees affected by reduction in force actions" means Federal employees who—

(A) are scheduled to be separated from service under a reduction in force pursuant to—

(i) regulations prescribed under section 3502 of title 5, United States Code; or

(ii) procedures established under section 3595 of title 5, United States Code; or

(B) are separated from service under such a reduction in force; and

(3) the term "interagency placement program" means a program that provides a system to require the offer of a position in an agency to an employee of another agency affected by a reduction in force action, if—

(A) the position cannot be filled through a placement program of the agency in which the position is located;

(B) the employee to whom the offer is made is well qualified for the offered position;

(C)(i) the classification of the offered position is equal to the classification of the employee's present or last held position; or

(ii) the basic rate of pay of the offered position is equal to the basic rate of pay of the employee's present or last held position; and

(D) the geographic location of the offered position is within the commuting area of—

(i) the residence of the employee; or

(ii) the location of the employee's present or last held position.

SEC. 1081. GEORGE C. MARSHALL EUROPEAN CENTER FOR SECURITY STUDIES.

(a) USE OF CONTRIBUTIONS.—Funds received by the United States Government from the Federal Republic of Germany as its fair share of the costs of the George C. Marshall European Center for Security Studies shall be credited to appropriations available to the Department of Defense for the George C. Marshall European Center for Security Studies. Funds so credited shall be merged with the appropriations to which credited and shall be available for the Center for the same purposes and the same period as the appropriations with which merged.

(b) WAIVER OF CHARGES.—(1) The Secretary of Defense may waive reimbursement of the costs of conferences, seminars, courses of instruction, or similar educational activities of the George C. Marshall European Center for Security Studies for military officers and civilian officials of cooperation partner states of the North Atlantic Cooperation Council or the Partnership for Peace if the Secretary determines that attendance by such personnel without reimbursement is in the national security interest of the United States.

(2) Costs for which reimbursement is waived pursuant to paragraph (1) shall be paid from appropriations available for the Center.

SEC. 1082. CHANGES IN NOTICE REQUIREMENTS UPON PENDING OR ACTUAL TERMINATION OF DEFENSE PROGRAMS.

(a) TIME FOR NOTICE REQUIREMENT AFTER SUBMISSION OF BUDGET.—Subsection (a) of section 4471 of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102-484; 106 Stat. 2753; 10 U.S.C. 2501 note) is amended—

(1) by striking out "As soon as reasonably practicable" and inserting in lieu thereof "Not later than 90 days"; and

(2) by striking out "and not more than 180 days after such date,".

(b) TIME FOR NOTICE REQUIREMENT AFTER ENACTMENT OF APPROPRIATIONS ACT.—Subsection (b) of such section is amended—

(1) by striking out "as soon as reasonably practicable" and inserting in lieu thereof "not later than 90 days"; and

(2) by striking out "and not more than 180 days after such date,".

(c) TIME FOR NOTICE REQUIREMENT ON WITHDRAWAL OF NOTIFICATION.—Subsection (f)(1) of such section is amended in the second sentence by striking out "as soon as reasonably practicable" and inserting in lieu thereof "not later than 90 days".

SEC. 1083. TRANSFER OF OBSOLETE VESSEL GUADALCANAL.

(a) AUTHORITY.—Notwithstanding subsections (a) and (d) of section 7306 of title 10, United States Code, but subject to subsections (b) and (c) of that section, upon the decommissioning of the USS Guadalcanal (LPH 7), the Secretary of the Navy may transfer the Guadalcanal to the not-for-profit organization Intrepid Museum Foundation, New York, New York.

(b) LIMITATIONS.—The transfer authorized by section (a) may be made only if the Secretary determines that the vessel Guadalcanal is of no further use to the United States for national security purposes.

(c) TERMS AND CONDITIONS.—The Secretary may require such terms and conditions in connection with the transfer authorized by this section as the Secretary considers appropriate.

SEC. 1084. STUDY OF SPOUSAL ABUSE INVOLVING ARMED FORCES PERSONNEL.

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

(1) The Department of Defense has sponsored several highly successful programs designed to curtail spousal abuse.

(2) The readiness of the Armed Forces would be enhanced by eliminating all forms of spousal abuse involving members of the Armed Forces.

(3) Available data on the frequency and causes of spousal abuse involving members of the Armed Forces is not comprehensive for the Armed Forces.

(b) STUDY AND REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall conduct a study on spousal abuse involving members of the Armed Forces of the United States and submit to Congress a report on the results of the study.

(c) CONTENT OF REPORT.—The report shall contain the following matters:

(1) The frequency of spousal abuse involving members of the Armed Forces.

(2) A discussion of the possible causes of such spousal abuse.

(3) A discussion of the procedures followed in responding to incidents of such spousal abuse.

(4) An analysis of the effectiveness of those procedures.

(5) A review of the existing programs for curtailing such spousal abuse.

(6) A strategy for the entire Armed Forces for curtailing spousal abuse involving members of the Armed Forces.

SEC. 1085. REVIEW OF THE PROCEDURES USED BY DEPARTMENT OF DEFENSE INVESTIGATIVE ORGANIZATIONS WHEN CONDUCTING AN INVESTIGATION INTO THE DEATH OF A MEMBER OF THE ARMED FORCES WHO, WHILE SERVING ON ACTIVE DUTY, DIED FROM A CAUSE DETERMINED TO BE SELF-INFLICTED.

SENSE OF CONGRESS.—It is the Sense of Congress that, upon receipt of the report required by section 1185 of the National Defense Authorization Act for Fiscal Year 1994, the Senate Committee on Armed Services should review that report and hold hearings related to the procedures employed by Department of Defense investigative organizations when conducting an investigation into the death of a member of the Armed Services who, while serving on active duty, died from a cause determined to be self-inflicted.

SEC. 1086. PUBLIC EDUCATION FACILITY OF THE ARMED FORCES INSTITUTE OF PATHOLOGY.

(a) PURPOSE.—It is the purpose of this section to—

(1) display and interpret the collections of the Armed Forces Institute of Pathology currently located at Walter Reed Medical Center; and

(2) designate a site for the relocation of the public education facility of the Armed Forces Institute of Pathology so that it may serve as a central resource of instruction about the critical health issues which confront all American citizens.

(b) SITE OF FACILITY.—The public education facility of Armed Forces Institute of Pathology shall be located on or near the Mall on land owned by the Federal Government or the District of Columbia in the District of Columbia.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting the authority or responsibilities of the National Capital Planning Commission or the Commission of Fine Arts.

(d) DEFINITION.—As used in this section, the term "the Mall" means—

(1) the land designated as "Union Square", United States Reservation 6A; and

(2) the land designated as the "Mall", United States Reservations 3, 4, 5, and 6.

(e) SENSE OF THE CONGRESS.—

(1) FINDINGS.—Congress finds that—

(A) the National Museum of Health and Medicine Foundation, Inc. (a private, nonprofit organization having for its primary purpose the relocation to the Mall and revitalization of the National Museum of Health and Medicine), the Armed Forces Institute of Pathology, and the Public Health Service have jointly supported planning to relocate the Museum to a site on land that is located east of and adjacent to the Hubert H. Humphrey Building (100 Independence Avenue, Southwest, in the District of Columbia); and

(B) the National Museum of Health and Medicine Foundation, Inc., is deserving of the encouragement and support of the American people in its effort to relocate the National Museum of Health and Medicine to a site on land the is located east of and adjacent to the Hubert H. Humphrey Building, and in its effort to raise funds for a revitalized Museum to inspire increasing numbers of Americans to lead healthy lives through improved public understanding of health and the medical sciences.

(2) LOCATION.—It is the sense of the Congress that, subject to appropriate approvals by the National Capital Planning Commission and the Commission of Fine Arts, the National Museum of Health and Medicine should be relocated to a site on land that is located east of and adjacent to the Hubert H. Humphrey Building for the purpose of educating the American public concerning health and the medical sciences.

SEC. 1087. ASSIGNMENTS OF EMPLOYEES BETWEEN FEDERAL AGENCIES AND FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

(a) AUTHORITY.—Section 3371(4) of title 5, United States Code, is amended—

(1) by striking out "or" at the end of subparagraph (B);

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; or"; and

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

"(D) a federally funded research and development center.".

(b) PROVISIONS GOVERNING ASSIGNMENTS.—Section 3372 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(e) Under regulations prescribed pursuant to section 3376 of this title—

"(1) an assignment of an employee of a Federal agency to an other organization or an institution of higher education, and an employee so assigned, shall be treated in the same way as an assignment of an employee of a Federal agency to a State or local government, and an employee so assigned, is treated under the provisions of this subchapter governing an assignment of an employee of a Federal agency to a State or local government, except that the rate of pay of an employee assigned to a federally funded research and development center may not exceed the rate of pay that such employee would be paid for continued service in the position in the Federal agency from which assigned; and

"(2) an assignment of an employee of an other organization or an institution of higher education to a Federal agency, and an employee so assigned, shall be treated in the same way as an assignment of an employee of a State or local government to a Federal agency, and an employee so assigned, is treated under the provisions of this subchapter governing an assignment of an employee of a State or local government to a Federal agency.".

SEC. 1088. BOSNIA AND HERZEGOVINA.

(a) PURPOSE.—To express the sense of Congress concerning the international efforts to end the conflict in Bosnia and Hercegovina.

(b) STATEMENTS.—The Congress makes the following statements of support:

(1) The Congress supports the use of international sanctions in the form of arms and economic embargoes imposed by the United Nations Security Council in appropriate circumstances.

(2) The Congress supports the imposition of an arms and economic embargo on the Government of Iraq by United Nations Security Council resolution 661 of August 6, 1990 to bring about compliance with a number of conditions, including in particular an end to Iraq's nuclear weapons program.

(3) The Congress supports the imposition of an arms, petroleum and economic embargo on Haiti by United Nations Security Council resolutions 875 of October 16, 1993 and 917 of May 17, 1994 to bring about compliance with the Governors Island Agreement.

(4) The Congress supports the imposition of an arms and civil aircraft embargo on Libya pursuant to United Nations Security Council resolution 748 of March 31, 1992 in order to convince Libya to renounce terrorism.

(c) FINDINGS.—The Congress makes the following findings:

(1) The United States took the lead in the United Nations Security Council to impose international sanctions in the form of arms and economic embargoes on Iraq, Haiti, and Libya.

(2) The security of the Republic of Korea with whom the United States has a mutual defense treaty and on whose territory there are more than 38,000 members of the United States Armed Forces is a vital interest of the United States.

(3) Should negotiations fail, the imposition of sanctions by the United Nations Security Council on North Korea, which would require the affirmative vote or abstention of China, Russia, Britain, and France, may be essential to stop North Korea's nuclear weapons development program and to end a nuclear threat to the Republic of Korea and Southeast Asia.

(4) The effective enforcement of sanctions on North Korea, once imposed by the United Nations Security Council, would require the cooperation of China, Russia, and Japan as well as other allies, including Britain and France, both permanent members of the United Nations Security Council.

(5) The United States voted for the international arms embargo imposed by United Nations Security Council resolution 713 of September 25, 1991 that was imposed on Yugoslavia.

(6) The imposition of the United Nations arms embargo on September 25, 1991 has not served to end the conflict in Bosnia and Hercegovina, has provided a battlefield advantage to the Bosnian Serbs, who possess artillery, tanks, and other weapons left behind by the former Yugoslav Army or provided by Serbia and Montenegro, and has deprived the Government of Bosnia and Hercegovina from acquiring the adequate means of defending itself and its citizens.

(7) Our NATO allies have committed ground forces to the United Nations Protection Force (UNPROFOR) in former Yugoslavia. At the present time France has 5,518

troops, Britain 3,435, the Netherlands 2,073, Canada 2,037, Turkey 1,696, Spain 1,417, and Belgium 1,000. Our NATO allies have thus far sustained 49 deaths and 936 wounded as a result of their participation in UNPROFOR.

(8) For the first time the so-called "contact group" composed of representatives of the United States, Russia, France and Britain is moving toward a unified position of using an incentives and disincentives "carrot and stick" strategy to bring about a peaceful settlement of the conflict in Bosnia and Hercegovina.

(d) It is the sense of the Congress that the United States should work with the NATO Member nations and the other permanent members of the United Nations Security Council to endorse the efforts of the contact group to bring about a peaceful settlement of the conflict in Bosnia Hercegovina, including the following:

(A) the preservation of an economically, politically and militarily viable Bosnian state capable of exercising its rights under the United Nations Charter as part of a peaceful settlement, the lifting of the United Nations arms embargo on the Government of Bosnia and Hercegovina so that it can exercise the inherent right of a sovereign state to self-defense;

(B) if the Bosnian Serbs, while the contact group's peace proposal is being considered and discussed, attack the safe areas designated by the United Nations Security Council, the partial lifting of the arms embargo on the Government of Bosnia and Hercegovina and the provision to that Government of defensive weapons and equipment appropriate and necessary to defend those safe areas;

(C) if the Bosnian Serbs do not respond constructively to the peace negotiations, the President or his representative shall promptly propose or support a resolution in the United Nations Security Council to terminate the intentional arms embargo on Bosnia and Hercegovina (and the orderly withdrawal of the United Nationals Protection Force and humanitarian relief personnel). If the Security Council fails to pass such a resolution, the President shall within 5 days consult with Congress regarding unilateral termination of the arms embargo on the Government of Bosnia and Hercegovina.

SEC. 1089. PROVISION OF INTELLIGENCE AND OTHER ASSISTANCE WHERE DRUG TRAFFICKING THREATENS NATIONAL SECURITY.

(a) Notwithstanding any other provision of law, it shall not be unlawful for authorized employees or agents of a foreign country to damage, render inoperative, or destroy an aircraft in that country's territory or airspace, or to attempt to do so, if that aircraft is reasonably suspected to be primarily engaged in illicit narcotics trafficking, provided that the President of the United States prior to the actions described in this subparagraph being taken has determined:

(1) that such actions are necessary because of the extraordinary threat posed by drug trafficking to the national security of that country, and

(2) that the country has appropriate procedures in place to protect against innocent loss of life in the air and on the ground, which shall at a minimum include effective means to identify and warn aircraft prior to the use of force.

(b) It shall not be unlawful for authorized employees or agents of the United States to provide assistance, including but not limited to operational, intelligence, logistical, technical and administration assistance, for the actions of foreign countries set forth in subsection (a), nor shall the provision of such assistance give rise to any civil action seeking money damages or any other form of relief against the United States or its agents or employees.

SEC. 1090. ADMINISTRATION OF ATHLETICS PROGRAMS AT THE SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—(1) Chapter 403 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4357. Administration of athletics program

"(a) The position of athletic director of the Academy shall be a position in the civil service (as defined in section 2101(1) of title 5). However, a member of the armed forces may fill such position as an active duty assignment.

"(b) Under regulations prescribed by the Secretary of the Army, the Superintendent of the Academy shall establish and administer a nonappropriated fund account for the athletics program of the Academy. The Superintendent shall credit to such account all revenue received from the conduct of the athletics program of the Academy and all contributions received for such program.".

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

"4357. Administration of athletics program.".

(b) UNITED STATES NAVAL ACADEMY.—(1) Chapter 603 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 6975. Administration of athletics program

"(a) The position of athletic director of the Naval Academy shall be a position in the civil service (as defined in section 2101(1) of title 5). However, a member of the armed forces may fill such position as an active duty assignment.

"(b) Under regulations prescribed by the Secretary of the Navy, the Superintendent of the Naval Academy shall establish and administer a nonappropriated fund account for the athletics program of the Naval Academy. The Superintendent shall credit to such account all revenue received from the conduct of the athletics program of the Naval Academy and all contributions received for such program.".

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

"6975. Administration of athletics program.".

(c) UNITED STATES AIR FORCE ACADEMY.—(1) Chapter 903 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9356. Administration of athletics program

"(a) The position of athletic director of the Academy shall be a position in the civil service (as defined in section 2101(1) of title 5). However, a member of the armed forces may fill such position as an active duty assignment.

"(b) Under regulations prescribed by the Secretary of the Air Force, the Superintendent of the Academy shall establish and administer a nonappropriated fund account for the athletics program of the Academy. The Superintendent shall credit to such account all revenue received from the conduct of the athletics program of the Academy and all contributions received for such program.".

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

"9356. Administration of athletics program.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect 240 days after the date of the enactment of this Act.

SEC. 1091. REVIEW OF THE BOTTOM UP REVIEW AND THE FUTURE YEAR DEFENSE PROGRAM AND ESTABLISHMENT OF NEW FUNDING REQUIREMENTS AND PRIORITIES.

(a) FINDINGS.—Congress finds as follows:

(1) Whereas the Administration commissioned the Bottom Up Review to properly structure the Armed Forces of the United States for the Post-Cold War Era;

(2) Whereas the Secretary of Defense has testified that the Department of Defense's Future Years Defense Program includes $20 billion more in program funding requests during fiscal years 1996 through 1999 than the defense funding levels in the Administration's budget can support;

(3) Whereas, the Secretary of the Navy has testified that the Department of the Navy will only operate 330 ships rather than the 346 ships required by the Bottom Up Review;

(4) Whereas, in January 1994, in his Annual Report to the President and the Congress, the Secretary of Defense reported that the Air Force will field approximately 100 heavy bombers rather than the 184 required by the Bottom Up Review;

(5) Whereas the Department of Defense's plans for a major regional contingency in the Far East call for 5 Army divisions and the plans for a major regional contingency in Southwest Asia call for 7 Army divisions, while the Bottom Up Review plans for an Army of only 10 active divisions;

(6) Whereas the Administration's budget assumes the Department of Defense will save at least $6 billion from procurement reform;

(7) Whereas the first and second rounds of the Base Realignment and Closure Commission have not yet achieved the level of savings initially estimated, and the 1995 base closure round may cost significantly more than is assumed in the Administration's budget.

(b) SENSE OF CONGRESS.—It is the Sense of Congress:

(1) that within 30 days after enactment of this legislation, the Secretary of Defense should initiate a review of the assumptions and conclusions of the President's Budget, the Bottom Up Review, and the Future Years Defense Program; and that not more than 180 days after the review is initiated the Secretary of Defense should submit to the President and to the Congress a report detailing the force structure required for an effective defense of the United States and its vital national interests;

(2) and that not more than 60 days after receipt of the report described in subsection (b)(1), the President should submit to the Congress a report detailing the steps the President will take to meet the force structure described in subsection (b)(1);

(3) and that the fiscal year 1996 budget submitted to the Congress by the President should reflect the funding level necessary to support the force structure described in subsection (b)(1).

SEC. 1092. GENOCIDE IN RWANDA.

(a) FINDINGS.—The Congress finds that—

(1) since April 6, 1994, elements of the Rwandan government forces, and their allied militias, have organized the massacres of more than 200,000 Rwandan civilians, of both Tutsi and Hutu ethnic origin;

(2) an estimated 2 million Rwandans have been internally displaced, and at least 500,000 have fled to neighboring countries;

(3) on April 26, 1994, the Senate agreed to Senate Resolution 207, deploring the massacres and urging prompt resolution of this crisis;

(4) the potential exists for retaliatory acts to be committed by elements within the Rwandan Patriotic Front against civilians;

(5) on June 8, 1994, the United Nations Security Council expanded and reinforced the United Nations Assistance Mission for Rwanda (UNAMIR) to 5,500 troops with a mandate to protect civilians;

(6) on June 22, 1994, the United Nations Security Council voted unanimously to support the deployment of military forces from France and Senegal for a temporary operation that would contribute to the security and protection of populations at risk in Rwanda.

(b) POLICY.—The Congress—

(1) calls upon the President to acknowledge that acts of genocide have been committed in Rwanda;

(2) urges the President to support the establishment of an impartial commission of experts to examine and analyze the evidence submitted of breaches of the Convention on Genocide, and other grave violations of international humanitarian law, committed in Rwanda;

(3) commends the Department of Defense for logistical help already provided and urges the Secretary of Defense to further expedite all United States military contributions to the humanitarian effort in Rwanda.

(4) implores the President to take the lead in the international community to expedite commitments of the necessary resources for, and to organize the speedy training and deployment of, the reinforced UNAMIR operation, with the mandate of protecting civilian populations at risk in Rwanda;

(5) strongly urges the President and the international community to expedite assistance needed for humanitarian operations in Rwanda, and neighboring states, for the support of Rwandan refugees;

(6) commends France and Senegal for cooperating with the Secretary General towards the fulfillment of the objectives of the United Nations in Rwanda; and

(7) urges France and Senegal pursuant to the United Nations Security Council resolution of June 22, 1994, to maintain the humanitarian character of their operation in Rwanda, with the view towards impartiality and neutrality.

SEC. 1093. STUDIES OF HEALTH CONSEQUENCES OF MILITARY SERVICE OR EMPLOYMENT IN SOUTHWEST ASIA DURING THE PERSIAN GULF WAR.

(a) EPIDEMIOLOGICAL STUDY.—

(1) IN GENERAL.—The Secretary of Defense shall award a grant under this subsection to one or more non-Federal entities selected for the award under subsection (c). The purpose of a grant is to permit the entity receiving the award to carry out the study described in paragraph (2).

(2) NATURE OF STUDY.—The purpose of the study referred to in paragraph (1) is to determine the nature and scope of the illnesses and symptoms suffered by the individuals referred in paragraph (3) as a result of service or employment in the Southwest Asia theater of operations during the Persian Gulf War.

(3) INDIVIDUALS COVERED BY STUDY.—Paragraph (2) applies to the following individuals:

(A) Individuals who served as members of the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War.

(B) Individuals who were civilian employees of the Department of Defense in that theater during that period.

(C) Where appropriate, individuals who were employees of contractors of the Department in that theater during that period.

(D) Where appropriate, the spouses and children of individuals described in subparagraph (A).

(4) STUDY DESIGN.—The study required under this subsection shall be designed—

(A) to assess the extent, if any, of the association between—

(i) the illnesses and symptoms suffered by individuals referred to in paragraph (3);

(ii) the exposure of the individuals referred to in subparagraphs (A), (B), and (C) of that paragraph to chemical and biological agents, drugs and vaccines, endemic biological diseases, pesticides, toxins, and other potentially hazardous materials; and

(iii) the experiences of such individuals with stress-producing battlefield and wartime conditions;

(B) to identify risk factors for predicting the illnesses or symptoms relating to such exposure that will arise within 3 years of the arrival of an individual referred to in subparagraph (A), (B), or (C) of paragraph (3) in the Southwest Asia theater of operations;

(C) to determine—

(i) the incidence, prevalence, and nature of the illnesses and symptoms suffered by the individuals referred to in paragraph (3), including—

(I) the incidence, prevalence, and nature of the illnesses and symptoms of such individuals before the commencement of the period of the Persian Gulf War and the incidence, prevalence, and nature of the illnesses of such individuals after the end of that period; and

(II) the incidence, prevalence, and nature of the illnesses, symptoms, and birth defects of any children conceived by such individuals before the commencement of that period and of any children conceived by such individuals during or after the end of that period; and

(ii) the incidence, prevalence, and nature of illnesses and symptoms of other individuals or groups of individuals, if any, who may suffer from an illness or symptom as a result of the service or employment of any person or group of persons in the Southwest Asia theater of operations during the Persian Gulf War; and

(D) to evaluate a comparison sample or to evaluation any other matter that the Secretary or the entity determines appropriate to the purposes of the study.

(5) REPORTS.—

(A) INTERIM REPORTS.—Not later than each of July 1, 1995, and July 1, 1996, the Secretary shall submit to the congressional defense committees and the Committees on Veterans' Affairs of the Senate and the House of Representatives an interim report on the results of the study carried out under this subsection.

(B) FINAL REPORT.—Not later than January 1, 1998, the Secretary shall submit to the committees referred to in subparagraph (A) a final report on the results of the study.

(C) FORM OF REPORTS.—The reports submitted under this paragraph shall be submitted in unclassified form.

(b) STUDIES OF HEALTH CONSEQUENCES OF ADMINISTRATION OF PYRIDOSTIGMINE BROMIDE.—

(1) IN GENERAL.—The Secretary of Defense shall award a grant under this subsection to one or more non-Federal entities selected for the award under subsection (c). The purpose of a grant is to permit the entity receiving the award to carry out a study or studies to determine the following:

(A) The long-term health consequences of the administration of pyridostigmine bromide as an antidote enhancer for chemical nerve agent toxicity during the Persian Gulf War.

(B) The short-term and long-term health consequences of the administration of pyridostigmine bromide under the chemical nerve agent pretreatment program of the Department of Defense and exposure to pesticides, environmental toxins, and other hazardous substances during battlefield conditions that prevailed in the Southwest Asia theater of operations during the Persian Gulf War.

(2) STUDIES.—The Secretary shall provide that an entity awarded a grant under this subsection shall carry out a study described in paragraph (3) or (4).

(3) RETROSPECTIVE STUDY.—A study referred to in paragraph (2) is a retrospective study on members of the Armed Forces who served in the Southwest Asia theater of operations during the Persian Gulf War in order to determine the following:

(A) The nature of the undiagnosed and chronic illnesses suffered by such members.

(B) The degree of association between such illnesses and—

(i) use of pyridostigmine bromide over a short period of time (as determined by the Secretary) during the Persian Gulf War;

(ii) use of pyridostigmine bromide over an extended period of time (as so determined) during that war; or

(iii) use of no pyridostigmine bromide.

(C) The degree of association between—

(i) such illnesses;

(ii) each extent of use of pyridostigmine bromide described in subparagraph (B);

(iii) receipt of other vaccinations or medications; and

(iv) exposure to pesticides, organophosphates, or carbamates.

(4) ANIMAL MODEL STUDY.—A study referred to in paragraph (2) is also a study using appropriate animal research models in order to determine whether use of pyridostigmine bromide in combination with exposure to pesticides or other organophosphates, carbamates, or relevant chemicals results in increased toxicity in animals and is likely to have a similar effect on humans.

(5) REPORTS.—

(A) ANIMAL STUDY REPORT.—Not later than January 1, 1996, the Secretary shall submit to the congressional defense committees and the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the study carried out under paragraph (4).

(B) INTERIM REPORTS ON RETROSPECTIVE STUDY.—Not later than each of July 1, 1995, and July 1, 1996, the Secretary shall submit to the committees referred to in subparagraph (A) an interim report on the results of the study carried out under paragraph (3).

(C) FINAL REPORT ON RETROSPECTIVE STUDY.—Not later than January 1, 1998, the Secretary shall submit to the committees referred to in subparagraph (A) a final report on the results of the study carried out under paragraph (3).

(D) FORM OF REPORTS.—The reports submitted under this paragraph shall be submitted in unclassified form.

(c) SELECTION OF STUDY ENTITIES.—

(1) IN GENERAL.—The Secretary of Defense shall select entities to which to award grants for the studies described in subsections (a) and (b) in accordance with this subsection.

(2) SUBMITTAL OF PROPOSALS.—An entity seeking to carry out a study under a grant under subsection (a) or (b) shall submit to the Secretary the following proposals:

(A) A proposal for a pilot study in order to determine the research design and research instrument to be used in the study.

(B) A proposal for the study.

(3) INDEPENDENT REVIEW.—The Secretary shall ensure that individuals described in paragraph (4)—

(A) review each proposal submitted to the Secretary under paragraph (2) for purposes of determining whether or not the proposal—

(i) addresses adequately the purposes of the study; and

(ii) meets the technical, scientific, and peer review requirements that apply to similar studies carried out under the direction of the Secretary of Health and Human Services; and

(B) submit to the Secretary recommendations for the selection by the Secretary of one or more entities to carry out the study.

(4) REVIEWING INDIVIDUALS.—Individuals referred to in paragraph (3) are any individuals who, as determined by the Secretary—

(A) are not employees of the Federal Government;

(B) have an expertise in epidemiology, toxicology, neurology, biology, biostatistics, post-traumatic stress disorder, or public health; and

(C) have no financial relationship with the Department of Defense or with any chemical company or pharmaceutical company whose productions may be addressed in the study.

(5) SELECTION.—The Secretary shall—

(A) select the entities that will carry out the studies described under subsections (a) and (b) from among the entities recommended for such selection under paragraph (3); and

(B) award such entities grants under the appropriate subsection.

(d) PERFORMANCE OF STUDIES.—

(1) PILOT STUDIES.—

(A) IMPLEMENTATION.—An entity to which the Secretary awards a grant for a study under subsection (a) or (b) shall carry out the pilot study for such study in accordance with the proposal for the pilot study submitted to the Secretary under subsection (c)(2)(A).

(B) RESPONSE TO RESULTS.—If an entity determines as a result of a pilot study under subparagraph (A) that revisions to the study proposed by the entity are necessary in order to meet the purposes of the study under this section, the entity shall submit to the Secretary a proposal for such revisions to the study.

(C) FINAL APPROVAL.—The Secretary shall—

(i) review any revisions to a proposal to a study that are submitted to the Secretary under subparagraph (B); and

(ii) approve the proposal for the study, as so revised, if the Secretary determines that the proposal meets the purposes of the study under this section.

(2) STUDIES.—An entity to which the Secretary awards a grant for a study under subsection (a) or (b) shall carry out the study in accordance the proposal for the study under this section.

(e) CONSULTATION.—The Secretary of Defense shall carry out this section in consultation with the Secretary of Veterans Affairs, the Secretary of Health and Human Services, the Administrator of the Environmental Protection Agency, the head of the Medical Follow-Up Agency of the Institute of Medicine, and the heads of other appropriate departments and agencies of the Federal Government.

(f) FUNDING.—Of the amount authorized to be appropriated pursuant to section 201, $10,000,000 shall be available for purposes of awarding grants for the studies described in subsections (a) and (b). Such funds shall be available for such purpose until expended.

(g) DEFINITION.—In this section, the term "Persian Gulf War" has the meaning given such term in section 101(33) of title 38, United States Code.

SEC. 1094. GRANTS FOR RESEARCH INTO THE HEALTH CONSEQUENCES OF THE PERSIAN GULF WAR.

(a) IN GENERAL.—(1) The Secretary of Defense shall award grants to appropriate nongovernmental entities for purposes of permitting such entities to carry out research to determine—

(A) the nature and causes of any illnesses suffered by the individuals referred to in paragraph (2) as a result of service or employment in the Southwest Asia theater of operations during the Persian Gulf War;

(B) the methods of transmission, if any, of such illnesses from such individuals to other individuals; and

(C) the appropriate treatment for such illnesses.

(2) The individuals referred to in paragraph (1)(A) are the following individuals:

(i) Individuals who served as members of the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War.

(ii) Civilian employees of the Department of Defense who were employed by the Department in that theater of operations during that period.

(iii) Employees of contractors of the Department who were employed in that theater of operations during that period.

(iv) The spouses and children of the individuals referred to in clauses (i) through (iii).

(3) In carrying out research under this section, such entities shall give particular consideration to the following:

(A) Illnesses or other effects associated with exposure to depleted uranium particles, mycotoxins, genetically-altered organisms, petrochemical toxicity, pesticide poisoning, anthrax vaccines, botulinum toxoids, and other chemical hazards and agents.

(B) Endemic viral, fungal, bacterial, and rickettsial diseases (including diseases arising from biological warfare activities).

(C) Illnesses or other effects associated with ingestion of silica or sand.

(D) Assessment of risks to reproductive capacity arising from the illnesses and diseases referred to in subparagraphs (A) through (C).

(E) Pediatric disorders.

(F) Birth deficiencies.

(G) Post-traumatic stress disorder.

(H) Somatoform disorders.

(I) Chronic fatigue syndrome.

(J) Multiple chemical sensitivities.

(b) AWARD PROCESS.—(1) The Secretary of Defense shall award grants under this section in consultation with the Secretary of Health and Human Services.

(2) An entity seeking a grant under this section to carry out the research described in subsection (a)(1) shall submit to the Secretary a proposal for the research.

(3) The Secretary shall ensure that appropriate individuals who are not employees of the Federal Government—

(A) review each proposal submitted to the Secretary under paragraph (2) for purposes of determining that the proposal—

(i) addresses adequately the purposes of the research for which the proposal is submitted; and

(ii) meets the technical, scientific, and peer review requirements that apply to similar research carried out under the direction of the Secretary of Health and Human Services; and

(B) submit to the Secretary recommendations for the selection by the Secretary of one or more entities so determined as recipients of a grant under subsection (a).

(4) The Secretary shall award grants under this section to entities selected by the Secretary for that purpose from among the entities identified in the recommendations under paragraph (3)(B).

(5) In awarding an entity a grant under paragraph (4), the Secretary shall ensure that the entity—

(A) carry out the research covered by the grant in accordance with the proposal submitted to the Secretary under paragraph (2); and

(B) not expose human beings to hazardous agents or materials as a result of the research.

(c) REPORTS.—(1) The Secretary of Defense and the Secretary of Health and Human Services shall submit to the congressional defense committees and the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the results of any research carried out under a grant awarded under this section.

(2) The Secretary of Defense and the Secretary of Health and Human Services shall submit a report under paragraph (1) on each of March 1, 1995, October 1, 1995, October 1, 1996, and October 1, 1997.

(3) Each report submitted under this subsection shall be submitted in unclassified form.

(d) FUNDING.—(1) Of the amount authorized to be appropriated by section 201, $10,000,000 shall be available for purposes of awarding grants under this section. Such funds shall be available for such purpose until expended.

(2) For each fiscal year in which activities under the study under this section will continue, the Secretary of Defense shall provide in the documents submitted to Congress in connection with the budget of the President for the fiscal year a request for such funds as the Secretary determines necessary in order to award grants under this section during that fiscal year.

SEC. 1095. COMPATABILITY OF HEALTH REGISTRIES.

The Secretary of Defense shall take appropriate actions to ensure that—

(1) the data collected by and the testing protocols of the Persian Gulf War Health Surveillance System are compatible with the data collected by and the testing protocols of the Persian Gulf War Veterans Health Registry; and

(2) information on individuals who register with the Department of Defense is provided to the Department of Veterans Affairs for incorporation into the Persian Gulf War Veterans Health Registry.

SEC. 1096. TECHNICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) Section 113(e)(2) is amended by striking out "section 104" and inserting in lieu thereof "section 108".

(2) Section 133a(b) is amended by striking out "Under Secretary of Defense for Acquisition" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology".

(3) Section 580a(a) is amended by striking out "the date of the enactment of this section" and inserting in lieu thereof "November 30, 1993,".

(4)(A) The section 1058 added by section 554(a) of Public Law 103–160 (107 Stat. 1663) is redesignated as section 1059.

(B) The item relating to that section in the table of sections at the beginning of chapter 53 is revised to conform to the redesignation made by subparagraph (A).

(5)(A) The section 1058 added by section 1433(b) of Public Law 103–160 (107 Stat. 1834) is redesignated as section 1060.

(B) The item relating to that section in the table of sections at the beginning of chapter 53 is revised to conform to the redesignation made by subparagraph (A).

(6) Section 1141 is amended by striking out "on or after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1994" and inserting in lieu thereof "after November 29, 1993,".

(7) Section 1151(h)(3)(B)(v) is amended by inserting "school" after "For the fifth".

(8)(A) The heading of section 1482a is amended so that the first letter of the fifth word is lower case.

(B) The item relating to that section in the table of sections at the beginning of chapter 75 is revised to conform to the amendment made by subparagraph (A).

(9) Section 2399 is amended—

(A) in subsections (b)(5) and (c)(1), by striking out "section 138(a)(2)(B)" and inserting in lieu thereof "section 139(a)(2)(B)";

(B) in subsection (e)(3)(B), by striking out "solely as a representative of" and inserting in lieu thereof "solely in testing for";

(C) in subsection (g), by striking out "section 138" and inserting in lieu thereof "section 139"; and

(D) in subsection (h)(1), by striking out "section 138(a)(2)(A)" and inserting in lieu thereof "section 139(a)(2)(A)".

(10) Section 2502(d) is amended by striking out "Executive" and inserting in lieu thereof "executive".

(11)(A) Sections 2540 and 2541, as added by section 822(a) of Public Law 103–160 (107 Stat. 1705), are redesignated as sections 2539a and 2539b, respectively.

(B) The items relating to those sections in the table of sections at the beginning of subchapter V of chapter 148 are revised to conform to the redesignations made by subparagraph (A).

(12) Section 2865(a)(4) is amended by adding a period at the end.

(13) Sections 3022(a)(1), 5025(a)(1), and 8022(a)(1) are amended by striking out "section 137(c)" and inserting in lieu thereof "section 135(c)".

(14) Section 9511 is amended by striking out "In this subchapter" and inserting in lieu thereof "In this chapter".

(b) PUBLIC LAW 103–160.—Effective as of November 30, 1993, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) is amended as follows:

(1) Section 507(d)(3) (107 Stat. 1647) is amended by inserting "note" after "10 U.S.C. 1293".

(2) Section 551(a)(1) (107 Stat. 1661) is amended by striking out "Section" and inserting in lieu thereof "Chapter".

(3) Section 554(b) (107 Stat. 1666) is amended—

(A) in paragraph (1), by striking out "Section 1058 of title 10, United States Code, as added by subsection (a)," and inserting in lieu thereof "The section of title 10, United States Code, added by subsection (a)(1)"; and

(B) in paragraph (2), by striking out "1058".

(4) Section 931(c)(1) (107 Stat. 1734) is amended by inserting closing quotation marks before the period at the end.

(5) Section 1314(3) (107 Stat. 1786) is amended by striking out "adding at the end" and inserting in lieu thereof "inserting after subsection (f)".

(6) Section 1433(d) (107 Stat. 1835) is amended by striking out "Section 1058 of title 10, United States Code, as added by subsection (a)," and inserting in lieu thereof "The section of title 10, United States Code, added by subsection (b)(1)".

(7) Section 1606(b)(4) (107 Stat. 1847) is amended by striking out "section 1604(e)" and inserting in lieu thereof "section 1605(e)".

(8) Section 2912(b)(2) (107 Stat. 1925) is amended by striking out "section 637(d)(1)" and inserting in lieu thereof "section 8(d)(1)".

(9) Section 2926(d) (107 Stat. 1932) is amended by striking out "Subsection (d)(1)(2)(C)(iii)" and inserting in lieu thereof "Subsection (d)(2)(C)(iii)".

(c) OTHER LAWS.—(1) Section 921 of Public Law 102–190 (10 U.S.C. 201 note; 105 Stat. 1452) is amended by striking out "section 136(b)(3)" in subsection (a) and inserting in lieu thereof "section 138(b)(3)".

(2) Section 908(c) of title 37, United States Code, is amended by striking out "section 1058" and inserting in lieu thereof "section 1060".

SEC. 1097. NORTH ATLANTIC TREATY ORGANIZATION.

(a) FINDINGS.—The Congress makes the following findings:

(1) The North Atlantic Treaty Organization has served as a bulwark of peace, security, and democracy for the United States and the members of the alliance since 1949.

(2) The unswerving resolve of the member states of the North Atlantic Treaty Organization to mutual defense against the threat of communist aggression was central to the demise of the Warsaw Pact.

(3) The North Atlantic Treaty Organization is the most successful international security organization in history, and is well suited to help marshal our cooperative political, diplomatic, economic, and humanitarian efforts, buttressed by credible military capability aimed at deterring conflict, and thus contributing to international peace and security.

(4) The threat of instability in Eastern and Central Europe, as well as in the Southern and Eastern Mediterranean, continues to pose a fundamental challenge to the interests of the member states of the North Atlantic Treaty Organization.

(5) North Atlantic Treaty Organization assets have been deployed in recent years for more than the territorial defense of alliance members; and the Rome Summit of October 1991 adopted a new strategic concept for the North Atlantic Treaty Organization that entertained the possibility of operations beyond the alliance's self-defense area.

(6) In Oslo in July 1992, and in Brussels in December 1992, the alliance embraced the deployment of North Atlantic Treaty Organization forces to peacekeeping operations under the auspices of the United Nations or the Conference on Security and Cooperation in Europe.

(7) The North Atlantic Treaty Organization should attempt to cooperate with and seek a mandate from international organizations such as the United Nations when considering responses to out of area crises.

(8) Not all members of the international community share a commonality of interests that would ensure timely action by the United Nations Security Council.

(9) The security interests of the member countries of the North Atlantic Treaty Organization must not be held hostage to indecision at the United Nations or a veto by a permanent member of the Security Council.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) it should be the policy of the United States that, in accordance with article 53 of the United Nations Charter, the North Atlantic Treaty Organization retains the right of autonomy of action regarding missions in addition to collective defense should the United Nations Security Council or the Conference on Security and Cooperation in Europe fail to act;

(2) while it is desirable to work with other international organizations and arrangements where feasible in dealing with threats to the peace, the North Atlantic Treaty Organization is not an auxiliary to the United Nations or any other organization; and

(3) the member states of the North Atlantic Treaty Organization reserve the right to act collectively in defense of their vital interests.

SEC. 1098. LIMITATION ON OBLIGATION OF FUNDS FOR MARK–6 GUIDANCE SETS FOR TRIDENT II MISSILES.

(a) LIMITATION.—Until the certification in subsection (b) has been provided to the congressional defense committees, funds appropriated for fiscal year 1995 for the Navy may not be obligated to procure more than 14 Mark–6 guidance sets for Trident II missiles.

(b) CERTIFICATION.—Before the Secretary of Defense may obligate funds for Mark–6 guidance sets in addition to the 14 sets authorized in subsection (a), he shall certify to the congressional defense committees that failure to procure such additional units would pose an unacceptable risk to the long-term readiness and reliability of the Trident II missile program.

SEC. 1099. MILITARY PLANNING FOR THE SIZE AND STRUCTURE OF A FORCE REQUIRED FOR A MAJOR REGIONAL CONTINGENCY ON THE KOREAN PENINSULA.

(a) FINDINGS.—Congress finds as follows:

(1) Whereas the Administration commissioned the Bottom-Up Review to properly size and structure the Armed Forces of the United States for the Post-Cold-War Era;

(2) Whereas the Bottom-Up Review itself cites the need for the Armed Forces of the United States to be large enough to prevail in two major regional conflicts, similar in nature to the 1991 war against Iraq, "nearly simultaneously";

(3) Whereas the Bottom-Up Review gives special consideration to a scenario that hypothesizes that the two "nearly simultaneous" conflicts would occur in Korea and the Persian Gulf;

(4) Whereas the United States sent 7 Army divisions, the equivalent of 10 Air Force tactical fighter wings, 70 heavy bombers, 6 Navy aircraft carrier battle groups, and 5 Marine Corps brigades to the Persian Gulf to fight the war against Iraq;

(5) Whereas the Bottom-Up Review asserts that the forces needed to fight two conflicts similar to that with Iraq can be drawn from a total military force of between 15 and 16 Army divisions, 20 Air Force tactical fighter wings, 184 heavy bombers, 11 active Navy aircraft carriers (along with one reserve/training carrier), and the equivalent of 12 Marine Corp brigades;

(6) Whereas the Bottom-Up Review recognizes that approximately 100,000 members of the United States Armed Forces will be stationed in Europe;

(7) Whereas the Bottom-Up Review recognizes that sizeable numbers of United States

forces could be involved in peace enforcement and intervention operations at any one time;

(8) Whereas the Bottom-Up Review makes no specific recommendation as to the number of forces to be held in reserve to provide a rotation base either to relieve troops in the event one or both hypothetical conflicts result in lengthy deployments or to replace combat losses;

(9) Whereas military planners calculate that the number of United States forces needed to help defeat an invasion of South Korea by North Korea may exceed 430,000 United States military personnel;

(10) Whereas the size of the force military planners may request to help defend South Korea could exceed the levels that are consistent with the recommendations of Bottom-Up Review if the existing and future force requirements for a presence in Europe, possible peace enforcement operations, and an adequate rotation base, as well as a second regional conflict, must be fulfilled simultaneously.

(b) SENSE OF CONGRESS.—It is the Sense of Congress:

(1) that the force structure identified in the Bottom-Up Review may not be used to limit the size or structure of the force United States military commanders may request in preparation for a major regional contingency on the Korean peninsula;

(2) and that the Chairmen and Ranking Members of the House and Senate Committees on Armed Services and Chairmen and Ranking members of the House and Senate Appropriations Subcommittees on Defense should receive regular briefings from the Department of Defense of the situation on the Korean peninsula;

(3) and that the conclusions of the Bottom-Up Review should be continuously examined in light of the lessons learned from preparation for a major regional contingency on the Korean peninsula and from other military operations.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 1995".

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects in the total amount of $396,750,000 for the installations and locations inside the United States, and in the amounts for such installations and locations, set forth in the following table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Redstone Arsenal	$2,600,000
Georgia	Fort Benning	$6,550,000
	Fort Gordon	$44,750,000
Hawaii	Schofield Barracks	$25,000,000
Kentucky	Fort Campbell	$67,400,000
	Fort Knox	$8,500,000
Maryland	Adelphi Laboratory Center	$6,600,000
	Fort Ritchie	$3,600,000
New Jersey	Bayonne Military Ocean Terminal	$4,050,000
New York	United States Military Academy, West Point	$28,000,000
North Carolina	Fort Bragg	$29,000,000
	Sunny Point Military Ocean Terminal	$22,200,000
Oklahoma	Fort Sill	$18,000,000
South Carolina	Charleston Naval Weapons Station	$24,000,000
Texas	Fort Hood	$29,000,000
	Fort Sam Houston	$4,300,000
Virginia	Fort Myer	$7,300,000
Washington	Fort Lewis	$64,000,000
CONUS Classified	Classified Location	$1,900,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects in the total amount of $31,400,000 for the installation and location outside the United States, and in the amount, set forth in the following table:

Army: Outside the United States

Country or other	Installation or location	Amount
Kwajalein Atoll	Kwajalein	$6,400,000
Worldwide	Host Nation Support	$25,000,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) in the total amount of $117,750,000 at the installations, for the purposes, and in the amounts for such installations set forth in the following table:

Army: Family Housing

State	Installation	Purpose	Amount
Alaska	Fort Richardson	72 units	$5,000,000
Colorado	Fort Carson	145 units	$16,500,000
Georgia	Fort Stewart	128 units	$10,600,000
Hawaii	Helemano Military Reservation	Roadway improvements for family housing.	$3,500,000
	Schofield Barracks	190 units	$26,000,000
Kansas	Fort Riley	126 units	$12,600,000
Massachusetts	Natick Research Center	35 units	$4,150,000
New York	United States Military Academy, West Point.	56 units	$8,000,000
Texas	Fort Bliss	215 units	$21,400,000
	Fort Sam Houston	100 units	$10,000,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(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 $5,992,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may improve existing military family housing in an amount not to exceed $49,760,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1994, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $1,731,286,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $396,750,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $31,400,000.

(3) For unspecified minor military 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, $63,926,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $173,502,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,067,708,000, of which not more than $243,442,000 may be obligated or expended for the leasing of military family housing 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 2101 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2105. RELOCATION OF ARMY FAMILY HOUSING UNITS FROM FORT HUNTER LIGGETT, CALIFORNIA, TO FORT STEWART, GEORGIA.

Section 2102(a) of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102-190; 105 Stat. 1511) is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following new paragraph (1):

"(1) Fort Hunter Liggett, California, one hundred fifty-four units, $12,300,000."; and

(2) by striking out paragraph (5) and inserting in lieu thereof the following new paragraph (5):

"(5) Fort Stewart, Georgia, one hundred twenty-one units, $9,890,000.".

SEC. 2016. HIGHWAY SAFETY AT HAWTHORNE ARMY AMMUNITION PLANT, NEVADA.

(a) STUDY.—The Secretary of the Army shall carry out a study of traffic safety on the highway at the Hawthorne Army Ammunition Plant, Nevada. In carrying out the study, the Secretary shall—

(1) evaluate traffic safety on the highway, including traffic safety with respect to the rail and truck crossing of the highway at the Plant;

(2) evaluate the feasibility and desirability of constructing a vehicle bridge over the rail and truck crossing; and

(3) determine whether any construction required to improve traffic safety on the highway be funded as a military construction project or as a defense access road construction project.

(b) ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION DESIGN.—If the Secretary determines as a result of the study under subsection (a) that construction of a vehicle bridge over the rail and truck crossing referred to in paragraph (1) of that subsection is feasible and desirable, the Secretary should—

(1) obtain architectural and engineering activities and carry out construction design with respect to the construction of the bridge; or

(2) request that the Secretary of Transportation carry out the construction of the bridge as project for the construction of a defense access road under section 210 of title 23, United States Code.

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 in the total amount of $239,265,000 for the installations and locations inside the United States, and in the amounts for such installations and locations, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Yuma Marine Corps Air Station	$15,085,000
California	Camp Pendleton Amphibious Task Force	$10,700,000
	Camp Pendleton Marine Corp Base	$570,000
	China Lake Naval Air Warfare Center	$6,000,000
	El Centro Naval Air Facility	$3,000,000
	Lemoore Naval Air Station	$7,000,000
	North Island Naval Air Station	$18,830,000
	Port Hueneme Naval Construction Battalion Center	$9,650,000
	San Diego Marine Corps Recruit Depot	$1,090,000
	San Diego Naval Station	$4,100,000
	Twentynine Palms Marine Corps Air-Ground Combat Center	$2,900,000
Florida	Jacksonville Fleet and Industrial Supply Center	$2,200,000
	Pensacola Naval Air Station	$2,100,000
Hawaii	Kaneohe Bay	$4,900,000
Illinois	Great Lakes Navy Public Works Center	$13,000,000
New Jersey	Lakehurst Naval Air Warfare Center	$2,950,000
New Mexico	White Sands Naval Ordnance Missile Test Station	$1,390,000
North Carolina	Cherry Point Marine Corps Air Station	$2,100,000
	Camp Lejeune Marine Corp Base	$14,850,000
Rhode Island	Newport Naval Education and Training Center	$14,500,000
South Carolina	Parris Island Marine Corps Recruit Depot	$2,550,000
Texas	Ingleside Naval Station	$14,110,000
Virginia	Chesapeake Naval Security Group Activity	$1,150,000
	Dam Neck Fleet Combat Training Center	$1,600,000
	Norfolk Marine Corps Security Force Battalion Atlantic	$6,480,000
	Norfolk Naval Station	$16,430,000
	Quantico Marine Corps Combat Development Command	$19,900,000
Washington	Bremerton Puget Sound Naval Shipyard	$11,040,000
	Everett Naval Station	$21,690,000
	Whidbey Island Naval Air Station	$5,200,000
Various Locations	Aircraft Fire Rescue and Vehicle Maintenance Facilities	$2,200,000

(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 in the total amount of $50,810,000 for the installations and locations outside the United States, and in the amounts for such installations and locations, set forth in the following table:

Navy: Outside the United States

Country	Installation or location	Amount
Greece	Souda Bay, Crete Naval Support Activity	$3,050,000
Italy	Naples Naval Support Activity	$28,460,000
	Sigonella Naval Air Station	$13,750,000
Puerto Rico	Sabana Seca Naval Security Group Activity	$1,650,000
United Kingdom	Saint Mawgan Joint Maritime Communications Center	$3,900,000

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) in the total amount of $49,012,000 at the installations, for the purposes, and in the amounts for such installations and purposes set forth in the following table:

Navy: Family Housing

State	Installation	Purpose	Amount
California	Camp Pendleton Marine Corps Base	196 units	$28,552,000
	San Diego Naval Public Works Center	136 units	$18,262,000
Maryland	Patuxent River Naval Air Station	Housing Office	$863,000
Virginia	Norfolk Naval Public Works Center	Warehouse/Self Help Center	$555,000
Washington	Everett Naval Station	Housing Office	$780,000

(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 $24,681,000.

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 $155,602,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1994, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $1,507,349,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $239,265,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $50,810,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $7,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $43,380,000.

(5) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $229,295,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $937,599,000, of which not more than $114,336,000 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. AUTHORITY TO CARRY OUT CONSTRUCTION PROJECT, NAVAL SUPPLY CENTER, PENSACOLA, FLORIDA.

Funds appropriated by the Military Construction Appropriations Act, 1994 (Public Law 103-110; 107 Stat. 1037) that are available for construction of a cold storage facility at Naval Supply Center, Pensacola, Florida, in accordance with authorizations provided in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102-190; 105 Stat. 1514), as enacted, may be expended for the portion of the construction of such facility that is associated with Department of the Navy contract N62467-86-C-0421.

SEC. 2206. RELOCATION OF PASCAGOULA COAST GUARD STATION, MISSISSIPPI.

(a) AGREEMENT ON RELOCATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Navy and the Secretary of Transportation shall enter into an agreement that provides for the relocation of the activities and functions of Pascagoula Coast Guard Station to Pascagoula Naval Station, Pascagoula, Mississippi.

(b) CONDITIONS.—The agreement under subsection (a) shall include the following provisions:

(1) That the Navy not incur any construction costs relating to the relocation.

(2) That the design, construction, and location of Coast Guard facilities, and the conduct of activities by the Coast Guard, at Pascagoula Naval Station not interfere with the performance of the mission of the Navy.

SEC. 2207. AUTHORITY TO CARRY OUT CONSTRUCTION DESIGN FOR MAYPORT NAVAL STATION, FLORIDA.

(a) AUTHORITY TO CARRY OUT CONSTRUCTION DESIGN.—Subject to subsection (b), the Secretary of the Navy may carry out construction design activities in connection with the military construction projects that the Secretary identifies as necessary for the improvement of the facilities located at Mayport Naval Station, Florida, so that such facilities may be used as the homeport of a nuclear powered aircraft carrier.

(b) REQUIREMENT RELATING TO COMMENCEMENT OF DESIGN.—The Secretary may not carry out the construction design activities authorized under subsection (a) until the Secretary—

(1) completes a study that identifies the improvements to the facilities referred to in that subsection that are necessary so that such facilities may be used as the homeport of a nuclear powered aircraft carrier; and

(2) completes a programmatic environmental impact study on the effect of such improvements on the environment.

(c) CONSTRUCTION OF AUTHORITY.—This section may not be construed or interpreted as an authorization for the Secretary to commence or proceed with any military construction project relating to the improvement of the facilities of Mayport Naval Station, Florida, for the purpose referred to in subsection (a).

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 in the total amount of $412,004,000 for the installations and locations inside the United States, and in the amounts for such installations and locations, set forth in the following table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	$9,600,000
Alaska	Cape Lisburne Long Range Radar Site	$2,800,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
	Eielson Air Force Base	$3,300,000
	Elmendorf Air Force Base	$5,000,000
Arizona	Luke Air Force Base	$4,900,000
Arkansas	Little Rock Air Force Base	$4,800,000
California	Beale Air Force Base	$1,450,000
	Edwards Air Force Base	$7,050,000
	Travis Air Force Base	$3,600,000
	Vandenberg Air Force Base	$6,550,000
Colorado	Peterson Air Force Base	$1,750,000
	United States Air Force Academy	$3,600,000
Delaware	Dover Air Force Base	$10,500,000
Florida	Cape Canaveral Air Force Station	$10,450,000
Georgia	Moody Air Force Base	$14,300,000
	Robins Air Force Base	$21,200,000
Idaho	Mountain Home Air Force Base	$15,950,000
Illinois	Scott Air Force Base	$2,700,000
Kansas	McConnell Air Force Base	$500,000
Louisiana	Barksdale Air Force Base	$27,100,000
Maryland	Andrews Air Force Base	$10,800,000
Mississippi	Columbus Air Force Base	$3,400,000
	Keesler Air Force Base	$11,240,000
Missouri	Whiteman Air Force Base	$24,290,000
Montana	Malmstrom Air Force Base	$7,200,000
Nebraska	Offutt Air Force Base	$2,260,000
Nevada	Nellis Air Force Base	$10,500,000
New Jersey	McGuire Air Force Base	$17,000,000
New Mexico	Holloman Air Force Base	$10,950,000
	Kirtland Air Force Base	$31,000,000
North Carolina	Pope Air Force Base	$2,600,000
North Dakota	Ellsworth Air Force Base	$4,500,000
	Grand Forks Air Force Base	$5,200,000
	Minot Air Force Base	$10,350,000
Ohio	Wright-Patterson Air Force Base	$32,700,000
Oklahoma	Altus Air Force Base	$3,750,000
	Tinker Air Force Base	$9,643,000
	Vance Air Force Base	$11,680,000
South Carolina	Charleston Air Force Base	$11,400,000
South Dakota	Ellsworth Air Force Base	$1,450,000
Tennessee	Arnold Air Force Base	$1,900,000
Texas	Kelly Air Force Base	$8,950,000
	Lackland Air Force Base	$5,200,000
	Sheppard Air Force Base	$3,300,000
Washington	Fairchild Air Force Base	$8,850,000
Wyoming	F.E. Warren Air Force Base	$2,650,000
CONUS Classified	Classified Location	$2,141,000

(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 in the total amount of $38,273,000 for the installations and locations outside the United States, and in the amounts for such installations and locations, set forth in the following table:

Air Force: Outside the United States

Country	Installation or location	Amount
Germany	Ramstein Air Base	$12,350,000
	Spangdahlem Air Base	$9,473,000
Greenland	Thule Air Base	$2,450,000
Portugal	Lajes Field	$2,850,000
United Kingdom	RAF Lakenheath	$7,100,000
Overseas Classified	Classified Location	$4,050,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) in the total amount of $172,310,000 at the installations, for the purposes, and in the amounts for such installations and purposes set forth in the following table:

Air Force: Family Housing

State or Country	Installation	Purpose	Amount
Alabama	Maxwell Air Force Base	25 units	$2,100,000
Arizona	Davis-Monthan Air Force Base	60 units	$5,940,000
California	Beale Air Force Base	76 units	$8,842,000
	Edwards Air Force Base	34 units	$4,629,000
	Los Angeles Air Force Base	50 units	$8,962,000
	Vandenberg Air Force Base	128 units	$16,460,000
District of Columbia	Bolling Air Force Base	100 units	$9,000,000
Florida	Patrick Air Force Base	75 units	$7,145,000
Idaho	Mountain Home Air Force Base	4 unit	$881,000
	Mountain Home Air Force Base	60 units	$5,712,000

Air Force: Family Housing—Continued

State or Country	Installation	Purpose	Amount
Kansas	McConnell Air Force Base	70 units	$8,322,000
Louisiana	Barksdale Air Force Base	82 units	$8,236,000
Missouri	Whiteman Air Force Base	Housing Office	$567,000
New Mexico	Cannon Air Force Base	1 unit	$230,000
	Holloman Air Force Base	76 units	$7,733,000
	Kirtland Air Force Base	106 units	$10,058,000
North Carolina	Pope Air Force Base	120 units	$14,874,000
	Seymour Johnson Air Force Base	74 units	$6,025,000
North Dakota	Grand Forks Air Force Base	Housing Office	$709,000
South Carolina	Shaw Air Force Base	3 units	$631,000
Texas	Dyess Air Force Base	59 units	$7,077,000
Utah	Hill Air Force Base	138 units	$11,400,000
Virginia	Langley Air Force Base	148 units	$14,421,000
Washington	Fairchild Air Force Base	6 units	$1,035,000
Wyoming	F.E. Warren Air Force Base	106 units	$11,321,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $9,275,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $61,770,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1994, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,594,863,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $412,004,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $38,273,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $7,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $49,386,000.

(5) For the balance of the amount authorized under section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2593) for the construction of the climatic test chamber at Eglin Air Force Base, Florida, $20,000,000.

(6) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $243,355,000.

(B) For support of military family housing (including functions described in section 2833 of title 10, United States Code), $824,845,000 of which not more than $112,757,000 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 the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2305. AUTHORIZATION OF MILITARY CONSTRUCTION PROJECTS AT TYNDALL AIR FORCE BASE, FLORIDA, FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

The table in section 2301 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1866) is amended in the item relating to Tyndall Air Force Base, Florida, by striking out "$2,600,000" in the column under the heading "Amount" and inserting in lieu thereof "$8,200,000".

SEC. 2306. REVISION OF AUTHORIZED FAMILY HOUSING PROJECT, TYNDALL AIR FORCE BASE, FLORIDA.

The table in section 2302(a) of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1869) is amended in the item relating to Tyndall Air Force Base, Florida, by striking out "Infrastructure" in the third column and inserting in lieu thereof "45 units".

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects in the total amount of $413,700,000 for the installations and locations inside the United States, and in the amounts for such installations and locations, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Chemical Agents and Munitions Destruction	Anniston Army Depot, Alabama	$5,000,000
	Pine Bluff Arsenal, Arkansas	$102,000,000
	Umatilla Army Depot, Oregon	$183,000,000
	Tooele Army Depot, Utah	$4,000,000
Defense Intelligence Agency	Bolling Air Force Base, Washington, District of Columbia	$600,000
Defense Logistics Agency	Defense Contract Management Office, El Segundo, California	$5,100,000
	Defense Construction Supply Center, Columbus, Ohio	$2,200,000
	Defense Fuel Support Point, Craney Island, Virginia	$3,652,000
	Headquarters, Defense Logistics Agency, Fort Belvoir, Virginia	$4,600,000
Defense Medical Facilities Office	McClellan Air Force Base, California	$10,280,000
	Fort McPherson, Georgia	$13,400,000
	Fort Dix, New Jersey	$2,000,000
National Security Agency	Fort Meade, Maryland	$20,258,000
Office of Secretary of Defense	Various Locations, Special Activities, Air Force	$5,300,000
Section 6 Schools	Naval Surface Warfare Center, Virginia	$1,560,000
Special Operations Force	Eglin Auxiliary Field No. 9, Florida	$21,750,000
	Fort Bragg, North Carolina	$16,000,000
	Kirtland Air Force Base, New Mexico	$9,600,000

Defense Agencies: Inside the United States—Continued

Agency	Installation or location	Amount
	Naval Amphibious Base, Coronado, San Diego, California	$3,400,000

SEC. 2402. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(11)(A), the Secretary of Defense may construct or acquire family housing units (including land acquisition) at the installation, for the purpose, and in the amount set forth in the following table:

Defense Agencies: Family Housing

Location	Installation	Purpose	Amount
Belgium	National Security Agency	1 unit	$300,000

SEC. 2403. 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 2405(a)(11)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $50,000.

SEC. 2404. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(8), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code.

SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1994, 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 $3,252,058,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $152,700,000.

(2) 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 Public Law 101–189; 103 Stat. 1640), $120,000,000.

(3) For military construction projects at Elmendorf Air Force Base, Alaska, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2599), $66,000,000.

(4) For military construction projects at Fort Bragg, North Carolina, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2599), $75,000,000.

(5) For unspecified minor construction projects under section 2805 of title 10, United States Code, $22,348,000.

(6) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $8,511,000.

(7) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $51,960,000.

(8) For energy conservation projects authorized by section 2404, $50,000,000.

(9) For base closure and realignment activities as authorized by the Defense Authorization Amendments and Base Closure and Realignment Act (title II of Public Law 100–526; 10 U.S.C. 2687 note), $87,600,000.

(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 Public Law 101–510; 10 U.S.C. 2687 note):

(A) For military installations approved for closure or realignment in 1991, $398,700,000.

(B) For military installations approved for closure or realignment in 1993, $2,189,858,000.

(11) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $350,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $29,031,000, of which not more than $24,051,000 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 variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a) and subsection (b);

(2) $94,000,000 (the balance of the amount authorized for construction of a chemical munitions demilitarization facility at Pine Bluff Arsenal, Arkansas); and

(3) $167,000,000 (the balance of the amount authorized for construction of a chemical munitions demilitarization facility at Umatilla Army Depot, Oregon).

SEC. 2406. TERMINATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1993 PROJECT.

(a) TERMINATION OF AUTHORITY.—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2599) is amended by striking out the item relating to Fitzsimons Army Medical Center, Colorado.

(b) CONFORMING AMENDMENTS.—(1) Subsection (a) of section 2403 of such Act (106 Stat. 2600) is amended—

(A) in the matter above paragraph (1), by striking out "$2,567,146,000" and inserting in lieu thereof "$2,565,146,000"; and

(B) in paragraph (1), by striking out "$87,950,000" and inserting in lieu thereof "$85,950,000".

(2) Subsection (c) of such section is amended—

(A) by inserting "and" at the end of paragraph (4);

(B) by striking out "; and" at the end of paragraph (5) and inserting lieu thereof a period; and

(C) by striking out paragraph (6).

SEC. 2407. COMMUNITY IMPACT ASSISTANCE WITH REGARD TO NAVAL WEAPONS STATION, CHARLESTON, SOUTH CAROLINA.

Of the amount appropriated pursuant to the authorization of appropriations in section 2405(a)(10)(B), the Secretary of the Navy shall transfer $3,000,000 to the South Carolina Department of Highways and Public Transportation. Funds transferred pursuant to this section shall be used for making improvements to North Rhett Avenue, Charleston, South Carolina.

SEC. 2408. PLANNING AND DESIGN FOR CONSTRUCTION IN SUPPORT OF CONSOLIDATION OF OPERATIONS OF THE DEFENSE FINANCE AND ACCOUNTING SERVICE.

Of the amount authorized to be appropriated by section 2405(a)(7), $6,000,000 shall be available for planning and design activities relating to military construction in support of the consolidation of operations of the Defense Finance and Accounting Service.

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, 1994, 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 $219,000,000.

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, 1994, 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, $180,312,000; and

(B) for the Army Reserve, $37,870,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $17,355,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $240,003,000; and

(B) for the Air Force Reserve, $43,840,000.

SEC. 2602. AUTHORIZATION OF CERTAIN NATIONAL GUARD AND RESERVE PROJECTS FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

(a) FISCAL YEAR 1994 GUARD AND RESERVE PROJECTS.—Section 2601 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103-160; 107 Stat. 1878) is amended—

(1) in paragraph (1)(A), by striking out "$283,483,000" and inserting in lieu thereof "$287,958,000"; and

(2) in paragraph (2), by striking out "$25,013,000" and inserting in lieu thereof "$33,713,000".

(b) FISCAL YEAR 1993 AIR NATIONAL GUARD PROJECT.—Section 2601(3)(A) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2602) is amended by striking out "$305,759,000" and inserting in lieu thereof "$306,959,000".

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Infrastructure program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 1997; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 1998.

(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, 1997; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 1998 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Infrastructure program.

SEC. 2702. EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1992 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701(b) of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102-190; 105 Stat. 1535) authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2301, or 2601 of that Act, shall remain in effect until October 1, 1995, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1996, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
Colorado	Fort Carson	Family Housing New Construction (1 Unit)	$150,000
Georgia	Fort Benning	General Instruction Facility	$2,150,000
	Camp Merrill	Family Housing New Construction (40 units)	$4,550,000
	Fort Stewart	Family Housing New Construction (120 units)	$9,700,000
Oregon	Umatilla Depot Activity	Ammunition Demilitarization Support Facility	$3,600,000
	Umatilla Depot Activity	Ammunition Demilitarization Utilities	$7,500,000

Air Force: Extension of 1992 Project Authorization

State	Installation or location	Project	Amount
Alaska	Eareckson Air Force Station (formerly Shemya Air Force Station)	Hazardous Materials Storage	$4,000,000

Army National Guard: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
California	Stockton	Add/Alter Combined Support Maintenance Shop	$1,613,000
District of Columbia	Fort Belvoir	Army Aviation Support Facility	$2,765,000
Maryland	Towson	Direct Logistics Warehouse	$373,000
	Cheltenham	Armory	$3,300,000
Mississippi	West Point	Organizational Maintenance Shop	$1,270,000
	Tupelo	Organizational Maintenance Shop	$992,000
	Senatobia	Organizational Maintenance Shop	$723,000
Nevada	Washoe County	Organizational Maintenance Shop	$1,050,000
North Carolina	Camp Butler	Range, Modified Record Fire	$986,000
Rhode Island	Camp Varnum	Sewer and Water System	$578,000
	Camp Fogarty	Armory	$5,151,000
West Virginia	Huntington	Guard/Reserve Center	$2,983,000

Army Reserve: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
Massachusetts	Taunton	Reserve Center	$3,526,000
Ohio	Perrysburg	Reserve Center Addition	$2,749,000
Pennsylvania	Johnstown	Army/Marine Corps Aviation Facility	$30,224,000
Tennessee	Jackson	Joint Training Facility	$1,537,000
West Virginia	Huntington	Guard and Reserve Center	$6,617,000

SEC. 2703. CLARIFICATION OF EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1991 PROJECTS.

(a) CLARIFICATION.—The table relating to the extension of authorization of certain fiscal year 1991 projects of the Defense Agencies in section 2702(b) of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1882) is amended by inserting before the item relating to the Defense Logistics Agency, Defense Reutilization and Marketing Office, Fort Meade, Maryland, the following:

Defense Agencies: Extension of Certain 1991 Project Authorizations

State	Installation or location	Project	Amount
California	Defense Language Institute, Monterey	Audio Visual Facility	$2,322,000
	Defense Language Institute, Monterey	Print Plant	$1,860,000

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the provisions of the Military Construction Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1822) to which such amendment relates.

SEC. 2704. EXTENSION OF CERTAIN FISCAL YEAR 1991 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701(b) of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101–510; 104 Stat. 1782), authorizations for the projects set forth in the table in subsection (b) as provided in section 2401(a) of that Act and extended by section 2702(a) of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102–190; 105 Stat. 1535) and section 2702 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1880), as amended by section 2703 of this Act, shall remain in effect until October 1, 1995, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1995, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

Defense Agencies: Extension of 1991 Project Authorizations

State	Installation or location	Project	Amount
California	Defense Language Institute, Monterey.	Audio Visual Instructional Media Facility	$2,322,000
	Defense Language Institute, Monterey.	Print Plant	$1,860,000
Maryland	Defense Logistics Agency, Defense Reutilization and Marketing Office, Fort Meade	Covered Storage	$9,500,000

SEC. 2705. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 1994; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. CLARIFICATION OF REQUIREMENT FOR NOTIFICATION OF CONGRESS OF IMPROVEMENTS IN FAMILY HOUSING UNITS.

Section 2825(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) The limitation contained in the first sentence of paragraph (1) does not apply to a project for the improvement of a family housing unit or units referred to in that sentence if the project (including the amount requested for the project) is identified in the budget materials submitted to Congress by the Secretary of Defense in connection with the submission to Congress of the budget for a fiscal year pursuant to section 1105 of title 31.".

SEC. 2802. AUTHORITY TO PAY CLOSING COSTS UNDER HOMEOWNERS ASSISTANCE PROGRAM.

Section 1013(c) of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3374(c)) is amended by inserting after the first sentence the following: "The Secretary may also pay a person who elects to receive a cash payment under clause (1) of the preceding sentence an amount that the Secretary determines appropriate to reimburse the person for the costs incurred by the person in the sale of the property if the Secretary determines that such payment will benefit the person and is in the best interest of the Federal Government.".

Subtitle B—Base Closure Matters

SEC. 2811. PROHIBITION AGAINST CONSIDERATION IN BASE CLOSURE PROCESS OF ADVANCE CONVERSION PLANNING UNDERTAKEN BY POTENTIAL AFFECTED COMMUNITIES.

(a) DEPARTMENT OF DEFENSE RECOMMENDATIONS.—Subsection (c)(3) of section 2903 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—

(1) by inserting "(A)" before "In considering"; and

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

"(B) In considering military installations for closure or realignment, the Secretary may not take into account for any purpose any advance conversion planning undertaken by an affected community with respect to the anticipated closure or realignment of an installation.

"(C) For purposes of subparagraph (B), in the case of a community anticipating the economic effects of a closure or realignment of a military installation, advance conversion planning—

"(i) shall include community adjustment and economic diversification planning undertaken by the community before an anticipated selection of a military installation in or near the community for closure or realignment; and

"(ii) may include the development of contingency redevelopment plans, plans for economic development and diversification, and plans for the joint use (including civilian and military use, public and private use, civilian dual use, and civilian shared use) of the property or facilities of the installation after the anticipated closure or realignment.".

(b) COMMISSION RECOMMENDATIONS.—Subsection (d)(2) of such section is amended by adding at the end the following:

"(E) In making recommendations under this paragraph, the Commission may not take into account for any purpose any advance conversion planning undertaken by an affected community with respect to the anticipated closure or realignment of a military installation.".

SEC. 2812. CLARIFYING AND TECHNICAL AMENDMENTS TO BASE CLOSURE LAWS.

(a) CLARIFICATION OF SCOPE OF TERMINATION OF AUTHORITY UNDER 1988 ACT.—Section 202(c) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended—

(1) by striking out "The authority" and inserting in lieu thereof "(1) Except as provided in paragraph (2), the authority"; and

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

"(2) The termination of authority set forth in paragraph (1) shall not apply to the authority of the Secretary to carry out environmental restoration and waste management at, or disposal of property of, military installations closed or realigned under this title.".

(b) USE OF UNOBLIGATED FUNDS IN 1988 ACCOUNT FOR ENVIRONMENTAL RESTORATION AND PROPERTY DISPOSAL.—Section 207(a)(5) of such Act is amended—

(1) by striking out "Unobligated funds" and inserting in lieu thereof "(A) Except as provided in subparagraph (B), unobligated funds"; and

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

"(B) The Secretary may, after the termination of authority referred to in subparagraph (A), use any unobligated funds referred to in that subparagraph that are not transferred in accordance with that subparagraph to carry out environmental restoration and waste management at, or disposal of property of, military installations closed or realigned under this title.".

(c) CLARIFICATION OF DISPOSAL AUTHORITY.—

(1) UNDER 1988 ACT.—Section 204(b)(1) of such Act is amended in the matter above paragraph (1) by striking out "real property and facilities" and inserting in lieu thereof "real property, facilities, and personal property".

(2) UNDER 1990 ACT.—Section 2905(b)(1) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) is amended in the matter above paragraph (1) by striking out "real property and facilities" and inserting in lieu thereof "real property, facilities, and personal property".

(d) DEFINITION OF REDEVELOPMENT AUTHORITY.—

(1) UNDER 1988 ACT.—Section 209(10) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended by striking out "and for" and inserting in lieu thereof "or for".

(2) UNDER 1990 ACT.—Section 2910(9) 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 "and for" and inserting in lieu thereof "or for".

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) shall take effect as if included in the amendments made by 2918 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1927).

(e) TECHNICAL AMENDMENTS FOR INTERNAL CONSISTENCY.—

(1) 1988 ACT.—Section 204(b)(3) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526; 10 U.S.C. 2687 note) is amended—

(A) in subparagraph (A)(ii), by striking out "determines to be related to real property and"; and

(B) in subparagraph (E), by striking out "related" in the matter above clause (i).

(2) 1990 ACT.—Section 2905(b)(3)(A)(ii) 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 "determines to be related to real property and".

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) shall take effect as if included in the amendments made by 2902 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1909).

SEC. 2813. SENSE OF SENATE ON THE ACTIVITIES OF THE SECRETARY OF DEFENSE IN SUPPORT OF COMMUNITIES AFFECTED BY BASE CLOSURES.

(a) FINDINGS.—The Senate makes the following findings:

(1) The closure or realignment of a major military installation can cause severe economic disruption to the host community for the installation.

(2) Communities affected by the closure of a major military installation under a base closure law dedicate significant time, effort, and resources to planning for the economic redevelopment of the installation.

(3) The Federal Government can ease the disruption caused by the closure of a military installation by working cooperatively with the host community for the installation to implement the community's redevelopment plan for the installation.

(4) In recent years, the Federal Government has not always provided sufficient assistance to communities affected by the closure of a military installation under a base closure law in the efforts of such communities to provide for the economic redevelopment of the installation.

(5) In July 1993, the President issued a five-point plan for revitalizing base closure communities which emphasized the economic recovery of communities affected by the closure of a military installation under a base closure law.

(6) In November 1993, Congress agreed to the provisions of subtitle A of title XXIX of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1909), and the amendments made thereunder, in order to implement the plan referred to in paragraph (5) and to provide other assistance to communities attempting to redevelop military installations approved for closure under a base closure law.

(7) The Secretary of Defense is accepting public comment on the guidelines for implementation of the provisions of law referred to in paragraph (6).

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Secretary of Defense should—

(1) ensure that the regulations implementing the provisions of subtitle A of title XXIX of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1909), and the amendments made thereunder, reflect the intent of Congress that, to the maximum extent practicable, the Secretary take into consideration the redevelopment plans of affected communities when taking actions or implementing decisions on the closure of a military installation approved for closure under a base closure law;

(2) ensure that the regulations implementing such provisions reflect the intent of Congress to encourage and promote cooperation and dialogue between the Federal Government and communities affected by the closure of an installation throughout the base closure process; and

(3) develop a system of incentives or awards to encourage Department of Defense personnel to provide greater assistance to and cooperation with communities affected by the closure of an installation during the ongoing effort of revitalizing the economy of such communities.

Subtitle C—Land Transactions Generally

SEC. 2821. LAND TRANSFER, HOLLOMAN AIR FORCE BASE, NEW MEXICO.

(a) IN GENERAL.—Subject to subsections (c) through (g), not later than 90 days after the date of enactment of this Act, the Secretary of the Interior shall transfer to the Department of the Air Force, without reimbursement, jurisdiction and control of approximately 1,262 acres of public lands described in subsection (b). Such public lands are located in Otero County, New Mexico, and are contiguous to Holloman Air Force Base.

(b) DESCRIPTION OF LANDS TRANSFERRED.—The lands described in this subsection are as follows:

(1) T17S, R8E, Section 21:	S½ N½:	160 acres
	E½ NW¼ NE¼:	20 acres
	NE¼ NE¼:	40 acres
(2) T17S, R8E, Section 22:	W½:	320 acres
	W½ E½:	160 acres
(3) T17S, R8E, Section 27:	All that part north of New Mexico Highway 70 except for the E½ E½	192 acres more or less

(4) T17S, R8E, Section 28:

NE¼:	160 acres
N½ SE¼:	80 acres
SW¼ SE¼:	40 acres
W½ SE¼ SE¼:	20 acres

(5) T17S, R8E, Section 33:

NW¼ NE¼:	40 acres
NW¼ NE¼ NE¼:	10 acres
W½ SW¼ NE¼:	20 acres

(c) USE OF TRANSFERRED LAND.—The lands transferred to the Department of the Air Force under subsection (a) shall be used by the Secretary of the Air Force for the construction of new evaporation ponds to support a wastewater treatment facility that the Secretary shall construct at Holloman Air Force Base.

(d) CATTLE GRAZING RIGHTS.—

(1) IN GENERAL.—The United States recognizes a grazing preference on the lands transferred to the Department of the Air Force under subsection (a).

(2) ADJUSTMENT OF GRAZING ALLOTMENT.—(A) The Secretary of the Air Force shall take such action as is necessary to ensure that—

(i) the boundary of the grazing allotment that contains the lands transferred to the Department of the Air Force is adjusted in such manner as to retain the portion of the allotment located south of United States Highway 70 in New Mexico and remove the portion of the lands that is located north of such highway; and

(ii) the grazing preference referred to in paragraph (1) is retained by means of transferring the preference for the area removed from the allotment under subparagraph (A) to public lands located south of such highway.

(B) The Secretary of the Air Force shall offer to enter into an agreement with each person who holds a permit for grazing on the lands transferred to the Department of the Air Force at the time of the transfer to provide for the continued grazing by livestock on the portion of the lands located south of such highway.

(e) ADDITIONAL REQUIREMENTS.—

(1) NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—The Secretary of the Air Force shall ensure that the transfer made pursuant to subsection (a) and the use specified in subsection (c) meet any applicable requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) ENVIRONMENTAL LAWS.—The Secretary of the Air Force shall use and manage the lands transferred under the authority in subsection (a) in such manner as to ensure compliance with applicable environmental laws (including regulations) of the Federal Government and State of New Mexico, and political subdivisions thereof.

(3) RESPONSIBILITY FOR CLEANUP OF HAZARDOUS SUBSTANCES.—Notwithstanding any other provision of law, the Secretary of the Air Force shall, upon the transfer of the lands under subsection (a), assume any existing or subsequent responsibility and liability for the cleanup of hazardous substances (as defined in section 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(14))) located on or within the lands transferred.

(4) MINING.—The transfer of lands under subsection (a) shall be made in such manner as to ensure the continuation of valid, existing rights under the mining laws and the mineral leasing and geothermal leasing laws of the United States. Subject to the preceding sentence, upon the transfer of the lands, mining and mineral management activities shall be carried out in the lands in a manner consistent with the policies of the Department of Defense concerning mineral exploration and extraction on lands under the jurisdiction of the Department.

(f) RIGHTS-OF-WAY.—The transfer of lands under subsection (a) shall not affect the following rights-of-way:

(1) The right-of-way granted to the Otero County Electric Cooperative, numbered NMNM 58293.

(2) The right-of-way granted to U.S. West Corporation, numbered NMNM 59261.

(3) The right-of-way granted to the Highway Department of the State of New Mexico, numbered LC0 54403.

(g) PUBLIC ACCESS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary of the Air Force shall permit public access to the lands transferred under subsection (a).

(2) CONSTRUCTION SITE.—The Secretary of the Air Force may not permit public access to the immediate area affected by the construction of a wastewater treatment facility in the area with the legal description of T17S, R8E, Section 22, except that the Secretary of the Air Force shall permit public access on an adjoining unfenced parcel of land—

(A) located along the west boundary of such area; and

(B) that is 50 feet in width.

(3) PUBLIC USES.—Except as provided in paragraph (2), the Secretary of the Air Force shall permit, on the lands transferred under subsection (a), public uses that are consistent with the public uses on adjacent lands under the jurisdiction of the Secretary of the Interior.

(4) PERMIT NOT REQUIRED.—The Secretary of the Air Force may not require a permit for access authorized under this subsection to the lands transferred under subsection (a).

(5) ENTRY GATE.—The Secretary of the Air Force shall ensure that the entry gate to the lands transferred under subsection (a) that is located along United States Highway 70 shall be open to the public.

SEC. 2822. JOINT USE OF PROPERTY, PORT HUENEME, CALIFORNIA.

(a) AGREEMENT AUTHORIZED.—The Secretary of the Navy may enter into an agreement with the Oxnard Harbor District, Port Hueneme, California, a special district of the State of California (in this section referred to as the "District"), to provide for the joint use by Secretary and the District of a parcel of real property consisting of approximately 25 acres, together with improvements thereto, that comprises United States Navy Wharf Number 3, the location of the Naval Construction Battalion Center, Port Hueneme, California.

(b) PERIOD.—The agreement authorized under subsection (a) shall—

(1) be for an initial period of not more than 15 years; and

(2) contain an option for the District to extend the agreement for three additional periods of 5 years each.

(c) CONDITIONS.—The agreement authorized under subsection (a) shall be subject to the following conditions:

(1) That the District suspend operations in the joint use area during the periods when the Navy conducts operations at the Naval Construction Battalion Center.

(2) That the District carry out activities in the joint use area in a manner that does not interfere with the capability of the Secretary to carry out contingency operations at the Naval Construction Battalion Center.

(d) CONSIDERATION.—(1) As consideration for the use of the real property under subsection (a), the District—

(A) shall pay to the Secretary the fair market rental value (as determined by the Secretary) of the District's interest in the property; and

(B) may be required to furnish additional consideration as provided in paragraph (2).

(2) The Secretary may require that the agreement include a provision that the District—

(A) either—

(i) pay the Secretary an amount (as determined by the Secretary) equal to the cost to the Navy of replacing at the Naval Construction Battalion Center the facilities vacated by the Navy in the joint use area; or

(ii) construct the replacement facilities for the Navy; and

(B) pay the Secretary an amount (as determined by the Secretary) equal to the cost to the Navy of relocating Navy operations from the vacated facilities to the replacement facilities.

(e) NOTICE AND WAIT REQUIREMENTS.—The Secretary may not enter into the agreement 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 the House of Representatives a report containing an explanation of the terms of the proposed agreement and a description of the consideration that the Secretary expects to receive under the agreement.

(f) USE OF PROCEEDS.—(1) The Secretary may use amounts received under subsection (d)(1)(A) to pay for general supervision, administration and overhead expenses incurred by the Secretary under the agreement and for improvement, maintenance, repair, construction, or restoration of the port operations area or of roads and railways serving the area at the Naval Construction Battalion Center.

(2) The Secretary may use amounts received under subsection (d)(2) to pay for constructing new facilities, or making modifications to existing facilities, that are necessary to replace facilities vacated by the Navy in the joint use area and for relocating operations of the Navy from the vacated facilities to the replacement facilities.

(g) AUTHORITY TO REPLACE FACILITIES.—The Secretary may authorize the District to demolish existing facilities in the joint use area and, consistent with the restrictions required by subsection (c)(2), construct new facilities on the property for the joint use of the Navy and the District.

(h) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property subject to the agreement authorized under this section shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the District.

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the

agreement authorized under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2823. LEASE OF PROPERTY, NAVAL RADIO RECEIVING FACILITY, IMPERIAL BEACH, CORONADO, CALIFORNIA.

(a) LEASE AUTHORIZED.—The Secretary of the Navy may lease to the Young Men's Christian Association of San Diego County, a California nonprofit public benefit corporation (in this section referred to as the "YMCA"), such interests in a parcel of real property (including any improvements thereon) consisting of approximately 45 acres at the Naval Radio Receiving Facility, Imperial Beach, Coronado, California, as the Secretary considers appropriate for the YMCA to operate and maintain a summer youth residence camp known as the YMCA San Diego Unified Recreational Facility (Camp SURF). Pursuant to the lease, the Secretary may authorize the YMCA to construct facilities on the parcel.

(b) LEASE TERMS.—The lease authorized in subsection (a) shall be for a period of 50 years, or such longer period as the Secretary determines to be in the best interests of the United States.

(c) CONSIDERATION.—As consideration for the lease of real property under subsection (a), the YMCA shall—

(1) agree to maintain and enhance the natural resources of the leased premises; and

(2) pay to the United States an amount in cash equal to the difference between the rental price prescribed by the Secretary under subsection (d) and the value of natural resources maintenance and enhancements performed by the YMCA, as determined by the Secretary.

(d) DETERMINATION OF RENTAL PRICE.—The Secretary may prescribe a rental price for the real property leased under subsection (a) that is less than the fair market rental value of such property.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the lease under subsection (a) as the Secretary considers necessary to protect the operation of the Naval Radio Receiving Facility, Imperial Beach, Coronado, California, and to protect the interests of the United States.

SEC. 2824. RELEASE OF REVERSIONARY INTEREST ON CERTAIN PROPERTY IN YORK COUNTY AND JAMES CITY COUNTY, VIRGINIA, AND NEWPORT NEWS, VIRGINIA.

(a) RELEASE AUTHORIZED.—The Secretary of the Navy may release the reversionary interest of the United States in the real property conveyed by the deed described in subsection (b).

(b) DEED DESCRIPTION.—The deed referred to in subsection (a) is a deed between the United States and the Commonwealth of Virginia dated August 17, 1966, which conveyed to the Commonwealth of Virginia certain parcels of land located in York County and James City County, Virginia, and the city of Newport News, Virginia.

(c) ADDITIONAL TERMS.—The Secretary may require such terms or conditions in connection with the release under this section as the Secretary considers appropriate to protect the interests of the United States and to ensure that the real property will continue to be used for public purposes.

(d) INSTRUMENT OF RELEASE.—The Secretary may execute and file in the appropriate office or offices a deed of release, amended deed, or other appropriate instrument effectuating the release of the reversionary interest under this section.

SEC. 2825. LAND TRANSFER, FORT DEVENS, MASSACHUSETTS.

(a) TRANSFER.—Notwithstanding any other provision of law and subject to subsection (b), the Secretary of the Army shall transfer administrative jurisdiction of approximately 800 acres of land at Fort Devens, Massachusetts, to the Secretary of the Interior for inclusion in the Oxbow National Wildlife Refuge, Massachusetts.

(b) LIMITATION ON TRANSFER.—The Secretary of the Army may not carry out the transfer referred to in subsection (a) unless the Secretary and the reuse authority for Fort Devens for the purposes 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), jointly determine that the transfer of the land under this section is consistent with the redevelopment plan prepared under section 2905(b) of such Act.

(c) ADMINISTRATION OF LAND.—The Secretary of the Interior shall administer the land transferred under this section in accordance with all laws applicable to areas in the National Wildlife Refuge System.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be transferred under this section shall be determined by a survey satisfactory to the Secretary of the Army and the Secretary of the Interior.

SEC. 2826. LAND CONVEYANCE, CORNHUSKER ARMY AMMUNITION PLANT, HALL COUNTY, NEBRASKA.

(a) CONVEYANCE AUTHORIZED.—Subject to subsection (b), the Secretary of the Army may convey to the Hall County, Nebraska, Board of Supervisors (in this section referred to as the "Board"), or the designee of the Board, all right, title and interest of the United States in and to the real property, together with any improvements thereon, located in Hall County, Nebraska, the site of the Cornhusker Army Ammunition Plant.

(b) REQUIREMENT RELATING TO CONVEYANCE.—The Secretary may not carry out the conveyance authorized under subsection (a) until the Secretary completes any environmental restoration required with respect to the property to be conveyed.

(c) UTILIZATION OF PROPERTY.—The Board or its designee, as the case may be, shall utilize the real property conveyed under subsection (a) in a manner consistent with the Cornhusker Army Ammunition Plant Reuse Committee Comprehensive Reuse Plan.

(d) CONSIDERATION.—In consideration for the conveyance under subsection (a), the Board or its designee, as the case may be, shall pay to the United States an amount equal to the fair market value of the real property to be conveyed, as determined by the Secretary.

(e) USE OF PROCEEDS.—(1) The Secretary shall deposit in the special account established under section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)) the amount received from the Board or its designee under subsection (d).

(2) Notwithstanding subparagraph (A) of such section 204(h)(2), the Secretary may use the entire amount deposited in the account under paragraph (1) for the purposes set forth in subparagraph (B) of such section 204(h)(2).

(f) 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 the survey shall be borne by the Board or its designee, as the case may be.

(g) 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. 2827. TRANSFER OR CONVEYANCE OF CERTAIN PARCELS OF PROPERTY THROUGH GENERAL SERVICES ADMINISTRATION.

(a) IN GENERAL.—(1) Subject to paragraph (2), the Administrator of General Services shall—

(A) transfer jurisdiction over all or a portion of a parcel of real property described in subsection (b) to another executive agency if the Administrator determines under subsection (c) that the transfer of jurisdiction to the agency is appropriate;

(B) convey all or a portion of such a parcel to a State or local government or nonprofit organization if the Administrator determines under subsection (d) that the conveyance to the government or organization is appropriate; or

(C) convey all or a portion of such a parcel to the entity specified to receive the conveyance under subsection (e) in accordance with that subsection.

(2) The Administrator shall carry out an action referred to in subparagraph (A), (B), or (C) of paragraph (1) only upon direction by the Secretary of Defense. The Secretary shall make the direction, if at all, in accordance with subsection (g).

(3) Upon the direction of the Secretary of Defense, the Secretary of the military department concerned shall transfer jurisdiction over an appropriate portion of a parcel of real property referred to in paragraph (1) to the Administrator in order to permit the Administrator to carry out the transfer of jurisdiction over or conveyance of the portion of the parcel under this section.

(b) COVERED PROPERTY.—(1) The parcels of real property referred to in subsection (a)(1) are the following:

(A) A parcel of real property, including any improvements thereon, consisting of approximately 337 acres and located in Tulsa, Oklahoma, the location of Air Force Plant No. 3.

(B) A parcel of real property, including any improvements thereon, consisting of approximately 2,900 acres and located in Calverton, New York, the location of the Naval Weapons Industrial Reserve Plant.

(C) A parcel of real property, including any improvements thereon, located in Johnson City (Westover), New York, the location of Air Force Plant No. 59.

(D) A parcel of real property, including any improvements thereon, consisting of approximately 4 acres and located in Dickinson, North Dakota, the location of a support complex, recreational facilities, and housing facilities for the Radar Bomb Scoring Site, Dickinson, North Dakota.

(E) A parcel of real property, including any improvements thereon, consisting of approximately 12 acres and located west of Finley, North Dakota, the location of a support complex, recreational facilities, and housing facilities for the Finley Air Force Station and Radar Bomb Scoring Site, Finley, North Dakota.

(F) A parcel of property, including any improvements thereon, consisting of approximately 440 acres located at the Hawthorne Army Ammunition Plant, Mineral County, Nevada, and commonly referred to as the Babbitt Housing Site.

(G) A parcel of real property, including any improvements thereon and the pier associated therewith, consisting of approximately 118 acres and located in Harpswell, Maine,

the location of the Defense Fuel Supply Point, Casco Bay, Maine.

(2) The exact acreage and legal description of the real property referred to in paragraph (1) that is transferred or conveyed under this section shall be determined by a survey satisfactory to the Secretary of the military department concerned. The cost of the survey shall be borne by the Secretary concerned. The transferee or conveyee, if any, of the property under this section shall reimburse the Secretary concerned for the cost borne by that Secretary for the survey of the property.

(c) DETERMINATION OF TRANSFEREES.—(1) Subject to subsection (a)(2), the Administrator shall transfer jurisdiction over all or a portion of a parcel of real property referred to in subsection (b)(1) to an executive agency if the Administrator determines under this subsection that the transfer is appropriate.

(2) Not later than 5 days after the date of the enactment of this Act, the Administrator shall inform the heads of the executive agencies of the availability of the parcels of real property referred to in subsection (b)(1).

(3) The head of an executive agency having an interest in obtaining jurisdiction over any portion of a parcel of real property referred to in paragraph (2) shall notify the Administrator, in writing, of the interest within such time as the Administrator shall specify with respect to the parcel in order to permit the Administrator to determine under paragraph (4) whether the transfer of jurisdiction to the agency is appropriate.

(4)(A) The Administrator shall—

(i) evaluate in accordance with section 202(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483(a)) the notifications of interest, if any, received under paragraph (3) with respect to a parcel of real property; and

(ii) determine in accordance with that section the executive agency, if any, to which the transfer of jurisdiction is appropriate.

(B) The Administrator shall complete the determination under subparagraph (A) with respect to a parcel not later than 30 days after informing the heads of the executive agencies of the availability of the parcel.

(d) DETERMINATION OF CONVEYEES.—(1) Subject to subsection (a)(2), the Administrator shall convey all right, title, and interest of the United States in and to all or a portion of a parcel of real property referred to in paragraph (2) to a government or organization referred to in paragraph (3) if the Administrator determines under this subsection that the conveyance is appropriate.

(2) Paragraph (2) applies to any portion of a parcel of real property referred to in subsection (b)(1)—

(A) for which the Administrator receives no notification of interest from the head of an executive agency under subsection (c); or

(B) with respect to which the Administrator determines under paragraph (4)(B) of that subsection that a transfer of jurisdiction under this section would not be appropriate.

(3)(A) In the case of the property referred to in paragraph (2), the governments and organizations referred to in that paragraph are the following:

(i) The State government of the State in which the property is located.

(ii) Local governments affected (as determined by the Administrator) by operations of the Department of Defense at the property.

(iii) Nonprofit organizations located in the vicinity of the property and eligible under Federal law to be supported through the use of Federal surplus real property.

(B) In this paragraph, the term "nonprofit organization" means any organization listed in subsection (c)(3) of section 501 of the Internal Revenue Code of 1986 (26 U.S.C. 501) that is exempt from taxation under subsection (a) of that section.

(4) Not later than 5 days after completing the determination under subsection (c)(4)(B), the Administrator shall determine what, if any, parcels of property referred to in subsection (b)(1) are available for conveyance under this subsection and shall inform the appropriate governments and organizations of the availability of the parcels for conveyance under this section.

(5) A government or organization referred to in paragraph (4) shall notify the Administrator, in writing, of the interest of the government or organization, as the case may be, in the conveyance of all or a portion of the parcel of real property concerned to the government or organization. The government or organization shall notify the Administrator within such time as the Administrator shall specify with respect to the parcel in order to permit the Administrator to determine under paragraph (6) whether the conveyance of the parcel to the government or organization, as the case may be, is appropriate.

(6)(A) The Administrator shall—

(i) evaluate in accordance with section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) the notifications, if any, received under paragraph (5) with respect to a parcel of real property; and

(ii) determine in accordance with that section the government or organization, if any, to which the conveyance is appropriate.

(B) The Administrator shall complete the determination under subparagraph (A) with respect to a parcel not later than 70 days after notifying the governments and organizations concerned of the availability of the parcel for conveyance.

(e) ADDITIONAL CONVEYANCE AUTHORITY.—(1) Subject to subsection (g)(2), the Administrator shall, in lieu of transferring jurisdiction over or conveying the parcels of real property referred to in subsection (b)(1) in accordance with subsections (c) and (d), convey all or a portion of such parcels as follows:

(A) In the case of the parcel referred to in subparagraph (A) of subsection (b)(1), by conveying without consideration all right, title, and interest of the United States in and to the parcel to the City of Tulsa, Oklahoma.

(B) In the case of the parcel referred to in subparagraph (B) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to any economic development authority that the Governor of New York determines appropriate and identifies as such for the Administrator.

(C) In the case of the parcel referred to in subparagraph (C) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the Broome County Industrial Development Authority.

(D) In the case of the parcel referred to in subparagraph (D) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the North Dakota Board of Higher Education.

(E) In the case of the parcel referred to in subparagraph (E) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the City of Finley, North Dakota.

(F) In the case of the parcel referred to in subparagraph (F) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the government of Mineral County, Nevada.

(G) In the case of the parcel referred to in subparagraph (F) of that subsection, by conveying without consideration all right, title, and interest of the United States in and to the parcel to the Town of Harpswell, Maine.

(2) The Administrator may require such additional terms and conditions in connection with a conveyance under this subsection as the Administrator and the Secretary of Defense jointly consider appropriate to protect the interests of the United States.

(f) REPORT BY ADMINISTRATOR.—(1) Not later than 125 days after the date of the enactment of this Act, the Administrator shall submit to the Committees on Armed Services of the Senate and House of Representatives and to the Secretary of Defense a report on the activities of the Administrator under this section.

(2) The report shall include with respect to each parcel of real property referred to in subsection (b)(1) the following information:

(A) The interest, if any, for all or a portion of the parcel that was expressed by executive agencies under subsection (c) or by governments or nonprofit organizations under subsection (d).

(B) The use, if any, proposed for the portion of the parcel under each expression of interest.

(C) The determination of the Administrator whether a transfer or conveyance of all or a portion of the parcel, as the case may be, to the agency, government, or organization was appropriate.

(D) The other disposal options, if any, that the Administrator has identified for the parcel.

(E) Any other matters that the Administrator considers appropriate.

(g) DESIGNATION OF AUTHORITY TO BE USED.—(1) If the Administrator submits the report required under subsection (f) within the time specified in that subsection, the Secretary of Defense may direct the Administrator under subsection (a)(2) to carry out the transfer or conveyance under subsection (c) or (d) of all or a portion of a parcel of property referred to in subsection (b)(1) in accordance with the determinations made by the Administrator with respect to the transfer or conveyance of the parcel under subsection (c) or (d), respectively.

(2) If the Administrator does not submit the report required under subsection (f) within the time specified in that subsection, the Secretary may direct the Administrator to carry out the conveyances of the parcels of property that are authorized under subsection (e) in accordance with such subsection (e).

Subtitle D—Changes to Existing Land Transaction Authority

SEC. 2831. MODIFICATIONS OF LAND CONVEYANCE, FORT A.P. HILL MILITARY RESERVATION, VIRGINIA.

(a) PARTICIPATION OF ADDITIONAL POLITICAL SUBDIVISIONS IN REGIONAL CORRECTIONAL FACILITY.—Subparagraph (B) of subsection (c)(3) of section 603 of the Persian Gulf Conflict Supplemental Authorization and Personnel Benefits Act of 1991 (Public Law 102–25; 105 Stat. 108) is amended to read as follows:

"(B) Subparagraph (A) shall not be construed to prohibit any political subdivision not named in such subparagraph from—

"(i) participating initially in the written agreement referred to in paragraph (2); or

"(ii) agreeing at a later date to participate as a member of the governmental entity referred to in paragraph (2)(A), or by contract with such entity, in the construction or operation of the regional facility to be constructed on the parcel of land conveyed under this section.".

(b) TIME FOR CONSTRUCTION AND OPERATION OF CORRECTIONAL FACILITY.—(1) Subsection (d)(1)(A)(i) of such section is amended by striking out "not later than 24 months after the date of the enactment of this Act" and inserting in lieu thereof "not later than April 1, 1997".

(2) The Secretary of the Army shall provide the recipient of the conveyance of property under section 603 of such Act with such legal instrument as is appropriate to modify, in accordance with the amendment made by paragraph (1), any statement of conditions contained in any existing instrument which conveyed the property to that recipient. The Secretary shall record the instrument in the appropriate office or officers of the Commonwealth of Virginia or political subdivision within the Commonwealth.

SEC. 2832. MODIFICATION OF CONVEYANCE OF ELECTRICITY DISTRIBUTION SYSTEM, FORT DIX, NEW JERSEY.

Section 2846 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103-160; 107 Stat. 1904) is amended—

(1) by striking out subsection (f); and

(2) by redesignating subsections (g) and (h) as subsections (f) and (g), respectively.

SEC. 2833. MODIFICATION OF LAND CONVEYANCE, FORT KNOX, KENTUCKY.

Section 2816 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189; 103 Stat. 1655) is amended—

(1) in subsection (c), by striking out "for the construction of up to four units of military family housing at Fort Knox, Kentucky" and inserting in lieu thereof "for improvements to military family housing at Fort Knox, Kentucky, in an amount not to exceed $255,000";

(2) by striking out subsection (d); and

(3) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

SEC. 2834. PRESERVATION OF CALVERTON PINE BARRENS, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, NEW YORK, AS NATURE PRESERVE.

(a) PRESERVATION AS NATURE PRESERVE REQUIRED.—Section 2854 of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102-484; 106 Stat. 2626) is amended—

(1) by redesignating subsections (a) and (b) as subsections (c) and (d); and

(2) by inserting before subsection (c), as so redesignated, the following new subsections (a) and (b):

"(a) PURPOSE.—It is the purpose of this section to ensure that the Calverton Pine Barrens is maintained and preserved, in perpetuity, as a nature preserve in its current undeveloped state.

"(b) PROHIBITION ON INCONSISTENT DEVELOPMENT.—(1) The Secretary of the Navy may not carry out or permit any commercial or residential development of the property referred to in paragraph (2) that is inconsistent with the purpose specified in subsection (a).

"(2) Paragraph (1) applies to any parcel of real property within the Calverton Pine Barrens that is under the jurisdiction of the Secretary.".

(b) CONFORMING AMENDMENTS.—Subsection (c) of such section, as redesignated by subsection (a)(1), is amended—

(1) by striking out "PROHIBITION.—" and inserting in lieu thereof "REVERSIONARY INTEREST.—"; and

(2) by striking out "for commercial purposes" and all that follows through the period and inserting in lieu thereof "in a manner inconsistent with the purpose specified in subsection (a) (as determined by the head of the department or agency making the conveyance).".

Subtitle E—Other Matters

SEC. 2841. JOINT CONSTRUCTION CONTRACTING FOR COMMISSARIES AND NONAPPROPRIATED FUND INSTRUMENTALITY FACILITIES.

(a) SINGLE CONTRACT CONSTRUCTION.—Section 2685 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) The Secretary of a military department may authorize a nonappropriated fund instrumentality of the United States to enter into a contract for construction of a shopping mall or similar facility for a commissary store and one or more nonappropriated fund instrumentality activities. The Secretary may use the proceeds of adjustments or surcharges authorized by subsection (a) to reimburse the nonappropriated fund instrumentality for the portion of the cost of the contract that is attributable to construction of the commissary store or to pay the contractor directly for that portion of such cost.

"(2) In paragraph (1), the term 'construction', with respect to a facility, includes acquisition, conversion, expansion, installation, or other improvement of the facility.".

(b) OBLIGATION OF ANTICIPATED PROCEEDS.—Subsection (c) of such section is amended by inserting "or (d)" after "subsection (b)" both places it appears.

SEC. 2842. NATIONAL GUARD FACILITY CONTRACTS SUBJECT TO PERFORMANCE SUPERVISION BY THE ARMY OR THE NAVY.

(a) CONTRACTS SUBJECT TO SUPERVISION.—Subsection (a) of section 2237 of title 10, United States Code, is amended by striking out "under any provision" and all that follows through "and (4)" and inserting in lieu thereof "under section 2233(a)(1)".

(b) CONFORMING AMENDMENT.—Subsection (b) of such section is amended by striking out "or (4)" and inserting in lieu thereof "(4), (5), or (6)".

SEC. 2843. WAIVER OF REPORTING REQUIREMENTS FOR CERTAIN REAL PROPERTY TRANSACTIONS IN THE EVENT OF WAR OR NATIONAL EMERGENCY.

Section 2662 of title 10, United States Code, is amended by adding at the end the following:

"(g)(1) Subsections (a) and (e) do not apply—

"(A) during a period described in paragraph (2); or

"(B) to transactions described in such subsections that are undertaken to restore Federal Government operations, to provide public assistance or relief, or to restore public order in relation to a major disaster declared in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

"(2) The periods referred to in paragraph (1)(A) are as follows:

"(A) A period of war declared by Congress.

"(B) A period of national emergency declared by the President in accordance with the National Emergencies Act (50 U.S.C. 1601 et seq.)

"(3) Not later than 30 days after taking an action for which prior notification would, except for this subsection, otherwise be required under subsection (a) or (e), the Secretary of the military department concerned or, in the case of an element of the Department of Defense not within a military department, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the action taken.".

SEC. 2844. REPORT ON USE OF FUNDS FOR ENVIRONMENTAL RESTORATION AT CORNHUSKER ARMY AMMUNITION PLANT, HALL COUNTY, NEBRASKA.

(a) REPORT REQUIRED.—The Secretary of the Army shall submit to Congress a report describing the manner in which funds available to the Army for operation and maintenance (including funds in the Defense Environmental Restoration Account established under section 2703(a)(1) of title 10, United States Code) will be used by the Secretary for environmental restoration and maintenance of the real property that comprises the Cornhusker Army Ammunition Plant, Hall County, Nebraska.

(b) CONTENTS.—The report shall include the following:

(1) The funding plan for environmental restoration at the Cornhusker Army Ammunition Plant.

(2) A legal opinion stating whether any portion of the funds to be used for such environmental restoration may be used for the repair of the roads at the Plant in order to bring such roads into compliance with applicable State and local public works codes.

(3) A survey of the roads at the Plant that identifies which roads, if any, are in need of repair in order to bring the roads at the Plant into compliance with such codes.

(4) An estimate of the cost of the repair of the roads referred to in paragraph (3) in order to bring the roads into compliance.

(5) An explanation of the purpose, cost, and source of funds for any proposed preservation of documents or other materials relating to the cultural, historical, and natural resources associated with the Plant.

(c) SUBMISSION OF REPORT.—The Secretary shall submit the report required by this section not later than May 1, 1995.

SEC. 2845. DEPARTMENT OF DEFENSE LABORATORY REVITALIZATION DEMONSTRATION PROGRAM.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a Department of Defense Laboratory Revitalization Demonstration Program. Under the program the Secretary may carry out minor military construction projects in accordance with subsection (b) and other applicable law to improve Department of Defense laboratories covered by the program.

(b) INCREASED MAXIMUM AMOUNTS APPLICABLE TO MINOR CONSTRUCTION PROJECTS.—For purpose of any military construction project carried out under the program—

(1) the amount provided in subsection (a)(1) of section 2805 of title 10, United States Code, shall be deemed to be $3,000,000;

(2) the amount provided in subsection (b)(1) of such section shall be deemed to be $1,500,000; and

(3) the amount provided in subsection (c)(1) of such section shall be deemed to be $1,000,000.

(c) DESIGNATION OF COVERED LABORATORIES.—Not later than 30 days before commencing the program, the Secretary shall designate the Department of Defense laboratories that are to be covered by the program and notify Congress of the laboratories so designated. Only the designated laboratories may be covered by the program.

(d) REPORT.—Not later than September 30, 1998, the Secretary shall submit to Congress

a report on the program. The report shall include the Secretary's conclusions and recommendations regarding the desirability and feasibility of extending the authority set forth in subsection (b) to cover all Department of Defense laboratories.

(e) EXCLUSIVITY OF PROGRAM.—Nothing in this section may be construed to limit any other authority provided by law for any military construction project at a Department of Defense laboratory covered by the program.

(f) DEFINITIONS.—In this section:

(1) The term "laboratory" includes—

(A) a research, engineering, and development center;

(B) a test and evaluation activity owned, funded, and operated by the Federal Government through the Department of Defense; and

(C) a supporting facility of a laboratory.

(2) The term "supporting facility", with respect to a laboratory, means any building or structure that is used in support of research, development, test, and evaluation at a laboratory.

(3) The term "Department of Defense laboratory" does not include a contractor owned laboratory.

(g) EXPIRATION OF AUTHORITY.—The Secretary may not carry out the program after September 30, 1999.

SEC. 2846. AGREEMENTS OF SETTLEMENT FOR RELEASE OF IMPROVEMENTS AT OVERSEAS MILITARY INSTALLATIONS.

(a) AGREEMENTS SUBJECT TO OMB REVIEW.—Subsection (g) of section 2921 of the Military Construction Authorization Act for Fiscal Year 1991 (division B of Public Law 101-510; 10 U.S.C. 2687 note) is amended by inserting after the first sentence the following: "The prohibition set forth in the preceding sentence shall apply only to agreements of settlement for improvements having a value in excess of $10,000,000.".

(b) REPORTS TO CONGRESS.—Such subsection, as amended by subsection (a), is further amended—

(1) by inserting "(1)" before "The Secretary of Defense"; and

(2) by adding at the end the following:

"(2) Each year, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on each proposed agreement of settlement that was not submitted by the Secretary to the Director of the Office of Management and Budget in the previous year under paragraph (1) because the value of the improvements to be released pursuant to the proposed agreement did not exceed $10,000,000.".

SEC. 2847. REVISIONS TO RELEASE OF REVERSIONARY INTEREST, OLD SPANISH TRAIL ARMORY, HARRIS COUNTY, TEXAS.

(a) CLERICAL AMENDMENTS.—Section 2820 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103-160; 107 Stat. 1894) is amended—

(1) in subsection (a), by striking out "1936" and inserting in lieu thereof "1956"; and

(2) in subsection (b)(1), by striking out "value" and inserting in lieu thereof "size".

(b) PAYMENT FOR SURVEY.—Subsection (c) of such section is amended by adding at the end the following: "The cost of the survey shall be borne by the State of Texas.".

SEC. 2848. TRANSFER OF JURISDICTION, AIR FORCE HOUSING AT RADAR BOMB SCORING SITE, HOLBROOK, ARIZONA.

(a) TRANSFER AUTHORIZED.—As part of the closure of an Air Force Radar Bomb Scoring Site located near Holbrook, Arizona, the Secretary of the Air Force may transfer without reimbursement the administrative jurisdiction, accountability and control of the housing units and associated support facilities used in connection with the site to the Secretary of the Interior for use in connection with the Petrified Forest National Park.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be transferred under subsection (a) shall be determined by a survey satisfactory to the Secretary of the Air Force and the Secretary of the Interior.

(c) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Air Force may require such additional terms and conditions in connection with the transfer of real property under subsection (a) as the Secretary considers appropriate.

SEC. 2849. ASSISTANCE FOR PUBLIC PARTICIPATION IN DEFENSE ENVIRONMENTAL RESTORATION ACTIVITIES.

(a) ESTABLISHMENT OF RESTORATION ADVISORY BOARDS.—Section 2705 of title 10, United States Code, is amended by adding after subsection (c) the following:

"(d) RESTORATION ADVISORY BOARD.—(1) In lieu of establishing a technical review committee under subsection (c), the Secretary may permit the establishment of a restoration advisory board in connection with any installation (or group of nearby installations) where the Secretary is planning or implementing environmental restoration activities.

"(2) The Secretary shall prescribe regulations regarding the characteristics, composition, funding and establishment of restoration advisory boards pursuant to this subsection, if the Secretary decides to use this authority. Prescription of regulations shall not be a precondition to establishment of a restoration advisory board or impact restoration advisory board established prior to the date of enactment of this section.

"(3) The Secretary may provide for the payment of routine administrative expenses of a restoration advisory board from funds available for the operation and maintenance of the installation (or installations) for which the board is established or from the funds available under subsection (e)(4).".

(b) ASSISTANCE FOR CITIZEN PARTICIPATION ON TECHNICAL REVIEW BOARDS AND RESTORATION ADVISORY BOARDS.—Such section is further amended by adding after subsection (d), as added by subsection (a), the following:

"(e) ASSISTANCE FOR CITIZEN PARTICIPATION.—(1)(A) Subject to subparagraph (B), the Secretary shall make available under paragraph (4) funds to facilitate the participation of individuals from the private sector on technical review committees and restoration advisory boards for the purpose of ensuring public input into the planning and implementation of environmental restoration activities at installations where such committees and boards are in operation.

"(B) A committee or advisory board for an installation is eligible for funding assistance under this subsection only if the committee or board is composed of individuals from the private sector who reside in a community in the vicinity of the installation and who are not potentially responsible parties with respect to environmental hazards at the installation.

"(2) Individuals who are local community members of a technical review committee or restoration advisory board may use funds made available under this subsection only—

"(A) to obtain technical assistance in interpreting scientific and engineering issues with regard to the nature of environmental hazards at an installation and the restoration activities proposed or conducted at the installation; and

"(B) to assist such members and affected citizens to participate more effectively in environmental restoration activities at the installation.

"(3) The members of a technical review committee or restoration advisory board may employ technical or other experts in accordance with regulations prescribed under subsections (d) and (e)(1) of title 10, United States Code as added by this section.

"(4)(A) Subject to subparagraph (B), the Secretary shall make funds available under this subsection using funds in the following accounts:

"(i) In the case of a military installation not closed pursuant to a base closure law, the Defense Environmental Restoration Account established in section 2703(a) of this title .

"(ii) In the case of a technical review committee or restoration advisory board established for a military installation to be closed, the Department of Defense Base Closure Account 1990 established under section 2906(a) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note).

"(B) The total amount of funds available under this subsection for fiscal year 1995 may not exceed $7,500,000.".

(c) INVOLVEMENT OF COMMITTEES AND BOARDS IN DEFENSE ENVIRONMENTAL RESTORATION PROGRAM.—Such section is further amended by adding after subsection (e), as added by subsection (b), the following:

"(f) INVOLVEMENT IN DEFENSE ENVIRONMENTAL RESTORATION PROGRAM.—If a technical review committee or restoration advisory board is established with respect to an installation, the Secretary shall consult with and seek the advice of the committee or board on the following issues:

"(1) Identifying environmental restoration activities and projects at the installation.

"(2) Monitoring progress on these activities and projects.

"(3) Collecting information regarding restoration priorities for the installation.

"(4) Addressing land use, level of restoration, acceptable risk, and waste management and technology development issues related to environmental restoration at the installation.

"(5) Developing environmental restoration strategies for the installation.".

(d) IMPLEMENTATION REQUIREMENTS.—Not later than 180 days after the date on which the Secretary announces a decision to establish restoration advisory boards, the Secretary of Defense shall—

(1) prescribe the regulations required under subsections (d) and (e)(1) of title 10, United States Code, as added by this section; and

(2) take appropriate actions to notify the public of the availability of funding under subsection (e) of such section, as so added.

"(e) REPORT.—The Secretary shall report to the Committees on Armed Services of the Senate and the House of Representatives by May 1, 1996, on the establishment of restoration advisory boards and funds expended for assistance for citizen participation.

SEC. 2850. SENSE OF THE SENATE ON AUTHORIZATION OF FUNDS FOR MILITARY CONSTRUCTION PROJECTS NOT REQUESTED IN THE PRESIDENT'S ANNUAL BUDGET REQUEST.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that, to the maximum extent practicable, the Senate should consider the authorization for appropriation of funds for a

military construction project not included in the annual budget request of the Department of Defense only if:

(1) the project is consistent with past actions of the Base Realignment and Closure process;

(2) the project is included in the military construction plan of the military department concerned incorporated in the Future Years Defense Program;

(3) the project is necessary for reasons of the national security of the United States; and

(4) a contract for construction of the project can be awarded in that fiscal year.

(b) VIEWS OF THE SECRETARY OF DEFENSE.—In considering these criteria, the Senate should obtain the views of the Secretary of Defense. These views should include whether funds for a military construction project not included in the budget request can be offset by funds for other programs, projects, or activities, including military construction projects, in the budget request and, if so, the specific offsetting reductions recommended by the Secretary of Defense.

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) RESEARCH AND DEVELOPMENT.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for research and development in carrying out weapons activities necessary for national security programs in the amount of $1,187,818,000, to be allocated as follows:

(1) For core research and development, $795,551,000, to be allocated as follows:

(A) For operating expenses, $649,341,000.

(B) For capital equipment, $69,420,000.

(C) 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), $76,790,000, to be allocated as follows:

Project GPD-101, general plant projects, various locations, $8,500,000.

Project 95-D-102, Chemical and Metallurgy Research Building upgrades, Los Alamos National Laboratory, New Mexico, $3,300,000.

Project 94-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase V, various locations, $13,000,000.

Project 92-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase IV, various locations, $21,810,000.

Project 90-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase III, various locations, $7,700,000.

Project 88-D-106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $22,480,000.

(2) For inertial fusion, $176,473,000, to be allocated as follows:

(A) For operating expenses, $166,755,000.

(B) For capital equipment, $9,718,000.

(3) For technology transfer, $215,794,000, to be allocated as follows:

(A) For operating expenses, $209,794,000.

(B) For capital equipment, $6,000,000.

(b) TESTING.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for testing in carrying out weapons activities necessary for national security programs in the amount of $384,719,000, to be allocated as follows:

(1) For testing capabilities and readiness $374,719,000, to be allocated as follows:

(A) For operating expenses, $338,249,000.

(B) For capital equipment, $15,470,000.

(C) 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), $21,000,000, to be allocated as follows:

Project GPD-101, general plant projects, various locations, $4,000,000.

Project 93-D-102, Nevada support facility, North Las Vegas, Nevada, $17,000,000.

(2) For operating expenses for solar energy development, $10,000,000.

(c) STOCKPILE SUPPORT.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for stockpile support in carrying out weapons activities necessary for national security programs in the amount of $1,557,085,000, to be allocated as follows:

(1) For operating expenses for stockpile support, $1,487,085,000.

(2) For capital equipment, $15,880,000.

(3) 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), $54,120,000, to be allocated as follows:

Project GPD-121, general plant projects, various locations, $1,000,000.

Project 95-D-122, sanitary sewer upgrade Oak Ridge Y-12 Plant, Oak Ridge, Tennessee, $2,200,000.

Project 95-D-123, replace transportation safeguards, aviation facility, Albuquerque, New Mexico, $2,000,000.

Project 94-D-124, hydrogen fluoride supply system, Oak Ridge Y-12 Plant, Oak Ridge, Tennessee, $6,300,000.

Project 94-D-125, upgrade life safety, Kansas City Plant, Kansas City, Missouri, $1,000,000.

Project 94-D-127, emergency notification system, Pantex Plant, Amarillo, Texas, $1,000,000.

Project 94-D-128, environmental safety and health analytical laboratory, Pantex Plant, Amarillo, Texas, $1,000,000.

Project 93-D-122, life safety upgrades, Y-12 Plant, Oak Ridge, Tennessee, $5,000,000.

Project 88-D-122, facilities capability assurance program, various locations, $19,620,000.

Project 88-D-123, security enhancements, Pantex Plant, Amarillo, Texas, $15,000,000.

(d) PROGRAM DIRECTION.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for program direction in carrying out weapons activities necessary for national security programs in the amount of $169,852,000, to be allocated as follows:

(1) For operating expenses for weapons program direction, $167,498,000.

(2) For capital equipment, $2,354,000.

(e) RECONFIGURATION.—Subject to subsection (f), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for nuclear weapons complex reconfiguration in carrying out weapons activities necessary for national security programs in the amount of $152,271,000, to be allocated as follows:

(1) For operating expenses for reconfiguration, $94,271,000.

(2) 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), $58,000,000, all of which to be allocated as follows:

Project 93-D-123, complex-21, various locations.

(f) ADJUSTMENTS.—Subject to section 3105, the total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a) through (e) reduced by the sum of—

(1) $131,077,000, for use of prior year balances; and

(2) $11,000,000, for savings resulting from procurement reform.

SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) CORRECTIVE ACTIVITIES.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for corrective activities in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,012,000, all of which to be allocated to a plant project (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto) as follows:

Project 92-D-403, tank upgrades project, Lawrence Livermore National Laboratory, California.

(b) ENVIRONMENTAL RESTORATION.—(1) Subject to paragraph (2), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for environmental restoration for operating expenses in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,531,969,000.

(2) Subject to subsection (h), the amount authorized to be appropriated pursuant to this subsection is the amount authorized to be appropriated in paragraph (1) reduced by $133,900,000, as a result of the productivity savings initiative.

(c) WASTE MANAGEMENT.—(1) Subject to paragraph (2), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for waste management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $2,913,045,000, to be allocated as follows:

(A) For operating expenses, $2,408,029,000.

(B) For capital equipment, $104,790,000.

(C) 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), $400,226,000, to be allocated as follows:

Project GPD-171, general plant projects, various locations, $23,742,000.

Project 95-D-401, radiological support facilities, Richland, Washington, $1,585,000.

Project 95-D-402, install permanent electrical service, Waste Isolation Pilot Plant, New Mexico, $700,000.

Project 95-D-403, hazardous waste storage facility, Mound Plant, Miamisburg, Ohio, $597,000.

Project 95-D-405, industrial landfill V and construction demolition landfill VII, Oak Ridge Y-12 Plant, Oak Ridge, Tennessee, $1,000,000.

Project 95-D-406, road 5-01 reconstruction, area 5, Nevada Test Site, Nevada, $2,338,000.

Project 95-D-407, 219-S secondary containment upgrade, Richland, Washington, $2,000,000.

Project 95-D-408, Phase II liquid effluent treatment and disposal, Richland, Washington, $7,100,000.

Project 94-D-400, high explosive wastewater treatment system, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,000,000.

Project 94-D-402, liquid waste treatment system, Nevada Test Site, Nevada, $3,292,000.

Project 94-D-404, Melton Valley storage tank capacity increase, Oak Ridge National Laboratory, Oak Ridge, Tennessee, $21,373,000.

Project 94-D-406, low-level waste disposal facilities, K-25, Oak Ridge, Tennessee, $6,000,000.

Project 94-D-407, initial tank retrieval systems, Richland, Washington, $17,700,000.

Project 94-D-408, office facilities—200 East, Richland, Washington, $4,000,000.

Project 94-D-411, solid waste operation complex, Richland, Washington, $42,200,000.

Project 94-D-416, solvent storage tanks installation, Savannah River, South Carolina, $1,700,000.

Project 94-D-417, intermediate-level and low-activity waste vaults, Savannah River, South Carolina, $300,000.

Project 93-D-174, plant drain waste water treatment upgrades, Y-12 Plant, Oak Ridge, Tennessee, $1,400,000.

Project 93-D-178, building 374 liquid waste treatment facility, Rocky Flats, Golden, Colorado, $3,300,000.

Project 93-D-181, radioactive liquid waste line replacement, Richland, Washington, $3,300,000.

Project 93-D-182, replacement of cross-site transfer system, Richland, Washington, $18,910,000.

Project 93-D-183, multi-tank waste storage facility, Richland, Washington, $95,305,000.

Project 93-D-187, high-level waste removal from filled waste tanks, Savannah River, Aiken, South Carolina, $26,525,000.

Project 92-D-177, tank 101-AZ waste retrieval system, Richland, Washington, $5,000,000.

Project 92-D-188, waste management ES&H, and compliance activities, various locations, $2,846,000.

Project 91-D-171, waste receiving and processing facility, module 1, Richland, Washington, $3,995,000.

Project 90-D-172, aging waste transfer line, Richland, Washington, $3,819,000.

Project 90-D-177, RWMC transuranic (TRU) waste characterization and storage facility, Idaho National Engineering Laboratory, Idaho, $11,747,000.

Project 90-D-178, TSA retrieval containment building, Idaho National Engineering Laboratory, Idaho, $7,594,000.

Project 89-D-173, tank farm ventilation upgrade, Richland, Washington, $800,000.

Project 89-D-174, replacement high-level waste evaporator, Savannah River, South Carolina, $18,000,000.

Project 89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina, $500,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, California, $9,500,000.

Project 83-D-148, nonradioactive hazardous waste management, Savannah River, South Carolina, $6,000,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $45,058,000.

(2) Subject to subsection (h), the total amount authorized to be appropriated pursuant to this subsection is the sum of the amounts authorized to be appropriated in paragraph (1) reduced by $160,800,000, as a result of the productivity savings initiative.

(d) TECHNOLOGY DEVELOPMENT.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for technology development in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $426,409,000, to be allocated as follows:

(1) For operating expenses, $400,974,000.

(2) For capital equipment, $25,435,000.

(e) TRANSPORTATION MANAGEMENT.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for transportation management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $20,684,000, to be allocated as follows:

(1) For operating expenses, $20,240,000.

(2) For capital equipment, $444,000.

(f) PROGRAM DIRECTION.—Subject to subsection (h), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for program direction in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $84,948,000, to be allocated as follows:

(1) For operating expenses, $83,748,000.

(2) For capital equipment, $1,200,000.

(g) FACILITY TRANSITION AND MANAGEMENT.—(1) Subject to paragraph (2), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for facility transition and management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $791,857,000, to be allocated as follows:

(A) For operating expenses, $681,550,000.

(B) For capital equipment, $23,947,000.

(C) 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), $86,360,000, to be allocated as follows:

Project GPD-171, general plant projects, various locations, $20,495,000.

Project 95-D-453, primary highway route north of the Wye Barricade, Richland, Washington, $2,500,000.

Project 95-D-454, 324 facility compliance/renovation, Richland, Washington, $1,500,000.

Project 95-D-455, Idaho National Engineering Laboratory radio communications upgrade, Idaho National Engineering Laboratory, Idaho, $1,440,000.

Project 95-D-456, security facilities upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $986,000.

Project 94-D-122, underground storage tanks, Rocky Flats, Colorado, $2,500,000.

Project 94-D-401, emergency response facility, Idaho National Engineering Laboratory, Idaho, $5,219,000.

Project 94-D-412, 300 area process sewer piping upgrade, Richland, Washington, $7,800,000.

Project 94-D-415, medical facilities, Idaho National Engineering Laboratory, Idaho, $4,920,000.

Project 94-D-451, infrastructure replacement, Rocky Flats Plant, Golden, Colorado, $10,600,000.

Project 93-D-172, electrical upgrade, Idaho National Engineering Laboratory, Idaho, $7,800,000.

Project 93-D-184, 325 facility compliance/renovation, Richland, Washington, $1,000,000.

Project 93-D-186, 200 area unsecured core area fabrication shop, Richland, Washington, $4,000,000.

Project 92-D-125, master safeguards and security agreement/materials surveillance task force security upgrades, Rocky Flats Plant, Golden, Colorado, $2,100,000.

Project 92-D-181, INEL fire and life safety improvements, Idaho National Engineering Laboratory, Idaho, $6,000,000.

Project 92-D-182, INEL sewer system upgrade, Idaho National Engineering Laboratory, Idaho, $1,900,000.

Project 92-D-186, steam system rehabilitation, Phase II, Richland, Washington, $5,600,000.

(2) Subject to subsection (h), the total amount authorized to be appropriated pursuant to this subsection is the sum of the amounts authorized to be appropriated in paragraph (1) reduced by $5,000,000, as a result of the productivity savings initiative.

(h) PRIOR YEAR BALANCES.—Subject to section 3105, the total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a), (b)(2), (c)(2), (d), (e), (f), and (g)(2) reduced by the sum of—

(1) $240,300,000 for use of prior year balances; and

(2) $17,500,000 for savings resulting from procurement reform.

SEC. 3103. NUCLEAR MATERIALS SUPPORT AND OTHER DEFENSE PROGRAMS.

(a) MATERIALS SUPPORT.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for materials support in carrying out nuclear materials support necessary for national security programs in the amount of $887,225,000, to be allocated as follows:

(1) For reactor operations, $163,634,000.

(2) For processing of nuclear materials, $369,468,000.

(3) For support services, $167,776,000.

(4) For capital equipment, $39,427,000.

(5) 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), $88,950,000, to be allocated as follows:

Project GPD-146, general plant projects, various locations, $21,000,000.

Project 95-D-154, health physics site support facility, Savannah River, South Carolina, $2,000,000.

Project 95-D-155, upgrade site road infrastructure, Savannah River, South Carolina, $750,000.

Project 95-D-156, radio trunking system, Savannah River, South Carolina, $2,100,000.

Project 95-D-157, D-area powerhouse life extension, Savannah River, South Carolina, $4,000,000.

Project 95-D-158, disassembly basin upgrades K, L, and P, Savannah River, South Carolina, $13,000,000.

Project 93-D-147, domestic water system upgrade, Phases I and II, Savannah River, South Carolina, $11,300,000.

Project 93-D-148, replace high-level drain lines, Savannah River, South Carolina, $2,700,000.

Project 93-D-152, environmental modification for production facilities, Savannah River, South Carolina, $2,900,000.

Project 92-D-143, health protection instrument calibration facility, Savannah River, South Carolina, $3,000,000.

Project 90-D-149, plantwide fire protection, Phases I and II, Savannah River, South Carolina, $21,000,000.

Project 92-D-150, operations support facilities, Savannah River, South Carolina, $2,000,000.

Project 92-D-153, engineering support facility, Savannah River, South Carolina, $3,200,000.

(6) For program direction, $58,000,000.

(b) OTHER DEFENSE PROGRAMS.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for other defense programs in carrying out defense programs necessary for national security programs in the amount of $692,204,000, to be allocated as follows:

(1) For verification and control technology, $358,102,000, to be allocated as follows:

(A) For operating expenses, $342,229,000.

(B) For capital equipment, $15,873,000.

(2) For nuclear safeguards and security, $85,816,000, to be allocated as follows:

(A) For operating expenses, $82,421,000.

(B) For capital equipment, $3,395,000.

(3) For security investigations, $38,827,000.

(4) For security evaluations, $14,780,000.

(5) For the Office of Nuclear Safety, $24,679,000, to be allocated as follows:

(A) For operating expenses, $24,629,000.

(B) For capital equipment, $50,000.

(6) For worker and community transition, $120,000,000.

(7) For fissile material control and disposition, $50,000,000.

(c) NAVAL REACTORS.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for naval reactors in carrying out nuclear materials support and other defense programs necessary for national security programs in the amount of $730,651,000, to be allocated as follows:

(1) For naval reactors development, $698,651,000, to be allocated as follows:

(A) For operating expenses:

(i) For plant development, $146,700,000.

(ii) For reactor development, $348,951,000.

(iii) For reactor operation and evaluation, $136,000,000.

(iv) For program direction, $18,800,000.

(B) For capital equipment, $28,200,000.

(C) 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), $20,000,000, to be allocated as follows:

Project GPN-101, general plant projects, various locations, $6,200,000.

Project 95-D-200, laboratory systems and hot cell upgrades, various locations, $2,400,000.

Project 95-D-201, advanced test reactor radioactive waste system upgrades, Idaho National Engineering Laboratory, Idaho, $700,000.

Project 93-D-200, engineering services facilities, Knolls Atomic Power Laboratory, Niskayuna, New York, $7,900,000.

Project 92-D-200, laboratories facilities upgrades, various locations, $2,800,000.

(2) For enrichment materials, for operating expenses, $32,000,000.

(d) ADJUSTMENTS.—Subject to section 3105, the total amount that may be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a), (b), and (c) reduced by the sum of—

(1) $40,000,000, for recovery of overpayment to the Savannah River Pension Fund;

(2) $6,500,000, for savings resulting from procurement reform; and

(3) $369,700,000, for transfer and use of prior year balances for materials support and other defense programs.

SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1995 for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $129,430,000.

SEC. 3105. GENERAL REDUCTION IN AUTHORIZATION OF APPROPRIATIONS.

The total amount authorized to be appropriated pursuant to sections 3101, 3102, 3103, and 3104 is the sum of the amounts authorized to be appropriated in such sections reduced by $220,000,000 for use of prior year balances from fiscal year 1994.

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 the 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 authorized by this title if the total estimated cost of the construction project does not exceed $2,000,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $2,000,000, 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 section 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to the 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 action and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 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. FUNDS TRANSFER AUTHORITY.

The Secretary of Energy may transfer funds appropriated pursuant to this title to other agencies of the Federal 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, 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 $3,000,000.

(2) In the case of any project in which the total estimated cost for advance planning and design exceeds $600,000, 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 $3,000,000, funds for such planning and design must be specifically authorized by law.

SEC. 3126. REQUIREMENT FOR COMPLETION OF CONCEPTUAL DESIGN TO PRECEDE REQUEST FOR CONSTRUCTION FUNDS.

(a) REQUIREMENT.—Before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.

(b) EXCEPTIONS.—The requirement in subsection (a) does not apply to requests for funds—

(1) for the costs of preparing a conceptual design for a construction project referred to in that subsection; or

(2) for emergency planning, design, and construction activities under section 3127.

SEC. 3127. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy under sections 3101, 3102, and 3103, including those funds authorized to be appropriated for advance planning and construction design, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, 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. 3128. 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 that are made available 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. 3129. AVAILABILITY OF FUNDS.

When so specified in an appropriation Act, amounts appropriated for operating expenses, plant projects, and capital equipment may remain available until expended.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. STOCKPILE STEWARDSHIP RECRUITMENT AND TRAINING PROGRAM.

(a) CONDUCT OF PROGRAM.—(1) As part of the stockpile stewardship program established pursuant to section 3138 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1946; 42 U.S.C. 2121 note), the Secretary of Energy shall conduct a stockpile stewardship recruitment and training program at the Sandia National Laboratories, the Lawrence Livermore National Laboratory, and the Los Alamos National Laboratory.

(2) The recruitment and training program shall be conducted in coordination with the Chairman of the Joint Nuclear Weapons Council established by section 179 of title 10, United States Code, and the directors of the laboratories referred to in paragraph (1).

(b) SUPPORT OF DUAL-USE PROGRAMS.—(1) As part of the recruitment and training program, the directors of the laboratories referred to in subsection (a)(1) may employ undergraduate students, graduate students, and postdoctoral fellows to carry out research sponsored by such laboratories for military or nonmilitary dual-use programs related to nuclear weapons stockpile stewardship.

(2) Of the amounts authorized to be appropriated to the Secretary of Energy pursuant to section 3101(a)(1) for weapons activities for core research and development and allocated by the Secretary for education initiatives, $4,000,000 shall be available for carrying out paragraph (1). The amount available under this paragraph shall be allocated equally among the laboratories referred to in subsection (a)(1).

(c) ESTABLISHMENT OF RETIREE CORPS.—As part of the training and recruitment program, the Secretary, in coordination with the directors of the laboratories referred to in subsection (a)(1), shall establish for the laboratories a retiree corps of retired scientists who have expertise in research and development of nuclear weapons. The directors may employ the retired scientists on a part-time basis to provide appropriate assistance on nuclear weapons issues, to contribute relevant information to be archived, and to help to provide training to other scientists.

(d) REPORT.—(1) Not later than February 1, 1995, the Secretary of Energy shall submit to the congressional defense committees a report on the demographic trends of the personnel of the laboratories referred to in subsection (a)(1) and on actions taken by the Department of Energy to remedy identified deficiencies in various skill areas.

(2) The report shall be prepared in coordination with the Chairman of the Joint Nuclear Weapons Council and the directors of the laboratories. Information included in the report shall be aggregated and compiled into statistical categories.

(3) The report shall include the following:

(A) An inventory of the weapons-related tasks that the laboratories need to perform to support their nuclear weapons responsibilities.

(B) An inventory of the skills necessary to complete the weapons-related tasks referred to in subparagraph (A).

(C) For each laboratory, the number of scientists needed in each skill area to perform such tasks.

(D) The number of the scientists providing services in each skill area at each laboratory, stated by age.

(E) An assessment of which skill areas are understaffed.

(F) The number of scientists entering the weapons program at each laboratory, and their skill areas.

(G) The number of full-time equivalent personnel with weapon skills, their distribution by skill and, for each such skill, their distribution by age.

(H) The number of scientists retiring from the weapons program in the 5- year period ending on the date of the report and the skill areas in which they worked in the year preceding their retirement.

(I) Based on the information contained in subparagraphs (A) through (H), a projection of the skills areas that will become understaffed in the five years following the date of the report.

(J) Alternative actions that may be taken to retain and recruit scientists for the weapons programs at the laboratories in order to preserve a sufficient skill base and to fulfill stockpile stewardship responsibilities.

(K) Any plans of the Secretary to take any of the alternative actions referred to in subparagraph (J).

SEC. 3132. DEFENSE INERTIAL CONFINEMENT FUSION PROGRAM.

Of the funds authorized to be appropriated by this title to the Department of Energy for fiscal year 1995, $176,473,000 shall be available for the defense inertial confinement fusion program.

SEC. 3133. PAYMENT OF PENALTIES.

The Secretary of Energy may pay to the Hazardous Substance Superfund established under section 9507 of the Internal Revenue Code of 1986 (26 U.S.C. 9507), from funds appropriated to the Department of Energy for environmental restoration and waste management activities pursuant to section 3102, stipulated civil penalties assessed under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.) in amounts as follows:

(1) $50,000, assessed against the Fernald Environmental Management Project, Ohio, under such Act.

(2) $50,000, assessed against the Portsmouth Gaseous Diffusion Plant, Ohio, under such Act.

SEC. 3134. WATER MANAGEMENT PROGRAMS.

From funds authorized to be appropriated pursuant to section 3102 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 Northglenn, in the State of Colorado, $11,415,000 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 section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)).

SEC. 3135. LIMITATION ON USE OF FUNDS FOR SPECIAL ACCESS PROGRAMS.

Not more than 20 percent of the funds appropriated or otherwise made available to the Department of Energy for fiscal year 1995 pursuant to this title that are available for limited access programs and special access program may be obligated for a limited access program or special access program until the Secretary of Energy submits to the congressional defense committees the annual reports required to be submitted in that fiscal year under subsections (a) and (b) of section 93 of the Atomic Energy Act of 1954 (42 U.S.C. 2122a).

SEC. 3136. PROTECTION OF NUCLEAR WEAPONS FACILITIES WORKERS.

Of the funds authorized to be appropriated by section 310(2) for environmental restoration and waste management activities, $11,000,000 shall be available to carry out activities authorized under section 3131 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1571; 42 U.S.C. 7274d), relating to worker protection at nuclear weapons facilities.

SEC. 3137. NATIONAL SECURITY PROGRAMS.

Notwithstanding any other provision of law, not more than 90 percent of the funds appropriated to the Department of Energy for national security programs under this title may be obligated for such programs until the Secretary of Energy submits to the congressional defense committees the five-year budget plan with respect to fiscal year 1995 required under section 3144 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1681; 42 U.S.C. 7271b).

SEC. 3138. SCHOLARSHIP AND FELLOWSHIP PROGRAM FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

Of the funds authorized to be appropriated to the Department of Energy for fiscal year 1995 for environmental restoration and waste management, $1,000,000 shall be available for the Scholarship and Fellowship Program for Environmental Restoration and Waste Management carried out under section 3123 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1572; 42 U.S.C. 7274e).

SEC. 3139. HAZARDOUS MATERIALS MANAGEMENT AND HAZARDOUS MATERIALS EMERGENCY RESPONSE TRAINING PROGRAM.

Of the funds authorized to be appropriated to the Department of Energy for fiscal year 1995 under section 3102(d), not more than $14,000,000 shall be available to carry out a hazardous materials management and hazardous materials emergency response training program at Hanford Nuclear Reservation, Richland, Washington.

SEC. 3140. PROGRAMS FOR PERSONS WHO MAY HAVE BEEN EXPOSED TO RADIATION RELEASED FROM HANFORD NUCLEAR RESERVATION.

(a) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy under section 3101 for fiscal year 1995, $3,295,591 shall be available for activities relating to the Hanford Health Information Network established pursuant to the authority set forth in section 3138 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1834).

(b) LIMITATION ON RELEASE OF CERTAIN PERSONAL INFORMATION.—(1) Information referred to in paragraph (2) that is collected from an individual pursuant to operation of the Hanford Health Information Network shall be used only by the Network unless the individual, or a designated legal representative of the individual, authorizes in writing the use of the information for another purpose.

(2) Paragraph (1) applies to the following information:

(A) The name, address, telephone number, and medical information and records of each individual requesting assistance and information from the Network.

(B) Such other information or categories of information as the chief officers of the health departments of the States of Washington, Oregon, and Idaho jointly designate as information covered by this subsection.

SEC. 3141. SOLAR ENERGY ACTIVITIES AT NEVADA TEST SITE, NEVADA.

Of the funds authorized to be appropriated to the Department of Energy under section 3101, $10,000,000 shall be available for development of solar energy at the Nevada Test Site, Nevada.

Subtitle D—Other Matters

SEC. 3151. ACCOUNTING PROCEDURES FOR DEPARTMENT OF ENERGY FUNDS.

(a) IN GENERAL.—The Secretary of Energy shall prescribe procedures to account for the use of funds for the performance of the programs and activities of the Department of Energy for which funds are appropriated for national security programs of the Department of Energy. The procedures shall provide for such accounting for fiscal years beginning after fiscal year 1996.

(b) COVERED MATTERS.—The Secretary shall prescribe procedures under subsection (a)—

(1) to account for the funds appropriated to the Department for national security programs and activities of the Department that are not used for the purpose for which such funds were appropriated; and

(2) to provide an accounting for all encumbered funds, unencumbered funds, unobligated funds, costed funds, and uncosted obligations of the Department in that fiscal year.

SEC. 3152. APPROVAL FOR CERTAIN NUCLEAR WEAPONS ACTIVITIES.

(a) APPROVAL BY JOINT NUCLEAR WEAPONS COUNCIL.—Subsection (d) of section 179 of title 10, United States Code, is amended—

(1) by redesignating paragraphs (8) and (9) as paragraphs (9) and (10), respectively; and

(2) by inserting after paragraph (7) the following new paragraph (8):

"(8) Coordinating and approving activities initiated or conducted by the Department of Energy for the study, development, and production of nuclear warheads, including concept definition studies, feasibility studies, engineering development, hardware component fabrication, warhead production, and warhead retirement.".

(b) TECHNICAL AMENDMENTS.—Subsections (a)(3) and (b) of such section are amended by striking out "appointed" each place it appears and inserting in lieu thereof "designated".

SEC. 3153. STUDY OF FEASIBILITY OF CONDUCTING CERTAIN ACTIVITIES AT THE NEVADA TEST SITE, NEVADA.

Not later than April 1, 1995, the Secretary of Energy shall submit to Congress a report on the feasibility of conducting the following activities at the Nevada Test Site, Nevada:

(1) The demilitarization of large rocket motors, high energetic explosives and conventional ordnance.

(2) Disarmament and demilitarization of conventional weapons and components, generally.

(3) The conduct of experiments that assist in monitoring compliance with international agreements on the nonproliferation of nuclear weapons.

(4) The conduct of programs for the Department of Energy and the Department of Defense to develop simulator technologies for nuclear weapons design and effects, including advanced hydrodynamic simulators, fusion test facilities, and nuclear weapons effects simulators (such as the Decade and Jupiter simulators).

(5) The conduct of the stockpile stewardship program established pursuant to section 3138 of the National Defense Authorization Act for Fiscal Year 1994 (42 U.S.C. 2121 note).

(6) Experiments related to the nonproliferation of nuclear weapons, including experiments with respect to disablement of such weapons, nuclear forensics, sensors, and verification and monitoring.

SEC. 3154. NUCLEAR WEAPONS COUNCIL MEMBERSHIP.

Section 179(a)(1) title 10, United States Code, is amended to read as follows: "(3) Two senior representatives of the Department of Energy appointed by the Secretary of Energy.".

SEC. 3155. OFFICE OF FISSILE MATERIALS DISPOSITION.

(a) ESTABLISHMENT.—Title II of the Department of Energy Organization Act (42 U.S.C. 7131 et seq.) is amended by adding at the end the following:

"OFFICE OF FISSILE MATERIALS DISPOSITION

"SEC. 212. (a) There shall be within the Department an Office of Fissile Materials Disposition.

"(b) The Secretary shall designate the head of the Office. The head of the Office shall report to the Under Secretary.

"(c) The head of the Office shall be responsible for all activities of the Department relating to the management, storage, and disposition of fissile materials from weapons and weapons systems that are excess to the national security needs of the United States.".

(b) CONFORMING AMENDMENT.—The table of contents in the first section of such Act is amended by inserting after the item relating to section 210 the following new items:

"Sec. 211. Office of Minority Economic Impact.

"Sec. 212. Office of Fissile Materials Disposition.".

SEC. 3156. EXTENSION OF AUTHORITY TO LOAN PERSONNEL AND FACILITIES AT IDAHO NATIONAL ENGINEERING LABORATORY.

Section 1434 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456; 102 Stat. 2074), as amended by section 3136 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2641), is further amended—

(1) in the third sentence of subsection (a)(3), by striking out "fiscal years 1993 and 1994" and inserting in lieu thereof "fiscal years 1993, 1994, 1995, 1996, and 1997"; and

(2) in subsection (c), by striking out "September 30, 1994, with respect to the Idaho National Engineering Laboratory" and inserting in lieu thereof "September 30, 1997, with respect to the Idaho National Engineering Laboratory".

SEC. 3157. ELIMINATION OF REQUIREMENT FOR FIVE-YEAR PLAN FOR DEFENSE NUCLEAR FACILITIES.

Subsection (a) section 3135 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1575; 42 U.S.C. 7274g(a)) is amended—

(1) in paragraph (1)—

(A) by striking out "(A) defense nuclear facilities and (B) all other facilities owned or operated by the Department of Energy" in the first sentence and inserting in lieu thereof "all facilities owned or operated by the Department of Energy except defense nuclear facilities"; and

(B) by inserting "such" in the third sentence after "restoration at all";

(2) in paragraph (4), by striking out "The plan shall contain the following matter:" and inserting in lieu thereof "The plan shall include, with respect to the Department of Energy facilities required by paragraph (1) to be covered by the plan, the following matters:";

(3) by striking out paragraph (6); and

(4) by redesignating paragraph (7) as paragraph (6).

SEC. 3158. AUTHORITY FOR APPOINTMENT OF CERTAIN SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL.

(a) AUTHORITY.—(1) Notwithstanding any provision of title 5, United States Code, governing appointments in the competitive service and General Schedule classification and pay rates, or any other provision of law, the Secretary of Energy may—

(A) establish and set the rates of pay for not more than 200 positions in the Department of Energy for scientific, engineering, and technical personnel whose duties will relate to safety at defense nuclear facilities of the Department; and

(B) appoint persons to such positions.

(2) The rate of pay for a position established under paragraph (1) may not exceed the rate of pay payable for Level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(3) To the maximum extent practicable, the Secretary shall appoint persons under paragraph (1)(B) to the positions established under paragraph (1)(A) in accordance with the merit system principles set forth in section 2301 of such title.

(b) OPM REVIEW.—(1) The Secretary shall enter into an agreement with the Director of the Office of Personnel Management under which agreement the Director shall periodically evaluate the use of the authority set forth in subsection (a)(1).

(2) If the Director determines as a result of such evaluation that the Secretary of Energy is not appointing persons to positions under such authority in a manner consistent with the merit system principles set forth in

section 2301 of title 5, United States Code, the Director shall notify the Secretary of that determination.

(3) Upon receipt of a notification under paragraph (2), the Secretary shall—

(A) take appropriate actions to appoint persons to positions under such authority in a manner consistent with such principles; or

(B) cease appointment of persons under such authority.

(c) TERMINATION.—(1) The authority provided under subsection (a)(1) shall terminate on September 30, 1997.

(2) An employee may not be separated from employment with the Department of Energy or receive a reduction in pay by reason of the termination of authority under paragraph (1).

SEC. 3159. DEPARTMENT OF ENERGY DECLASSIFICATION PRODUCTIVITY INITIATIVE.

Of the funds autorized to be appropriated to the Department of Energy under section 3103, $3,000,000 shall be available for the Department of Energy's Declassification Productivity Initiative.

SEC. 3160. SAFETY OVERSIGHT AND ENFORCEMENT AT DEFENSE NUCLEAR FACILITIES.

(a) FINDINGS.—Congress finds the following:

(1) Effective oversight of matters relating to nuclear safety at defense nuclear facilities and enforcement of nuclear safety standards at such facilities are critical to ensuring the safety of the public and the workers at such facilities.

(2) The Department of Energy has not devoted adequate attention historically to matters relating to nuclear safety at defense nuclear facilities.

(b) SAFETY AT DEFENSE NUCLEAR FACILITIES.—The Secretary of Energy shall take appropriate actions to ensure that—

(1) officials of the Department of Energy who are responsible for independent oversight of matters relating to nuclear safety at defense nuclear facilities and enforcement of nuclear safety standards at such facilities maintain independence from officials who are engaged in management of such facilities;

(2) the independent, internal oversight functions carried out by the Department include, at the minimum, activities relating to—

(A) the assessment of the safety of defense nuclear facilities;

(B) the assessment of the effectiveness of Department program offices in carrying out programs relating to the environment, safety, health, and security at defense nuclear facilities;

(C) the provision to the Secretary of oversight reports that—

(i) contain validated technical information; and

(ii) provide a clear analysis of the extent to which line programs governing defense nuclear facilities meet applicable goals for the environment, safety, health, and security at such facilities; and

(D) the development of clear performance standards to be used in assessing the adequacy of the programs referred to in subparagraph (C)(ii);

(3) the Department has a system for bringing issues relating to nuclear safety at defense nuclear facilities to the attention of the officials of the Department (including the Secretary of Energy) having authority to resolve such issues in an adequate and timely manner; and

(4) an adequate number of qualified personnel of the Department are assigned to oversee matters relating to nuclear safety at defense nuclear facilities and enforce nuclear safety standards at such facilities.

(c) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Energy shall submit to the congressional defense committees a report describing—

(1) the actions that the Secretary has taken or will take to fulfill the requirements set forth in paragraphs (1), (2), and (3) of subsection (b);

(2) the actions in addition to the actions described under paragraph (1) that the Secretary could take in order to fulfill such requirements; and

(3) the respective roles with regard to nuclear safety at defense nuclear facilities of the following officials:

(A) The Associate Deputy Secretary of Energy for Field Management.

(B) The Assistant Secretary of Energy for Defense Programs.

(C) The Assistant Secretary of Energy for Environmental Restoration and Waste Management.

SEC. 3161. CONDITIONS ON CONTRACTS BETWEEN THE FEDERAL GOVERNMENT AND CERTAIN LESSEES AND TRANSFEREES OF DEPARTMENT OF ENERGY PROPERTY.

(a) CONDITIONS.—Notwithstanding any other provision of law, the head of a department or agency of the United States may require as a condition of a contract with an entity described in subsection (b) that such entity certifies to the head of the department or agency the following:

(1) That no officer, director, employee, or agent of the entity has utilized in the preparation of the bid or solicitation for the contract—

(A) any records or systems of records of the Federal Government that are covered by section 552a of title 5, United States Code;

(B) any information or data of the Federal Government that has not been released or otherwise made generally available for preparation of bids or proposals on the contract; or

(C) any commercial information or data of another entity that has not been released or otherwise made generally available for that purpose.

(2) That the entity has returned, destroyed, or otherwise disposed of all documents received from the Federal Government by reason of any earlier contract between the Federal Government and the entity for the operation of the facility which is leased, or with respect to which property is transferred, to the entity pursuant to a provision of law referred to in subsection (b).

(b) COVERED ENTITIES.—Subsection (a) applies to any entity, or the affiliate, successor to, or assign of the entity, to which the Secretary of Energy leases a Department of Energy facility under section 646(c) of the Department of Energy Organization Act (42 U.S.C. 7256(d)) or to which the Secretary transfers personal property of such a facility under section 3155(a) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160; 107 Stat. 1953; 42 U.S.C. 7274l(c)).

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD AUTHORIZATION

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1995, $17,933,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. DISPOSAL OF OBSOLETE AND EXCESS MATERIALS CONTAINED IN THE NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL AUTHORIZED.—Subject to the conditions specified in subsection (b), the President may dispose of obsolete and excess materials currently contained in the National Defense Stockpile in order to modernize the stockpile. The materials subject to disposal under this subsection and the quantity of each material authorized to be disposed of by the President are set forth in the following table:

AUTHORIZED STOCKPILE DISPOSALS

Material for disposal	Quantity
Aluminum	62,843 short tons
Tungsten Group	51,336,478 pounds of contained tungsten

(b) CONDITIONS ON DISPOSAL.—The authority of the President under subsection (a) to dispose of materials stored in the stockpile may not be used unless and until the Secretary of Defense certifies that the disposal of such materials will not adversely affect the capability of the National Defense Stockpile to supply the strategic and critical materials necessary 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, including any reconstitution of the military and industrial capabilities necessary to meet the planning assumptions used by the Secretary of Defense under section 14(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-5(b)).

SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.

Subject to such limitations as may be provided in appropriations Acts, during fiscal year 1995, the National Defense Stockpile Manager may obligate up to $54,200,000 of the funds in the National Defense Stockpile Transaction Fund established under subsection (a) of section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h) for the authorized uses of such funds under subsection (b)(2) of such section.

SEC. 3303. REPEAL OF ADVISORY COMMITTEE REQUIREMENT.

Section 3306 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 106 Stat. 2652; 50 U.S.C. 98h-1 note) is repealed.

SEC. 3304. ROTATION OF MATERIALS TO PREVENT TECHNOLOGICAL OBSOLESCENCE.

Section 6(a)(4) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e(a)(4)) is amended by inserting "or technological obsolescence" after "deterioration".

TITLE XXXIV—CIVIL DEFENSE

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated $129,658,000 for fiscal year 1995 for the purpose of carrying out the Federal Civil Defense Act of 1950 (50 U.S.C. 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 1995".

SEC. 3502. AUTHORIZATION OF EXPENDITURES.

(a) IN GENERAL.—Subject to subsection (b), the Panama Canal Commission is authorized to make such expenditures within the limits of funds and borrowing authority available

to it in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as may be necessary under the Panama Canal Act of 1979 (22 U.S.C. 3601) for the operation, maintenance, and improvement of the Panama Canal for fiscal year 1995.

(b) LIMITATIONS.—For fiscal year 1995, the Panama Canal Commission may expend from funds in the Panama Canal Revolving Fund not more than $50,030,000 for administrative expenses, of which not more than—

(1) $11,000 may be used for official reception and representation expenses of the Supervisory Board of the Commission;

(2) $5,000 may be used for official reception and representation expenses of the Secretary of the Commission; and

(3) $30,000 may be used for official reception and representation expenses of the Administrator of the Commission.

(c) REPLACEMENT VEHICLES.—Funds available to the Panama Canal Commission shall be available for the purchase of not to exceed 43 passenger motor vehicles (including large heavy-duty vehicles to be used to transport Commission personnel across the isthmus of Panama). A vehicle may be purchased with such funds only as necessary to replace another passenger motor vehicle of the Commission. The purchase price of each vehicle may not exceed $19,500.

SEC. 3503. EXPENDITURES IN ACCORDANCE WITH OTHER LAWS.

Expenditures authorized under this Act may be made only in accordance with the Panama Canal Treaties of 1977 and any law of the United States implementing those treaties.

SEC. 3504. COSTS OF EDUCATIONAL SERVICES OBTAINED IN THE UNITED STATES.

Section 1321(e)(2) of the Panama Canal Act of 1979 (22 U.S.C. 3731(e)(2)) is amended by inserting "or the United States" after "schools in the Republic of Panama".

SEC. 3505. SPECIAL IMMIGRANT STATUS OF PANAMANIANS EMPLOYED BY THE UNITED STATES IN THE FORMER CANAL ZONE.

Section 101(a)(27)(F) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(27)(F)) is amended in clause (ii) by inserting "or continues to be employed by the United States Government in an area of the former Canal Zone" after "employment".

DIVISION IV—FEDERAL ACQUISITION STREAMLINING

TITLE XLI—CONTRACT FORMATION

Subtitle A—Competition Statutes

PART I—ARMED SERVICES ACQUISITIONS

Subpart A—Competition Requirements

SEC. 41001. REFERENCES TO FEDERAL ACQUISITION REGULATION.

Section 2304 of title 10, United States Code, is amended—

(1) in subsection (a)(1)(A), by striking out "modifications" and all that follows through "note)" and inserting in lieu thereof "Federal Acquisition Regulation"; and

(2) in subsection (g)(1), by striking out "regulations modified" and all that follows through "note)" and inserting in lieu thereof "Federal Acquisition Regulation".

SEC. 41002. ESTABLISHMENT OR MAINTENANCE OF ALTERNATIVE SOURCES OF SUPPLY.

Section 2304(b) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking out "or" at the end of subparagraph (B);

(B) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(C) by adding at the end the following new subparagraphs:

"(D) would ensure the continuous availability of a reliable source of supply of such property or service;

"(E) would satisfy projected needs for such property or service determined on the basis of a history of high demand for the property or service; or

"(F) in the case of medical supplies, safety supplies, or emergency supplies, would satisfy a critical need for such supplies.";

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

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

"(2) The determination required of the agency head in paragraph (1) may not be made for a class of purchases or contracts."; and

(4) in paragraph (4), as redesignated by paragraph (2), by striking out "paragraphs (1) and (2)" and inserting in lieu thereof "paragraphs (1) and (3)".

SEC. 41003. CLARIFICATION OF APPROVAL AUTHORITY FOR USE OF PROCEDURES OTHER THAN FULL AND OPEN COMPETITION.

Section 2304(f)(1)(B)(i) of title 10, United States Code, is amended by inserting before the semicolon at the end the following: "or by an official referred to in clause (ii), (iii), or (iv)".

SEC. 41004. TASK ORDER CONTRACTS FOR ADVISORY AND ASSISTANCE SERVICES.

(a) AUTHORITY.—

(1) IN GENERAL.—Chapter 137 of title 10, United States Code, is amended by inserting after section 2304 the following new section:

"§ 2304a. Task order contracts for advisory and assistance services

"(a) AUTHORITY TO AWARD.—(1) Subject to the requirements of this section, the head of an agency may enter into a contract for advisory and assistance services that does not procure or specify a firm quantity of services (other than a minimum or maximum quantity) and that provides for the issuance of task orders during the specified period of the contract.

"(2) Except as provided in subsection (h), the head of an agency may enter into a contract described in paragraph (1) only under the authority of this section.

"(b) LIMITATION ON CONTRACT PERIOD.—The period of a contract referred to in subsection (a), including all periods of extensions of the contract under options, modifications, or otherwise, may not exceed 5 years unless a longer period is specifically authorized in a law that is applicable to such contract.

"(c) CONTRACT PROCEDURES.—(1) The head of an agency may use procedures other than competitive procedures to enter into a contract referred to in subsection (a) only if an exception in subsection (c) of section 2304 of this title applies to the contract and the use of such procedures is approved in accordance with subsection (f) of such section.

"(2) The notice required by section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)) shall reasonably and fairly describe the general scope, magnitude, and duration of the proposed contract in a manner that would reasonably enable a potential offeror to decide whether to request the solicitation and consider submitting an offer.

"(3) The solicitation shall include the following:

"(A) The period of the contract, including the number of options to extend the contract and the period for which the contract may be extended under each option, if any.

"(B) The maximum quantity or dollar value of services to be procured under the contract.

"(C) A statement of work, specifications, or other description that reasonably describes the general scope, nature, complexity, and purposes of the services to be procured under the contract.

"(4)(A) The head of an agency may, on the basis of one solicitation, award separate contracts under this section for the same or similar services to two or more sources if the solicitation states that the head of the agency has the option to do so.

"(B) If, in the case of a contract for advisory and assistance services to be entered into under the authority of this section, the contract period is to exceed 3 years and the contract amount is estimated to exceed $10,000,000 (including all options), the solicitation shall—

"(i) provide for a multiple award authorized under subparagraph (A); and

"(ii) include a statement that the head of the agency may also elect to award only one contract if the head of the agency determines in writing that only one of the offerers is capable of providing the services required at the level of quality required.

"(C) Subparagraph (B) does not apply in the case of a solicitation for which the head of an agency determines in writing that, because the services required under the contract are unique or highly specialized, it is not practicable to award more than one contract.

"(5) A contract referred to in subsection (a) shall contain the same information that is required by paragraph (3) to be included in the solicitation of offers for that contract.

"(d) ORDER PROCEDURES.—(1) The following actions are not required for a task order issued under a contract entered into in accordance with this section:

"(A) A separate notice for such order under section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) or section 8(e) of the Small Business Act (15 U.S.C. 637(e)).

"(B) Except as provided in paragraph (2), a competition (or a waiver of competition approved in accordance with section 2304(f) of this title) that is separate from that used for entering into the contract.

"(2)(A) When multiple contracts are awarded pursuant to subsection (c)(4), all contractors awarded such contracts shall be provided a fair opportunity to be considered, pursuant to procedures set forth in the contracts, for each task order in excess of $2,500 that is to be issued under any of the contracts unless—

"(i) the agency's need for the services ordered is of such unusual urgency that competition would result in unacceptable delays in fulfilling the agency's needs;

"(ii) only one such contractor is capable of providing the services required at the level of quality required because the services ordered are unique or so highly specialized;

"(iii) the task order should be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to a task order already issued on a competitive basis; or

"(iv) the order must be placed with a particular contractor in order to satisfy a minimum guarantee.

"(B) When a task order is issued in accordance with subparagraph (A), the order shall include a statement of work that clearly specifies all tasks to be performed under the order.

"(3) A protest is not authorized in connection with the issuance or proposed issuance

of a task order except for a protest on the ground that the order increases the scope, period, or maximum value of the contract under which the order is issued.

"(e) INCREASES IN SCOPE, PERIOD, OR MAXIMUM VALUE OF CONTRACT.—(1) A task order may not increase the scope, period, or maximum value of the contract under which the order is issued. The scope, period, or maximum value of the contract may be increased only by modification of the contract.

"(2) Unless use of procedures other than competitive procedures is authorized by an exception in subsection (c) of section 2304 of this title and approved in accordance with subsection (f) of such section, competitive procedures shall be used for making such a modification.

"(3) Notice regarding the modification shall be provided in accordance with section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)).

"(4)(A) Notwithstanding the limitation on the contract period set forth in subsection (b) or in a solicitation or contract pursuant to subsection (c), a contract entered into by the head of an agency under this section may be extended on a sole-source basis for a period not exceeding 6 months if the agency head determines that—

"(i) the award of a follow-on contract has been delayed by circumstances that were not reasonably foreseeable at the time the initial contract was entered into; and

"(ii) the extension is necessary in order to ensure continuity of the receipt of services pending the award of, and commencement of performance under, the follow-on contract.

"(B) A contract may be extended under the authority of subparagraph (A) only once and only in accordance with the limitations and requirements of this subsection.

"(f) TASK ORDER OMBUDSMAN.—Each head of an agency who awards multiple contracts pursuant to subsection (c)(4) shall appoint or designate a task order ombudsman who shall be responsible for reviewing complaints from the contractors on such contracts and ensuring that all of the contractors are afforded a fair opportunity to be considered for task orders when required under subsection (d)(2). The task order ombudsman shall be a senior agency official who is independent of the contracting officer for the contracts and may be the agency's competition advocate.

"(g) INAPPLICABILITY TO CERTAIN CONTRACTS.—This section does not apply to a contract for the acquisition of property or services that includes acquisition of advisory and assistance services if the head of an agency entering into such contract determines that, under the contract, advisory and assistance services are necessarily incident to, and not a significant component of, the contract.

"(h) RELATIONSHIP TO OTHER CONTRACTING AUTHORITY.—Nothing in this section may be construed to limit the authority of the head of an agency to enter into single or multiple task order contracts, or single or multiple delivery order contracts, for property or services (other than advisory and assistance services) under other provisions of this chapter or under any other provision of law.

"(i) ADVISORY AND ASSISTANCE SERVICES DEFINED.—In this section, the term 'advisory and assistance services' has the meaning given such term in section 1105(g) of title 31.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2304 the following new item:

"2304a. Task order contracts for advisory and assistance services.".

(b) REPEAL OF SUPERSEDED PROVISION.—Section 2304 of title 10, United States Code, is amended by striking out subsection (j).

(c) CONFORMING AMENDMENT FOR PROFESSIONAL AND TECHNICAL SERVICES.—Section 2331 of title 10, United States Code, is amended by striking out subsection (c).

SEC. 41005. ACQUISITION OF EXPERT SERVICES.

Section 2304(c)(3) of title 10, United States Code, is amended—

(1) by striking out "or (B)" and inserting in lieu thereof "(B)"; and

(2) by inserting before the semicolon at the end the following: ", or (C) to procure the services of an expert for use, in any litigation or dispute (including any reasonably foreseeable litigation or dispute) involving the Federal Government, in any trial, hearing, or proceeding before any court, administrative tribunal, or agency, or in any part of an alternative dispute resolution process, whether or not the expert is expected to testify".

Subpart B—Planning, Solicitation, Evaluation, and Award

SEC. 41011. SOURCE SELECTION FACTORS.

Section 2305(a) of title 10, United States Code, is amended—

(1) in paragraph (2)—

(A) in subparagraph (A)(i), by striking out "nonprice-related factors)" and inserting in lieu thereof "nonprice-related factors and subfactors)"; and

(B) in subparagraph (B)(ii), by striking out subclause (I) and inserting in lieu thereof the following:

"(I) either a statement that the proposals are intended to be evaluated with, and award made after, discussions with the offerors, or a statement that the proposals are intended to be evaluated, and award made, without discussions with the offerors (other than discussions conducted for the purpose of minor clarification) unless discussions are determined to be necessary; and"; and

(2) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3)(A) In prescribing the evaluation factors to be included in each solicitation for competitive proposals, the head of an agency—

"(i) shall clearly establish the relative importance assigned to the evaluation factors and subfactors, including the quality of the product or services to be provided (including technical capability, management capability, prior experience, and past performance of the offeror);

"(ii) shall include cost or price to the Government as an evaluation factor that must be considered in the evaluation of proposals; and

"(iii) shall disclose to offerors whether all evaluation factors other than cost or price, when combined, are—

"(I) significantly more important than cost or price;

"(II) approximately equal in importance to cost or price; or

"(III) significantly less important than cost or price.

"(B) Nothing in this paragraph prohibits an agency from—

"(i) providing additional information in a solicitation, including numeric weights for all evaluation factors; or

"(ii) stating in a solicitation that award will be made to the offeror that meets the solicitation's mandatory requirements at the lowest cost or price.".

SEC. 41012. SOLICITATION PROVISION REGARDING EVALUATION OF PURCHASE OPTIONS.

(a) OPTIONS FOR ADDITIONAL PURCHASES.—Subsection (a) of section 2305 of title 10, United States Code, as amended by section 41011, is further amended by adding at the end the following new paragraph:

"(4) The head of an agency, in issuing a solicitation for a contract to be awarded using sealed bid procedures, may not include in such solicitation a clause providing for the evaluation of prices for options to purchase additional property or services under the contract unless the head of the agency has determined that there is a reasonable likelihood that the options will be exercised.".

(b) REPEAL OF SUPERSEDED PROVISION.—Section 2301(a) of such title is amended—

(1) by striking out paragraph (7);

(2) by inserting "and" at the end of paragraph (5); and

(3) by striking out "; and" at the end of paragraph (6) and inserting in lieu thereof a period.

SEC. 41013. PROMPT NOTICE OF AWARD.

(a) SEALED BID PROCEDURES.—Section 2305(b)(3) of title 10, United States Code, is amended by adding at the end the following: "As soon as practicable after the date of contract award, the head of the agency shall, in accordance with procedures prescribed in the Federal Acquisition Regulation, notify all offerors not awarded the contract that the contract has been awarded.".

(b) COMPETITIVE PROPOSALS PROCEDURES.—Section 2305(b)(4)(B) of title 10, United States Code, is amended in the second sentence by striking out "source and shall promptly notify" and inserting in lieu thereof "source. As soon as practicable after the date of contract award, the head of the agency shall, in accordance with procedures prescribed in the Federal Acquisition Regulation, notify".

SEC. 41014. POST-AWARD DEBRIEFINGS.

Section 2305(b) of title 10, United States Code, is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following new paragraph (5):

"(5)(A) When a contract is awarded by the head of an agency on the basis of competitive proposals, an unsuccessful offeror, upon written request received by the agency within 3 days after the date on which the unsuccessful offeror receives the notification of the contract award, shall be debriefed and furnished the basis for the selection decision and contract award. An employee of the agency shall debrief the offeror promptly after receipt of the request by the agency.

"(B) The debriefing shall include, at a minimum—

"(i) the agency's evaluation of the significant weak or deficient factors in the offeror's offer;

"(ii) the overall evaluated cost and technical rating of the offer of the contractor awarded the contract and the overall evaluated cost and technical rating of the offer of the debriefed offeror;

"(iii) the overall ranking of all offers;

"(iv) a summary of the rationale for the award;

"(v) in the case of a proposal for a commercial item other than a commercial component, the make and model of the item being provided in accordance with the offer of the contractor awarded the contract; and

"(vi) reasonable responses to questions posed by the debriefed offeror as to whether source selection procedures set forth in the solicitation, applicable regulations, and

other applicable authorities were followed by the agency.

"(C) The debriefing may not include point-by-point comparisons of the debriefed offeror's offer with other offers and may not disclose any information that is exempt from disclosure under section 552 of title 5, including information relating to—

"(i) trade secrets;

"(ii) privileged or confidential manufacturing processes and techniques; and

"(iii) commercial and financial information that is privileged or confidential, including cost breakdowns, profit, indirect cost rates, and similar information.

"(D) Each solicitation for competitive proposals shall include a statement that information described in subparagraph (B) may be disclosed in post-award debriefings.

"(E) If, within one year after the date of the contract award and as a result of a successful procurement protest or otherwise, the agency seeks to fulfill the requirement under the contract either on the basis of a new solicitation of offers or on the basis of new best and final offers requested for that contract, the agency shall make available to all offerors—

"(i) the information provided in debriefings under this paragraph regarding the offer of the contractor awarded the contract; and

"(ii) the same information that would have been provided to the original offerors.

"(F) The contracting officer shall include a summary of the debriefing in the contract file.".

SEC. 41015. PROTEST FILE.

Section 2305 of title 10, United States Code, is amended by adding at the end the following:

"(e)(1) If, in the case of a solicitation for a contract issued by, or an award or proposed award of a contract by, the head of an agency, a protest is filed pursuant to the procedures in subchapter V of chapter 35 of title 31 and an actual or prospective offeror so requests, a file of the protest shall be established by the procuring activity and reasonable access shall be provided to actual or prospective offerors.

"(2) Information exempt from disclosure under the section 552 of title 5 may be redacted in a file established pursuant to paragraph (1) unless an applicable protective order provides otherwise.

"(3) Regulations implementing this subsection shall be consistent with the regulations regarding the preparation and submission of an agency's protest file (the so-called 'rule 4 file') for protests to the General Services Board of Contract Appeals under section 111 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 759).".

SEC. 41016. AWARD OF COSTS AND FEES IN AGENCY SETTLEMENT OF PROTESTS.

Section 2305 of title 10, United States Code, as amended by section 41015, is further amended by adding at the end the following new subsection:

"(f) If, in connection with a protest, the head of an agency determines that a solicitation, proposed award, or award does not comply with the requirements of law or regulation, the head of the agency may take—

"(1) any action set out in subparagraphs (A) through (F) of subsection (b)(1) of section 3554 of title 31; and

"(2) may pay costs described in paragraph (1) of section 3554(c) of title 31 within the limits referred to in paragraph (2) of such section.".

SEC. 41017. TWO-PHASE SELECTION PROCEDURES.

(a) PROCEDURES AUTHORIZED.—Chapter 137 of title 10, United States Code, is amended by inserting after section 2305 the following new section:

"§ 2305a. Two-phase selection procedures

"(a) PROCEDURES AUTHORIZED.—The head of an agency may use two-phase selection procedures for entering into a contract for the acquisition of property or services (other than a construction contract) when the head of the agency determines that three or more offers will be received for such contract, substantial design work must be performed before an offeror can develop a price or cost proposal for such contract, and the offerors will incur a substantial amount of expenses in preparing the offers.

"(b) PROCEDURES DESCRIBED.—Two-phase selection procedures consist of the following:

"(1) The head of the agency solicits proposals that—

"(A) include information on the offerors'—

"(i) technical approach; and

"(ii) technical qualifications; and

"(B) do not include—

"(i) detailed design information; or

"(ii) cost or price information.

"(2) The head of the agency evaluates the proposals on the basis of evaluation criteria set forth in the solicitation, except that the head of the agency does not consider cost-related or price-related evaluation factors.

"(3) The head of the agency selects at least three offerors as the most highly qualified to provide the property or services under the contract and requests the selected offerors to submit competitive proposals that include cost or price information.

"(4) The head of the agency awards the contract in accordance with section 2305(b)(4) of this title.

"(c) SOLICITATION TO STATE NUMBER OF OFFERORS TO BE SELECTED FOR PHASE TWO REQUESTS FOR COMPETITIVE PROPOSALS.—A solicitation issued pursuant to subsection (b)(1) shall state the maximum number of offerors that are to be selected to submit competitive proposals pursuant to subsection (b)(3).

"(d) RESOURCE COMPARISON CRITERION REQUIRED.—In using two-phase selection procedures for entering into a contract, the head of the agency shall establish a resource criterion or a financial criterion applicable to the contract in order to provide a consistent basis for comparing the offerors and their proposals.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2305 the following:

"2305a. Two-phase selection procedures.".

Subpart C—Kinds of Contracts

SEC. 41021. SECRETARIAL DETERMINATION REGARDING USE OF COST TYPE OR INCENTIVE CONTRACT.

Subsection (c) of section 2306 of title 10, United States Code, is repealed.

SEC. 41022. TECHNICAL AND CONFORMING AMENDMENTS.

(a) REPEAL OF UNNECESSARY CROSS REFERENCE.—Subsection (f) of section 2306 of title 10, United States Code, is repealed.

(b) CONFORMING AMENDMENT.—Such section is amended by redesignating subsections (d), (e), (g), and (h) as subsections (c), (d), (e), and (f), respectively.

(c) NEUTERIZATION OF REFERENCE.—Subsection (e)(1) of such section, as redesignated by subsection (b), is amended in the matter above clause (i) by striking out "whenever he finds" and inserting in lieu thereof "whenever the head of the agency finds".

Subpart D—Miscellaneous Provisions for the Encouragement of Competition

SEC. 41031. REPEAL OF REQUIREMENT FOR ANNUAL REPORT BY ADVOCATES FOR COMPETITION.

Subsection (c) of section 2318 of title 10, United States Code, is repealed.

PART II—CIVILIAN AGENCY ACQUISITIONS

Subpart A—Competition Requirements

SEC. 41051. REFERENCES TO FEDERAL ACQUISITION REGULATION.

Section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253) is amended—

(1) in subsection (a)(1)(A), by striking out "modifications" and all that follows through "of 1984" and inserting in lieu thereof "Federal Acquisition Regulation"; and

(2) in subsection (g)(1), by striking out "regulations modified" and all that follows through "of 1984," and inserting in lieu thereof "Federal Acquisition Regulation".

SEC. 41052. ESTABLISHMENT OR MAINTENANCE OF ALTERNATIVE SOURCES OF SUPPLY.

Section 303(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(b)) is amended—

(1) in paragraph (1)—

(A) by striking out "or" at the end of subparagraph (B);

(B) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(C) by adding at the end the following new subparagraphs:

"(D) would ensure the continuous availability of a reliable source of supply of such property or service;

"(E) would satisfy projected needs for such property or service determined on the basis of a history of high demand for the property or service; or

"(F) in the case of medical supplies, safety supplies, or emergency supplies, would satisfy a critical need for such supplies.";

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

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

"(2) The determination required of the agency head in paragraph (1) may not be made for a class of purchases or contracts."; and

(4) in paragraph (4), as redesignated by paragraph (2), by striking out "paragraphs (1) and (2)" and inserting in lieu thereof "paragraphs (1) and (3)".

SEC. 41053. CLARIFICATION OF APPROVAL AUTHORITY FOR USE OF PROCEDURES OTHER THAN FULL AND OPEN COMPETITION.

Section 303(f)(1)(B)(i) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(f)(1)(B)(i)) is amended by inserting before the semicolon at the end the following: "or by an official referred to in clause (ii), (iii), or (iv)".

SEC. 41054. TASK ORDER CONTRACTS FOR ADVISORY AND ASSISTANCE SERVICES.

(a) AUTHORITY.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) is amended by inserting after section 303G the following new section:

"TASK ORDER CONTRACTS FOR ADVISORY AND ASSISTANCE SERVICES

"SEC. 303H. (a) AUTHORITY TO AWARD.—(1) Subject to the requirements of this section, the head of an executive agency may enter into a contract for advisory and assistance services that does not procure or specify a

firm quantity of services (other than a minimum or maximum quantity) and that provides for the issuance of task orders during the specified period of the contract.

"(2) Except as provided in subsection (h), the agency head may enter into a contract described in paragraph (1) only under the authority of this section.

"(b) LIMITATION ON CONTRACT PERIOD.—The period of a contract referred to in subsection (a), including all periods of extensions of the contract under options, modifications, or otherwise, may not exceed 5 years unless a longer period is specifically authorized in a law that is applicable to such contract.

"(c) CONTRACT PROCEDURES.—(1) An agency head may use procedures other than competitive procedures to enter into a contract referred to in subsection (a) only if an exception in subsection (c) of section 303 applies to the contract and the use of such procedures is approved in accordance with subsection (f) of such section.

"(2) The notice required by section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)) shall reasonably and fairly describe the general scope, magnitude, and duration of the proposed contract in a manner that would reasonably enable a potential offeror to decide whether to request the solicitation and consider submitting an offer.

"(3) The solicitation shall include the following:

"(A) The period of the contract, including the number of options to extend the contract and the period for which the contract may be extended under each option, if any.

"(B) The maximum quantity or dollar value of the services to be procured under the contract.

"(C) A statement of work, specifications, or other description that reasonably describes the general scope, nature, complexity, and purposes of the services to be procured under the contract.

"(4)(A) An agency head may, on the basis of one solicitation, award separate contracts under this section for the same or similar services to two or more sources if the solicitation states that the agency head has the option to do so.

"(B) If, in the case of a contract for advisory and assistance services to be entered into under the authority of this section, the contract period is to exceed 3 years and the contract amount is estimated to exceed $10,000,000 (including all options), the solicitation shall—

"(i) provide for a multiple award authorized under subparagraph (A); and

"(ii) include a statement that the agency head may also elect to award only one contract if the agency head determines in writing that only one of the offerers is capable of providing the services required at the level of quality required.

"(C) Subparagraph (B) does not apply in the case of a solicitation for which the agency head determines in writing that, because the services required under the contract are unique or highly specialized, it is not practicable to award more than one contract.

"(5) A contract referred to in subsection (a) shall contain the same information that is required by paragraph (3) to be included in the solicitation of offers for that contract.

"(d) ORDER PROCEDURES.—(1) The following actions are not required for a task order issued under a contract entered into in accordance with this section:

"(A) A separate notice for such order under section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) or section 8(e) of the Small Business Act (15 U.S.C. 637(e)).

"(B) Except as provided in paragraph (2), a competition (or a waiver of competition approved in accordance with section 303(f)) that is separate from that used for entering into the contract.

"(2)(A) When multiple contracts are awarded pursuant to subsection (c)(4), all contractors awarded such contracts shall be provided a fair opportunity to be considered, pursuant to procedures set forth in the contracts, for each task order in excess of $2,500 that is to be issued under any of the contracts unless—

"(i) the agency's need for the services ordered is of such unusual urgency that competition would result in unacceptable delays in fulfilling the agency's needs;

"(ii) only one such contractor is capable of providing the services required at the level of quality required because the services ordered are unique or highly specialized;

"(iii) the task order should be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to a task order already issued on a competitive basis; or

"(iv) the order must be placed with a particular contractor in order to satisfy a minimum guarantee.

"(B) When a task order is issued in accordance with subparagraph (A), the order shall include a statement of work that clearly specifies all tasks to be performed under the order.

"(3) A protest is not authorized in connection with the issuance or proposed issuance of a task order except for a protest on the ground that the order increases the scope, period, or maximum value of the contract under which the order is issued.

"(e) INCREASES IN SCOPE, PERIOD, OR MAXIMUM VALUE OF CONTRACT.—(1) A task order may not increase the scope, period, or maximum value of the contract under which the order is issued. The scope, period, or maximum value of the contract may be increased only by modification of the contract.

"(2) Unless use of procedures other than competitive procedures is authorized by an exception in subsection (c) of section 303 and approved in accordance with subsection (f) of such section, competitive procedures shall be used for making such a modification.

"(3) Notice regarding the modification shall be provided in accordance with section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)).

"(4)(A) Notwithstanding the limitation on the contract period set forth in subsection (b) or in a solicitation or contract pursuant to subsection (c), a contract entered into by the head of an agency under this section may be extended on a sole-source basis for a period not exceeding 6 months if the agency head determines that—

"(i) the award of a follow-on contract has been delayed by circumstances that were not reasonably foreseeable at the time the initial contract was entered into; and

"(ii) the extension is necessary in order to ensure continuity of the receipt of services pending the award of, and commencement of performance under, the follow-on contract.

"(B) A contract may be extended under the authority of subparagraph (A) only once and only in accordance with the limitations and requirements of this subsection.

"(f) TASK ORDER OMBUDSMAN.—Each agency head who awards multiple contracts pursuant to subsection (c)(4) shall appoint or designate a task order ombudsman who shall be responsible for reviewing complaints from the contractors on such contracts and ensuring that all of the contractors are afforded a fair opportunity to be considered for task orders when required under subsection (d)(2). The task order ombudsman shall be a senior agency official who is independent of the contracting officer for the contracts and may be the agency's competition advocate.

"(g) INAPPLICABILITY TO CERTAIN CONTRACTS.—This section does not apply to a contract for the acquisition of property or services that includes acquisition of advisory and assistance services if the agency head entering into such contract determines that, under the contract, advisory and assistance services are necessarily incident to, and not a significant component of, the contract.

"(h) RELATIONSHIP TO OTHER CONTRACTING AUTHORITY.—Nothing in this section may be construed to limit the authority of the head of an agency to enter into single or multiple task order contracts, or single or multiple delivery order contracts, for goods or services (other than advisory and assistance services) under other provisions of this title or under any other provision of law.

"(i) ADVISORY AND ASSISTANCE SERVICES DEFINED.—In this section, the term 'advisory and assistance services' has the meaning given such term in section 1105(g) of title 31, United States Code.".

(b) CLERICAL AMENDMENT.—The table of contents in the first section is amended by inserting after the item relating to section 303G the following new item:

"Sec. 303H. Task order contracts for advisory and assistance services.".

SEC. 41055. ACQUISITION OF EXPERT SERVICES.

(a) EXCEPTION TO REQUIREMENT FOR USE OF COMPETITIVE PROCEDURES.—Section 303(c)(3) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)) is amended—

(1) by striking out "or (B)" and inserting in lieu thereof "(B)"; and

(2) by inserting before the semicolon at the end the following: ", or (C) to procure the services of an expert for use, in any litigation or dispute (including any reasonably foreseeable litigation or dispute) involving the Federal Government, in any trial, hearing, or proceeding before any court, administrative tribunal, or agency, or in any part of an alternative dispute resolution process, whether or not the expert is expected to testify".

(b) PROCUREMENT NOTICE.—

(1) AMENDMENT OF OFFICE OF FEDERAL PROCUREMENT POLICY ACT.—Section 18(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(c)) is amended—

(A) by striking out "or" at the end of subparagraph (D);

(B) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof "; or"; and

(C) by adding at the end the following:

"(F) the procurement is for the services of an expert for use in any litigation or dispute (including any reasonably foreseeable litigation or dispute) involving the Federal Government in any trial, hearing, or proceeding before any court, administrative tribunal, or agency, or in any part of an alternative dispute resolution process, whether or not the expert is expected to testify.".

(2) AMENDMENT OF SMALL BUSINESS ACT.—Section 8(g) of the Small Business Act (15 U.S.C. 637(c)) is amended—

(A) by striking out "or" at the end of subparagraph (D);

(B) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof "; or"; and

(C) by adding at the end the following:

"(F) the procurement is for the services of an expert for use in any litigation or dispute (including preparation for any foreseeable litigation or dispute) that involves or could involve the Federal Government in any trial, hearing, or proceeding before any court, administrative tribunal, or agency, or in any part of an alternative dispute resolution process, whether or not the expert is expected to testify.".

(c) REPEAL OF AMENDMENTS TO UNCODIFIED TITLE.—The following provisions of law are repealed:

(1) Section 532 of Public Law 101-509 (104 Stat. 1470) and the provision of law set out in quotes in that section.

(2) Section 529 of Public Law 102-393 (106 Stat. 1761) and the matters inserted and added by that section.

SEC. 41056. CONTINUED OCCUPANCY OF LEASED SPACE.

Section 303(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(d)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

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

"(2)(A) For the purposes of applying subsection (c)(1) in the case of a follow-on lease to be entered into for the purpose of providing for continued occupancy of particular space in leased real property by a Federal agency, space may be treated as being available only from the lessor of such space and may be acquired through the use of procedures other than competitive procedures (without the justification otherwise required by subsection (f)) if a written determination is made by the contracting officer that—

"(i) the occupying agency has a continuing need for the space;

"(ii) the space meets the needs of the agency; and

"(iii) the lessor is willing to continue to provide the space at a fair market price determined by the contracting officer on the basis of a market survey or an appraisal conducted in accordance with generally accepted real property appraisal standards.

"(B) The authority under subparagraph (A) to use procedures other than competitive procedures to enter into a follow-on lease may be exercised not more than once to provide for continued occupancy of particular space in real property by a particular Federal agency. The period of such follow-on lease may not exceed 5 years.

"(C) Nothing in this paragraph may be construed to prohibit the use of procedures other than competitive procedures to enter into a follow-on lease of real property for continued occupancy of particular space in real property by a Federal agency when an exception set forth in subsection (c) applies and the use of such procedures is justified and approved in accordance with subsection (f).".

Subpart B—Planning, Solicitation, Evaluation, and Award

SEC. 41061. SOLICITATION, EVALUATION, AND AWARD.

(a) CONTENT OF SOLICITATION.—Section 303A of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253a) is amended—

(1) in subsection (b)(1)(A)—

(A) by inserting "and significant subfactors" after "all significant factors"; and

(B) by striking out "(including price)" and inserting "(including cost or price, cost-related or price-related factors and subfactors, and noncost-related or nonprice-related factors and subfactors)";

(2) in subsection (b)(1)(B), by inserting "and subfactors" after "factors";

(3) in subsection (b)(2)(B), by striking out clause (i) and inserting in lieu thereof the following:

"(i) either a statement that the proposals are intended to be evaluated with, and award made after, discussions with the offerors, or a statement that the proposals are intended to be evaluated, and award made, without discussions with the offerors (other than discussions conducted for the purpose of minor clarification) unless discussions are determined to be necessary; and"; and

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

"(c)(1) In prescribing the evaluation factors to be included in each solicitation for competitive proposals, an agency head—

"(A) shall clearly establish the relative importance assigned to the evaluation factors and subfactors, including the quality of the product or services to be provided (including technical capability, management capability, prior experience, and past performance of the offeror);

"(B) shall include cost or price to the Government as an evaluation factor that must be considered in the evaluation of proposals; and

"(C) shall disclose to offerors whether all evaluation factors other than cost or price, when combined, are—

"(i) significantly more important than cost or price;

"(ii) approximately equal in importance to cost or price; or

"(iii) significantly less important than cost or price.

"(2) Nothing in this subsection prohibits an agency from—

"(A) providing additional information in a solicitation, including numeric weights for all evaluation factors; or

"(B) stating in a solicitation that award will be made to the offeror that meets the solicitation's mandatory requirements at the lowest price or cost.".

(b) EVALUATION AND AWARD.—Section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b) is amended—

(1) in subsection (a), by inserting ", and award a contract," after "competitive proposals";

(2) in subsection (c), by inserting "in accordance with subsection (a)" in the second sentence after "shall evaluate the bids"; and

(3) in subsection (d)—

(A) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) An agency head shall evaluate competitive proposals in accordance with subsection (a) and may award a contract—

"(A) after discussions with the offerors, provided that written or oral discussions have been conducted with all responsible offerors who submit proposals within the competitive range; or

"(B) based on the proposals received and without discussions with the offerors (other than discussions conducted for the purpose of minor clarification), provided that, as required by section 303A(b)(2)(B)(i), the solicitation included a statement that proposals are intended to be evaluated, and award made, without discussions, unless discussions are determined to be necessary.";

(B) by striking out paragraphs (2) and (3) and by redesignating paragraph (4) as paragraph (2); and

(C) in paragraph (2), as redesignated by subparagraph (B), by inserting "cost or" before "price" in the first sentence.

(c) APPLICABILITY.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to—

(A) solicitations for sealed bids or competitive proposals issued after the end of the 180-day period beginning on the date of the enactment of this division; and

(B) contracts awarded pursuant to those solicitations.

(2) AUTHORITY TO APPLY AMENDMENTS EARLY.—The head of an executive agency may apply the amendments made by this section to solicitations issued before the end of the period referred to in paragraph (1). The head of the executive agency shall publish in the Federal Register notice of any such earlier date of application at least 10 days before that date.

SEC. 41062. SOLICITATION PROVISION REGARDING EVALUATION OF PURCHASE OPTIONS.

Section 303A of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253a), as amended by section 41061(a)(4), is further amended by adding at the end the following new subsection:

"(d) An agency head, in issuing a solicitation for a contract to be awarded using sealed bid procedures, may not include in such solicitation a clause providing for the evaluation of prices for options to purchase additional property or services under the contract unless the agency head has determined that there is a reasonable likelihood that the options will be exercised.".

SEC. 41063. PROMPT NOTICE OF AWARD.

(a) SEALED BID PROCEDURES.—Subsection (c) of section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b) is amended by adding at the end the following: "As soon as practicable after the date of contract award, the agency head shall, in accordance with procedures prescribed in the Federal Acquisition Regulation, notify all offerors not awarded the contract that the contract has been awarded.".

(b) COMPETITIVE PROPOSALS PROCEDURES.—Paragraph (2) of section 303B(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b(d)), as redesignated by section 41061(b)(3)(B), is amended in the second sentence by striking out "source and shall promptly notify" and inserting in lieu thereof "source. As soon as practicable after the date of contract award, the agency head shall, in accordance with procedures prescribed in the Federal Acquisition Regulation, notify".

SEC. 41064. POST-AWARD DEBRIEFINGS.

Section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b) is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following new subsection (e):

"(e)(1) When a contract is awarded by the head of an executive agency on the basis of competitive proposals, an unsuccessful offeror, upon written request received by the agency within 3 days after the date on which the unsuccessful offeror receives the notification of the contract award, shall be debriefed and furnished the basis for the selection decision and contract award. An employee of the executive agency shall debrief the offeror promptly after receipt of the request by the agency.

"(2) The debriefing shall include, at a minimum—

"(A) the executive agency's evaluation of the significant weak or deficient factors in the offeror's offer;

"(B) the overall evaluated cost and technical rating of the offer of the contractor awarded the contract and the overall evaluated cost and technical rating of the offer of the debriefed offeror;

"(C) the overall ranking of all offers;

"(D) a summary of the rationale for the award;

"(E) in the case of a proposal for a commercial item other than a commercial component, the make and model of the item being provided in accordance with the offer of the contractor awarded the contract; and

"(F) reasonable responses to questions posed by the debriefed offeror as to whether source selection procedures set forth in the solicitation, applicable regulations, and other applicable authorities were followed by the executive agency.

"(3) The debriefing may not include point-by-point comparisons of the debriefed offeror's offer with other offers and may not disclose any information that is exempt from disclosure under section 552 of title 5, United States Code, including information relating to—

"(A) trade secrets;

"(B) privileged or confidential manufacturing processes and techniques; and

"(C) commercial and financial information that is privileged or confidential, including cost breakdowns, profit, indirect cost rates, and similar information.

"(4) Each solicitation for competitive proposals shall include a statement that information described in paragraph (2) may be disclosed in post-award debriefings.

"(5) If, within one year after the date of the contract award and as a result of a successful procurement protest or otherwise, the executive agency seeks to fulfill the requirement under the contract either on the basis of a new solicitation of offers or on the basis of new best and final offers requested for that contract, the agency head shall make available to all offerors—

"(A) the information provided in debriefings under this subsection regarding the offer of the contractor awarded the contract; and

"(B) the same information that would have been provided to the original offerors.

"(6) The contracting officer shall include a summary of the debriefing in the contract file.".

SEC. 41065. PROTEST FILE.

Section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b), as amended by section 41064(1), is further amended by adding at the end the following:

"(h)(1) If, in the case of a solicitation for a contract issued by, or an award or proposed award of a contract by, an agency head, a protest is filed pursuant to the procedures in subchapter V of chapter 35 of title 31, United States Code, and an actual or prospective offeror so requests, a file of the protest shall be established by the procuring activity and reasonable access shall be provided to actual or prospective offerors.

"(2) Information exempt from disclosure under section 552 of title 5, United States Code, may be redacted in a file established pursuant to paragraph (1) unless an applicable protective order provides otherwise.

"(3) Regulations implementing this subsection shall be consistent with the regulations regarding the preparation and submission of an agency's protest file (the so-called 'rule 4 file') for protests to the General Services Board of Contract Appeals under section 111 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 759).".

SEC. 41066. AWARD OF COSTS AND FEES IN AGENCY SETTLEMENT OF PROTESTS.

Section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b), as amended by section 41065, is further amended by adding at the end the following new subsection:

"(i) If, in connection with a protest, an agency head determines that a solicitation, proposed award, or award does not comply with the requirements of law or regulation, the agency head may take—

"(1) any action set out in subparagraphs (A) through (F) of subsection (b)(1) of section 3554 of title 31, United States Code; and

"(2) may pay costs described in paragraph (1) of section 3554(c) of such title within the limits referred to in paragraph (2) of such section.".

SEC. 41067. TWO-PHASE SELECTION PROCEDURES.

(a) PROCEDURES AUTHORIZED.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), as amended by section 41054, is further amended by inserting after section 303H the following new section:

"TWO-PHASE SELECTION PROCEDURES

"SEC. 303I. (a) PROCEDURES AUTHORIZED.—The head of an executive agency may use two-phase selection procedures for entering into a contract for the acquisition of property or services (other than a construction contract) when the agency head determines that three or more offers will be received for such contract, substantial design work must be performed before an offeror can develop a price or cost proposal for such contract, and the offerors will incur a substantial amount of expenses in preparing the offers.

"(b) PROCEDURES DESCRIBED.—Two-phase selection procedures consist of the following:

"(1) The agency head solicits proposals that—

"(A) include information on the offerors'—

"(i) technical approach; and

"(ii) technical qualifications; and

"(B) do not include—

"(i) detailed design information; or

"(ii) cost or price information.

"(2) The agency head evaluates the proposals on the basis of evaluation criteria set forth in the solicitation, except that the agency head does not consider cost-related or price-related evaluation factors.

"(3) The agency head selects at least three offerors as the most highly qualified to provide the property or services under the contract and requests the selected offerors to submit competitive proposals that include cost or price information.

"(4) The agency head awards the contract in accordance with section 303B(d).

"(c) SOLICITATION TO STATE NUMBER OF OFFERORS TO BE SELECTED FOR PHASE TWO REQUESTS FOR COMPETITIVE PROPOSALS.—A solicitation issued pursuant to subsection (b)(1) shall state the maximum number of offerors that are to be selected to submit competitive proposals pursuant to subsection (b)(3).

"(d) RESOURCE COMPARISON CRITERION REQUIRED.—In using two-phase selection procedures for entering into a contract, the agency head shall establish a resource criterion or a financial criterion applicable to the contract in order to provide a consistent basis for comparing the offerors and their proposals.".

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act, as amended by section 41054, is further amended by inserting after the item relating to section 303H the following new item:

"Sec. 303I. Two-phase selection procedures.".

Subpart C—Kinds of Contracts

SEC. 41071. AGENCY HEAD DETERMINATION REGARDING USE OF COST TYPE OR INCENTIVE CONTRACT.

Section 304(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254(b)) is amended by striking out the second sentence.

SEC. 41072. MULTIYEAR CONTRACTING AUTHORITY.

(a) AUTHORITY.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), as amended by section 41067, is further amended by inserting after section 303I the following new section:

"MULTIYEAR CONTRACTS

"SEC. 303J. (a) AUTHORITY.—The head of an executive agency may enter into a multiyear contract for the acquisition of property or services if—

"(1) funds are available and obligated for such contract, for the full period of the contract or for the first fiscal year in which the contract is in effect, and for the estimated costs associated with any necessary termination of such contract; and

"(2) the agency head determines that—

"(A) the need for the property or services is reasonably firm and continuing over the period of the contract; and

"(B) a multiyear contract will serve the best interests of the United States by encouraging effective competition or promoting economy in administration, performance, and operation of the agency's programs.

"(b) TERMINATION CLAUSE.—A multiyear contract entered into under the authority of this section shall include a clause that provides that the contract shall be terminated if funds are not made available for the continuation of such contract in any fiscal year covered by the contract. Amounts available for paying termination costs shall remain available for such purpose until the costs associated with termination of the contract are paid.

"(c) RULE OF CONSTRUCTION.—Nothing in this section is intended to modify or affect any other provision of law that authorizes multiyear contracts.".

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act, as amended by section 41067, is further amended by inserting after the item relating to section 303I the following new item:

"Sec. 303J. Multiyear contracts.".

SEC. 41073. SEVERABLE SERVICES CONTRACTS CROSSING FISCAL YEARS.

(a) AUTHORITY.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), as amended by section 41072, is further amended by inserting after section 303J the following new section:

"SEVERABLE SERVICES CONTRACTS FOR PERIODS CROSSING FISCAL YEARS

"SEC. 303K. (a) AUTHORITY.—The head of an executive agency may enter into a contract for procurement of severable services for a period that begins in one fiscal year and ends in the next fiscal year if (without regard to any option to extend the period of the contract) the contract period does not exceed one year.

"(b) OBLIGATION OF FUNDS.—Funds made available for a fiscal year may be obligated

for the total amount of a contract entered into under the authority of subsection (a).".

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act, as amended by section 41072, is further amended by inserting after the item relating to section 303J the following new item:

"Sec. 303K. Severable services contracts for periods crossing fiscal years.".

SEC. 41074. ECONOMY ACT PURCHASES.

(a) REGULATIONS REQUIRED.—Not later than six months after the date of the enactment of this division, the Federal Acquisition Regulation shall be revised to include regulations governing the exercise of the authority under section 1535 of title 31, United States Code, for Federal agencies to purchase goods and services under contracts entered into or administered by other agencies.

(b) CONTENT OF REGULATIONS.—The regulations prescribed pursuant to subsection (a) shall—

(1) require that each purchase described in subsection (a) be approved in advance by a contracting officer of the ordering agency with authority to contract for the goods or services to be purchased or by another official in a position specifically designated by regulation to approve such purchase;

(2) provide that such a purchase of goods or services may be made only if—

(A) the purchase is appropriately made under a contract that the agency filling the purchase order entered into, before the purchase order, in order to meet the requirements of such agency for the same or similar goods or services;

(B) the agency filling the purchase order is better qualified to enter into or administer the contract for such goods or services by reason of capabilities or expertise that is not available within the ordering agency; or

(C) the agency or unit filling the order is specifically authorized by law or regulations to purchase such goods or services on behalf of other agencies;

(3) prohibit any such purchase under a contract or other agreement entered into or administered by an agency not covered by the provisions of chapter 137 of title 10, United States Code, or title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) and not covered by the Federal Acquisition Regulation unless the purchase is approved in advance by the senior procurement official responsible for purchasing by the ordering agency; and

(4) prohibit any payment to the agency filling a purchase order of any fee that exceeds the actual cost or, if the actual cost is not known, the estimated cost of entering into and administering the contract or other agreement under which the order is filled.

(c) MONITORING SYSTEM REQUIRED.—The Administrator for Federal Procurement Policy shall ensure that, not later than one year after the date of the enactment of this division, systems for collecting and evaluating procurement data are capable of collecting and evaluating appropriate data on procurements conducted under the regulations prescribed pursuant to subsection (a).

(d) TERMINATION.—This section shall cease to be effective one year after the date on which final regulations prescribed pursuant to subsection (a) take effect.

PART III—ACQUISITIONS GENERALLY

SEC. 41091. POLICY REGARDING CONSIDERATION OF CONTRACTOR PAST PERFORMANCE.

(a) POLICY.—Section 2 of the Office of Federal Procurement Policy Act (41 U.S.C. 401) is amended—

(1) by striking out "and" at the end of paragraph (12);

(2) by striking out the period at the end of paragraph (13) and inserting in lieu thereof "; and"; and

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

"(14) establishing policies and procedures that encourage the consideration of contractors' past performance in the selection of contractors.".

(b) GUIDANCE REQUIRED.—Section 6 of the Office of Federal Procurement Policy Act (41 U.S.C. 405) is amended by adding at the end the following:

"(j)(1) Congress makes the following findings:

"(A) Past contract performance of an offeror is one of the relevant factors that contracting officials of executive agencies should consider in entering into contracts.

"(B) It is appropriate for a contracting official to consider past contract performance of an offeror as an indicator of the likelihood that the offeror will successfully perform a contract to be entered into by that official.

"(2) The Administrator shall prescribe for executive agencies guidance regarding consideration of the past contract performance of offerors in awarding contracts. The guidance shall include—

"(A) standards for evaluating past performance with respect to cost (when appropriate), schedule, compliance with technical or functional specifications, and other relevant performance factors that facilitate consistent and fair evaluation by all executive agencies;

"(B) policies for the collection and maintenance of information on past contract performance that, to the maximum extent practicable, facilitate automated collection, maintenance, and dissemination of information and provide for ease of collection, maintenance, and dissemination of information by other methods, as necessary; and

"(C) policies for ensuring that—

"(i) offerors are afforded an opportunity to submit relevant information on past contract performance, including performance under contracts entered into by the executive agency concerned, contracts entered into by other departments and agencies of the Federal Government, contracts entered into by agencies of State and local governments, and contracts entered into by commercial customers; and

"(ii) such information submitted by offerors is considered.

"(3) The Administrator shall prescribe for all executive agencies guidance regarding the period for which information on past performance of offerors should be maintained and considered.

"(4) In the case of an offeror regarding whom there is no information on past contract performance or regarding whom information on past contract performance is not available, the offeror may not be evaluated favorably or unfavorably on the factor of past contract performance.".

SEC. 41092. REPEAL OF REQUIREMENT FOR ANNUAL REPORT ON COMPETITION.

Section 23 of the Office of Federal Procurement Policy Act (41 U.S.C. 419) is repealed.

Subtitle B—Truth in Negotiations

PART I—ARMED SERVICES ACQUISITIONS

SEC. 41101. STABILIZATION OF DOLLAR THRESHOLD OF APPLICABILITY.

(a) REPEAL OF REVERSION TO LOWER THRESHOLD.—Paragraph (1)(A) of section 2306a(a) of title 10, United States Code, is amended—

(1) in clause (i), by striking out "and before January 1, 1996,"; and

(2) in clause (ii), by striking out "or after December 31, 1995,".

(b) ADJUSTMENTS FOR CHANGES IN DOLLAR VALUES.—Section 2306a(a) of such title is amended by adding at the end the following new subparagraph:

"(7) Effective on October 1 of each year that is divisible by 5, each amount set forth in paragraph (1) shall be adjusted to the amount that is equal to the fiscal year 1994 constant dollar value of the amount set forth. Any amount, as so adjusted, that is not evenly divisible by $50,000 shall be rounded to the nearest multiple of $50,000. In the case of an amount that is evenly divisible by $25,000 but not evenly divisible by $50,000, the amount shall be rounded to the next higher multiple of $50,000.".

SEC. 41102. EXCEPTIONS TO COST OR PRICING DATA REQUIREMENTS.

(a) EXCEPTIONS STATED.—Subsection (b) of section 2306a of title 10, United States Code, is amended to read as follows:

"(b) EXCEPTIONS.—(1) Submission of cost and pricing data shall not be required under subsection (a)—

"(A) in the case of a contract, a subcontract, or a contract or subcontract modification, for which the price agreed upon is based on—

"(i) adequate price competition;

"(ii) established catalog or market prices of commercial items or of services customarily used for other than Government purposes, as the case may be, that are sold in substantial quantities to the general public; or

"(iii) prices set by law or regulation; or

"(B) in an exceptional case when the head of the agency concerned determines that the requirements of this section may be waived and states in writing the reasons for such determination.

"(2) Submission of cost and pricing data shall not be required under subsection (a) in the case of a modification of a contract or subcontract for a commercial item if—

"(A) the contract or subcontract being modified is a contract or subcontract for which submission of cost and pricing data may not be required by reason of paragraph (1)(A);

"(B) the modification is not a case in which paragraph (1)(A) prohibits the head of an agency from requiring submission of cost and pricing data; and

"(C) the modification would not change the contract or subcontract, as the case may be, from a contract or subcontract for the acquisition of a commercial item to a contract or subcontract for the acquisition of a noncommercial item.".

(b) CONFORMING AMENDMENT TO REFERENCE.—Subsection (a)(5) of such section is amended by striking out "subsection (b)(2)" and inserting in lieu thereof "subsection (b)(1)(B)".

SEC. 41103. LIMITATION ON AUTHORITY TO REQUIRE A SUBMISSION NOT OTHERWISE REQUIRED.

Subsection (c) of section 2306a of title 10, United States Code, is amended to read as follows:

"(c) LIMITATION ON AUTHORITY TO REQUIRE COST OR PRICING DATA.—When cost or pricing data are not required to be submitted under this section by reason of a $500,000 threshold set forth in subsection (a) (as adjusted pursuant to paragraph (7) of such subsection) or by reason of an exception set forth in paragraph (1)(A) or (2) of subsection (b), submission of such data may not be required unless the head of an agency concerned determines that such data are necessary for the evaluation by the agency of the reasonableness of the price of the contract or subcontract to which

the data relate. In any case in which the head of an agency requires such data to be submitted in accordance with the preceding sentence, the agency head shall document in writing the reasons for such requirement.".

SEC. 41104. ADDITIONAL SPECIAL RULES FOR COMMERCIAL ITEMS.

Section 2306a of title 10, United States Code, is amended—

(1) by redesignating subsections (d), (e), (f), and (g) as subsections (e), (f), (g), and (i), respectively; and

(2) by inserting after subsection (c) the following new subsection (d):

"(d) ADDITIONAL EXCEPTION PROVISIONS REGARDING COMMERCIAL ITEMS.—(1) To the maximum extent practicable, the head of an agency shall conduct procurements of commercial items on a competitive basis.

"(2) In any case in which it is not practicable to conduct a procurement of a commercial item on a competitive basis and the procurement is not covered by an exception in subsection (b), the contracting officer shall nonetheless exempt a contract, subcontract, or modification of a contract or subcontract under the procurement from the requirements of subsection (a) if the contracting officer obtains, in accordance with standards and procedures set forth in the Federal Acquisition Regulation, information on prices at which the same or similar items have been sold in the commercial market that is adequate for evaluating the reasonableness of the price of the contract or subcontract for a commercial item, or the contract or subcontract modification, as the case may be. The contracting officer may obtain such information from the offeror or contractor or, when such information is not available from that source, from another source or sources.

"(3)(A) In accordance with procedures prescribed in the Federal Acquisition Regulation, the head of an agency shall have the right to examine all information provided by an offeror, contractor, or subcontractor pursuant to paragraph (2) and all books and records of such offeror, contractor, or subcontractor that directly relate to such information in order to determine whether the agency is receiving accurate information required under this section.

"(B) The right under subparagraph (A) shall expire 3 years after the date of award of the contract, or 3 years after the date of the modification of the contract, with respect to which the information was provided.".

SEC. 41105. RIGHT OF UNITED STATES TO EXAMINE CONTRACTOR RECORDS.

Section 2306a of title 10, United States Code, is amended by striking out subsection (g), as redesignated by section 41104(1), and inserting in lieu thereof the following:

"(g) RIGHT OF UNITED STATES TO EXAMINE CONTRACTOR RECORDS.—For the purpose of evaluating the accuracy, completeness, and currency of cost or pricing data required to be submitted by this section, the head of an agency shall have the rights provided by section 2313 of this title.".

SEC. 41106. REQUIRED REGULATIONS.

Section 2306a of title 10, United States Code, as amended by sections 41104 and 41105, is further amended by inserting after subsection (g) the following new subsection:

"(h) REQUIRED REGULATIONS.—The Secretary shall prescribe regulations concerning the types of information that offerors must submit for a contracting officer to consider in determining whether the price of a procurement to the Government is fair and reasonable when certified cost or pricing data are not required to be submitted under this section because the price of the procurement to the United States is not expected to exceed an applicable $500,000 threshold set forth in subsection (a) (as adjusted pursuant to paragraph (7) of such subsection). Such information, at a minimum, shall include appropriate information on the prices at which the same or similar items have previously been sold that is adequate for evaluating the reasonableness of the price of the proposed contract or subcontract for the procurement.".

SEC. 41107. CONSISTENCY OF TIME REFERENCES.

Section 2306a of title 10, United States Code, as amended by section 41104(1), is further amended—

(1) in subparagraphs (A)(ii) and (B)(ii) of subsection (e)(4), by inserting "or, if applicable consistent with paragraph (1)(B), another date agreed upon between the parties," after "(or price of the modification)"; and

(2) in subsection (i), by inserting "or, if applicable consistent with subsection (d)(1)(B), another date agreed upon between the parties" after "(or the price of a contract modification)".

SEC. 41108. EXCEPTION FOR TRANSFERS BETWEEN DIVISIONS, SUBSIDIARIES, AND AFFILIATES.

Subsection (i) of section 2306a of title 10, United States Code, as redesignated by section 41104(1), is amended to read as follows:

"(i) DEFINITIONS.—In this section:

"(1) The term 'cost or pricing data' means all facts that, as of the date of agreement on the price of a contract (or the price of a contract modification), a prudent buyer or seller would reasonably expect to affect price negotiations significantly. Such term does not include information that is judgmental, but does include the factual information from which a judgment was derived.

"(2) The term 'subcontract' includes a transfer of commercial items between divisions, subsidiaries, or affiliates of a contractor.".

SEC. 41109. REPEAL OF SUPERSEDED PROVISION.

Subsections (b) and (c) of section 803 of Public Law 101-510 (10 U.S.C. 2306a note) are repealed.

PART II—CIVILIAN AGENCY ACQUISITIONS

SEC. 41151. REVISION OF CIVILIAN AGENCY PROVISIONS TO ENSURE UNIFORM TREATMENT OF COST OR PRICING DATA.

(a) IN GENERAL.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) is amended—

(1) in section 304, by striking out subsection (d); and

(2) by inserting after section 304 the following new section:

"COST OR PRICING DATA: TRUTH IN NEGOTIATIONS

"SEC. 304A. (a) REQUIRED COST OR PRICING DATA AND CERTIFICATION.—(1) An agency head shall require offerors, contractors, and subcontractors to make cost or pricing data available as follows:

"(A) An offeror for a prime contract under this title to be entered into using procedures other than sealed-bid procedures shall be required to submit cost or pricing data before the award of a contract if—

"(i) in the case of a prime contract entered into after the date of the enactment of the Federal Acquisition Streamlining Act of 1994, the price of the contract to the United States is expected to exceed $500,000; and

"(ii) in the case of a prime contract entered into on or before the date of the enactment of the Federal Acquisition Streamlining Act of 1994, the price of the contract to the United States is expected to exceed $100,000.

"(B) The contractor for a prime contract under this chapter shall be required to submit cost or pricing data before the pricing of a change or modification to the contract if—

"(i) in the case of a change or modification made to a prime contract referred to in subparagraph (A)(i), the price adjustment is expected to exceed $500,000;

"(ii) in the case of a change or modification made to a prime contract that was entered into on or before the date of the enactment of the Federal Acquisition Streamlining Act of 1994, and that has been modified pursuant to paragraph (6), the price adjustment is expected to exceed $500,000; and

"(iii) in the case of a change or modification not covered by clause (i) or (ii), the price adjustment is expected to exceed $100,000.

"(C) An offeror for a subcontract (at any tier) of a contract under this title shall be required to submit cost or pricing data before the award of the subcontract if the prime contractor and each higher-tier subcontractor have been required to make available cost or pricing data under this section and—

"(i) in the case of a subcontract under a prime contract referred to in subparagraph (A)(i), the price of the subcontract is expected to exceed $500,000;

"(ii) in the case of a subcontract entered into under a prime contract that was entered into on or before the date of the enactment of the Federal Acquisition Streamlining Act of 1994, and that has been modified pursuant to paragraph (6), the price of the subcontract is expected to exceed $500,000; and

"(iii) in the case of a subcontract not covered by clause (i) or (ii), the price of the subcontract is expected to exceed $100,000.

"(D) The subcontractor for a subcontract covered by subparagraph (C) shall be required to submit cost or pricing data before the pricing of a change or modification to the subcontract if—

"(i) in the case of a change or modification to a subcontract referred to in subparagraph (C)(i) or (C)(ii), the price adjustment is expected to exceed $500,000; and

"(ii) in the case of a change or modification to a subcontract referred to in subparagraph (C)(iii), the price adjustment is expected to exceed $100,000.

"(2) A person required, as an offeror, contractor, or subcontractor, to submit cost or pricing data under paragraph (1) (or required by the agency head concerned to submit such data in accordance with subsection (c)) shall be required to certify that, to the best of the person's knowledge and belief, the cost or pricing data submitted are accurate, complete, and current.

"(3) Cost or pricing data required to be submitted under paragraph (1) (or in accordance with subsection (c)), and a certification required to be submitted under paragraph (2), shall be submitted—

"(A) in the case of a submission by a prime contractor (or an offeror for a prime contract), to the contracting officer for the contract (or to a designated representative of the contracting officer); or

"(B) in the case of a submission by a subcontractor (or an offeror for a subcontract), to the prime contractor.

"(4) Except as provided under subsection (b), this section applies to contracts entered into by an agency head on behalf of a foreign government.

"(5) For purposes of paragraph (1)(C), a contractor or subcontractor granted a waiver under subsection (b)(1)(B) shall be considered as having been required to make available cost or pricing data under this section.

"(6)(A) Upon the request of a contractor that was required to submit cost or pricing data under paragraph (1) in connection with a prime contract entered into on or before the date of the enactment of the Federal Acquisition Streamlining Act of 1994, the agency head that entered into such contract shall modify the contract to reflect subparagraphs (B)(ii) and (C)(ii) of paragraph (1). All such modifications shall be made without requiring consideration.

"(B) An agency head is not required to modify a contract under subparagraph (A) if that agency head determines that the submission of cost or pricing data with respect to that contract should be required in accordance with subsection (c).

"(7) Effective on October 1 of each year that is divisible by 5, each amount set forth in paragraph (1) shall be adjusted to the amount that is equal to the fiscal year 1994 constant dollar value of the amount set forth. Any amount, as so adjusted, that is not evenly divisible by $50,000 shall be rounded to the nearest multiple of $50,000. In the case of an amount that is evenly divisible by $25,000 but not evenly divisible by $50,000, the amount shall be rounded to the next higher multiple of $50,000.

"(b) EXCEPTIONS.—(1) Submission of cost and pricing data shall not be required under subsection (a)—

"(A) in the case of a contract, a subcontract, or a contract or subcontract modification, for which the price agreed upon is based on—

"(i) adequate price competition;

"(ii) established catalog or market prices of commercial items or of services customarily used for other than Government purposes, as the case may be, that are sold in substantial quantities to the general public; or

"(iii) prices set by law or regulation; or

"(B) in an exceptional case when the agency head concerned determines that the requirements of this section may be waived and states in writing the reasons for such determination.

"(2) Submission of cost and pricing data shall not be required under subsection (a) in the case of a modification of a contract or subcontract for a commercial item if—

"(A) the contract or subcontract being modified is a contract or subcontract for which submission of cost and pricing data may not be required by reason of paragraph (1)(A);

"(B) the modification is not a case in which paragraph (1)(A) prohibits the agency head from requiring submission of cost and pricing data; and

"(C) the modification would not change the contract or subcontract, as the case may be, from a contract or subcontract for the acquisition of a commercial item to a contract or subcontract for the acquisition of a noncommercial item.

"(c) LIMITATION ON AUTHORITY TO REQUIRE COST OR PRICING DATA.—When cost or pricing data are not required to be submitted under this section by reason of a $500,000 threshold set forth in subsection (a) (as adjusted pursuant to paragraph (7) of such subsection) or by reason of an exception in paragraph (1)(A) or (2) of subsection (b), submission of such data may not be required unless the agency head concerned determines that such data are necessary for the evaluation by the agency of the reasonableness of the price of the contract or subcontract to which the data relate. In any case in which the agency head requires such data to be submitted in accordance with the preceding sentence, the agency head shall document in writing the reasons for such requirement.

"(d) ADDITIONAL EXCEPTION PROVISIONS REGARDING COMMERCIAL ITEMS.—(1) To the maximum extent practicable, an agency head shall conduct procurements of commercial items on a competitive basis.

"(2) In any case in which it is not practicable to conduct a procurement of a commercial item on a competitive basis and the procurement is not covered by an exception in subsection (b), the contracting officer shall nonetheless exempt a contract, subcontract, or modification of a contract or subcontract under the procurement from the requirements of subsection (a) if the contracting officer obtains, in accordance with standards and procedures set forth in the Federal Acquisition Regulation, information on prices at which the same or similar items have been sold in the commercial market that is adequate for evaluating the reasonableness of the price of the contract or subcontract for a commercial item, or the contract or subcontract modification, as the case may be. The contracting officer may obtain such information from the offeror or contractor or, when such information is not available from that source, from another source or sources.

"(3)(A) In accordance with procedures prescribed in the Federal Acquisition Regulation, an agency head shall have the right to examine all information provided by an offeror, contractor, or subcontractor pursuant to paragraph (2) and all books and records of such offeror, contractor, or subcontractor that directly relate to such information in order to determine whether the agency is receiving accurate information required under this section.

"(B) The right under subparagraph (A) shall expire 3 years after the date of award of the contract, or 3 years after the date of the modification of the contract, with respect to which the information was provided.

"(e) PRICE REDUCTIONS FOR DEFECTIVE COST OR PRICING DATA.—(1)(A) A prime contract (or change or modification to a prime contract) under which a certificate under subsection (a)(2) is required shall contain a provision that the price of the contract to the United States, including profit or fee, shall be adjusted to exclude any significant amount by which it may be determined by the agency head that such price was increased because the contractor (or any subcontractor required to make available such a certificate) submitted defective cost or pricing data.

"(B) For the purposes of this section, defective cost or pricing data are cost or pricing data which, as of the date of agreement on the price of the contract (or another date agreed upon between the parties), were inaccurate, incomplete, or noncurrent. If for purposes of the preceding sentence the parties agree upon a date other than the date of agreement on the price of the contract, the date agreed upon by the parties shall be as close to the date of agreement on the price of the contract as is practicable.

"(2) In determining for purposes of a contract price adjustment under a contract provision required by paragraph (1) whether, and to what extent, a contract price was increased because the contractor (or a subcontractor) submitted defective cost or pricing data, it shall be a defense that the United States did not rely on the defective data submitted by the contractor or subcontractor.

"(3) It is not a defense to an adjustment of the price of a contract under a contract provision required by paragraph (1) that—

"(A) the price of the contract would not have been modified even if accurate, complete, and current cost or pricing data had been submitted by the contractor or subcontractor because the contractor or subcontractor—

"(i) was the sole source of the property or services procured; or

"(ii) otherwise was in a superior bargaining position with respect to the property or services procured;

"(B) the contracting officer should have known that the cost and pricing data in issue were defective even though the contractor or subcontractor took no affirmative action to bring the character of the data to the attention of the contracting officer;

"(C) the contract was based on an agreement between the contractor and the United States about the total cost of the contract and there was no agreement about the cost of each item procured under such contract; or

"(D) the prime contractor or subcontractor did not submit a certification of cost and pricing data relating to the contract as required under subsection (a)(2).

"(4)(A) A contractor shall be allowed to offset an amount against the amount of a contract price adjustment under a contract provision required by paragraph (1) if—

"(i) the contractor certifies to the contracting officer (or to a designated representative of the contracting officer) that, to the best of the contractor's knowledge and belief, the contractor is entitled to the offset; and

"(ii) the contractor proves that the cost or pricing data were available before the date of agreement on the price of the contract (or price of the modification), or, if applicable consistent with paragraph (1)(B), another date agreed upon between the parties, and that the data were not submitted as specified in subsection (a)(3) before such date.

"(B) A contractor shall not be allowed to offset an amount otherwise authorized to be offset under subparagraph (A) if—

"(i) the certification under subsection (a)(2) with respect to the cost or pricing data involved was known to be false when signed; or

"(ii) the United States proves that, had the cost or pricing data referred to in subparagraph (A)(ii) been submitted to the United States before the date of agreement on the price of the contract (or price of the modification) or, if applicable under paragraph (1)(B), another date agreed upon between the parties, the submission of such cost or pricing data would not have resulted in an increase in that price in the amount to be offset.

"(f) INTEREST AND PENALTIES FOR CERTAIN OVERPAYMENTS.—(1) If the United States makes an overpayment to a contractor under a contract with an executive agency subject to this section and the overpayment was due to the submission by the contractor of defective cost or pricing data, the contractor shall be liable to the United States—

"(A) for interest on the amount of such overpayment, to be computed—

"(i) for the period beginning on the date the overpayment was made to the contractor and ending on the date the contractor repays the amount of such overpayment to the United States; and

"(ii) at the current rate prescribed by the Secretary of the Treasury under section 6621 of the Internal Revenue Code of 1986; and

"(B) if the submission of such defective data was a knowing submission, for an additional amount equal to the amount of the overpayment.

"(2) Any liability under this subsection of a contractor that submits cost or pricing data but refuses to submit the certification required by subsection (a)(2) with respect to the cost or pricing data shall not be affected by the refusal to submit such certification.

"(g) RIGHT OF UNITED STATES TO EXAMINE CONTRACTOR RECORDS.—For the purpose of evaluating the accuracy, completeness, and currency of cost or pricing data required to be submitted by this section, the head of an agency shall have the rights provided by section 304B(a)(2).

"(h) REQUIRED REGULATIONS.—The Federal Acquisition Regulation shall include regulations concerning the types of information that offerors must submit for a contracting officer to consider in determining whether the price of a procurement to the Government is fair and reasonable when certified cost or pricing data are not required to be submitted under this section because the price of the procurement to the United States is not expected to exceed an applicable $500,000 threshold set forth in subsection (a) (as adjusted pursuant to paragraph (7) of such subsection). Such information, at a minimum, shall include appropriate information on the prices at which the same or similar items have previously been sold that is adequate for evaluating the reasonableness of the price of a proposed contract or subcontract for the procurement.

"(i) DEFINITIONS.—In this section:

"(1) The term 'cost or pricing data' means all facts that, as of the date of agreement on the price of a contract (or the price of a contract modification) or, if applicable consistent with subsection (e)(1)(B), another date agreed upon between the parties, a prudent buyer or seller would reasonably expect to affect price negotiations significantly. Such term does not include information that is judgmental, but does include the factual information from which a judgment was derived.

"(2) The term 'subcontract' includes a transfer of commercial items between divisions, subsidiaries, or affiliates of a contractor.".

(b) TABLE OF CONTENTS.—The table of contents in the first section of such Act is amended by inserting after the item relating to section 304 the following:

"Sec. 304A. Cost or pricing data: truth in negotiations.".

SEC. 41152. REPEAL OF OBSOLETE PROVISION.

(a) REPEAL.—Section 303E of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253e) is repealed.

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act is amended by striking out the item relating to section 303E.

Subtitle C—Research and Development

SEC. 41201. RESEARCH PROJECTS.

(a) AUTHORIZED MEANS.—Subsection (b) of section 2358 of title 10, United States Code, is amended to read as follows:

"(b) AUTHORIZED MEANS.—The Secretary of Defense or the Secretary of a military department may perform research and development projects—

"(1) by contract entered into with, grant made to, or cooperative agreement entered into with educational or research institutions, private businesses, or other persons in accordance with the provisions of chapter 63 of title 31;

"(2) through one or more military departments;

"(3) by using employees and consultants of the Department of Defense; or

"(4) by mutual agreement with the head of any other department or agency of the Federal Government.".

(b) CAPTION AMENDMENT.—The caption of subsection (c) of such section is amended by striking out "MILITARY" and inserting in lieu thereof "DEPARTMENT OF DEFENSE".

(c) ADVANCED RESEARCH PROJECTS.—

(1) RESTORATION AND REVISION OF FORMER STATEMENT OF AUTHORITY.—Section 2371 of title 10, United States Code, is amended—

(A) by redesignating subsections (a), (b), (c), (d), (e), and (f) as subsections (b), (c), (d), (e), (f), and (g), respectively; and

(B) by inserting before subsection (b), as so redesignated, the following new subsection (a):

"(a) The Secretary of Defense, acting through the Advanced Research Projects Agency and such other elements of the Department of Defense as the Secretary may designate, and the Secretary of each military department, in carrying out basic, applied, and advanced research projects, may enter into other transactions, in addition to contracts, grants, and cooperative agreements authorized by section 2358 of this title.".

(2) CONFORMING AMENDMENTS.—Such section, as amended by paragraph (1), is further amended—

(A) in subsection (b)—

(i) in paragraph (1), by inserting "or subsection (a)" after "section 2358 of this title"; and

(ii) in paragraph (2), by striking out "subsection (d)" and inserting in lieu thereof "subsection (e)";

(B) in subsection (c), by inserting "section 2358 of this title or" after "under";

(C) in subsection (d)—

(i) in paragraph (1), by striking out "this section" and inserting in lieu thereof "section 2358 of this title or subsection (a)"; and

(ii) in paragraph (3), by striking out "this section" and inserting in lieu thereof "section 2358 of this title or subsection (a)";

(D) in subsection (e), by inserting "or subsection (a)" in the first sentence after "section 2358 of this title"; and

(E) in subsection (f)—

(i) in the first sentence, by striking out "under this section" and inserting in lieu thereof "under section 2358 of this title or subsection (a)";

(ii) in paragraph (4), by striking out "subsection (a)" and inserting in lieu thereof "subsection (b)"; and

(iii) in paragraph (5), by striking out "subsection (d)" and inserting in lieu thereof "subsection (e)".

SEC. 41202. ELIMINATION OF INFLEXIBLE TERMINOLOGY REGARDING COORDINATION AND COMMUNICATION OF DEFENSE RESEARCH ACTIVITIES.

Section 2364 of title 10, United States Code, is amended—

(1) in subsection (b)(5), by striking out "milestone 0, milestone I, and milestone II decisions" and inserting in lieu thereof "acquisition program decisions"; and

(2) in subsection (c), by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) The term 'acquisition program decisions' has the meaning given such term in regulations prescribed by the Secretary of Defense for the purposes of this section.".

Subtitle D—Procurement Protests

PART I—PROTESTS TO THE COMPTROLLER GENERAL

SEC. 41301. PROTEST DEFINED.

Paragraph (1) of section 3551 of title 31, United States Code, is amended to read as follows:

"(1) 'protest' means a written objection by an interested party—

"(i) to a solicitation or other request by a Federal agency for offers for a contract for the procurement of property or services;

"(ii) to the cancellation of such a solicitation or other request;

"(iii) to an award or proposed award of such a contract; or

"(iv) to a termination or cancellation of an award of such a contract, if the written objection contains an allegation that the termination or cancellation is based in whole or in part on improprieties concerning the award of the contract;".

SEC. 41302. REVIEW OF PROTESTS AND EFFECT ON CONTRACTS PENDING DECISION.

(a) PERIODS FOR CERTAIN ACTIONS.—Section 3553 of title 31, United States Code, is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking out "one working day of" and inserting in lieu thereof "one day after"; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking out "25 working days from" and inserting in lieu thereof "35 days after"; and

(ii) in subparagraph (C), by striking out "10 working days from" and inserting in lieu thereof "25 days after"; and

(2) in subsection (c)(3), by striking out "thereafter" and inserting in lieu thereof "after the making of such finding".

(b) SUSPENSION OF PERFORMANCE.—Subsection (d) of such section is amended to read as follows:

"(d)(1) A contractor awarded a Federal agency contract may, during the period described in paragraph (4), begin performance of the contract and engage in any related activities that result in obligations being incurred by the United States under the contract unless the contracting officer responsible for the award of the contract withholds authorization to proceed with performance of the contract.

"(2) The contracting officer may withhold an authorization to proceed with performance of the contract during the period described in paragraph (4) if the contracting officer determines in writing that—

"(A) a protest is likely to be filed; and

"(B) the immediate performance of the contract is not in the best interests of the United States.

"(3)(A) If the Federal agency awarding the contract receives notice of a protest in accordance with this section during the period described in paragraph (4)—

"(i) the contracting officer may not authorize performance of the contract to begin while the protest is pending; or

"(ii) if contract performance authorization to proceed was not withheld in accordance with paragraph (2) before receipt of the notice, the contracting officer shall immediately direct the contractor to cease performance under the contract and to suspend any related activities that may result in additional obligations being incurred by the United States under that contract.

"(B) Performance and related activities suspended pursuant to subparagraph (A)(ii) by reason of a protest may not be resumed while the protest is pending.

"(C) The head of the procuring activity may authorize the performance of the contract (notwithstanding a protest of which the Federal agency has notice under this section)—

"(i) upon a written finding that—

"(I) performance of the contract is in the best interests of the United States; or

"(II) urgent and compelling circumstances that significantly affect interests of the United States will not permit waiting for the decision of the Comptroller General concerning the protest; and

"(ii) after the Comptroller General is notified of that finding.

"(4) The period referred to in paragraphs (2) and (3)(A), with respect to a contract, is the period beginning on the date of the contract award and ending on the later of—

"(A) the date that is 10 days after the date of the contract award; or

"(B) the date that is 5 days after—

"(i) the debriefing date offered to an unsuccessful offeror for any debriefing that is requested and, when requested, is required; or

"(ii) in the case of a contract for which no debriefing is required, the date on which the unsuccessful offeror receives the notification of contract award.".

SEC. 41303. DECISIONS ON PROTESTS.

(a) PERIODS FOR CERTAIN ACTIONS.—Section 3554(a) of title 31, United States Code, is amended—

(1) in paragraph (1), by striking out "90 working days from" and inserting in lieu thereof "125 days after";

(2) in paragraph (2), by striking out "45 calendar days from" and inserting "65 days after";

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

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

"(3) An amendment to a protest that adds a new ground of protest, if timely made, should be resolved, to the maximum extent practicable, within the time limit established under paragraph (1) of this subsection for final decision of the initial protest. If an amended protest cannot be resolved within such time limit, the Comptroller General may resolve the amended protest through the express option under paragraph (2) of this subsection.".

(b) GAO RECOMMENDATIONS ON PROTESTS.—

(1) IMPLEMENTATION OF RECOMMENDATIONS.—Section 3554 of title 31, United States Code, is amended—

(A) in subsection (b), by adding at the end the following new paragraph:

"(3) If the Federal agency fails to implement fully the recommendations of the Comptroller General under this subsection with respect to a solicitation for a contract or an award or proposed award of a contract within 60 days after receiving the recommendations, the head of the procuring activity responsible for that contract shall report such failure to the Comptroller General not later than 5 working days after the end of such 60-day period.";

(B) by striking out subsection (c) and inserting in lieu thereof the following:

"(c)(1) If the Comptroller General determines that a solicitation for a contract or a proposed award or the award of a contract does not comply with a statute or regulation, the Comptroller General may recommend that the Federal agency conducting the procurement pay to an appropriate interested party the costs of—

"(A) filing and pursuing the protest, including reasonable attorney's fees and consultant and expert witness fees; and

"(B) bid and proposal preparation.

"(2) No party (other than a small business concern (within the meaning of section 3(a) of the Small Business Act)) may be paid, pursuant to a recommendation made under the authority of paragraph (1)—

"(A) costs for consultant and expert witness fees that exceed the rates provided under section 504(b)(1)(A) of title 5 for expert witnesses; or

"(B) costs for attorney's fees that exceed the rates provided for attorneys under section 504(b)(1)(A) of title 5.

"(3) If the Comptroller General recommends under paragraph (1) that a Federal agency pay costs to an interested party, the Federal agency shall—

"(A) pay the costs promptly; or

"(B) if the Federal agency does not make such payment, promptly report to the Comptroller General the reasons for the failure to follow the Comptroller General's recommendation.

"(4) If the Comptroller General recommends under paragraph (1) that a Federal agency pay costs to an interested party, the Federal agency and the interested party shall attempt to reach an agreement on the amount of the costs to be paid. If the Federal agency and the interested party are unable to agree on the amount to be paid, the Comptroller General may, upon the request of the interested party, recommend to the Federal agency the amount of the costs that the Federal agency should pay."; and

(C) by striking out subsection (e) and inserting in lieu thereof the following:

"(e)(1) The Comptroller General shall report promptly to the Committee on Governmental Affairs and the Committee on Appropriations of the Senate and to the Committee on Government Operations and the Committee on Appropriations of the House of Representatives any case in which a Federal agency fails to implement fully a recommendation of the Comptroller General under subsection (b) or (c). The report shall include—

"(A) a comprehensive review of the pertinent procurement, including the circumstances of the failure of the Federal agency to implement a recommendation of the Comptroller General; and

"(B) a recommendation regarding whether, in order to correct an inequity or to preserve the integrity of the procurement process, the Congress should consider—

"(i) private relief legislation;

"(ii) legislative rescission or cancellation of funds;

"(iii) further investigation by Congress; or

"(iv) other action.

"(2) Not later than January 31 of each year, the Comptroller General shall transmit to the Congress a report containing a summary of each instance in which a Federal agency did not fully implement a recommendation of the Comptroller General under subsection (b) or (c) during the preceding year. The report shall also describe each instance in which a final decision in a protest was not rendered within 125 days after the date the protest is submitted to the Comptroller General.".

(2) REQUIREMENT FOR PAYMENT IN ACCORDANCE WITH PRIOR GAO DETERMINATIONS.—Costs to which the Comptroller General declared an interested party to be entitled under section 3554 of title 31, United States Code, as in effect immediately before the enactment of this division, shall, if not paid or otherwise satisfied by the Federal agency concerned before the date of the enactment of this division, be paid promptly.

SEC. 41304. REGULATIONS.

(a) COMPUTATION OF PERIODS.—Section 3555 of title 31, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (d); and

(2) by inserting after subsection (a) the following new subsection (b):

"(b) The procedures shall provide that, in the computation of any period described in this subchapter—

"(1) the day of the act, event, or default from which the designated period of time begins to run not be included; and

"(2) the last day after such act, event, or default be included, unless—

"(A) such last day is a Saturday, a Sunday, or a legal holiday; or

"(B) in the case of a filing of a paper at the General Accounting Office or a Federal agency, such last day is a day on which weather or other conditions cause the closing of the General Accounting Office or Federal agency, in which event the next day that is not a Saturday, Sunday, or legal holiday shall be included.".

(b) ELECTRONIC FILINGS AND DISSEMINATIONS.—Such section, as amended by subsection (a), is further amended by inserting after subsection (b) the following new subsection:

"(c) The Comptroller General may prescribe procedures for the electronic filing and dissemination of documents and information required under this subchapter. In prescribing such procedures, the Comptroller General shall consider the ability of all parties to achieve electronic access to such documents and records.".

(c) REPEAL OF OBSOLETE DEADLINE.—Subsection (a) of such section is amended by striking out "Not later than January 15, 1985, the" and inserting in lieu thereof "The".

PART II—PROTESTS IN THE FEDERAL COURTS

SEC. 41321. NONEXCLUSIVITY OF REMEDIES.

Section 3556 of title 31, United States Code, is amended by striking out "a district court of the United States or the United States Claims Court" in the first sentence and inserting in lieu thereof "the United States Court of Federal Claims".

SEC. 41322. JURISDICTION OF THE UNITED STATES COURT OF FEDERAL CLAIMS.

(a) CLAIMS AGAINST THE UNITED STATES AND BID PROTESTS.—Section 1491 of title 28, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (e);

(2) in subsection (a)—

(A) by striking out "(a)(1)" and inserting in lieu thereof "(a) CLAIMS AGAINST THE UNITED STATES.—";

(B) in paragraph (2), by striking out "(2) To" and inserting in lieu thereof "(b) REMEDY AND RELIEF.—To"; and

(C) by striking out paragraph (3); and

(3) by inserting after subsection (b), as designated by paragraph (2)(B), the following new subsection (c):

"(c) BID PROTESTS.—(1) The United States Court of Federal Claims has jurisdiction to render judgment on an action by an interested party objecting to a solicitation by a Federal agency for bids or proposals for a proposed contract or to a proposed award or the award of a contract. The court has jurisdiction to entertain such an action without regard to whether suit is instituted before or after the contract is awarded.

"(2) To afford relief in such an action, the court may award any relief that the court considers proper, including declaratory and injunctive relief.

"(3) In exercising jurisdiction under this subsection, the court shall give due regard to the interests of national defense and national security and the need for expeditious resolution of the action.

"(4) The district courts of the United States do not have jurisdiction of any action referred to in paragraph (1).".

(b) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of such section is amended by inserting "**bid protests;**" after "**generally;**".

(2) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 91 of title 28, United States Code, is amended by striking out the item relating to section 1491 and inserting in lieu thereof the following:

"1491. Claims against United States generally; bid protests; actions involving Tennessee Valley Authority.".

PART III—PROTESTS IN PROCUREMENTS OF AUTOMATIC DATA PROCESSING

SEC. 41331. REVOCATION OF DELEGATIONS OF PROCUREMENT AUTHORITY.

Section 111(b)(3) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(b)(3)) is amended by inserting after the third sentence the following: "The Administrator may revoke a delegation of authority with respect to a particular contract before or after award of the contract, except that the Administrator may revoke a delegation after the contract is awarded only when there is a finding of a violation of law or regulation in connection with the contract award.".

SEC. 41332. AUTHORITY OF THE GENERAL SERVICES ADMINISTRATION BOARD OF CONTRACT APPEALS.

The first sentence of section 111(f)(1) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)(1)) is amended to read as follows: "Upon request of an interested party in connection with any procurement that is subject to this section (including any such procurement that is subject to delegation of procurement authority), the board of contract appeals of the General Services Administration (hereafter in this subsection referred to as the 'board') shall review, as provided in this subsection, any decision by a contracting officer that is alleged to violate a statute, a regulation, or the conditions of a delegation of procurement authority.".

SEC. 41333. PERIODS FOR CERTAIN ACTIONS.

(a) SUSPENSION OF PROCUREMENT AUTHORITY.—Section 111(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)) is amended—

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

"(C) If, in the case of a preaward protest, the board suspends the procurement authority of the Administrator or the Administrator's delegation of procurement authority, the Administrator or the delegate, as the case may be, may continue with the procurement action up to, but not including, the awarding of the contract if the Administrator or the delegate, as the case may be, determines that it is in the best interests of the United States to do so."; and

(2) in paragraph (3) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(A)(i) If, with respect to an award of a contract, the board receives notice of a protest under this subsection within the period described in clause (ii), the board shall, at the request of an interested party, hold a hearing to determine whether the board should suspend the procurement authority of the Administrator or the Administrator's delegation of procurement authority for the protested procurement on an interim basis until the board can decide the protest.

"(ii) The period referred to in clause (i) is the period beginning on the date on which the contract is awarded and ending on the date that is 10 days after the date of the contract award or, if later, the date that is 5 days after—

"(I) the debriefing date offered to an unsuccessful offeror for any debriefing that is requested and, when requested, is required; or

"(II) in the case of a contract for which no debriefing is required, the date on which the unsuccessful offeror receives the notification of contract award.

"(iii) The board shall hold the requested hearing within 5 days after the date of the filing of the protest or, in the case of a request for debriefing under the provisions of section 2305(b)(5) of title 10, United States Code, or section 303B(e) of this Act, within 5 days after the later of the date of the filing of the protest or the date of the debriefing.".

(b) FINAL DECISION.—Paragraph (4)(B) of such section 111(f) is amended—

(1) by striking out "45 working days" and inserting in lieu thereof "65 days"; and

(2) by adding at the end the following: "An amendment which adds a new ground of protest should be resolved, to the maximum extent practicable, within the time limits established for resolution of the initial protest.".

SEC. 41334. DISMISSALS OF PROTESTS.

Section 111(f)(4) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)(4)) is amended by striking out subparagraph (C) and inserting in lieu thereof the following:

"(C) The board may dismiss a protest that the board determines—

"(i) is frivolous;

"(ii) has been brought in bad faith; or

"(iii) does not state on its face a valid basis for protest.".

SEC. 41335. AWARD OF COSTS.

Section 111(f)(5) is amended by striking out subparagraph (C) and inserting in lieu thereof the following:

"(C) Whenever the board makes such a determination, it may, in accordance with section 1304 of title 31, United States Code, further declare an appropriate prevailing party to be entitled to the cost of filing and pursuing the protest (including reasonable attorney's fees and consultant and expert witness fees), and bid and proposal preparation. However, no party (other than a small business concern (within the meaning of section 3(a) of the Small Business Act)) may be declared entitled to costs for consultant and expert witness fees that exceed the rates provided under section 504(b)(1)(A) of title 5, United States Code, for expert witnesses or to costs for attorney's fees that exceed the rates provided for attorneys under section 504(b)(1)(A) of title 5, United States Code.".

SEC. 41336. DISMISSAL AGREEMENTS.

Section 111(f)(5) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)(5)) is amended by adding at the end the following new subparagraphs:

"(D) Any agreement that provides for the dismissal of a protest and involves a direct or indirect expenditure of appropriated funds shall be submitted to the board and shall be made a part of the public record (subject to any protective order considered appropriate by the board) before dismissal of the protest. If a Federal agency is a party to a settlement agreement, the submission of the agreement submitted to the board shall include a memorandum, signed by the contracting officer concerned, that describes in detail the procurement, the grounds for protest, the Federal Government's position regarding the grounds for protest, the terms of the settlement, and the agency's position regarding the propriety of the award or proposed award of the contract at issue in the protest.

"(E) Payment of amounts due from an agency under subparagraph (C) or under the terms of a settlement agreement under subparagraph (D) shall be made from the appropriation made by section 1304 of title 31, United States Code, for the payment of judgments. The Federal agency concerned shall reimburse that appropriation account out of funds available for the procurement.".

SEC. 41337. JURISDICTION OF DISTRICT COURTS.

Section 111(f)(6)(C) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)(6)(C)) is amended by striking out "a district court of the United States or".

SEC. 41338. MATTERS TO BE COVERED IN REGULATIONS.

Section 111(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)) is amended by striking out paragraph (8) and inserting in lieu thereof the following:

"(7)(A) The board shall adopt and issue such rules and procedures as may be necessary to the expeditious disposition of protests filed under the authority of this subsection.

"(B) The procedures shall provide that, in the computation of any period described in this subsection—

"(i) the day of the act, event, or default from which the designated period of time begins to run not be included; and

"(ii) the last day after such act, event, or default be included, unless—

"(I) such last day is a Saturday, a Sunday, or a legal holiday; or

"(II) in the case of a filing of a paper at the board, such last day is a day on which weather or other conditions cause the closing of the board or Federal agency, in which event the next day that is not a Saturday, Sunday, or legal holiday shall be included.

"(C) The procedures may provide for electronic filing and dissemination of documents and information required under this subsection and in so providing shall consider the ability of all parties to achieve electronic access to such documents and records.

"(D) The procedures shall provide that if the board expressly finds that a protest or a portion of a protest is frivolous or has not been brought or pursued in good faith, or that any person has willfully abused the board's process during the course of a protest, the board may impose appropriate procedural sanctions, including dismissal of the protest.".

SEC. 41339. DEFINITIONS.

(a) PROTEST.—Section 111(f)(9)(A) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(f)(9)(A)) is amended to read as follows:

"(A) the term 'protest' means a written objection by an interested party—

"(i) to a solicitation or other request by a Federal agency for offers for a contract for the procurement of property or services;

"(ii) to the cancellation of such a solicitation or other request;

"(iii) to an award or proposed award of such a contract; or

"(iv) to a termination or cancellation of an award of such a contract, if the written objection contains an allegation that the termination or cancellation is based in whole or in part on improprieties concerning the award of the contract;".

(b) PREVAILING PARTY.—Section 111(f)(9) of such Act is amended—

(1) by striking out "and" at the end of subparagraph (A);

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

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

"(C) the term 'prevailing party', with respect to a determination of the board under paragraph (5)(B) that a challenged action of a Federal agency violates a statute or regulation or the conditions of a delegation of procurement authority issued pursuant to this section, means a party that demonstrated such violation.".

Subtitle E—Definitions and Other Matters

PART I—ARMED SERVICES ACQUISITIONS

SEC. 41401. DEFINITIONS.

Section 2302 of title 10, United States Code, is amended—

(1) by striking out paragraphs (3), (4), (5), and (7);

(2) by redesignating paragraph (6) as paragraph (5); and

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

"(3) The terms 'commercial item', 'commercial component', 'full and open competition', 'major system', 'nondevelopmental item', 'procurement', 'procurement system', 'responsible source', 'standards', and 'technical data', have the meanings given such terms in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

"(4) The term 'simplified acquisition threshold' has the meaning given that term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403), except that, in the case of any contract to be awarded and performed, or purchase to be made, outside the United States in support of a contingency operation, the term means an amount equal to two times the amount specified for that term in section 4 of such Act.".

SEC. 41402. DELEGATION OF PROCUREMENT FUNCTIONS.

(a) CONSOLIDATION OF DELEGATION AUTHORITY.—Section 2311 of title 10, United States Code, is amended to read as follows:

"§ 2311. Delegation

"(a) IN GENERAL.—Except to the extent expressly prohibited by another provision of law, the head of an agency may delegate, subject to his direction, to any other officer or official of that agency, any power under this chapter.

"(b) PROCUREMENTS FOR OR WITH OTHER AGENCIES.—Subject to subsection (a), to facilitate the procurement of property and services covered by this chapter by each agency named in section 2303 of this title for any other agency, and to facilitate joint procurement by those agencies—

"(1) the head of an agency may, within his agency, delegate functions and assign responsibilities relating to procurement;

"(2) the heads of two or more agencies may by agreement delegate procurement functions and assign procurement responsibilities from one agency to another of those agencies or to an officer or civilian employee of another of those agencies; and

"(3) the heads of two or more agencies may create joint or combined offices to exercise procurement functions and responsibilities.

"(c) APPROVAL OF TERMINATIONS AND REDUCTIONS OF JOINT ACQUISITION PROGRAMS.—(1) 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 and Technology from terminating or substantially reducing its participation in such program without the approval of the Under Secretary.

"(2) The regulations shall include the following provisions:

"(A) 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.

"(B) A provision that authorizes the Under Secretary of Defense for Acquisition and Technology 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.".

(b) CONFORMING REPEAL.—(1) Section 2308 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 137 of such title is amended by striking out the item related to section 2308.

SEC. 41403. DETERMINATIONS AND DECISIONS.

Section 2310 of title 10, United States Code, is amended to read as follows:

"§ 2310. Determinations and decisions

"(a) INDIVIDUAL OR CLASS DETERMINATIONS AND DECISIONS AUTHORIZED.—Determinations and decisions required to be made under this chapter by the head of an agency may be made for an individual purchase or contract or for a class of purchases or contracts. Such determinations and decisions are final.

"(b) WRITTEN FINDINGS REQUIRED.—(1) Each determination or decision under section 2306(e)(1), 2307(e), or 2313(d)(2) of this title shall be based on a written finding by the person making the determination or decision. The finding shall set out facts and circumstances that support the determination or decision.

"(2) Each finding referred to in paragraph (1) shall be final. The head of the agency making such finding shall maintain a copy of the finding for not less than 6 years after the date of the determination or decision.".

SEC. 41404. UNDEFINITIZED CONTRACTUAL ACTIONS: RESTRICTIONS.

(a) CLARIFICATION OF LIMITATION.—Subsection (b) of section 2326 of title 10, United States Code, is amended—

(1) in the subsection caption, by striking out "AND EXPENDITURE";

(2) in paragraph (1)(B), by striking out "or expended";

(3) in paragraph (2), by striking out "expend" and inserting in lieu thereof "obligate"; and

(4) in paragraph (3)—

(A) by striking out "expended" and inserting in lieu thereof "obligated"; and

(B) by striking out "expend" and inserting in lieu thereof "obligate".

(b) WAIVER AUTHORITY.—Such subsection is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting after paragraph (3) the following new paragraph (4):

"(4) The head of an agency may waive the provisions of this subsection with respect to a contract of that agency if such head of an agency determines that the waiver is necessary in order to support a contingency operation.".

(c) INAPPLICABILITY OF RESTRICTIONS TO CONTRACTS WITHIN THE SIMPLIFIED ACQUISITION THRESHOLD.—Section 2326(g)(1)(B) of title 10, United States Code, is amended by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold".

SEC. 41405. PRODUCTION SPECIAL TOOLING AND PRODUCTION SPECIAL TEST EQUIPMENT: CONTRACT TERMS AND CONDITIONS.

(a) REPEAL.—Section 2329 of title 10, United States Code, is repealed.

(b) TECHNICAL AMENDMENT.—The table of sections at the beginning of chapter 137 of such title is amended by striking out the item related to section 2329.

SEC. 41406. REGULATIONS FOR BIDS.

Section 2381(a) of title 10, United States Code, is amended by striking out "(a) The Secretary" and all that follows through the end of paragraph (1) and inserting in lieu thereof the following:

"(a) The Secretary of Defense or the Secretary of a military department may—

"(1) prescribe regulations for the preparation, submission, and opening of bids for contracts; and".

PART II—CIVILIAN AGENCY ACQUISITIONS

SEC. 41451. DEFINITIONS.

Section 309(c) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 259(c)) is amended by striking out "and 'supplies'" and inserting in lieu thereof "'supplies', 'commercial item', 'commercial component', 'nondevelopmental item', and 'simplified acquisition threshold'".

SEC. 41452. DELEGATION OF PROCUREMENT FUNCTIONS.

(a) AUTHORITY.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) is amended—

(1) by redesignating sections 309 and 310 as sections 312 and 313, respectively; and

(2) by inserting after section 308 the following new section 309:

"DELEGATION

"SEC. 309. (a) IN GENERAL.—Except to the extent expressly prohibited by another provision of law, an agency head may delegate, subject to his direction, to any other officer or official of that agency, any power under this title.

"(b) PROCUREMENTS FOR OR WITH OTHER AGENCIES.—Subject to subsection (a), to facilitate the procurement of property and services covered by this title by each executive agency for any other executive agency, and to facilitate joint procurement by those executive agencies—

"(1) an agency head may, within his executive agency, delegate functions and assign responsibilities relating to procurement;

"(2) the heads of two or more executive agencies may by agreement delegate procurement functions and assign procurement responsibilities from one executive agency to another of those executive agencies or to an officer or civilian employee of another of those executive agencies; and

"(3) the heads of two or more executive agencies may create joint or combined offices to exercise procurement functions and responsibilities.".

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act is amended by striking out the items relating to sections 309 and 310 and inserting in lieu thereof the following:

"Sec. 309. Delegation.
"Sec. 312. Definitions.
"Sec. 313. Statutes not applicable.".

SEC. 41453. DETERMINATIONS AND DECISIONS.

(a) IN GENERAL.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), as amended by section 41452, is further amended by inserting after section 309 the following new section 310:

"DETERMINATIONS AND DECISIONS

"SEC. 310. (a) INDIVIDUAL OR CLASS DETERMINATIONS AND DECISIONS AUTHORIZED.—Determinations and decisions required to be made under this title by an agency head may be made for an individual purchase or contract or for a class of purchases or contracts. Such determinations and decisions are final.

"(b) WRITTEN FINDINGS REQUIRED.—(1) Each determination under section 305(e) shall be based on a written finding by the person making the determination or decision. The finding shall set out facts and circumstances that support the determination or decision.

"(2) Each finding referred to in paragraph (1) shall be final. The agency head making such finding shall maintain a copy of the finding for not less than 6 years after the date of the determination or decision.".

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act, as amended by section 41452, is further amended by inserting after the item relating to section 309 the following:

"Sec. 310. Determinations and decisions.".

SEC. 41454. COOPERATIVE PURCHASING.

Subsection (b) of section 201 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481), is amended to read as follows:

"(b)(1) The Administrator shall, as far as practicable, provide any of the services specified in subsection (a) of this section to any other Federal agency, mixed-ownership Government corporation (as defined in section 9101 of title 31, United States Code), or the District of Columbia, upon its request.

"(2)(A) The Administrator may provide for the use of Federal supply schedules or other contracts by any of the following entities upon request:

"(i) A State, any department or agency of a State, and any political subdivision of a State, including a local government.

"(ii) The District of Columbia.

"(iii) The Commonwealth of Puerto Rico.

"(iv) The government of an Indian tribe (as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e))).

"(B) Subparagraph (A) may not be construed to authorize an entity referred to in that subparagraph to order existing stock or inventory from federally owned and operated, or federally owned and contractor operated, supply depots, warehouses, or similar facilities.

"(3)(A) Upon the request of a qualified nonprofit agency for the blind or other severely handicapped that is to provide a commodity or service to the Federal Government under the Javits-Wagner-O'Day Act, the Administrator may provide any of the services specified in subsection (a) to such agency to the extent practicable.

"(B) A nonprofit agency receiving services under the authority of subparagraph (A) shall use the services directly in making or providing an approved commodity or approved service to the Federal Government.

"(C) In this paragraph:

"(i) 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)).

"(ii) 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 the Javits-Wagner-O'Day Act (41 U.S.C. 47) to be suitable for procurement by the Federal Government.

"(iii) 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.".

TITLE XLII—CONTRACT ADMINISTRATION

Subtitle A—Contract Payment

PART I—ARMED SERVICES ACQUISITIONS

SEC. 42001. CONTRACT FINANCING.

(a) REORGANIZATION OF PRINCIPAL AUTHORITY PROVISION.—Section 2307 of title 10, United States Code, is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"§ 2307. Contract financing";

(2) by striking out "(a) The head of an agency" and inserting in lieu thereof "(b) PAYMENT AUTHORITY.—The head of an agency";

(3) by striking out "(b) Payments" and inserting in lieu thereof "(d) PAYMENT AMOUNT.—Payments";

(4) by striking out "(c) Advance payments" and inserting in lieu thereof "(e) SECURITY FOR ADVANCE PAYMENTS.—Advance payments";

(5) by striking out "(d)(1) The Secretary of Defense" and inserting in lieu thereof "(f) CONDITIONS FOR PROGRESS PAYMENTS.—(1) The Secretary of Defense"; and

(6) by striking out "(e)(1) In any case" and inserting in lieu thereof "(h) ACTION IN CASE OF FRAUD.—(1) In any case".

(b) FINANCING POLICY.—Such section, as amended by subsection (a), is further amended by inserting after the section heading the following new subsection (a):

"(a) POLICY.—Payments authorized under this section and made for financing purposes should be made periodically or, when appropriate, on an advance basis and should be so made in a timely manner to facilitate contract performance while protecting the security interests of the Government. Government financing shall be provided only to the extent necessary to ensure prompt and efficient performance and only after the availability of private financing is considered. A contractor's use of funds received as contract financing and the contractor's financial condition shall be monitored. If the contractor is a small business concern, special attention shall be given to meeting the contractor's financial need.".

(c) PERFORMANCE-BASED PAYMENTS.—Such section, as amended by subsection (a), is further amended by inserting after subsection (b) the following new subsection (c):

"(c) PERFORMANCE-BASED PAYMENTS.—Whenever practicable, payments under subsection (b) shall be made on any of the following bases:

"(1) Performance measured by objective, quantifiable methods such as receipt of items by the Federal Government, work measurement, or statistical process controls.

"(2) Accomplishment of events defined in the program management plan.

"(3) Other quantifiable measures of results.".

(d) TERMINOLOGY CORRECTION.—Such section, as amended by subsection (a)(2), is further amended in subsection (b)(2) by striking out "bid".

(e) EFFECTIVE DATE OF LIEN RELATED TO ADVANCE PAYMENTS.—Such section, as amended by subsection (a)(4), is further amended in subsection (e) by inserting before the period at the end of the third sentence the following: "and is effective immediately upon the first advancement of funds without filing, notice, or any other action by the United States".

(f) CONDITIONS FOR PROGRESS PAYMENTS.—Such section, as amended by subsection (a)(5), is further amended in subsection (f)—

(1) in the first sentence of paragraph (1), by striking out "work, which" and all that follows through "accomplished" and inserting in lieu thereof "work accomplished that meets standards established under the contract"; and

(2) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) This subsection applies to a contract for an amount equal to or greater than the simplified acquisition threshold.".

(g) NAVY CONTRACTS.—Such section, as amended by subsection (a)(5), is further amended by inserting after subsection (f) the following new subsection (g):

"(g) CERTAIN NAVY CONTRACTS.—(1) The Secretary of the Navy shall provide that the rate for progress payments on any contract awarded by the Secretary for repair, maintenance, or overhaul of a naval vessel shall be not less than—

"(A) 95 percent, in the case of firms considered to be small businesses; and

"(B) 90 percent, in the case of all other firms.

"(2) The Secretary of the Navy may advance to private salvage companies such funds as the Secretary considers necessary to provide for the immediate financing of salvage operations. Advances under this paragraph shall be made on terms that the Secretary considers adequate for the protection of the United States.

"(3) The Secretary of the Navy shall ensure that, when partial, progress, or other payments are made under a contract for construction or conversion of a naval vessel, the United States is secured by a lien upon work in progress and on property acquired for performance of the contract on account of all payments so made. The lien is paramount to all other liens.".

(h) RELATIONSHIP TO PROMPT PAYMENT REQUIREMENTS.—Section 2307(f) of title 10, United States Code, as amended by subsection (f), is not intended to impair or modify procedures required by the provisions of chapter 39 of title 31, United States Code, and the regulations issued pursuant to such provisions of law, that relate to progress payment requests, as such procedures are in effect on the date of the enactment of this division.

(i) CONFORMING AND CLERICAL AMENDMENTS.—

(1) CROSS REFERENCE.—Such section, as amended by subsection (a), is further amended in subsections (d) and (e) by striking out "subsection (a)" and inserting in lieu thereof "subsection (b)".

(2) TABLE OF CONTENTS.—The table of sections at the beginning of chapter 137 of title 10, United States Code, is amended by striking out the item relating to section 2307 and inserting in lieu thereof the following:

"2307. Contract financing.".

(j) REPEAL OF SUPERSEDED PROVISIONS.—

(1) PROGRESS PAYMENTS UNDER CERTAIN NAVY CONTRACTS.—

(A) REPEAL.—Section 7312 of title 10, United States Code, is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 633 of such title is amended by striking out the item relating to section 7312.

(2) ADVANCEMENT OF PAYMENTS FOR NAVY SALVAGE OPERATIONS.—

(A) REPEAL.—Section 7364 of such title is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 637 of such title is amended by striking out the item relating to section 7364.

(3) PARTIAL PAYMENTS UNDER NAVY CONTRACTS.—

(A) REPEAL.—Section 7521 of such title is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 645 of such title is amended by striking out the item relating to section 7521.

SEC. 42002. CONTRACTS: VOUCHERING PROCEDURES.

(a) REPEAL.—Section 2355 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 139 of such title is amended by striking out the item relating to section 2355.

PART II—CIVILIAN AGENCY ACQUISITIONS

SEC. 42051. CONTRACT FINANCING.

(a) REORGANIZATION OF PRINCIPAL AUTHORITY PROVISION.—Section 305 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 255) is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"CONTRACT FINANCING";

(2) by striking out "(a) Any executive agency" and inserting in lieu thereof "(b) PAYMENT AUTHORITY.—Any executive agency";

(3) by striking out "(b) Payments" and inserting in lieu thereof "(d) PAYMENT AMOUNT.—Payments"; and

(4) by striking out "(c) Advance payments" and inserting in lieu thereof "(e) SECURITY FOR ADVANCE PAYMENTS.—Advance payments".

(b) FINANCING POLICY.—Such section, as amended by subsection (a), is further amended by inserting after the section heading the following new subsection (a):

"(a) POLICY.—Payments authorized under this section and made for financing purposes should be made periodically or, when appropriate, on an advance basis and should be so made in a timely manner to facilitate contract performance while protecting the security interests of the Government. Government financing shall be provided only to the extent necessary to ensure prompt and efficient performance and only after the availability of private financing is considered. A contractor's use of funds received as contract financing and the contractor's financial condition shall be monitored. If the contractor is a small business concern, special attention shall be given to meeting the contractor's financial need.".

(c) PERFORMANCE-BASED PAYMENTS.—Such section, as amended by subsection (a), is further amended by inserting after subsection (b) the following new subsection (c):

"(c) PERFORMANCE-BASED PAYMENTS.—Whenever practicable, payments under subsection (b) shall be made on any of the following bases:

"(1) Performance measured by objective, quantifiable methods such as receipt of items by the Federal Government, work measurement, or statistical process controls.

"(2) Accomplishment of events defined in the program management plan.

"(3) Other quantifiable measures of results.".

(d) TERMINOLOGY CORRECTION.—Such section, as amended by subsection (a)(2), is further amended in subsection (b)(2) by striking out "bid".

(e) EFFECTIVE DATE OF LIEN RELATED TO ADVANCE PAYMENTS.—Such section, as amended by subsection (a)(4), is further amended in subsection (e) by inserting before the period at the end of the third sentence the following: "and is effective immediately upon the first advancement of funds without filing, notice, or any other action by the United States".

(f) REVISION OF CIVILIAN AGENCY PROVISION TO ENSURE UNIFORM REQUIREMENTS FOR PROGRESS PAYMENTS.—

(1) IN GENERAL.—Such section, as amended by subsection (a), is further amended by adding at the end the following:

"(f) CONDITIONS FOR PROGRESS PAYMENTS.—(1) The agency head shall ensure that any payment for work in progress (including materials, labor, and other items) under a contract of an executive agency that provides for such payments is commensurate with the work accomplished that meets standards established under the contract. The contractor shall provide such information and evidence as the agency head determines necessary to permit the agency head to carry out the preceding sentence.

"(2) The agency head shall ensure that progress payments referred to in paragraph (1) are not made for more than 80 percent of the work accomplished under the contract so long as the agency head has not made the contractual terms, specifications, and price definite.

"(3) This subsection applies to a contract for an amount equal to or greater than the simplified acquisition threshold.

"(g) ACTION IN CASE OF FRAUD.—(1) In any case in which the remedy coordination official of an executive agency finds that there is substantial evidence that the request of a contractor for advance, partial, or progress payment under a contract awarded by that executive agency is based on fraud, the remedy coordination official shall recommend that the agency head reduce or suspend further payments to such contractor.

"(2) An agency head receiving a recommendation under paragraph (1) in the case of a contractor's request for payment under a contract shall determine whether there is substantial evidence that the request is based on fraud. Upon making such a determination, the agency head may reduce or suspend further payments to the contractor under such contract.

"(3) The extent of any reduction or suspension of payments by an agency head under paragraph (2) on the basis of fraud shall be reasonably commensurate with the anticipated loss to the United States resulting from the fraud.

"(4) A written justification for each decision of the agency head whether to reduce or suspend payments under paragraph (2), and for each recommendation received by the agency head in connection with such decision, shall be prepared and be retained in the files of the executive agency.

"(5) Each agency head shall prescribe procedures to ensure that, before the agency head decides to reduce or suspend payments in the case of a contractor under paragraph (2), the contractor is afforded notice of the proposed reduction or suspension and an opportunity to submit matters to the head of the agency in response to such proposed reduction or suspension.

"(6) Not later than 180 days after the date on which an agency head reduces or suspends payments to a contractor under paragraph (2), the remedy coordination official of the executive agency shall—

"(A) review the determination of fraud on which the reduction or suspension is based; and

"(B) transmit a recommendation to the agency head whether the suspension or reduction should continue.

"(7) Each agency head who receives recommendations made by a remedy coordination official of the executive agency to reduce or suspend payments under paragraph (2) during a fiscal year shall prepare for such year a report that contains the recommendations, the actions taken on the recommendations and the reasons for such actions, and an assessment of the effects of such actions on the Federal Government. Any such report shall be available to any Member of Congress upon request.

"(8) An agency head may not delegate responsibilities under this subsection to any person in a position below level IV of the Executive Schedule.

"(9) In this subsection, the term 'remedy coordination official', with respect to an executive agency, means the person or entity in that executive agency who coordinates within that executive agency the administration of criminal, civil, administrative, and contractual remedies resulting from investigations of fraud or corruption related to procurement activities.".

(2) RELATIONSHIP TO PROMPT PAYMENT REQUIREMENTS.—The amendment made by paragraph (1) is not intended to impair or modify procedures required by the provisions of chapter 39 of title 31, United States Code, and the regulations issued pursuant to such provisions of law, that relate to progress payment requests, as such procedures are in effect on the date of the enactment of this division.

(g) CONFORMING AND CLERICAL AMENDMENTS.—

(1) REFERENCE.—Section 305 of the Federal Property and Administrative Services Act of 1949, as amended by subsection (a), is further amended in subsections (d) and (e) by striking out "subsection (a)" and inserting in lieu thereof "subsection (b)".

(2) TABLE OF CONTENTS.—The table of contents in the first section of such Act is amended by striking out the item relating to section 305 and inserting in lieu thereof the following:

"Sec. 305. Contract financing.".

Subtitle B—Cost Principles

PART I—ARMED SERVICES ACQUISITIONS

SEC. 42101. ALLOWABLE CONTRACT COSTS.

(a) UNALLOWABILITY OF COSTS TO INFLUENCE LOCAL LEGISLATIVE BODIES.—Subsection (e)(1)(B) of section 2324 of title 10, United States Code, is amended by striking out "or a State legislature" and inserting in lieu thereof ", a State legislature, or a legislative body of a political subdivision of a State".

(b) COMPTROLLER GENERAL EVALUATION.—Section 2324 of such title is amended by striking out subsection (l).

(c) COVERED CONTRACT DEFINED.—Subsection (m) of such section is amended to read as follows:

"(l)(1) In this section, the term 'covered contract' means a contract for an amount in

excess of $500,000 that is entered into by the Department of Defense, except that such term does not include a fixed-price contract without cost incentives.

"(2) Effective on October 1 of each year that is divisible by 5, the amount set forth in paragraph (1) shall be adjusted to the amount that is equal to the fiscal year 1994 constant dollar value of the amount set forth. An amount, as so adjusted, that is not evenly divisible by $50,000 shall be rounded to the nearest multiple of $50,000. In the case of an amount that is evenly divisible by $25,000 but is not evenly divisible by $50,000, the amount shall be rounded to the next higher multiple of $50,000.".

SEC. 42102. CONTRACT PROFIT CONTROLS DURING EMERGENCY PERIODS.

(a) REPEAL.—Section 2382 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2382.

PART II—CIVILIAN AGENCY ACQUISITIONS

SEC. 42151. ALLOWABLE CONTRACT COSTS.

(a) REVISION OF CIVILIAN AGENCY PROVISION TO ENSURE UNIFORM TREATMENT OF CONTRACT COSTS.—Section 306 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 256) is amended to read as follows:

"ALLOWABLE COSTS

"SEC. 306. (a) INDIRECT COST THAT VIOLATES A FAR COST PRINCIPLE.—The head of an executive agency shall require that a covered contract provide that if the contractor submits to the executive agency 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 an executive agency's supplement to the Federal Acquisition Regulation, the cost shall be disallowed.

"(b) PENALTY FOR VIOLATION OF COST PRINCIPLE.—(1) If the agency head 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 agency head shall assess a penalty against the contractor in an amount equal to—

"(A) the amount of the disallowed cost allocated to covered contracts for which a proposal for settlement of indirect costs has been submitted; plus

"(B) interest (to be computed based on regulations issued by the agency head) to compensate the United States for the use of any funds which a contractor has been paid in excess of the amount to which the contractor was entitled.

"(2) If the agency head 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 agency head shall assess a penalty against the contractor in an amount equal to two times the amount of the disallowed cost allocated to covered contracts for which a proposal for settlement of indirect costs has been submitted.

"(c) WAIVER OF PENALTY.—In accordance with the Federal Acquisition Regulation, the agency head may waive a penalty under subsection (b) 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;

"(2) the amount of unallowable costs subject to the penalty is insignificant; or

"(3) the contractor demonstrates, to the contracting officer's satisfaction, that—

"(A) it has established appropriate policies and personnel training and an internal control and review system that provide assurances that unallowable costs subject to penalties are precluded from being included in the contractor's proposal for settlement of indirect costs; and

"(B) the unallowable costs subject to the penalty were inadvertently incorporated into the proposal.

"(d) APPLICABILITY OF CONTRACT DISPUTES PROCEDURE TO DISALLOWANCE OF COST AND ASSESSMENT OF PENALTY.—An action of an agency head 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.

"(e) SPECIFIC COSTS NOT ALLOWABLE.—(1) The following costs are not allowable under a covered contract:

"(A) Costs of entertainment, including amusement, diversion, and social activities, and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities).

"(B) Costs incurred to influence (directly or indirectly) legislative action on any matter pending before Congress, a State legislature, or a legislative body of a political subdivision of a State.

"(C) Costs incurred in defense of any civil or criminal fraud proceeding or similar proceeding (including filing of any false certification) brought by the United States where the contractor is found liable or had pleaded nolo contendere to a charge of fraud or similar proceeding (including filing of a false certification).

"(D) Payments of fines and penalties resulting from violations of, or failure to comply with, Federal, State, local, or foreign laws and regulations, except when incurred as a result of compliance with specific terms and conditions of the contract or specific written instructions from the contracting officer authorizing in advance such payments in accordance with the Federal Acquisition Regulation.

"(E) Costs of membership in any social, dining, or country club or organization.

"(F) Costs of alcoholic beverages.

"(G) Contributions or donations, regardless of the recipient.

"(H) Costs of advertising designed to promote the contractor or its products.

"(I) Costs of promotional items and memorabilia, including models, gifts, and souvenirs.

"(J) Costs for travel by commercial aircraft which exceed the amount of the standard commercial fare.

"(K) Costs incurred in making any payment (commonly known as a 'golden parachute payment') which is—

"(i) in an amount in excess of the normal severance pay paid by the contractor to an employee upon termination of employment; and

"(ii) is paid to the employee contingent upon, and following, a change in management control over, or ownership of, the contractor or a substantial portion of the contractor's assets.

"(L) Costs of commercial insurance that protects against the costs of the contractor for correction of the contractor's own defects in materials or workmanship.

"(M) Costs of severance pay paid by the contractor to foreign nationals employed by the contractor under a service contract performed outside the United States, to the extent that the amount of severance pay paid in any case exceeds the amount paid in the industry involved under the customary or prevailing practice for firms in that industry providing similar services in the United States, as determined in accordance with the Federal Acquisition Regulation.

"(N) Costs of severance pay paid by the contractor to a foreign national employed by the contractor under a service contract performed in a foreign country if the termination of the employment of the foreign national is the result of the closing of, or the curtailment of activities at, a United States facility in that country at the request of the government of that country.

"(O) Costs incurred by a contractor in connection with any criminal, civil, or administrative proceeding commenced by the United States or a State, to the extent provided in subsection (k).

"(2)(A) Subject to the availability of appropriations, the head of an executive agency, in awarding a covered contract, may waive in accordance with the Federal Acquisition Regulation the application of the provisions of paragraphs (1)(M) and (1)(N) to that contract if the agency head 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 employees of the executive agency posted 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 the executive agency concerned shall include in the solicitation for a covered contract a statement indicating—

"(i) that a waiver has been granted under subparagraph (A) for the contract; or

"(ii) whether the agency head will consider granting such a waiver, and, if the agency head will consider granting a waiver, the criteria to be used in granting the waiver.

"(C) The agency head shall make the final determination regarding whether to grant a waiver under subparagraph (A) with respect to a covered contract before award of the contract.

"(3) The head of each executive agency shall implement this section with respect to contracts of that executive agency in accordance with the Federal Acquisition Regulation. The provisions of the Federal Acquisition applicable to the implementation of this section may include definitions, exclusions, limitations, and qualifications.

"(f) REQUIRED REGULATIONS.—(1) The Federal Acquisition Regulation referred to in section 25(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)(1))

shall contain provisions on the allowability of contractor costs. Such provisions shall define in detail and in specific terms those costs which are unallowable, in whole or in part, under covered contracts. The regulations shall, at a minimum, clarify the cost principles applicable to contractor costs of the following:

"(A) Air shows.

"(B) Membership in civic, community, and professional organizations.

"(C) Recruitment.

"(D) Employee morale and welfare.

"(E) Actions to influence (directly or indirectly) executive branch action on regulatory and contract matters (other than costs incurred in regard to contract proposals pursuant to solicited or unsolicited bids).

"(F) Community relations.

"(G) Dining facilities.

"(H) Professional and consulting services, including legal services.

"(I) Compensation.

"(J) Selling and marketing.

"(K) Travel.

"(L) Public relations.

"(M) Hotel and meal expenses.

"(N) Expense of corporate aircraft.

"(O) Company-furnished automobiles.

"(P) Advertising.

"(2) The Federal Acquisition Regulation shall require that a contracting officer not resolve any questioned costs until the contracting officer has obtained—

"(A) adequate documentation with respect to such costs; and

"(B) the opinion of the executive agency's contract auditor on the allowability of such costs.

"(3) The Federal Acquisition Regulation shall provide that, to the maximum extent practicable, an executive agency's contract auditor be present at any negotiation or meeting with the contractor regarding a determination of the allowability of indirect costs of the contractor.

"(4) The Federal Acquisition Regulation shall require that all categories of costs designated in the report of an executive agency's contract auditor as questioned with respect to a proposal for settlement be resolved in such a manner that the amount of the individual questioned costs that are paid will be reflected in the settlement.

"(g) APPLICABILITY OF REQUIRED REGULATIONS TO SUBCONTRACTORS.—The regulations prescribed to carry out subsections (e) and (f)(1) shall require, to the maximum extent practicable, that such regulations apply to all subcontractors of a covered contract.

"(h) CONTRACTOR CERTIFICATION REQUIRED.—(1) A proposal for settlement of indirect costs applicable to a covered contract shall include a certification by an official of the contractor that, to the best of the certifying official's knowledge and belief, all indirect costs included in the proposal are allowable. Any such certification shall be in a form prescribed by the agency head concerned.

"(2) The agency head concerned may, in an exceptional case, waive the requirement for certification under paragraph (1) in the case of any contract if the agency head—

"(A) determines in such case that it would be in the interest of the United States to waive such certification; and

"(B) states in writing the reasons for that determination and makes such determination available to the public.

"(i) PENALTIES FOR SUBMISSION OF COST KNOWN AS NOT ALLOWABLE.—The submission to an executive agency of a proposal for settlement of costs for any period after such costs have been accrued that includes a cost that is expressly specified by statute or regulation as being unallowable, with the knowledge that such cost is unallowable, shall be subject to the provisions of section 287 of title 18, United States Code, and section 3729 of title 31, United States Code.

"(j) CONTRACTOR TO HAVE BURDEN OF PROOF.—In a proceeding before a board of contract appeals, the United States Court of Federal Claims, or any other Federal court in which the reasonableness of indirect costs for which a contractor seeks reimbursement from the United States is in issue, the burden of proof shall be upon the contractor to establish that those costs are reasonable.

"(k) PROCEEDING COSTS NOT ALLOWABLE.—(1) Except as otherwise provided in this subsection, costs incurred by a contractor in connection with any criminal, civil, or administrative proceeding commenced by the United States or a State are not allowable as reimbursable costs under a covered contract if the proceeding (A) relates to a violation of, or failure to comply with, a Federal or State statute or regulation, and (B) results in a disposition described in paragraph (2).

"(2) A disposition referred to in paragraph (1)(B) is any of the following:

"(A) In the case of a criminal proceeding, a conviction (including a conviction pursuant to a plea of nolo contendere) by reason of the violation or failure referred to in paragraph (1).

"(B) In the case of a civil or administrative proceeding involving an allegation of fraud or similar misconduct, a determination of contractor liability on the basis of the violation or failure referred to in paragraph (1).

"(C) In the case of any civil or administrative proceeding, the imposition of a monetary penalty by reason of the violation or failure referred to in paragraph (1).

"(D) A final decision—

"(i) to debar or suspend the contractor,

"(ii) to rescind or void the contract, or

"(iii) to terminate the contract for default, by reason of the violation or failure referred to in paragraph (1).

"(E) A disposition of the proceeding by consent or compromise if such action could have resulted in a disposition described in subparagraph (A), (B), (C), or (D).

"(3) In the case of a proceeding referred to in paragraph (1) that is commenced by the United States and is resolved by consent or compromise pursuant to an agreement entered into by a contractor and the United States, the costs incurred by the contractor in connection with such proceeding that are otherwise not allowable as reimbursable costs under such paragraph may be allowed to the extent specifically provided in such agreement.

"(4) In the case of a proceeding referred to in paragraph (1) that is commenced by a State, the agency head that awarded the covered contract involved in the proceeding may allow the costs incurred by the contractor in connection with such proceeding as reimbursable costs if the agency head determines, under regulations prescribed by such agency head, that the costs were incurred as a result of (A) a specific term or condition of the contract, or (B) specific written instructions of the agency.

"(5)(A) Except as provided in subparagraph (C), costs incurred by a contractor in connection with a criminal, civil, or administrative proceeding commenced by the United States or a State in connection with a covered contract may be allowed as reimbursable costs under the contract if such costs are not disallowable under paragraph (1), but only to the extent provided in subparagraph (B).

"(B)(i) The amount of the costs allowable under subparagraph (A) in any case may not exceed the amount equal to 80 percent of the amount of the costs incurred, to the extent that such costs are determined to be otherwise allowable and allocable under the Federal Acquisition Regulations.

"(ii) Regulations issued for the purpose of clause (i) shall provide for appropriate consideration of the complexity of procurement litigation, generally accepted principles governing the award of legal fees in civil actions involving the United States as a party, and such other factors as may be appropriate.

"(C) In the case of a proceeding referred to in subparagraph (A), contractor costs otherwise allowable as reimbursable costs under this paragraph are not allowable if (i) such proceeding involves the same contractor misconduct alleged as the basis of another criminal, civil, or administrative proceeding, and (ii) the costs of such other proceeding are not allowable under paragraph (1).

"(6) In this subsection:

"(A) The term 'proceeding' includes an investigation.

"(B) The term 'costs', with respect to a proceeding—

"(i) means all costs incurred by a contractor, whether before or after the commencement of any such proceeding; and

"(ii) includes—

"(I) administrative and clerical expenses;

"(II) the cost of legal services, including legal services performed by an employee of the contractor;

"(III) the cost of the services of accountants and consultants retained by the contractor; and

"(IV) the pay of directors, officers, and employees of the contractor for time devoted by such directors, officers, and employees to such proceeding.

"(C) The term 'penalty' does not include restitution, reimbursement, or compensatory damages.

"(l) COVERED CONTRACT DEFINED.—(1) In this section, the term 'covered contract' means a contract for an amount in excess of $500,000 that is entered into by an executive agency, except that such term does not include a fixed-price contract without cost incentives.

"(2) Effective on October 1 of each year that is divisible by 5, the amount set forth in paragraph (1) shall be adjusted to the amount that is equal to the fiscal year 1994 constant dollar value of the amount set forth. An amount, as so adjusted, that is not evenly divisible by $50,000 shall be rounded to the nearest multiple of $50,000. In the case of an amount that is evenly divisible by $25,000 but is not evenly divisible by $50,000, the amount shall be rounded to the next higher multiple of $50,000.".

(b) CLERICAL AMENDMENT.—The table of contents in the first section of such Act is amended by striking out the item relating to section 306 and inserting in lieu thereof the following:

"Sec. 306. Allowable costs.".

PART III—ACQUISITIONS GENERALLY

SEC. 42191. TRAVEL EXPENSES OF GOVERNMENT CONTRACTORS.

Section 24 of the Office of Federal Procurement Policy Act (41 U.S.C. 420) is repealed.

SEC. 42192. UNALLOWABILITY OF ENTERTAINMENT COSTS UNDER COVERED CONTRACTS.

Not later than 90 days after the date of the enactment of this division, the Federal Acquisition Regulatory Council shall amend the cost principle in the Federal Acquisition

Regulation that is set out in section 31.205-14 of title 48, Code of Federal Regulations, relating to unallowability of entertainment costs—

(1) by inserting in the cost principle a statement that costs made specifically unallowable under that cost principle are not allowable under any other cost principle; and

(2) by striking out "(but see 31.205-1 and 31.205-13)".

Subtitle C—Audit and Access to Records

PART I—ARMED SERVICES ACQUISITIONS

SEC. 42201. CONSOLIDATION AND REVISION OF AUTHORITY TO EXAMINE RECORDS OF CONTRACTORS.

(a) AUTHORITY.—

(1) IN GENERAL.—Section 2313 of title 10, United States Code, is amended to read as follows:

"§ 2313. Examination of records of contractor

"(a) AGENCY AUTHORITY.—The head of an agency, acting through an authorized representative—

"(1) is entitled to inspect the plant and audit the records of—

"(A) a contractor performing a cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable contract, or any combination of such contracts, made by that agency under this chapter; and

"(B) a subcontractor performing any cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable subcontract under a contract referred to in subparagraph (A) or under any combination of such contracts; and

"(2) shall, for the purpose of evaluating the accuracy, completeness, and currency of cost or pricing data required to be submitted pursuant to section 2306a of this title with respect to a contract or subcontract, have the right to examine all records of the contractor or subcontractor related to—

"(A) the proposal for the contract or subcontract;

"(B) the discussions conducted on the proposal;

"(C) pricing of the contract or subcontract; or

"(D) performance of the contract or subcontract.

"(b) LIMITATION ON PREAWARD AUDITS RELATING TO INDIRECT COSTS.—The head of an agency may not perform a preaward audit to evaluate proposed indirect costs under any contract, subcontract, or modification to be entered into in accordance with this chapter in any case in which the contracting officer determines that the objectives of the audit can reasonably be met by accepting the results of an audit conducted by any other department or agency of the Federal Government within one year preceding the date of the contracting officer's determination.

"(c) SUBPOENA POWER.—(1) The Director of the Defense Contract Audit Agency (or any successor agency) may require by subpoena the production of records of a contractor, access to which is provided to the Secretary of Defense or Secretary of a military department by subsection (a).

"(2) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.

"(3) The authority provided by paragraph (1) may not be redelegated.

"(4) The Director (or any successor official) shall submit an annual report to the Secretary of Defense on the exercise of such authority during the preceding year and the reasons why such authority was exercised in any instance. The Secretary shall forward a copy of each such report to the Committees on Armed Services of the Senate and House of Representatives.

"(d) COMPTROLLER GENERAL AUTHORITY.—(1) Except as provided in paragraph (2), each contract awarded after using procedures other than sealed bid procedures shall provide that the Comptroller General and his representatives are entitled to examine any records of the contractor, or any of its subcontractors, that directly pertain to, and involve transactions relating to, the contract or subcontract.

"(2) Paragraph (1) does not apply to a contract or subcontract with a foreign contractor or foreign subcontractor if the head of the agency concerned determines, with the concurrence of the Comptroller General or his designee, that the application of that paragraph to the contract or subcontract would not be in the public interest. However, the concurrence of the Comptroller General or his designee is not required—

"(A) where the contractor or subcontractor is a foreign government or agency thereof or is precluded by the laws of the country involved from making its records available for examination; and

"(B) where the head of the agency determines, after taking into account the price and availability of the property and services from United States sources, that the public interest would be best served by not applying paragraph (1).

"(3) Paragraph (1) may not be construed to require a contractor or subcontractor to create or maintain any record that the contractor or subcontractor does not maintain in the ordinary course of business or pursuant to another provision of law.

"(e) LIMITATION.—The right of the head of an agency under subsection (a), and the right of the Comptroller General under subsection (d), with respect to a contract or subcontract shall expire three years after final payment under such contract or subcontract.

"(f) INAPPLICABILITY TO CERTAIN CONTRACTS.—This section is inapplicable with respect to the following contracts:

"(1) Contracts for utility services at rates not exceeding those established to apply uniformly to the public, plus any applicable reasonable connection charge.

"(g) RECORDS DEFINED.—In this section, the term 'records' includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form.".

(2) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 137 of title 10, United States Code, is amended to read as follows:

"2313. Examination of records of contractor.".

(b) REPEAL OF SUPERSEDED PROVISION.—

(1) REPEAL.—Section 2406 of title 10, United States Code, is repealed.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2406.

PART II—CIVILIAN AGENCY ACQUISITIONS

SEC. 42251. AUTHORITY TO EXAMINE RECORDS OF CONTRACTORS.

(a) AUTHORITY.—

(1) IN GENERAL.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), as amended by section 41151(a), is further amended by inserting after section 304A the following new section:

"EXAMINATION OF RECORDS OF CONTRACTOR

"SEC. 304B. (a) AGENCY AUTHORITY.—The head of an executive agency, acting through an authorized representative—

"(1) is entitled to inspect the plant and audit the records of—

"(A) a contractor performing a cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable contract, or any combination of such contracts, made by that executive agency under this title; and

"(B) a subcontractor performing any cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable subcontract under a contract referred to in subparagraph (A) or under any combination of such contracts; and

"(2) shall, for the purpose of evaluating the accuracy, completeness, and currency of cost or pricing data required to be submitted pursuant to section 304A with respect to a contract or subcontract, have the right to examine all records of the contractor or subcontractor related to—

"(A) the proposal for the contract or subcontract;

"(B) the discussions conducted on the proposal;

"(C) pricing of the contract or subcontract; or

"(D) performance of the contract or subcontract.

"(b) LIMITATION ON PREAWARD AUDITS RELATING TO INDIRECT COSTS.—The agency head may not perform a preaward audit to evaluate proposed indirect costs under any contract, subcontract, or modification to be entered into in accordance with this title in any case in which the contracting officer determines that the objectives of the audit can reasonably be met by accepting the results of an audit conducted by any other department or agency of the Federal Government within one year preceding the date of the contracting officer's determination.

"(c) SUBPOENA POWER.—(1) The agency head may require by subpoena the production of records of a contractor, access to which is provided by subsection (a).

"(2) Any such subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of an appropriate United States district court.

"(3) The authority provided by paragraph (1) may not be delegated.

"(4) In the year following a year in which the head of an executive agency exercises the authority provided in paragraph (1), the agency head shall submit to the Committee on Governmental Affairs of the Senate and the Committee on Government Operations of the House of Representatives a report on the exercise of such authority during such preceding year and the reasons why such authority was exercised in any instance.

"(d) COMPTROLLER GENERAL AUTHORITY.—(1) Except as provided in paragraph (2), each contract awarded after using procedures other than sealed bid procedures shall provide that the Comptroller General and his representatives are entitled to examine any records of the contractor, or any of its subcontractors, that directly pertain to, and involve transactions relating to, the contract or subcontract.

"(2) Paragraph (1) does not apply to a contract or subcontract with a foreign contractor or foreign subcontractor if the agency head concerned determines, with the concurrence of the Comptroller General or his designee, that the application of that paragraph to the contract or subcontract would not be in the public interest. However, the concurrence of the Comptroller General or his designee is not required—

"(A) where the contractor or subcontractor is a foreign government or agency thereof or is precluded by the laws of the country involved from making its records available for examination; and

"(B) where the agency head determines, after taking into account the price and availability of the property and services from United States sources, that the public interest would be best served by not applying paragraph (1).

"(3) Paragraph (1) may not be construed to require a contractor or subcontractor to create or maintain any record that the contractor or subcontractor does not maintain in the ordinary course of business or pursuant to another provision of law.

"(e) LIMITATION.—The right of an agency head under subsection (a), and the right of the Comptroller General under subsection (d), with respect to a contract or subcontract shall expire three years after final payment under such contract or subcontract.

"(f) INAPPLICABILITY TO CERTAIN CONTRACTS.—This section is inapplicable with respect to the following contracts:

"(1) CONTRACTS.—For utility services at rates not exceeding those established to apply uniformly to the public, plus any applicable reasonable connection charge.

"(g) RECORDS DEFINED.—In this section, the term 'records' includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form.".

(2) CLERICAL AMENDMENT.—The table of contents in the first section of such Act, as amended by section 41151(b), is further amended by inserting after the item relating to section 304A the following:

"Sec. 304B. Examination of records of contractor.".

(b) REPEAL OF SUPERSEDED PROVISION.—Section 304 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254) is amended by striking out subsection (c).

Subtitle D—Cost Accounting Standards

SEC. 42301. EXCEPTIONS TO COVERAGE.

Section 26(f)(2) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(f)(2)) is amended—

(1) by inserting "(A)" after "(2)";

(2) by striking out ", other than contracts or subcontracts" and all that follows and inserting in lieu thereof a period; and

(3) by inserting at the end the following:

"(B) Subparagraph (A) does not apply to the following contracts or subcontracts:

"(i) Contracts or subcontracts where the price negotiated is based on established catalog or market prices of commercial items sold in substantial quantities to the general public.

"(ii) Contracts or subcontracts where the price negotiated is based on prices set by law or regulation.

"(iii) Any other firm fixed-price contract or subcontract for commercial items which is excepted from the requirement to provide cost or pricing data pursuant to subsection (b) or (d) of section 2306a of title 10, United States Code, or subsection (b) or (d) of section 304A of the Federal Property and Administrative Services Act of 1949.

"(C) In this paragraph, the term 'subcontract' includes a transfer of commercial items between divisions, subsidiaries, or affiliates of a contractor.".

SEC. 42302. REPEAL OF OBSOLETE DEADLINE REGARDING PROCEDURAL REGULATIONS FOR THE COST ACCOUNTING STANDARDS BOARD.

Section 26(f)(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 422(f)(3)) is amended in the first sentence by striking out "Not later than 180 days after the date of the enactment of this section, the Administrator" and inserting in lieu thereof "The Administrator".

Subtitle E—Administration of Contract Provisions Relating to Price, Delivery, and Product Quality

PART I—ARMED SERVICES ACQUISITIONS

SEC. 42401. PROCUREMENT OF CRITICAL AIRCRAFT AND SHIP SPARE PARTS; QUALITY CONTROL.

(a) REPEAL.—Section 2383 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2383.

SEC. 42402. CONTRACTOR GUARANTEES REGARDING WEAPON SYSTEMS.

Section 2403(h) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

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

"(2) The regulations shall include the following:

"(A) Guidelines for negotiating contractor guarantees that are reasonable and cost effective, as determined on the basis of the likelihood of defects and the estimated cost of correcting such defects.

"(B) Procedures for administering contractor guarantees.

"(C) Guidelines for determining the cases in which it may be appropriate to waive the requirements of this section.".

PART II—ACQUISITIONS GENERALLY

SEC. 42451. SECTION 3737 OF THE REVISED STATUTES: EXPANSION OF AUTHORITY TO PROHIBIT SETOFFS AGAINST ASSIGNEES; REORGANIZATION OF SECTION; REVISION OF OBSOLETE PROVISIONS.

Section 3737 of the Revised Statutes (41 U.S.C. 15) is amended to read as follows:

"SEC. 3737. (a) No contract or order, or any interest therein, shall be transferred by the party to whom such contract or order is given to any other party, and any such transfer shall cause the annulment of the contract or order transferred, so far as the United States is concerned. All rights of action, however, for any breach of such contract by the contracting parties, are reserved to the United States.

"(b) The provisions of subsection (a) shall not apply in any case in which the moneys due or to become due from the United States or from any agency or department thereof, under a contract providing for payments aggregating $1,000 or more, are assigned to a bank, trust company, or other financing institution, including any Federal lending agency, provided:

"(1) That, in the case of any contract entered into after October 9, 1940, no claim shall be assigned if it arises under a contract which forbids such assignment.

"(2) That, unless otherwise expressly permitted by such contract, any such assignment shall cover all amounts payable under such contract and not already paid, shall not be made to more than one party, and shall not be subject to further assignment, except that any such assignment may be made to one party as agent or trustee for two or more parties participating in such financing.

"(3) That, in the event of any such assignment, the assignee thereof shall file written notice of the assignment together with a true copy of the instrument of the assignment with—

"(A) the contracting officer or the head of his department or agency;

"(B) the surety or sureties upon the bond or bonds, if any, in connection with such contract; and

"(C) the disbursing officer, if any, designated in such contract to make payment.

"(c) Notwithstanding any law to the contrary governing the validity of assignments, any assignment pursuant to this section shall constitute a valid assignment for all purposes.

"(d) In any case in which moneys due or to become due under any contract are or have been assigned pursuant to this section, no liability of any nature of the assignor to the United States or any department or agency thereof, whether arising from or independently of such contract, shall create or impose any liability on the part of the assignee to make restitution, refund, or repayment to the United States of any amount heretofore since July 1, 1950, or hereafter received under the assignment.

"(e) Any contract of the Department of Defense, the General Services Administration, the Department of Energy, or any other department or agency of the United States designated by the President, except any such contract under which full payment has been made, may, upon a determination of need by the President, provide or be amended without consideration to provide that payments to be made to the assignee of any moneys due or to become due under such contract shall not be subject to reduction or setoff. Each such determination of need shall be published in the Federal Register.

"(f) If a provision described in subsection (e) or a provision to the same general effect has been at any time heretofore or is hereafter included or inserted in any such contract, payments to be made thereafter to an assignee of any moneys due or to become due under such contract shall not be subject to reduction or setoff for any liability of any nature of the assignor to the United States or any department or agency thereof which arises independently of such contract, or hereafter for any liability of the assignor on account of—

"(1) renegotiation under any renegotiation statute or under any statutory renegotiation article in the contract;

"(2) fines;

"(3) penalties (which term does not include amounts which may be collected or withheld from the assignor in accordance with or for failure to comply with the terms of the contract); or

"(4) taxes, social security contributions, or the withholding or nonwithholding of taxes or social security contributions, whether arising from or independently of such contract.

"(g) Except as herein otherwise provided, nothing in this section shall be deemed to affect or impair rights of obligations heretofore accrued.".

SEC. 42452. REPEAL OF REQUIREMENT FOR DEPOSIT OF CONTRACTS WITH GAO.

Section 3743 of the Revised Statutes (41 U.S.C. 20) is repealed.

Subtitle F—Claims and Disputes

PART I—ARMED SERVICES ACQUISITIONS

SEC. 42501. CERTIFICATION OF CONTRACT CLAIMS.

(a) DOD CERTIFICATION REQUIREMENT IN CONFLICT WITH GOVERNMENTWIDE REQUIREMENT.—

(1) INAPPLICABILITY OF REQUIREMENT TO CONTRACT CLAIMS.—Section 2410 of title 10, United States Code, is amended to read as follows:

"§ 2410. Requests for equitable adjustment or other relief: certification

"(a) CERTIFICATION REQUIREMENT.—A request for equitable adjustment to contract terms or request for relief under Public Law 85-804 (50 U.S.C. 1431 et seq.) that exceeds the simplified acquisition threshold may not be paid unless a person authorized to certify the request on behalf of the contractor certifies, at the time the request is submitted, that—

"(1) the request is made in good faith, and

"(2) the supporting data are accurate and complete to the best of that person's knowledge and belief.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2410 and inserting in lieu thereof the following:

"2410. Requests for equitable adjustment or other relief: certification.".

(b) RESTRICTION ON LEGISLATIVE PAYMENT OF CLAIMS.—Section 2410 of title 10, United States Code, as amended by subsection (a), is further amended by adding at the end the following new subsection:

"(b) RESTRICTION ON LEGISLATIVE PAYMENT OF CLAIMS.—In the case of a contract of an agency named in section 2303(a) of this title, no provision of a law enacted after September 30, 1994, that directs the payment of a particular claim under such contract, a particular request for equitable adjustment to any term of such contract, or a particular request for relief under Public Law 85-804 (50 U.S.C. 1431 et seq.) regarding such contract may be implemented unless such provision of law—

"(1) specifically refers to this subsection; and

"(2) specifically states that this subsection does not apply with respect to the payment directed by that provision of law.".

(c) DEFINITION.—Section 2410, as amended by subsections (a) and (b), is further amended by adding at the end the following:

"(c) DEFINITION.—In this section, the term 'simplified acquisition threshold' has the meaning given that term in section 2302(4) of this title.".

(d) REPEAL OF RELATED PROVISIONS.—

(1) CERTIFICATION REGULATIONS FOR CONTRACT CLAIMS EXCEEDING $100,000.—

(A) REPEAL.—Section 2410e of title 10, United States Code, is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2410e.

(2) CONFORMING REPEAL.—Section 813(b) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484, 106 Stat. 2453), is repealed.

SEC. 42502. SHIPBUILDING CLAIMS.

(a) LIMITATION ON PERIOD FOR SUBMISSION.—

(1) INCREASED PERIOD.—Subsection (a) of section 2405 of title 10, United States Code, is amended—

(A) by striking out "after December 7, 1983," and inserting in lieu thereof "on or after the date of the enactment of the Federal Acquisition Streamlining Act of 1994"; and

(B) by striking out "18 months" and inserting in lieu thereof "6 years".

(2) SAVINGS PROVISION.—Notwithstanding the 6-year period provided in subsection (a) of section 2405 of title 10, United States Code, as amended by paragraph (1), the period applicable under such subsection in the case of a shipbuilding contract entered into after December 7, 1983, and before the date of the enactment of the Federal Acquisition Streamlining Act of 1994 shall continue to be 18 months.

(b) RESUBMISSION WITH CORRECTED CERTIFICATION.—Subsection (c) of such section is repealed.

PART II—ACQUISITIONS GENERALLY

SEC. 42551. CLAIMS JURISDICTION OF UNITED STATES DISTRICT COURTS AND THE UNITED STATES COURT OF FEDERAL CLAIMS.

(a) CONCURRENT JURISDICTION OF UNITED STATES DISTRICT COURTS UNDER THE LITTLE TUCKER ACT.—Subsection (a) of section 1346 of title 28, United States Code, is amended to read as follows:

"(a)(1) The district courts shall have original jurisdiction, concurrent with the United States Court of Federal Claims, of any civil action against the United States for the recovery of any internal-revenue tax alleged to have been erroneously or illegally assessed or collected, or any penalty claimed to have been collected without authority or any sum alleged to have been excessive or in any manner wrongfully collected under the internal-revenue laws.

"(2)(A) Except as provided in subparagraph (B), the district courts shall have original jurisdiction, concurrent with the United States Court of Federal Claims, of any other civil action or claim against the United States, not exceeding $10,000 in amount, founded either upon the Constitution, or any Act of Congress, or any regulation of an executive department, or upon any express or implied contract with the United States, or for liquidated or unliquidated damages in cases not sounding in tort.

"(B) The district courts shall not have jurisdiction over any civil action or claim against the United States or any Federal entity which relates in any manner to a contract to which the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.) applies, including a claim that seeks to establish the existence or nonexistence of such a contract, seeks to establish that such a contract is void, or seeks to determine and construe the terms of such a contract. The district courts do not have jurisdiction over any civil action or claim described in the preceding sentence pursuant to section 1331, 1334, or 1346(a)(2)(B) of this title, any provision of law giving a Federal entity the right to sue or be sued in its own name, or any other provision of law.".

(b) JURISDICTION OF THE UNITED STATES COURT OF FEDERAL CLAIMS UNDER THE TUCKER ACT.—Section 1491 of title 28, United States Code, as amended by section 1422, is further amended by inserting after subsection (c) the following:

"(d)(1) The United States Court of Federal Claims shall have jurisdiction over any civil action or claim against the United States which relates in any manner to a contract to which the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.) applies, including a civil action or claim that seeks to establish the existence or nonexistence of such a contract, seeks to establish that such contract is void, or seeks to determine and construe the terms of any such contract.

"(2) The jurisdiction of the United States Court of Federal Claims is, pursuant to section 1346(a)(2)(B) of this title, exclusive as to the district courts of the United States.".

SEC. 42552. CONTRACT DISPUTES ACT IMPROVEMENTS.

(a) PERIOD FOR FILING CLAIMS.—

(1) SIX-YEAR LIMITATION.—Section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) is amended in subsection (a) by inserting after the second sentence the following: "Each claim by a contractor against the government relating to a contract and each claim by the government against a contractor relating to a contract shall be submitted within 6 years after the occurrence of the event or events giving rise to the claim. The preceding sentence does not apply to a claim by the government against a contractor that is based on a claim by the contractor involving fraud.".

(2) LIMITATION ON APPLICABILITY TO EXISTING CONTRACTS.—Notwithstanding the third sentence of section 6(a) of the Contract Disputes Act of 1978, as added by paragraph (1), if a contract in existence on the date of the enactment of this division requires that a claim referred to in that sentence be submitted earlier than 6 years after the occurrence of the event or events giving rise to the claim, then the claim shall be submitted within the period required by the contract. The preceding sentence does not apply to a claim by the Federal Government against a contractor that is based on a claim by the contractor involving fraud.

(b) INCREASED THRESHOLD FOR CERTIFICATION, DECISION, AND NOTIFICATION REQUIREMENTS.—Subsection (c) of such section is amended by striking out "$50,000" each place it appears and inserting in lieu thereof "$100,000".

(c) INCREASED MAXIMUM FOR APPLICABILITY OF ACCELERATED PROCEDURES.—Section 8(f) of the Contract Disputes Act of 1978 (41 U.S.C. 607(f)) is amended by striking out "$50,000" in the first sentence and inserting in lieu thereof "$150,000".

(d) INCREASED MAXIMUM FOR APPLICABILITY OF SMALL CLAIMS PROCEDURE.—Section 9(a) of the Contract Disputes Act of 1978 (41 U.S.C. 608(a)) is amended by striking out "$10,000" in the first sentence and inserting in lieu thereof "$50,000".

(e) REDUCED PERIOD FOR FILING ACTION IN COURT OF FEDERAL CLAIMS.—Section 10(a)(3) of such Act (41 U.S.C. 609(a)(3)) is amended by striking out "twelve months" and inserting in lieu thereof "90 days".

SEC. 42553. EXTENSION OF ALTERNATIVE DISPUTE RESOLUTION AUTHORITY.

(a) EXTENSION OF AUTHORITY.—Section 6(e) of the Contracts Disputes Act of 1978 (41 U.S.C. 605(e)) is amended by striking out "October 1, 1995" and inserting in lieu thereof "October 1, 1999".

(b) AVAILABILITY OF PROCEDURES TO SMALL BUSINESS GOVERNMENT CONTRACTORS.—Section 6(e) of such Act is amended by inserting after the first sentence the following: "In any case in which the contracting officer rejects a contractor's request for alternative dispute resolution proceedings, the contracting officer shall provide the contractor with a written explanation, citing one or more of the conditions in section 572(b) of title V, United States Code, or such other specific reasons that alternative dispute resolution procedures are inappropriate for the resolution of the dispute. In any case in which a contractor rejects a request of an agency for alternative dispute resolution proceedings, the contractor shall inform the agency in writing of the contractor's specific reasons for rejecting the request.".

SEC. 42554. EXPEDITED RESOLUTION OF CONTRACT ADMINISTRATION COMPLAINTS.

(a) REGULATIONS REQUIRED.—The Federal Acquisition Regulation shall include provisions that require a contracting officer—

(1) to make every reasonable effort to respond in writing within 30 days to any written request made to a contracting officer with respect to a matter relating to the administration of a contract that is received from a small business concern; and

(2) in the event that the contracting officer is unable to reply within the 30-day period, to transmit to the contractor within such period a written notification of a specific date by which the contracting officer expects to respond.

The provisions shall not apply to a request for a contracting officer's decision under the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.).

(b) RULE OF CONSTRUCTION.—Nothing in this provision shall be considered as creating any rights under the Contract Disputes Act (41 U.S.C. 601 et seq.).

(c) DEFINITION.—In this section, the term "small business concern" means a business concern that meets the requirements of section 3(a) of the Small Business Act (15 U.S.C. 632(a)) and the regulations promulgated pursuant to that section.

SEC. 42555. AUTHORITY FOR DISTRICT COURTS TO OBTAIN ADVISORY OPINIONS FROM BOARDS OF CONTRACT APPEALS IN CERTAIN CASES.

Section 10 of the Contract Disputes Act of 1978 (41 U.S.C. 609) is amended by adding at the end the following new paragraph:

"(f)(1) Whenever an action involving an issue described in paragraph (2) is pending in a district court of the United States, the district court may request a board of contract appeals to provide the court with an advisory opinion on the matters of contract interpretation at issue.

"(2) An issue referred to in paragraph (1) is any issue that could be the proper subject of a final decision of a contracting officer appealable under this Act.

"(3) A district court shall direct any request under paragraph (1) to the board of contract appeals having jurisdiction under this Act to adjudicate appeals of contract claims under the contract or contracts being interpreted by the court.

"(4) Within ninety days after receiving a request for an advisory opinion under paragraph (1), a board of contract appeals shall provide the advisory opinion to the district court making the request.".

TITLE XLIII—SERVICE SPECIFIC AND MAJOR SYSTEMS STATUTES

Subtitle A—Major Systems Statutes

SEC. 43001. REQUIREMENT FOR INDEPENDENT COST ESTIMATES AND MANPOWER ESTIMATES BEFORE DEVELOPMENT OR PRODUCTION.

(a) CONTENT AND SUBMISSION OF ESTIMATES.—Section 2434 of title 10, United States Code, is amended by striking out subsection (b) and inserting in lieu thereof the following:

"(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations governing the content and submission of the estimates required by subsection (a). The regulations shall require—

"(1) that the independent estimate of the cost of a program—

"(A) be prepared by an office or other entity that is not under the supervision, direction, or control of the military department, Defense Agency, or other component of the Department of Defense that is directly responsible for carrying out the development or acquisition of the program; and

"(B) include all costs of development, procurement, and operations and support, without regard to funding source or management control; and

"(2) that the manpower estimate include the total personnel required to train for, operate, maintain, and support the program upon full operational deployment.".

(b) TERMINOLOGY CORRECTION.—Subsection (a) of such section is amended by striking out "full-scale engineering development" and inserting in lieu thereof "engineering and manufacturing development".

SEC. 43002. ENHANCED PROGRAM STABILITY.

(a) BASELINE DESCRIPTIONS AND DEVIATION REPORTING.—Section 2435 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out paragraph (2); and

(B) in paragraph (1)—

(i) by striking out "(1)"; and

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

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations governing—

"(1) the content of baseline descriptions, which shall include the program cost, the program schedule, and a program performance description;

"(2) the submission of reports on deviations of a program from the baseline description by the program manager to the Secretary of the military department concerned and the Under Secretary of Defense for Acquisition and Technology;

"(3) procedures for review of deviation reports within the Department of Defense; and

"(4) procedures for submission and approval of revised baseline descriptions.

"(c) BASELINE DESCRIPTION REQUIRED BEFORE OBLIGATION OF FUNDS.—(1) Except as provided in paragraph (2), no amount appropriated or otherwise made available to the Department of Defense may be obligated for a major defense acquisition program before a baseline description for the program is approved in accordance with the procedures prescribed pursuant to subsection (b)(4).

"(2) An obligation otherwise prohibited by paragraph (1) may be incurred if approved in advance by the Under Secretary of Defense for Acquisition and Technology.".

(b) TERMINOLOGY CORRECTION.—Subsection (a)(1) of such section, as redesignated by subsection (a)(1)(B)(ii), is amended by striking out "full-scale engineering development" and inserting in lieu thereof "engineering and manufacturing development".

SEC. 43003. REPEAL OF REQUIREMENT TO DESIGNATE CERTAIN MAJOR DEFENSE ACQUISITION PROGRAMS AS DEFENSE ENTERPRISE PROGRAMS.

Section 809 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 10 U.S.C. 2430 note) is amended—

(1) by striking out subsection (d); and

(2) by redesignating subsections (e), (f), (g), and (h) as subsections (d), (e), (f), and (g), respectively.

SEC. 43004. REPEAL OF REQUIREMENT FOR COMPETITIVE PROTOTYPING IN MAJOR PROGRAMS.

(a) REPEAL.—Section 2438 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 144 of such title is amended by striking out the item relating to section 2438.

SEC. 43005. REPEAL OF REQUIREMENT FOR COMPETITIVE ALTERNATIVE SOURCES IN MAJOR PROGRAMS.

(a) REPEAL.—Section 2439 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 144 of such title is amended by striking out the item relating to section 2439.

Subtitle B—Testing Statutes

SEC. 43011. DIRECTOR OF OPERATIONAL TEST AND EVALUATION TO REPORT DIRECTLY TO SECRETARY OF DEFENSE.

Section 139(c) of title 10, United States Code, is amended by inserting after "(c)" the following: "The Director reports directly, without intervening review or approval, to the Secretary of Defense and Deputy Secretary of Defense personally.".

SEC. 43012. RESPONSIBILITY OF DIRECTOR OF OPERATIONAL TEST AND EVALUATION FOR LIVE FIRE TESTING.

(a) CONDUCT OF LIVE FIRE TESTING.—Subsection (b) of section 139 of title 10, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; and"; and

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

"(6) conduct the live fire testing activities of the Department of Defense provided for under section 2366 of this title.".

(b) ANNUAL REPORT ON LIVE FIRE TESTING.—Subsection (f) of such section is amended by inserting "(including live fire testing activities)" in the first sentence after "operational test and evaluation activities".

SEC. 43013. REQUIREMENT FOR UNCLASSIFIED VERSION OF ANNUAL REPORT ON OPERATIONAL TEST AND EVALUATION.

Section 139(f) of title 10, United States Code, is amended by inserting after the second sentence the following new sentence: "If the Director submits the report to Congress in a classified form, the Director shall concurrently submit an unclassified version of the report to Congress.".

Subtitle C—Service Specific Laws

SEC. 43021. GRATUITOUS SERVICES OF OFFICERS OF CERTAIN RESERVE COMPONENTS.

Section 279 of title 10, United States Code, is amended—

(1) by striking out "Notwithstanding" and inserting in lieu thereof "(a) ACCEPTANCE BY SECRETARY OF A MILITARY DEPARTMENT.—Notwithstanding"; and

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

"(b) ACCEPTANCE BY SECRETARY OF DEFENSE.—Notwithstanding section 1342 of title 31, the Secretary of Defense may accept the gratuitous services of an officer of a reserve component (other than an officer of the Army National Guard of the United States or the Air National Guard of the United States) in consultation upon matters relating to the armed forces.".

SEC. 43022. AUTHORITY TO RENT SAMPLES, DRAWINGS, AND OTHER INFORMATION TO OTHERS.

Subchapter V of chapter 148 of title 10, United States Code, is amended in section 2541(a) by inserting "rent," after "sell," each place it appears in paragraphs (1) and (2).

SEC. 43023. CIVIL RESERVE AIR FLEET.

(a) DEFINITIONS.—Section 9511 of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting "'civil aircraft'," after "'person',";

(B) by striking out "meaning" and inserting in lieu thereof "meanings"; and

(C) by striking out "(49 U.S.C. 1301)" and inserting in lieu thereof "(49 U.S.C. App. 1301)";

(2) in paragraph (2), by striking out "passenger-cargo" and inserting in lieu thereof "passenger cargo";

(3) in paragraph (3), by striking out "cargo-capable" and inserting in lieu thereof "cargo capable";

(4) by striking out paragraph (5) and inserting in lieu thereof the following:

"(5) The term 'cargo convertible aircraft' means a passenger aircraft equipped or designed so that all or substantially all of the main deck of the aircraft can be readily converted for the carriage of property or mail.";

(5) by striking out paragraph (6);

(6) by redesignating paragraph (7) as paragraph (6);

(7) by redesignating paragraph (8) as paragraph (7) and—

(A) in subparagraph (A) of such paragraph, by inserting "under section 9512 of this title" after "and who contracts with the Secretary";

(B) by striking out "or" at the end of such subparagraph (A); and

(C) by inserting before the period at the end of such paragraph the following: ", or (C) who owns or controls existing aircraft, or will own or control new aircraft, and who contractually commits all or some of such aircraft to the Civil Reserve Air Fleet";

(8) by redesignating paragraphs (9), (10), (11), and (12) as paragraphs (8), (9), (10), and (11), respectively; and

(9) in paragraph (11), as so redesignated—

(A) by striking out "interoperability" and inserting in lieu thereof "compatibility"; and

(B) by striking out "a cargo-convertible, cargo-capable, or passenger-cargo combined aircraft" and inserting in lieu thereof "an aeromedical aircraft or a cargo convertible, cargo capable, or passenger cargo combined aircraft".

(b) CONSOLIDATION OF PROVISIONS RELATING TO CONTRACTUAL COMMITMENT OF AIRCRAFT.—Chapter 931 of such title is amended—

(1) by redesignating subsections (b) and (c) of section 9512 as subsections (c) and (d), respectively;

(2) by redesignating subsection (a) of section 9513 as subsection (b), transferring such subsection (as so redesignated) to section 9512, and inserting such subsection after subsection (a);

(3) by redesignating subsection (b) of section 9513 as subsection (e) and transferring such subsection (as so redesignated) to the end of section 9512;

(4) in subsection (c) of section 9512, as redesignated by paragraph (1), by striking out "the terms required by section 9513 of this title and";

(5) in subsection (e) of section 9512, as redesignated and transferred to such section by paragraph (3), by striking out "under section 9512 of this title" and inserting in lieu thereof "entered into under this section"; and

(6) by striking out the heading of section 9513.

(c) USE OF MILITARY INSTALLATIONS BY CONTRACTORS.—

(1) AUTHORITY.—Such chapter, as amended by subsection (b), is further amended by adding at the end the following new section 9513:

"§ 9513. Use of military installations by Civil Reserve Air Fleet contractors

"(a) CONTRACT AUTHORITY.—(1) The Secretary of the Air Force—

"(A) may, by contract entered into with any contractor, authorize such contractor to use one or more Air Force installations designated by the Secretary; and

"(B) with the consent of the Secretary of another military department, may, by contract entered into with any contractor, authorize the contractor to use one or more installations, designated by the Secretary of the Air Force, that is under the jurisdiction of the Secretary of such other military department.

"(2) The Secretary of the Air Force may include in the contract such terms and conditions as the Secretary determines appropriate to promote the national defense or to protect the interests of the United States.

"(b) PURPOSES OF USE.—A contract entered into under subsection (a) may authorize use of a designated installation as a weather alternate, a service stop not involving the enplaning or deplaning of passengers or cargo, or, in the case of an installation within the United States, for other commercial purposes. Notwithstanding any other provision of the law, the Secretary may establish different levels and types of uses for different installations for commercial operations not required by the Department of Defense and may provide in contracts under subsection (a) for different levels and types of uses by different contractors.

"(c) DISPOSITION OF PAYMENTS FOR USE.—Notwithstanding any other provision of law, amounts collected from the contractor for landing fees, services, supplies, or other charges authorized to be collected under the contract shall be credited to the appropriations of the armed forces having jurisdiction over the military installation to which the contract pertains. Amounts so credited to an appropriation shall be available for obligation for the same period as the appropriation to which credited.

"(d) HOLD HARMLESS REQUIREMENT.—A contract entered into under subsection (a) shall provide that the contractor agrees to indemnify and hold harmless the United States from all actions, suits, or claims of any sort resulting from, relating to, or arising out of any activities conducted, or services or supplies furnished, in connection with the contract.

"(e) RESERVATION OF RIGHT TO EXCLUDE CONTRACTOR.—A contract entered into under subsection (a) shall provide that the Secretary or, in the case of an installation under the jurisdiction of an armed force other than the Air Force, the Secretary concerned may at any time and without prior notice deny access to an installation designated under the contract if military exigencies require such action.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by striking out the item relating to section 9513 and inserting in lieu thereof the following:

"9513. Use of military installations by Civil Reserve Air Fleet contractors.".

SEC. 43024. EXCHANGE OF PERSONNEL.

(a) EXCHANGE AUTHORITY.—Subchapter II of chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2350k. Exchange of personnel

"(a) INTERNATIONAL EXCHANGE AGREEMENTS AUTHORIZED.—Under regulations prescribed by the Secretary of Defense, the Secretary and the secretaries of the military departments are each authorized to enter into agreements with the governments of foreign countries for the exchange of military and civilian personnel of the Department of Defense and military and civilian personnel of the defense departments or ministries of such foreign governments.

"(b) ASSIGNMENT OF PERSONNEL.—Pursuant to such agreements, personnel of the foreign defense departments or ministries may be assigned to positions in the Department of Defense, and personnel of the Department of Defense may be assigned to positions in foreign defense departments or ministries. Agreements for the exchange of personnel engaged in research and development activities may provide for assignments to positions in private industry that support the defense departments or ministries. The specific positions and the individuals to be assigned must be acceptable to both the sending government and the host government.

"(c) RECIPROCITY OF PERSONNEL QUALIFICATIONS REQUIRED.—Each government shall be required under an agreement authorized by subsection (a) to provide personnel having qualifications, training, and skills that are essentially equal to those of the personnel provided by the other government.

"(d) PAYMENT OF PERSONNEL COSTS.—Each government shall pay the salary, per diem, cost of living, travel, cost of language or other training, and other costs (except for cost of temporary duty directed by the host government and costs incident to the use of host government facilities in the performance of assigned duties) for its own personnel in accordance with the laws and regulations of such government that pertain to such matters.".

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

"2350k. Exchange of personnel.".

SEC. 43025. SCIENTIFIC INVESTIGATION AND RESEARCH FOR THE NAVY.

(a) REPEAL.—Section 7203 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 631 of such title is amended by striking out the item relating to section 7203.

SEC. 43026. CONSTRUCTION OF COMBATANT AND ESCORT VESSELS AND ASSIGNMENT OF VESSEL PROJECTS.

(a) REPEAL OF OBSOLETE AND INTERNALLY INCONSISTENT PROVISIONS.—Section 7299a of title 10, United States Code, is amended—

(1) by striking out subsection (a); and

(2) by redesignating subsections (b) and (c) as subsections (a) and (b), respectively.

(b) CONFORMING AMENDMENT.—Subsection (b) of such section, as redesignated by subsection (a)(2), is amended in paragraph (2) by striking out "subsection (a) or".

SEC. 43027. REPEAL OF REQUIREMENT FOR CONSTRUCTION OF VESSELS ON PACIFIC COAST.

(a) REPEAL.—Section 7302 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 633 of such title is amended by striking out the item relating to section 7302.

SEC. 43028. AUTHORITY TO TRANSFER BY GIFT A VESSEL STRICKEN FROM NAVAL VESSEL REGISTER.

Section 7306(a)(1) of title 10, United States Code, is amended by inserting "Territory," after "State,".

SEC. 43029. NAVAL SALVAGE FACILITIES.

Chapter 637 of title 10, United States Code, is amended—

(1) in section 7361—

(A) in subsection (a), by inserting "AUTHORITY TO PROVIDE FACILITIES BY CONTRACT OR OTHERWISE.—" after "(a)";

(B) in subsection (b), by inserting "CONTRACTS AFFECTING THE DEPARTMENT OF TRANSPORTATION.—" after "(b)"; and

(C) by striking out subsection (c) and inserting in lieu thereof the following new subsection (c):

"(c) LIMITATION ON TERM CONTRACTS.—Term contracts may be entered into for purposes of this section only after—

"(1) it has been demonstrated to the satisfaction of the Secretary of the Navy that available commercial salvage facilities are inadequate to meet national defense requirements; and

"(2) the Secretary of the Navy determines that adequate public notice of intent to exercise the authority under this subsection has been provided.";

(2) by designating the text of section 7362 as subsection (d) and transferring such text, as so designated, to the end of section 7361 of title 10, United States Code;

(3) in subsection (d) of section 7361 of such title, as so designated and transferred, by inserting before "The Secretary" the following: "COMMERCIAL USE OF NAVAL VESSELS AND EQUIPMENT.—";

(4) by designating the text of section 7363 as subsection (e) and transferring such text, as so designated, to the end of section 7361 of title 10, United States Code;

(5) in subsection (e) of section 7361 of such title, as so designated and transferred, by inserting before "Before any salvage vessel" the following: "CONDITIONS FOR TRANSFER OF EQUIPMENT.—";

(6) by designating the text of section 7365 as subsection (f) and transferring such text, as so designated, to the end of section 7361 of title 10, United States Code;

(7) in subsection (f) of section 7361 of such title, as so designated and transferred, by inserting before "The Secretary" the following: "SETTLEMENT OF CLAIMS.—";

(8) by designating the text of section 7367 as subsection (g) and transferring such text, as so designated, to the end of section 7361 of title 10, United States Code;

(9) in subsection (g) of section 7361 of such title, as so designated and transferred—

(A) by inserting before "Money received" the following: "DISPOSITION OF RECEIPTS.—"; and

(B) by striking out "this chapter" in the first sentence and inserting in lieu thereof "this section";

(10) by striking out the section headings for sections 7362, 7363, 7365, and 7367;

(11) by striking out the heading for section 7361 and inserting in lieu thereof the following:

"§ 7361. Navy support for salvage operations";

and

(12) in the table of sections at the beginning of such chapter—

(A) by striking out the item relating to section 7361 and inserting in lieu thereof the following:

"7361. Navy support for salvage operations."; and

(B) by striking out the items relating to sections 7362, 7363, 7365, and 7367.

Subtitle D—Department of Defense Commercial and Industrial Activities

SEC. 43051. ACCOUNTING REQUIREMENT FOR CONTRACTED ADVISORY AND ASSISTANCE SERVICES.

(a) FUNDING TO BE IDENTIFIED IN BUDGET.—Section 1105 of title 31, United States Code, is amended by adding at the end the following new subsection:

"(g)(1) The Director of the Office of Management and Budget shall establish the funding for advisory and assistance services for each department and agency as a separate object class in each budget annually submitted to the Congress under this section.

"(2)(A) In paragraph (1), except as provided in subparagraph (B), the term 'advisory and assistance services' means the following services when provided by nongovernmental sources:

"(i) Management and professional support services.

"(ii) Studies, analyses, and evaluations.

"(iii) Engineering and technical services.

"(B) In paragraph (1), the term 'advisory and assistance services' does not include the following services:

"(i) Routine automated data processing and telecommunications services unless such services are an integral part of a contract for the procurement of advisory and assistance services.

"(ii) Architectural and engineering services.

"(iii) Technical support of research and development activities.

"(iv) Research on basic mathematics or medical, biological, physical, social, psychological, or other phenomena.".

(b) REPEAL OF SOURCE LAW.—Section 512 of Public Law 102–394 (106 Stat. 1826) is repealed.

(c) REPEAL OF SUPERSEDED PROVISIONS.—

(1) TITLE 10.—

(A) REPEAL.—Section 2212 of title 10, United States Code, is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 131 of such title is amended by striking out the item relating to section 2212.

(2) TITLE 31.—

(A) REPEAL.—Section 1114 of title 31, United States Code, is repealed.

(B) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 11 of such title is amended by striking out the item relating to section 1114.

Subtitle E—Fuel- and Energy-Related Laws

SEC. 43061. LIQUID FUELS AND NATURAL GAS: CONTRACTS FOR STORAGE, HANDLING, OR DISTRIBUTION.

Section 2388(a) of title 10, United States Code, is amended by striking out "liquid fuels and natural gas" and inserting in lieu thereof "liquid fuels or natural gas".

Subtitle F—Fiscal Statutes

SEC. 43071. DISBURSEMENT OF FUNDS OF MILITARY DEPARTMENT TO COVER OBLIGATIONS OF ANOTHER AGENCY OF DEPARTMENT OF DEFENSE.

Subsection (c)(2) of section 3321 of title 31, United States Code, is amended by striking out "military departments of the" and inserting in lieu thereof "The".

Subtitle G—Miscellaneous

SEC. 43081. OBLIGATION OF FUNDS: LIMITATION.

Section 2202 of title 10, United States Code, is amended to read as follows:

"§ 2202. Obligation of funds: limitation

"The Secretary of Defense shall prescribe regulations governing the performance within the Department of Defense of the procurement, production, warehousing, and supply distribution functions, and related functions, of the Department of Defense.".

SEC. 43082. REPEAL OF REQUIREMENTS REGARDING PRODUCT EVALUATION ACTIVITIES.

(a) REPEAL.—Section 2369 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 139 of such title is amended by striking out the item related to section 2369.

SEC. 43083. CODIFICATION AND REVISION OF LIMITATION ON LEASE OF VESSELS, AIRCRAFT, AND VEHICLES.

(a) LIMITATION.—

(1) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2410l. Lease of vessels, aircraft, and vehicles

"The head of an agency named in paragraph (1), (2), (3), or (4) of section 2303(a) of this title may not enter into any contract with a term of 18 months or more, or extend or renew any contract for a term of 18 months or more, for any vessel, aircraft, or vehicle, through a lease, charter, or similar agreement without previously having considered all costs of such lease (including estimated termination liability) and determined in writing that such lease is in the best interest of the Government.".

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

"2410l. Lease of vessels, aircraft, and vehicles.".

(b) REPEAL OF SUPERSEDED PROVISION.—Section 9081 of Public Law 101–165 (103 Stat. 1147; 10 U.S.C. 2401 note) is repealed.

SEC. 43084. SOFT DRINK SUPPLIES FOR EXCHANGE STORES.

Section 2424 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) Paragraphs (1) and (2) of subsection (b) do not apply to contracts for the procurement of soft drinks that are manufactured in the United States. The Secretary of Defense shall prescribe in regulations the standards and procedures for determining whether a particular drink is a soft drink and whether the drink was manufactured in the United States.".

SEC. 43085. REPEAL OF PREFERENCE FOR RECYCLED TONER CARTRIDGES.

The following provisions of law, relating to a preference for procurement of recycled toner cartridges, are repealed:

(1) Section 630 of Public Law 102–393 (106 Stat. 1773) and the provision of law set out in quotes in that section (42 U.S.C. 6962(j)).

(2) Section 401 of Public Law 103–123 (107 Stat. 1238).

TITLE XLIV—SIMPLIFIED ACQUISITION THRESHOLD AND SOCIOECONOMIC, SMALL BUSINESS, AND MISCELLANEOUS LAWS

Subtitle A—Simplified Acquisition Threshold

PART I—ESTABLISHMENT OF THRESHOLD

SEC. 44001. SIMPLIFIED ACQUISITION THRESHOLD.

(a) TERM DEFINED.—Section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)) is amended to read as follows:

"(11) The term 'simplified acquisition threshold' means $100,000.".

(b) INTERIM REPORTING RULE.—Until October 1, 1999, procuring activities shall continue to report procurement awards with a dollar value of at least $25,000, but less than $100,000, in conformity with the procedures for the reporting of a contract award in excess of $25,000 that were in effect on October 1, 1992.

PART II—SIMPLIFICATION OF PROCEDURES

SEC. 44011. SIMPLIFIED ACQUISITION PROCEDURES.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) is amended by adding at the end the following new section:

"SIMPLIFIED ACQUISITION PROCEDURES

"SEC. 29. (a) In order to promote efficiency and economy in contracting and to avoid unnecessary burdens for agencies and contractors, the Federal Acquisition Regulation

shall provide for special simplified procedures for contracts for acquisition of property and services that are not in excess of the simplified acquisition threshold.

"(b) Regulations prescribed pursuant to subsection (a) shall include the following provisions:

"(1) A provision that a contract with an anticipated value not in excess of $2,500 is not subject to section 15(j) of the Small Business Act (15 U.S.C. 644(j)) and section 2 of title III of the Act of March 3, 1933 (commonly known as the 'Buy America Act') (41 U.S.C. 10a et seq.).

"(2) A provision that a civilian or military official, or employee of an agency, whose contracting authority does not exceed $2,500 is not a procurement official for the purposes of section 27 of this Act.

"(3) A provision that a purchase not in excess of $2,500 may be made without obtaining competitive quotations if the contracting officer determines that the price for the purchase is reasonable.

"(4) A requirement that purchases not in excess of $2,500 be distributed equitably among qualified suppliers.

"(5) A requirement that a contracting officer consider each responsive offer timely received from an eligible offeror.

"(c) A proposed purchase or contract for an amount above the simplified acquisition threshold may not be divided into several purchases or contracts for lesser amounts in order to use the simplified acquisition procedures required by subsection (a).

"(d) In using simplified acquisition procedures, the head of an executive agency shall promote competition to the maximum extent practicable.".

SEC. 44012. SMALL BUSINESS RESERVATION.

Section 15(j) of the Small Business Act (15 U.S.C. 644(j)) is amended to read as follows:

"(j)(1) Each contract for the purchase of goods and services that has an anticipated value in excess of $2,500 but not in excess of the simplified acquisition threshold and that is subject to simplified acquisition procedures prescribed pursuant to section 29 of the Office of Federal Procurement Policy Act shall be reserved exclusively for small business concerns unless the contracting officer is unable to obtain offers from two or more small business concerns that are competitive with market prices and are competitive with regard to the quality and delivery of the goods or services being purchased.

"(2) In carrying out paragraph (1), a contracting officer shall consider a responsive offer timely received from an eligible small business offeror.

"(3) Nothing in paragraph (1) shall be construed as precluding an award of a contract with a value not in excess of the simplified acquisition threshold under the authority of subsection (a) or (c) of section 8 of this Act, section 2323 of title 10, United States Code, or section 712 of the Business Opportunity Development Reform Act of 1988 (Public Law 100-656; 15 U.S.C. 644 note).".

SEC. 44013. FAST PAYMENT UNDER SIMPLIFIED ACQUISITION PROCEDURES.

(a) PAYMENT PROCEDURES.—The simplified acquisition procedures described in section 29(a) of the Office of Federal Procurement Policy Act (as added by section 44011) shall provide for use of the payment terms described in subsection (b), and for the disbursement of payment through electronic fund transfer, whenever circumstances permit.

(b) REQUIRED PAYMENT TERMS.—The payment terms for a purchase made pursuant to simplified acquisition procedures shall require payment, in accordance with the provisions of chapter 39 of title 31, United States Code, within 15 days after the date of the receipt of a proper invoice for products delivered or services performed, if—

(1) in the case of a purchase of property, title to the property vests in the Government upon delivery of the property to the Government or to a common carrier;

(2) in the case of property or services for which payment is due before the Government's acceptance of the property or services, the vendor provides commercial or other appropriate warranties assuring that the property or services purchased conform to the requirements set forth in the Government's purchase offer; and

(3) funds are available for making the payment.

(c) DISBURSEMENTS TO BE MATCHED WITH OBLIGATIONS.—The simplified acquisition procedures shall include procedures that ensure that each request for a disbursement is matched with a particular obligation before the disbursement is made under the payment terms provided for under subsection (a).

SEC. 44014. PROCUREMENT NOTICE.

(a) CONTINUATION OF EXISTING NOTICE THRESHOLDS.—Subsection (a) of section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) is amended—

(1) in paragraph (1), by striking out "the small purchase threshold" each place it appears and inserting in lieu thereof "$25,000"; and

(2) in paragraph (3)(B), by inserting after "(B)" the following: "in the case of a contract or order expected to exceed the simplified acquisition threshold,".

(b) CONTENT OF NOTICE.—Subsection (b) of such section is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and

(3) by adding at the end the following:

"(6) in the case of a contract in an amount estimated to exceed $25,000 but not to exceed the simplified acquisition threshold—

"(A) a description of the procedures to be used in awarding the contract; and

"(B) a statement specifying the periods for prospective offerors and the contracting officer to take the necessary preaward and award actions.".

(c) NOTICE NOT REQUIRED IN ELECTRONIC COMMERCE.—Subsection (c)(1) of such section, as amended by section 41055(b), is further amended—

(1) by redesignating subparagraphs (A), (B), (C), (D), (E) and (F) as subparagraphs (B), (C), (D), (E), (F), and (G), respectively; and

(2) by inserting above subparagraph (B), as so redesignated, the following new subparagraph (A):

"(A) the proposed procurement is conducted by means of electronic commerce pursuant to a system that, as determined by the Administrator for Federal Procurement Policy, has the capabilities described in subsections (a) and (b) of section 44015 of the Federal Acquisition Streamlining Act of 1994;".

(d) NOTICE UNDER THE SMALL BUSINESS ACT.—

(1) CONTINUATION OF EXISTING NOTICE THRESHOLDS.—Subsection (e) of section 8 of the Small Business Act (15 U.S.C. 637) is amended—

(A) in paragraph (1), by striking out "the small purchase threshold" each place it appears and inserting in lieu thereof "$25,000"; and

(B) in paragraph (3)(B), by inserting after "(B)" the following: "in the case of a contract or order estimated to exceed the simplified acquisition threshold,".

(2) CONTENT OF NOTICE.—Subsection (f) of such section is amended—

(A) by striking out "and" at the end of paragraph (4);

(B) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and

(C) by adding at the end the following:

"(6) in the case of a contract in an amount estimated to exceed the $25,000 but not to exceed the simplified acquisition threshold—

"(A) a description of the procedures to be used in awarding the contract; and

"(B) a statement specifying the periods for prospective offerors and the contracting officer to take the necessary preaward and award actions.".

SEC. 44015. ELECTRONIC COMMERCE FOR FEDERAL GOVERNMENT PROCUREMENTS.

(a) DEVELOPMENT AND IMPLEMENTATION OF SYSTEM.—The Administrator for Federal Procurement Policy, in consultation with the heads of appropriate Federal Government agencies having applicable technical and functional expertise, may take appropriate steps to develop and implement a Federal Governmentwide architecture or design for electronic commerce that provides interoperability among users.

(b) REQUIRED CAPABILITIES.—The requirements analysis prepared to implement the architecture or design of a system of electronic commerce referred to in subsection (a) shall have the following capabilities:

(1) The maximum practicable capability for electronic exchange of such procurement information as solicitations, offers, contracts, purchase orders, invoices, payments, and other contractual documents between the private sector and the Federal Government.

(2) Capabilities that increase the access of businesses, including small business concerns, socially and economically disadvantaged small business concerns, and businesses owned predominantly by women, to Federal Government procurement opportunities.

(3) Easy access for potential Federal Government contractors.

(4) Use of nationally and internationally recognized data formats that broaden and ease electronic interchange of data.

(5) Use of Federal Government systems and networks and industry systems and networks.

(c) NOTICE AND SOLICITATION REGULATIONS.—In connection with implementation of the architecture or design referred to in subsection (a), the Federal Acquisition Regulatory Council shall ensure that the Federal Acquisition Regulation contains appropriate notice and solicitation provisions applicable to acquisitions conducted through such architecture or design. The provisions shall specify the required form and content of notices of acquisitions and the minimum periods for notifications of solicitations and for deadlines for the submission of offers under solicitations. Each minimum period specified for a notification of solicitation and each deadline for the submission of offers under a solicitation shall afford potential offerors a reasonable opportunity to respond.

(d) LIMITATION OF PUBLICATION REQUIREMENT.—The requirement in section 18(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(a)) and section 8(e) of the

Small Business Act (15 U.S.C. 637(e)) for publishing notice of a solicitation in the Commerce Business Daily shall not apply to acquisitions of a Federal agency or a component of a Federal agency that are made through electronic commerce and have a value not in excess of the simplified acquisition threshold if the Federal Acquisition Regulation contains the provisions specifically required by subsection (c) and the Administrator for Federal Procurement Policy certifies that such agency or component—

(1) has fully implemented the architecture or design referred to in subsection (a); and

(2) has procedures in place—

(A) to provide notice to potential offerors in accordance with the requirements of the Federal Acquisition Regulation prescribed pursuant to subsection (c); and

(B) to ensure that small business concerns are afforded an opportunity to respond to a solicitation of contract offers within the period specified in the solicitation.

(e) DEFINITION.—In this section, the term "simplified acquisition threshold" has the meaning given that term is section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)).

PART III—APPLICABILITY OF LAWS TO ACQUISITIONS NOT IN EXCESS OF SIMPLIFIED ACQUISITION THRESHOLD

SEC. 44021. FUTURE ENACTED PROCUREMENT LAWS.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 44011, is further amended by adding at the end the following new section:

"APPLICABILITY OF CERTAIN LAWS TO CONTRACTS NOT EXCEEDING SIMPLIFIED ACQUISITION THRESHOLD

"SEC. 30. (a) IN GENERAL.—The applicability of a provision of law described in subsection (b) to contracts not in excess of the simplified acquisition threshold may be waived on a class basis in the Federal Acquisition Regulation. Such a waiver shall not apply to a provision of law that expressly refers to this section and prohibits the waiver of that provision of law.

"(b) REFERENCED LAW.—A provision of law referred to in subsection (a) is any provision of law enacted after the date of the enactment of the Federal Acquisition Streamlining Act of 1994 that, as determined by the Administrator for Federal Procurement Policy, sets forth policies, procedures, requirements, or restrictions for the procurement of property or services by the Federal Government.".

SEC. 44022. ARMED SERVICES ACQUISITIONS.

(a) REQUIREMENT FOR CONTRACT CLAUSE REGARDING CONTINGENT FEES.—Section 2306(b) of title 10, United States Code, is amended by adding at the end the following: "This subsection does not apply to a contract that is not in excess of the simplified acquisition threshold.".

(b) PROHIBITION ON LIMITING SUBCONTRACTOR DIRECT SALES TO THE UNITED STATES.—Section 2402 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) This section does not apply to a contract that is not in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

(c) AUTHORITY TO EXAMINE BOOKS AND RECORDS OF CONTRACTORS.—Section 2313 of title 10, United States Code, as amended by section 42201, is further amended by adding at the end of subsection (f) the following:

"(2) A contract that is not in excess of the simplified acquisition threshold.".

(d) REQUIREMENT TO IDENTIFY SUPPLIERS AND SOURCES OF SUPPLIES.—Section 2384(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) The regulations prescribed pursuant to paragraph (1) do not apply to a contract that does not exceed the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

(e) PROHIBITION AGAINST DOING BUSINESS WITH CERTAIN OFFERORS OR CONTRACTORS.—Section 2393(d) of title 10, United States Code, is amended in the second sentence by striking out "above" and all that follows and inserting in lieu thereof "in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

(f) PROHIBITION ON PERSONS CONVICTED OF DEFENSE-CONTRACT RELATED FELONIES.—Section 2408(a) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) The prohibition in paragraph (1) does not apply with respect to the following:

"(A) A contract referred to in subparagraph (A), (B), (C), or (D) of such paragraph that is not in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).

"(C) A subcontract referred to in such subparagraph that is under a contract described in subparagraph (A).".

SEC. 44023. CIVILIAN AGENCY ACQUISITIONS.

(a) REQUIREMENT FOR CONTRACT CLAUSE REGARDING CONTINGENT FEES.—Section 304(a) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254(a)) is amended by adding at the end the following: "The preceding sentence does not apply to a contract that is not in excess of the simplified acquisition threshold.".

(b) PROHIBITION ON LIMITING SUBCONTRACTOR DIRECT SALES TO THE UNITED STATES.—Section 303G of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253g) is amended by adding at the end the following new subsection:

"(c) This section does not apply to a contract that is not in excess of the simplified acquisition threshold.".

(c) AUTHORITY TO EXAMINE BOOKS AND RECORDS OF CONTRACTORS.—Section 304B of the Federal Property and Administrative Services Act of 1949, as added by section 42251(a), is amended by adding at the end of subsection (f) the following:

"(2) A contract that is not in excess of the simplified acquisition threshold.".

SEC. 44024. ACQUISITIONS GENERALLY.

(a) LIMITATION ON USE OF FUNDS TO INFLUENCE CERTAIN FEDERAL ACTIONS.—Section 1352(e)(2)(B) of title 31, United States Code, is amended by striking out "$100,000" and inserting in lieu thereof "the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)))".

(b) REQUIREMENT FOR CONTRACT CLAUSE RELATING TO KICKBACKS.—Section 7 of the Anti-Kickback Act of 1986 (41 U.S.C. 57) is amended by adding at the end the following new subsection:

"(d) Subsections (a) and (b) do not apply to a prime contract that is not in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

(c) MILLER ACT.—

(1) IN GENERAL.—

(A) CONTRACTS NOT EXCEEDING SIMPLIFIED ACQUISITION THRESHOLD.—The Act of August 24, 1935 (40 U.S.C. 270a et seq.), commonly referred to as the "Miller Act", is amended by adding at the end the following new section:

"SEC. 5. This Act does not apply to a contract in an amount that is not in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

(B) CONFORMING AMENDMENT.—Subsection (a) of the first section of such Act is amended by striking out ", exceeding $25,000 in amount,".

(2) ALTERNATIVE PAYMENT PROTECTIONS.—

(A) PROTECTIONS TO BE SPECIFIED IN THE FAR.—The Federal Acquisition Regulation shall provide alternatives to payment bonds as payment protections for suppliers of labor and materials under contracts referred to in subparagraph (C).

(B) USE OF AUTHORIZED PROTECTIONS.—The contracting officer for a contract shall—

(i) select, from among the payment protections provided for in the Federal Acquisition Regulation pursuant to subparagraph (A), one or more payment protections which the offeror awarded the contract is to submit to the Federal Government for the protection of suppliers of labor and materials for such contract; and

(ii) specify in the solicitation of offers for such contract the payment protection or protections so selected.

(C) COVERED CONTRACTS.—

(i) APPLICABILITY.—The regulations required under subparagraph (A) and the requirements of subparagraph (B) apply with respect to contracts referred to in subsection (a) of the first section of the Miller Act that are in excess of $25,000 but not in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).

(ii) MILLER ACT REFERENCE.—The Miller Act referred to in subparagraph (A) is the Act of August 24, 1935 (40 U.S.C. 270a et seq.), commonly referred to as the "Miller Act".

(d) CONTRACT WORK HOURS AND SAFETY STANDARDS ACT.—

(1) IN GENERAL.—Section 103 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 329) is amended by adding at the end the following new subsection:

"(c) This title does not apply to a contract in an amount that is not in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

(2) CONFORMING AMENDMENT.—Section 107(a) of such Act (40 U.S.C. 333(a)) is amended by inserting after "It shall be a condition of each contract" the following: "(other than a contract referred to in section 103(c))".

(e) DRUG-FREE WORKPLACE ACT OF 1988.—Section 5152(a)(1) of the Drug-Free Workplace Act of 1988 (subtitle D of title V of the Anti-Drug Abuse Act of 1988; Public Law 100-690; 41 U.S.C. 701(a)(1)) is amended by striking out "of $25,000 or more from any Federal agency" and inserting in lieu thereof "in excess of the simplified acquisition threshold (as defined in section 4(11) of such Act (41 U.S.C. 403(11))) by any Federal agency".

(f) CERTAIN PROCUREMENT INTEGRITY REQUIREMENTS.—

(1) CERTIFICATION REQUIREMENT.—Subsection (e)(7)(A) of section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) is amended by striking out "$100,000" and inserting in lieu thereof "the simplified acquisition threshold".

(2) CONTRACT CLAUSE REQUIREMENT.—Subsection (g)(1) of such section is amended by inserting after "awarded by a Federal agency" the following: "(other than a contract in

an amount that is not in excess of the simplified acquisition threshold)".

(g) SOLID WASTE DISPOSAL ACT.—Section 6002(a) of the Solid Waste Disposal Act (42 U.S.C. 6962(a)) is amended by striking out all that follows "with respect to any" and inserting in lieu thereof "contract in excess of the simplified acquisition threshold (as defined in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11))).".

PART IV—CONFORMING AMENDMENTS

SEC. 44071. ARMED SERVICES ACQUISITIONS.

(a) SIMPLIFIED ACQUISITION PROCEDURES.—Section 2304(g) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "small purchases of property and services" and inserting in lieu thereof "purchases of property and services not in excess of the simplified acquisition threshold";

(2) by striking out paragraph (2);

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

(4) in paragraph (2), as so redesignated—

(A) by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold"; and

(B) by striking out "small purchase procedures" and inserting in lieu thereof "simplified procedures"; and

(5) in paragraph (3), as redesignated by paragraph (3), by striking out "small purchase procedures" and inserting in lieu thereof "the simplified procedures".

(b) SOLICITATION CONTENT REQUIREMENT.—Section 2305(a)(2) of title 10, United States Code, is amended by striking out "small purchases)" in the matter above subparagraph (A) and inserting in lieu thereof "purchases not in excess of the simplified acquisition threshold)".

(c) COST TYPE CONTRACTS.—Section 2306(e)(2)(A) of title 10, United States Code, is amended by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold".

SEC. 44072. CIVILIAN AGENCY ACQUISITIONS.

(a) SIMPLIFIED ACQUISITION PROCEDURES.—

(1) PROPERTY AND SERVICES GENERALLY.—Section 303(g) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)) is amended—

(A) in paragraph (1), by striking out "small purchases of property and services" and inserting in lieu thereof "purchases of property and services not in excess of the simplified acquisition threshold";

(B) by striking out paragraphs (2) and (5);

(C) in paragraph (3)—

(i) by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold"; and

(ii) by striking out "small purchase procedures" and inserting in lieu thereof "simplified procedures";

(E) in paragraph (4), by striking out "small purchase procedures" and inserting in lieu thereof "the simplified procedures"; and

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

"(2)(A) The Administrator of General Services shall prescribe regulations that provide special simplified procedures for acquisitions of leasehold interests in real property at rental rates that do not exceed the simplified acquisition threshold.

"(B) For purposes of subparagraph (A), the rental rate or rates under a multiyear lease do not exceed the simplified acquisition threshold if the average annual amount of the rent payable for the period of the lease does not exceed the simplified acquisition threshold.".

(b) SOLICITATION CONTENT REQUIREMENT.—Section 303A(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253a(b)) is amended by striking out "small purchases)" in the matter above paragraph (1) and inserting in lieu thereof "purchases not in excess of the simplified acquisition threshold)".

(c) COST TYPE CONTRACTS.—Section 304(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254(b)), as amended by section 41071, is further amended in the second sentence by striking out "either $25,000" and inserting in lieu thereof "either the simplified acquisition threshold".

SEC. 44073. OFFICE OF FEDERAL PROCUREMENT POLICY ACT.

Section 19(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 417(a)) is amended by striking out "procurements, other than small purchases," and inserting in lieu thereof "procurements in excess of the simplified acquisition threshold".

SEC. 44074. SMALL BUSINESS ACT.

(a) DEFINITION.—Section 3(m) of the Small Business Act (15 U.S.C. 632(m)) is amended by striking out "'small purchase threshold'" and inserting in lieu thereof "'simplified acquisition threshold'".

(b) USE OF SIMPLIFIED ACQUISITION THRESHOLD TERM.—Section 8(d)(2)(A) of the Small Business Act (15 U.S.C. 637(d)(2)(A)) is amended by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold".

PART V—REVISION OF REGULATIONS

SEC. 44081. REVISION REQUIRED.

(a) FEDERAL ACQUISITION REGULATION.—The Federal Acquisition Regulatory Council established by section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall review the Federal Acquisition Regulation to identify regulations that are applicable to acquisitions in excess of a specified amount that is less than $100,000. The Council shall amend the regulations so identified as necessary to provide that such regulations do not apply to acquisitions that are not in excess of the simplified acquisition threshold. The preceding sentence does not apply in the case of a regulation for which such an amendment would not be in the national interest, as determined by the Council.

(b) SUPPLEMENTAL REGULATIONS.—The head of each Federal agency that has issued regulations, policies, or procedures referred to in section 25(c)(2) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)(2)) shall identify any such regulations, policies, or procedures that are applicable to acquisitions in excess of a specified amount that is less than $100,000. The agency head shall amend the regulations so identified as necessary to provide that such regulations, policies, and procedures do not apply to acquisitions that are not in excess of the simplified acquisition threshold. The preceding sentence does not apply in the case of a regulation, policy, or procedure for which such an amendment would not be in the national interest, as determined by the agency head.

(c) COMPLETION OF ACTIONS.—All actions under this section shall be completed not later than 180 days after the date of the enactment of this division.

(d) DEFINITIONS.—In this section:

(1) The term "simplified acquisition threshold" has the meaning given such term in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)), as amended by section 44001.

(2) The term "Federal agency" has the meaning given such term in section 3(b) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 472(b)).

Subtitle B—Socioeconomic and Small Business Laws

SEC. 44101. ACQUISITIONS GENERALLY.

(a) REPEAL OF EXECUTED REPORTING REQUIREMENT.—Section 306 of the Trade Agreements Act of 1979 (19 U.S.C. 2516) is repealed.

(b) WALSH-HEALEY ACT.—

(1) REPEAL OTHER THAN FOR CERTAIN DEFINITIONAL PURPOSES.—The Act of June 30, 1936 (41 U.S.C. 35 et seq.), commonly referred to as the "Walsh-Healey Act", is amended to read as follows:

"SECTION 1. (a) The Secretary of Labor may prescribe in regulations the standards for determining whether a contractor is a manufacturer of or a regular dealer in materials, supplies, articles, or equipment to be manufactured or used in the performance of a contract entered into by any executive department, independent establishment, or other agency or instrumentality of the United States, or by the District of Columbia, or by any corporation all the stock of which is beneficially owned by the United States, for the manufacture or furnishing of materials, supplies, articles, and equipment.

"(b) Any interested person shall have the right of judicial review of any legal question regarding the interpretation of the terms 'regular dealer' and 'manufacturer', as defined pursuant to subsection (a)."

(2) CONFORMING AMENDMENT.—Section 2304(h) of title 10, United States Code, is amended to read as follows:

"(h) For the purposes of the Act entitled 'An Act relating to the rate of wages for laborers and mechanics employed on public buildings of the United States and the District of Columbia by contractors and subcontractors, and for other purposes', approved March 3, 1931 (commonly referred to as the 'Davis-Bacon Act') (40 U.S.C. 276a et seq.), purchases or contracts awarded after using procedures other than sealed-bid procedures shall be treated as if they were made with sealed-bid procedures.".

(c) REPEAL OF REDUNDANT REQUIREMENT REGARDING APPLICABILITY OF THE DAVIS-BACON ACT AND THE WALSH-HEALEY ACT.—Section 308 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 258) is repealed.

SEC. 44102. ACQUISITIONS FROM SMALL BUSINESSES.

(a) SET-ASIDE PRIORITY.—Section 15 of the Small Business Act (15 U.S.C. 644) is amended by striking out subsections (e) and (f).

(b) CERTIFICATE OF COMPETENCE.—Section 804 of Public Law 103-484 (106 Stat. 2447; 10 U.S.C. 2305 note) is repealed.

SEC. 44103. CONTRACTING PROGRAM FOR CERTAIN SMALL BUSINESS CONCERNS.

(a) PROCUREMENT PROCEDURES AUTHORIZED.—Section 8 of the Small Business Act (15 U.S.C. 637) is amended by inserting after subsection (b) the following new subsection:

"(c)(1) To facilitate the attainment of a goal for the participation of small business concern owned and controlled by socially and economically disadvantaged individuals that is established for a Federal agency pursuant to section 15(g)(1), the head of the agency may enter into contracts using—

"(A) less than full and open competition by restricting the competition for such awards to small business concerns owned and controlled by socially and economically disadvantaged individuals described in subsection (d)(3)(C) of this section; and

"(B) a price evaluation preference not in excess of 10 percent when evaluating an offer received from such a small business concern as the result of an unrestricted solicitation.

"(2) Paragraph (1) does not apply to the Department of Defense.".

(b) IMPLEMENTATION THROUGH THE FEDERAL ACQUISITION REGULATION.—

(1) IN GENERAL.—The Federal Acquisition Regulation shall be amended to provide for uniform implementation of the authority provided in section 8(c) of the Small Business Act, as added by subsection (a).

(2) MATTERS TO BE ADDRESSED.—The provisions of the Federal Acquisition Regulation prescribed pursuant to paragraph (1) shall include—

(A) conditions for the use of advance payments;

(B) provisions for contract payment terms that provide for—

(i) accelerated payment for work performed during the period for contract performance; and

(ii) full payment for work performed;

(C) guidance on how contracting officers may use, in solicitations for various classes of products or services, a price evaluation preference pursuant to section 8(c)(1)(B) of the Small Business Act, as added by subsection (a), to provide a reasonable advantage to small business concerns owned and controlled by socially and economically disadvantaged individuals without effectively eliminating any participation of other small business concerns; and

(D)(i) procedures for a person to request the head of Federal agency to determine whether the use of competitions restricted to small business concerns owned and controlled by socially and economically disadvantaged individuals at a contracting activity of such agency has caused a particular industry category to bear a disproportionate share of the contracts awarded to attain the goal established for that contracting activity; and

(ii) guidance for limiting the use of such restricted competitions in the case of any contracting activity and class of contracts determined in accordance with such procedures to have caused a particular industry category to bear a disproportionate share of the contracts awarded to attain the goal established for that contracting activity.

(c) TERMINATION.—Section 8(c) of the Small Business Act, as added by subsection (a), shall cease to be effective at the end of September 30, 1999.

SEC. 44104. PROCUREMENT GOALS FOR SMALL BUSINESS CONCERNS OWNED BY WOMEN.

(a) GOALS.—Section 15 of the Small Business Act (15 U.S.C. 644) is amended—

(1) by striking out "and small business concerns owned and controlled by socially and economically disadvantaged individuals" each place it appears in the first sentence and fourth sentences of subsection (g)(1), the second sentence of subsection (g)(2), and paragraphs (1), (2)(A), (2)(D), and (2)(E) of subsection (h) and inserting in lieu thereof ", small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concern owned and controlled by women";

(2) in subsection (g)—

(A) by inserting after the third sentence of paragraph (1) the following: "The Government-wide goal for participation by small business concerns owned and controlled by women shall be established at not less than 5 percent of the total value of all prime contract and subcontract awards for each fiscal year.";

(B) in the first sentence of paragraph (2), by striking out "and by small business concerns owned and controlled by socially and economically disadvantaged individuals," and inserting in lieu thereof ", by small business concerns owned and controlled by socially and economically disadvantaged individuals, and by small business concerns owned and controlled by women"; and

(C) in the fourth sentence of paragraph (2), by inserting after "including participation by small business concerns owned and controlled by socially and economically disadvantaged individuals" the following: "and by participation small business concerns owned and controlled by women"; and

(3) in subsection (h)(2)(F), by striking out "women-owned small business enterprises" and inserting in lieu thereof "small business concerns owned and controlled by women".

(b) SUBCONTRACT PARTICIPATION.—Section 8(d) of such Act (15 U.S.C. 637(d)) is amended—

(1) by striking out "and small business concerns owned and controlled by socially and economically disadvantaged individuals" both places it appears in paragraph (1), both places it appears in paragraph (3)(A), in paragraph (4)(D), in subparagraphs (A), (C), and (F) of paragraph (6), and in paragraph (10)(B) and inserting in lieu thereof ", small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women";

(2) by striking out subparagraph (D) in paragraph (3) and inserting in lieu thereof the following:

"(E) Contractors acting in good faith may rely on written representations by their subcontractors regarding their status as either a small business concern, a small business concern owned and controlled by socially and economically disadvantaged individuals, or a small business concern owned and controlled by women.";

(3) in paragraph (3), by inserting after subparagraph (C) the following new subparagraph (D):

"(D) The term 'small business concern owned and controlled by women' shall mean a small business concern—

"(i) which is at least 51 per centum owned by one or more women; or, in the case of any publicly owned business, at least 51 per centum of the stock of which is owned by one or more women; and

"(ii) whose management and daily business operations are controlled by one or more women."; and

(4) in paragraph (4)(E), by inserting "and for small business concerns owned and controlled by women" after "as defined in paragraph (3) of this subsection".

(c) MISREPRESENTATIONS OF STATUS.—(1) Subsection (d)(1) of section 16 of such Act (15 U.S.C. 645) is amended by striking out "or 'small business concern owned and controlled by socially and economically disadvantaged individuals'" and inserting in lieu thereof ", a 'small business concern owned and controlled by socially and economically disadvantaged individuals', or a 'small business concerns owned and controlled by women'".

(2) Subsection (e) of such section is amended by striking out "or 'small business concern owned and controlled by socially and economically disadvantaged individuals'" and inserting in lieu thereof ", a 'small business concern owned and controlled by socially and economically disadvantaged individuals', or a 'small business concerns owned and controlled by women'".

(d) DEFINITION.—Section 3 of such Act (15 U.S.C. 632) is amended by adding at the end the following new subsection:

"(n) For the purposes of this Act, a small business concern is a small business concern owned and controlled by women if—

"(1) at least 51 percent of small business concern is owned by one or more women or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

"(2) the management and daily business operations of the business are controlled by one or more women.".

SEC. 44105. DEVELOPMENT OF DEFINITIONS REGARDING CERTAIN SMALL BUSINESS CONCERNS.

(a) REVIEW REQUIRED.—

(1) DEFINITIONS TO BE IDENTIFIED.—The Administrator for Federal Procurement Policy shall conduct a comprehensive review of Federal laws, as in effect on November 1, 1994, to identify and catalogue all of the provisions in such laws that define (or describe for definitional purposes) the small business concerns set forth in paragraph (2) for purposes of authorizing the participation of such small business concerns as prime contractors or subcontractors in—

(A) contracts awarded directly by the Federal Government or subcontracts awarded under such contracts; or

(B) contracts and subcontracts funded, in whole or in part, by Federal financial assistance under grants, cooperative agreements, or other forms of Federal assistance.

(2) COVERED SMALL BUSINESS CONCERNS.—The small business concerns referred to in paragraph (1) are as follows:

(A) Small business concerns owned and controlled by socially and economically disadvantaged individuals.

(B) Minority-owned small business concerns.

(C) Small business concerns owned and controlled by women.

(D) Woman-owned small business concerns.

(b) MATTERS TO BE DEVELOPED.—On the basis of the results of the review carried out under subsection (a), the Administrator for Federal Procurement Policy shall develop—

(1) uniform definitions for the small business concerns referred to in subsection (a)(2);

(2) uniform agency certification standards and procedures for—

(A) determinations of whether a small business concern qualifies as a small business concern referred to in subsection (a)(2) under an applicable standard for purposes contracts and subcontracts referred to in subsection (a)(1); and

(B) reciprocal recognition by an agency of a decision of another agency regarding whether a small business concern qualifies as a small business concern referred to in subsection (a)(2) for such purposes; and

(3) such other related recommendations as the Administrator determines appropriate consistent with the review results.

(c) PROCEDURES AND SCHEDULE.—

(1) PARTICIPATION BY CERTAIN INTERESTED PARTIES.—The Administrator for Federal Procurement Policy shall provide for the participation in the review and activities under subsections (a) and (b) by representatives of—

(A) the Small Business Administration (including the Office of the Chief Counsel for Advocacy);

(B) the Minority Business Development Agency of the Department of Commerce;

(C) the Department of Transportation;

(D) the Environmental Protection Agency; and

(E) such other executive departments and agencies as the Administrator considers appropriate.

(2) CONSULTATION WITH CERTAIN INTERESTED PARTIES.—In carrying out subsections (a) and (b), the Administrator shall consult with representatives of organizations representing—

(A) minority-owned business enterprises;

(B) women-owned business enterprises; and

(C) other organizations that the Administrator considers appropriate.

(3) SCHEDULE.—Not later than 60 days after the date of the enactment of this division, the Administrator shall publish in the Federal Register a notice which—

(A) lists the provisions of law identified in the review carried out under subsection (a);

(B) describes the matters to be developed on the basis of the results of the review pursuant to subsection (b);

(C) solicits public comment regarding the matters described in the notice pursuant to subparagraphs (A) and (B) for a period of not less than 60 days; and

(D) addresses such other matters as the Administrator considers appropriate to ensure the comprehensiveness of the review and activities under subsections (a) and (b).

(d) REPORT.—Not later than May 1, 1995, the Administrator for Federal Procurement Policy shall submit to the Committees on Small Business of the Senate and the House of Representatives a report on the results of the review carried out under subsection (a) and the actions taken under subsection (b). The report shall include a discussion of the results of the review, a description of the consultations conducted and public comments received, and the Administrator's recommendations with regard to the matters identified under subsection (b).

Subtitle C—Miscellaneous Acquisition Laws

SEC. 44151. PROHIBITION ON USE OF FUNDS FOR DOCUMENTING ECONOMIC OR EMPLOYMENT IMPACT OF CERTAIN ACQUISITION PROGRAMS.

(a) REVISION AND CODIFICATION.—

(1) IN GENERAL.—Subchapter I of chapter 134 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2247. Prohibition on use of funds for documenting economic or employment impact of certain acquisition programs

"No funds appropriated by the Congress may be obligated or expended to assist any contractor of the Department of Defense in preparing any material, report, lists, 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.".

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

"2247. Prohibition on use of funds for documenting economic or employment impact of certain acquisition programs.".

(b) REPEAL OF SUPERSEDED LAW.—Section 9048 of Public Law 102-396 (106 Stat. 1913) is repealed.

SEC. 44152. RESTRICTION ON USE OF NONCOMPETITIVE PROCEDURES FOR PROCUREMENT FROM A PARTICULAR SOURCE.

(a) ARMED SERVICES ACQUISITIONS.—Section 2304 of title 10, United States Code, as amended by section 41005(b), is further amended—

(1) in subsection (c)(5), by inserting "subject to subsection (j)," after "(5)"; and

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

"(j)(1) It is the policy of Congress that no legislation should be enacted that requires a procurement to be made from a specified non-Federal Government source.

"(2) A provision of law may not be construed as requiring a procurement to be made from a specified non-Federal Government source unless that provision of law—

"(A) specifically refers to this subsection;

"(B) specifically identifies the particular non-Federal Government source involved; and

"(C) specifically states that the procurement from that source is required by such provision of law in contravention of the policy set forth in paragraph (1).".

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 303 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253) is amended—

(1) in subsection (c)(5), by inserting "subject to subsection (h)," after "(5)"; and

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

"(h)(1) It is the policy of Congress that no legislation should be enacted that requires a procurement to be made from a specified non-Federal Government source.

"(2) A provision of law may not be construed as requiring a procurement to be made from a specified non-Federal Government source unless that provision of law—

"(A) specifically refers to this subsection;

"(B) specifically identifies the particular non-Federal Government source involved; and

"(C) specifically states that the procurement from that source is required by such provision of law in contravention of the policy set forth in paragraph (1).".

TITLE XLV—ACQUISITION MANAGEMENT

Subtitle A—Armed Services Acquisitions

SEC. 45001. PERFORMANCE BASED MANAGEMENT.

(a) POLICY AND GOALS FOR PERFORMANCE BASED MANAGEMENT OF PROGRAMS.—

(1) IN GENERAL.—Chapter 131 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2219. Performance based management: acquisition programs

"(a) CONGRESSIONAL POLICY.—It is the policy of Congress that—

"(1) the Department of Defense should achieve, on average, 90 percent of the cost and schedule goals established for the research and development programs and acquisition programs of the Department of Defense without reducing the performance or capabilities of the items being acquired; and

"(2) the average period necessary for converting an emerging technology into initial operational capability for the Department of Defense should not exceed 8 years.

"(b) ESTABLISHMENT OF GOALS.—(1) The Secretary of Defense shall approve or define the cost, performance, and schedule goals for major defense acquisition programs of the Department of Defense.

"(2) The Comptroller of the Department of Defense shall evaluate the cost goals proposed for each major defense acquisition program of the Department.

"(c) IDENTIFICATION OF NONCOMPLIANT PROGRAMS.—Whenever it is necessary to do so in order to implement the policy set out in subsection (a), the Secretary of Defense shall—

"(1) identify and consider whether there is a continuing need for programs that are significantly behind schedule, over budget, or not in compliance with performance or capability requirements taking into consideration—

"(A) the needs of the Department known as of the time of consideration;

"(B) the state of the technology or technologies relevant to the programs and to the needs of the Department;

"(C) the estimated costs and projected schedules necessary for the completion of such programs; and

"(D) other pertinent information; and

"(2) identify existing and potential research and development programs and acquisition programs that are suitable alternatives for programs considered pursuant to paragraph (1).

"(d) ANNUAL REPORTING REQUIREMENT.—The Secretary of Defense shall include in the annual report submitted to Congress pursuant to section 113(c) of this title an assessment of the progress made in implementing the policy stated in subsection (a). The Secretary shall use data from existing management systems in making the assessment.".

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

"2219. Performance based management: acquisition programs.".

(b) ENHANCED SYSTEM OF PERFORMANCE INCENTIVES.—Within one year after the date of the enactment of this division, the Secretary of Defense shall review the incentives and personnel actions available to the Secretary for encouraging excellence in the defense acquisition workforce and provide an enhanced system of incentives for the encouragement of excellence in such workforce. The enhanced system of incentives shall, to the maximum extent consistent with applicable law—

(1) relate pay to performance (including the extent to which the performance of personnel in such workforce contributes to achieving the cost goals, schedule goals, and performance goals established for acquisition programs of the department pursuant to section 2219(b) of title 10, as added by subsection (a)); and

(2) provide for consideration, in personnel evaluations and promotion decisions, of the extent to which the performance of personnel in such workforce contributes to achieving the cost goals, schedule goals, and performance goals established for acquisition programs of the department pursuant to section 2219(b) of title 10, United States Code, as added by subsection (a).

(c) RECOMMENDED LEGISLATION.—Not later than one year after the date of the enactment of this division, the Secretary of Defense shall submit to Congress any recommended legislation that the Secretary considers necessary to carry out section 2219 of title 10, United States Code, as added by subsection (a), and otherwise to facilitate and enhance management of Department of Defense acquisition programs and the defense acquisition workforce on the basis of performance.

SEC. 45002. RESULTS ORIENTED ACQUISITION PROGRAM CYCLE.

The Secretary of Defense shall define in regulations a simplified acquisition program cycle that is results-oriented. The Secretary shall consider including in the regulations provisions for the following:

(1) Program phases as follows:

(A) An integrated decision team meeting which—

(i) may be requested by a potential user of the system or component to be acquired, the head of a laboratory, or a program office on such bases as the emergence of a new military requirement, cost savings opportunity, or new technology opportunity;

(ii) is conducted by an acquisition program executive officer; and

(iii) is usually completed within 1 to 3 months.

(B) A prototype development and testing phase which—

(i) includes operational tests and concerns relating to manufacturing operations and life cycle support;

(ii) is usually completed within 6 to 36 months; and

(iii) produces sufficient numbers of prototypes to assess operational utility.

(C) Product integration, development, and testing which—

(i) includes full-scale development, operational testing, and integration of components; and

(ii) is usually completed within 1 to 5 years.

(D) Production, integration into existing systems, or production and integration into existing systems.

(2) An acquisition program approval process for major program decisions which consists of the following:

(A) One major decision point—

(i) which occurs for an acquisition program before the program proceeds into product integration and development; and

(ii) at which the Under Secretary of Defense for Acquisition and Technology, in consultation with the Vice Chairman of the Joint Chiefs of Staff reviews the program, determines whether the program should continue to be carried out beyond product integration and development, and decides whether to commit to further development, to require further prototyping, or to terminate the program.

(B) Consideration of the potential benefits, affordability, needs, and risks of an acquisition program in the review of the acquisition program.

SEC. 45003. DEFENSE ACQUISITION PILOT PROGRAM DESIGNATIONS.

(a) PROGRAMS AND WAIVERS.—The National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160) is amended by inserting the following new section at the end of subtitle D of title VIII:

"SEC. 840. DEFENSE ACQUISITION PILOT PROGRAM DESIGNATIONS.

"(a) ELIGIBLE PROGRAMS.—The Secretary of Defense is authorized to designate the following defense acquisition programs for participation in the defense acquisition pilot program authorized by section 809 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2430 note):

"(1) Defense Personnel Support Center medical, clothing and textile, and subsistence programs with respect to the following:

"(A) All contracts for processed fruits and vegetables and frozen seafood items for both depot stock and direct vendor delivery.

"(B) All contracts in the subsistence prime vendor program for grocery items.

"(C) All contracts in the Mail Order Pharmacy Program, the prime vendor programs for pharmaceuticals and for medical surgical items for delivery to military hospitals.

"(D) All contracts in the medical electronic commerce program for acquisition for depot stock and direct vendor delivery.

"(E) All contracts for the following items: dress coats (small lots), dress coats, duffel bags, Navy work clothing, general purpose tents, suitcases, gloves for electrical workers, boot flyers, socks, drawers, undershirts, and items offered under the Broad Agency Announcements for Clothing and Textiles Advanced Business Practices Demonstration Program.

"(2) The Fire Support Combined Arms Tactical Trainer program with respect to all contracts directly related to the procurement of a training system (including related hardware, software, and subsystems) to perform collective training of field artillery gunnery team components with development of software as required to generate the training exercises and component interfaces.

"(3) The Joint Direct Attack Munition program (JDAM I) with respect to all contracts directly related to the development and procurement of a strap-on guidance kit, using an inertially guided, Global Positioning System updated guidance kit for inventory 1,000 and 2,000 pound bombs.

"(4) The Joint Primary Aircraft Training System (JPATS) with respect to all contracts directly related to the acquisition of a new primary trainer aircraft to fulfill Air Force and Navy joint undergraduate aviation training requirements, and an associated ground-based training system consisting of air crew training devices (simulators), courseware, a Training Management System, and contractor support for the life of the system.

"(5) The Commercial Derivatives Aircraft program with respect to all contracts directly related to the acquisition or upgrading of civil-derivative aircraft for use in (A) foreign military sales of Airborne Warning and Control Systems to foreign governments with modifications of a type customarily provided to commercial customers, or (B) future Air Force airlift and tanker requirements.

"(6) The Commercial Derivative Engine program with respect to all contracts directly related to the acquisition of (A) commercially derived engines (including spare engines), logistics support equipment, technical orders, management data, and initial spare parts for use in the C-17A production line, and (B) commercially derived engines to support the purchase of commercial-derivative aircraft to meet future Air Force airlift and tanker requirements, including engine replacement and upgrades.

"(b) WAIVER AUTHORITY.—Subject to section 809(c) of the National Defense Authorization Act for Fiscal Year 1991, the Secretary of Defense is authorized—

"(1) to apply any amendment or repeal of a provision of law made in the Federal Acquisition Streamlining Act of 1994 to the programs described in subsection (a) before the effective date of such amendment or repeal; and

"(2) to apply to a procurement of noncommercial items under such programs—

"(A) any authority provided in such Act (or in an amendment made by a provision of such Act) to waive a provision of law in the case of commercial items, and

"(B) any exception applicable under such Act (or an amendment made by a provision of such Act) in the case of commercial items, before the effective date of such provision (or amendment) to the extent that the Secretary determines necessary to test the application of such waiver or exception to procurements of noncommercial items.

"(c) PILOT PROGRAM IMPLEMENTATION.—In exercising the authority provided in section 809 of the National Defense Authorization Act for 1991, and in accordance with sections 833 through 839 of this Act, the Secretary of Defense, shall take the following actions:

"(1) MISSION-ORIENTED PROGRAM MANAGEMENT.—For one or more of the defense acquisition programs designated for participation in the defense acquisition pilot program, prescribe and implement procedures which—

"(A) provide for interaction between the program manager and the commander of the operational command responsible for the requirement for the equipment acquired;

"(B) include provisions for a determination by the commander that items proposed for procurement fulfill the need defined in approved requirements documents; and

"(C) may include a role for the operational commander in decision making for program milestone decisions and performance of acceptance testing of items acquired.

"(2) SAVINGS OBJECTIVES.—Not later than 45 days after the date of enactment of the Federal Acquisition Streamlining Act of 1994, identify for each defense acquisition program participating in the pilot program quantitative measures and goals for reducing acquisition management costs.

"(3) PROGRAM PHASES.—For each defense acquisition program participating in the pilot program, incorporate in an approved acquisition strategy a program review process that provides senior acquisition officials with reports that—

"(A) contain essential information on program results at quarterly intervals;

"(B) reduce data requirements from the current major program review reporting requirements; and

"(C) include data on program costs estimates, actual expenditures, performance estimates, performance data from tests, and, consistent with existing statutes, the minimum necessary other data items required to ensure the appropriate expenditure of funds appropriated for that program.

"(4) PROGRAM WORK FORCE POLICIES.—With regard to the review of incentives and personnel actions required under section 836 of this Act—

"(A) not later than 60 days after the date of the enactment of the Federal Acquisition Streamlining Act of 1994—

"(i) complete the review; and

"(ii) on the basis of the review, define one or more systems that relate incentives, including pay, to achievement of budgets, schedules, and performance requirements;

"(B) not later than 120 days after the date of the enactment of the Federal Acquisition Streamlining Act of 1994—

"(i) apply such a system of incentives to not less than one defense acquisition program participating in the pilot program; and

"(ii) provide for an assessment of the effectiveness of that system; and

"(C) incorporate the results of actions taken pursuant to this paragraph into the development of regulations for the implementation of section 45001(b) of the Federal Acquisition Streamlining Act of 1994.

"(5) EFFICIENT CONTRACTING PROCESS.—Take any additional actions that the Secretary considers necessary to waive regulations, not required by statute, that affect the efficiency of the contracting process, including, in the Secretary's discretion, defining alternative techniques to reduce reliance on military specifications and standards in contracts for the defense acquisition programs participating in the pilot program.

"(6) CONTRACT ADMINISTRATION: PERFORMANCE BASED CONTRACT MANAGEMENT.—For at least one participating defense acquisition program for which a determination is made to make payments for work in progress under the authority of section 2307 of title 10, United States Code, define payment milestones on the basis of quantitative measures of results.

"(7) CONTRACTOR PERFORMANCE ASSESSMENT.—Collect and evaluate performance information on each contract entered into for

a defense acquisition program participating in the pilot program, including information on cost, schedule, and technical performance for each contractor supporting a participating program.

"(d) APPLICABILITY.—(1) Subsection (b) applies with respect to—

"(A) a contract that is awarded or modified during the period described in paragraph (2); and

"(B) a contract that is awarded before the beginning of such period and is to be performed (or may be performed), in whole or in part, during such period.

"(2) The period referred to in paragraph (1) is the period that begins 45 days after the date of the enactment of the Federal Acquisition Streamlining Act of 1994 and ends on September 30, 1998.".

(b) RULE OF CONSTRUCTION.—Nothing in section 840 of the National Defense Authorization Act for Fiscal Year 1994, as added by subsection (a), shall be construed as authorizing the appropriation or obligation of funds for the programs designated for participation in the defense acquisition pilot program under the authority of subsection (a) of such section 840.

Subtitle B—Civilian Agency Acquisitions

SEC. 45051. PERFORMANCE BASED MANAGEMENT.

(a) POLICY AND GOALS FOR PERFORMANCE BASED MANAGEMENT OF PROGRAMS.—

(1) IN GENERAL.—Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 301 et seq.), as amended by sections 1552 and 1553, is further amended by adding at the end the following new section:

"PERFORMANCE BASED MANAGEMENT: ACQUISITION PROGRAMS

"SEC. 311. (a) CONGRESSIONAL POLICY.—It is the policy of Congress that the head of each executive agency should achieve, on average, 90 percent of the cost and schedule goals established for the research and development programs and acquisition programs of the agency without reducing the performance or capabilities of the items being acquired.

"(b) ESTABLISHMENT OF GOALS.—(1) The head of each executive agency shall approve or define the cost, performance, and schedule goals for major acquisition programs of the agency.

"(2) The chief financial officer of an executive agency shall evaluate the cost goals proposed for each major defense acquisition program of the agency.

"(c) IDENTIFICATION OF NONCOMPLIANT PROGRAMS.—Whenever it is necessary to do so in order to implement the policy set out in subsection (a), the head of an executive agency shall—

"(1) identify and consider whether there is a continuing need for programs that are significantly behind schedule, over budget, or not in compliance with performance or capability requirements taking into consideration—

"(A) the needs of the agency known as of the time of consideration;

"(B) the state of the technology or technologies relevant to the programs and to the needs of the agency;

"(C) the estimated costs and projected schedules necessary for the completion of such programs; and

"(D) other pertinent information; and

"(2) identify existing and potential research and development programs and acquisition programs that are suitable alternatives for programs considered pursuant to paragraph (1).".

(2) CLERICAL AMENDMENT.—The table of contents in the first section of such Act, as amended by sections 1552 and 1553, is further amended by inserting after the item relating to section 310 the following new item:

"Sec. 311. Performance based management: acquisition programs.".

(b) ANNUAL REPORTING REQUIREMENT.—Section 6 of the Office of Federal Procurement Policy Act (41 U.S.C. 405), as amended by section 41091, is further amended by adding at the end the following new subsection:

"(k) The Administrator shall submit to Congress, on an annual basis, an assessment of the progress made in executive agencies in implementing the policy stated in section 311(a) of the Federal Property and Administrative Services Act of 1949. The Administrator shall use data from existing management systems in making the assessment.".

(c) ENHANCED SYSTEM OF PERFORMANCE INCENTIVES.—Within one year after the date of the enactment of this division, the Administrator for Federal Procurement Policy, in consultation with appropriate officials in other departments and agencies of the Federal Government, shall, to the maximum extent consistent with applicable law—

(1) establish policies and procedures for the heads of such departments and agencies to designate acquisition positions and manage employees (including the accession, education, training and career development of employees) in the designated acquisition positions;

(2) extend to the acquisition workforce of the entire executive branch the acquisition workforce policies contained in chapter 87 of title 10, United States Code, relating to the acquisition workforce of the Department of Defense; and

(3) review the incentives and personnel actions available to the heads of department and agencies of the Federal Government for encouraging excellence in the acquisition workforce of the Federal Government and provide an enhanced system of incentives for the encouragement of excellence in such workforce which—

(A) relates pay to performance (including the extent to which the performance of personnel in such workforce contributes to achieving the cost goals, schedule goals, and performance goals established for acquisition programs pursuant to section 311(b) of the Federal Property and Administrative Services Act of 1949, as added by subsection (a)); and

(B) provides for consideration, in personnel evaluations and promotion decisions, of the extent to which the performance of personnel in such workforce contributes to achieving such cost goals, schedule goals, and performance goals.

(d) RECOMMENDED LEGISLATION.—Not later than one year after the date of the enactment of this division, the Administrator for Federal Procurement Policy shall submit to Congress any recommended legislation that the Secretary considers necessary to carry out section 311 of the Federal Property and Administrative Services Act of 1949, as added by subsection (a), and otherwise to facilitate and enhance management of Federal Government acquisition programs and the acquisition workforce of the Federal Government on the basis of performance.

SEC. 45052. RESULTS-ORIENTED ACQUISITION PROCESS.

(a) DEVELOPMENT OF PROCESS REQUIRED.—The Administrator for Federal Procurement Policy, in consultation with the heads of appropriate Federal agencies, shall develop a results-oriented acquisition process for implementation by agencies in acquisitions of property and services by the Federal agencies. The process shall include the identification of quantitative measures and standards for determining the extent to which an acquisition of noncommercial items by a Federal agency satisfies the needs for which the items are being acquired.

(b) INAPPLICABILITY OF PROCESS TO DEPARTMENT OF DEFENSE.—The process developed pursuant to subsection (a) may not be applied to the Department of Defense.

Subtitle C—Miscellaneous

SEC. 45091. CONTRACTOR EXCEPTIONAL PERFORMANCE AWARDS.

The Office of Federal Procurement Policy Act, as amended by section 44021, is further amended by adding at the end the following:

"CONTRACTOR EXCEPTIONAL PERFORMANCE AWARDS

"SEC. 31. (a) ESTABLISHMENT.—There is hereby established an executive branch program to recognize and promote exceptional contract performance by Federal Government contractors.

"(b) SELECTION.—(1) The Administrator shall ensure the establishment of criteria for selection of contractors to receive exceptional performance awards under the program.

"(2) The head of an executive agency may select one or more agency contractors to receive an exceptional performance award under the program.

"(c) AWARD CEREMONY.—The Vice President, or the head of the executive agency selecting a contractor for an exceptional performance award, shall present the award to the contractor with such ceremony as the Vice President or head of the agency, as the case may be, considers appropriate.".

SEC. 45092. DEPARTMENT OF DEFENSE ACQUISITION OF INTELLECTUAL PROPERTY RIGHTS.

Section 2386 of title 410, United States Code, is amended by striking out paragraphs (3) and (4) and inserting in lieu thereof the following:

"(3) Technical data and computer software.

"(4) Releases for past infringement of patents or copyrights or for unauthorized use of technical data or computer software.".

TITLE XLVI—STANDARDS OF CONDUCT

Subtitle A—Ethics Provisions

SEC. 46001. AMENDMENTS TO OFFICE OF FEDERAL PROCUREMENT POLICY ACT.

(a) RECUSAL.—Subsection (c) of section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) is amended—

(1) in paragraph (1)—

(A) in the matter above subparagraph (A), by inserting "only" after "subsection (b)(1)"; and

(B) in subparagraph (A), by inserting "(including the modification or extension of a contract)" after "any procurement";

(2) by striking out paragraphs (2) and (3) and inserting in lieu thereof:

"(2) Whenever the head of a procuring activity approves a recusal under paragraph (1), a copy of the recusal request and the approval of the request shall be retained by such official for a period (not less than five years) specified in regulations prescribed in accordance with subsection (o).

"(3)(A) Except as provided in subparagraph (B), all recusal requests and approvals of recusal requests pursuant to this subsection shall be made available to the public on request.

"(B) Any part of a recusal request or an approval of a recusal request that is exempt from the disclosure requirements of section 552 of title 5, United States Code, under subsection (b)(1) of such section may be withheld from disclosure to the public otherwise required under subparagraph (A).''; and

(3) in paragraph (4), by striking out "competing contractor" and inserting in lieu thereof "person".

(b) APPLICABILITY OF CERTIFICATION REQUIREMENT.—Subsection (e)(7)(A) of such section is amended by adding at the end the following: "However, paragraph (1)(B) does not apply with respect to a contract for less than $500,000.".

(c) RESTRICTIONS RESULTING FROM PROCUREMENT ACTIVITIES OF PROCUREMENT OFFICIALS.—Subsection (f) of such section is amended—

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

(2) by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) No individual who, in the year prior to separation from service as an officer or employee of the Government or an officer of the uniformed services in a covered position, participated personally and substantially in acquisition functions related to a contract, subcontract, or claim of $500,000 or more and—

"(A) engaged in repeated direct contact with the contractor or subcontractor on matters relating to such contract, subcontract, or claim; or

"(B) exercised significant ongoing decisionmaking responsibility with respect to the contractor or subcontractor on matters relating to such contract, subcontract, or claim,

shall knowingly accept or continue employment with such contractor or subcontractor for a period of 1 year following the individual's separation from service, except that such individual may accept or continue employment with any division or affiliate of such contractor or subcontractor that does not produce the same or similar products as the entity involved in the negotiation or performance of the contract or subcontract or the adjustment of the claim.

"(2) No contractor or subcontractor, or any officer, employee, agent, or consultant of such contractor or subcontractor shall knowingly offer, provide, or continue any employment for another person, if such contractor, subcontractor, officer, employee, agent, or consultant knows or should know that the acceptance of such employment is or would be in violation of paragraph (1).

"(3) The head of each Federal agency shall designate in writing as a 'covered position' under this section each of the following positions in that agency:

"(A) The position of source selection authority, member of a source selection evaluation board, or chief of a financial or technical evaluation team, or any other position, if the officer or employee in that position is likely personally to exercise substantial responsibility for ongoing discretionary functions in the evaluation of proposals or the selection of a source for a contract in excess of $500,000.

"(B) The position of procuring contracting officer, or any other position, if the officer or employee in that position is likely personally to exercise substantial responsibility for ongoing discretionary functions in the negotiation of a contract in excess of $500,000 or the negotiation or settlement of a claim in excess of $500,000.

"(C) The position of program executive officer, program manager, or deputy program manager, or any other position, if the officer or employee in that position is likely personally to exercise similar substantial responsibility for ongoing discretionary functions in the management or administration of a contract in excess of $500,000.

"(D) The position of administrative contracting officer, the position of an officer or employee assigned on a permanent basis to a Government Plant Representative's Office, the position of auditor, a quality assurance position, or any other position, if the officer or employee in that position is likely personally to exercise substantial responsibility for ongoing discretionary functions in the onsite oversight of a contractor's operations with respect to a contract in excess of $500,000.

"(E) A position in which the incumbent is likely personally to exercise substantial responsibility for ongoing discretionary functions in operational or developmental testing activities involving repeated direct contact with a contractor regarding a contract in excess of $500,000.".

(d) DISCLOSURE OF PROPRIETARY OR SOURCE SELECTION INFORMATION TO UNAUTHORIZED PERSONS.—Subsection (l) of such section is amended—

(1) by inserting "who are likely to be involved in contracts, modifications, or extensions in excess of $25,000" in the first sentence after "its procurement officials"; and

(2) by striking out "(e)" each place it appears and inserting in each such place "(f)".

(e) RULES OF CONSTRUCTION.—Subsection (n) of such section is amended to read as follows:

"(n) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to—

"(1) authorize the withholding of any information from the Congress, any committee or subcommittee thereof, a Federal agency, any board of contract appeals of a Federal agency, the Comptroller General, or an inspector general of a Federal agency;

"(2) restrict the disclosure of information to, or receipt of information by, any person or class of persons authorized, in accordance with applicable agency regulations or procedures, to receive that information;

"(3) restrict a contractor from disclosing its own proprietary information or the recipient of information so disclosed by a contractor from receiving such information; or

"(4) restrict the disclosure or receipt of information relating to a Federal agency procurement that has been canceled by the agency and that the contracting officer concerned determines in writing is not likely to be resumed.".

(f) TERM TO BE DEFINED IN REGULATIONS.—Subsection (o)(2)(A) of such section is amended—

(1) by inserting "money, gratuity, or other" before "thing of value'"; and

(2) by inserting before the semicolon "and such other exceptions as may be adopted on a Governmentwide basis under section 7353 of title 5, United States Code".

(g) TERMS DEFINED IN LAW.—Subsection (p) of such section is amended—

(1) in paragraph (1) by striking out "clauses (i)–(viii)" and inserting in lieu thereof "clauses (i) through (vii)";

(2) in paragraph (3)—

(A) in subparagraph (A)—

(i) by striking out clause (i);

(ii) by redesignating clauses (ii), (iii), (iv), (v), (vi), (vii), and (viii) as clauses (i), (ii), (iii), (iv), (v), (vi), and (vii), respectively; and

(iii) in clause (i) (as redesignated by subclause (II) of this clause), by striking out "review and approval of a specification" and inserting in lieu thereof "approval or issuance of a specification, acquisition plan, procurement request, or requisition"; and

(B) in subparagraph (B), by striking out all after "includes" and inserting in lieu thereof the following: "any individual acting on behalf of, or providing advice to, the agency with respect to any phase of the agency procurement concerned, regardless of whether such individual is a consultant, expert, or adviser, or an officer or employee of a contractor or subcontractor (other than a competing contractor).'"; and

(3) in paragraph (6)(A), by inserting "nonpublic" before "information".

SEC. 46002. AMENDMENTS TO TITLE 18, UNITED STATES CODE.

Section 208(a) of title 18, United States Code, is amended—

(1) by inserting "(1)" before "Except as permitted"; and

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

"(2) Whoever knowingly aids, abets, counsels, commands, induces, or procures conduct prohibited by this section shall be subject to the penalties set forth in section 216 of this title.".

SEC. 46003. REPEAL OF SUPERSEDED AND OBSOLETE LAWS.

(a) REPEAL.—The following provisions of law are repealed:

(1) Sections 2207, 2397, 2397a, 2397b, and 2397c of title 10, United States Code.

(2) Section 281 of title 18, United States Code.

(3) Section 801 of title 37, United States Code.

(4) Part A of title VI of the Department of Energy Organization Act (42 U.S.C. 7211 through 7218).

(b) CLERICAL AMENDMENTS.—

(1) TITLE 10.—Part IV of subtitle A of title 10, United States Code, is amended—

(A) in the table of sections at the beginning of chapter 131, by striking out the item relating to section 2207; and

(B) in the table of sections for chapter 141, by striking out the items relating to sections 2397, 2397a, 2397b, and 2397c.

(2) TITLE 18.—The table of sections for chapter 15 of title 18, United States Code, is amended by striking out the item relating to section 281.

(3) TITLE 37.—The table of sections for chapter 15 of title 37, United States Code, is amended by striking out the item relating to section 801.

(4) DEPARTMENT OF ENERGY ORGANIZATION ACT.—The table of contents for the Department of Energy Organization Act is amended by striking out the matter relating to part A of title VI.

SEC. 46004. IMPLEMENTATION.

(a) REGULATIONS.—Not later than 180 days after the date of the enactment of this division, regulations implementing the amendments made by section 46001 to section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423), including definitions of the terms used in subsection (f) of such section, shall be issued in accordance with sections 6 and 25 of such Act (41 U.S.C. 405 and 521) after coordination with the Director of the Office of Government Ethics.

(b) SAVINGS PROVISIONS.—

(1) CONTRACTOR CERTIFICATIONS.—No officer, employee, agent, representative, or consultant of a contractor who has signed a certification under section 27(e)(1)(B) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(e)(1)(B)) before the effective date of this division shall be required to sign a new certification as a result of the enactment of this division.

(2) FEDERAL PROCUREMENT OFFICIAL CERTIFICATIONS.—No procurement official of a Federal agency who has signed a certification under section 27(l) of the Office of Federal Procurement Policy Act (41 U.S.C.

423(1)) before the date of enactment of this division shall be required to sign a new certification as a result of the enactment of this division.

(c) INSPECTOR GENERAL REPORTS.—Not later than May 31 of each of the years 1995 through 1998, the Inspector General of each Federal agency (or, in the case of a Federal agency that does not have an Inspector General, the head of such agency) shall submit to Congress a report on the compliance by the agency during the preceding year with the requirement for the head of the agency to designate covered procurement positions under section 27(f)(3) of the Office of Federal Procurement Policy Act (as added by section 46001(c)).

Subtitle B—Additional Amendments

SEC. 46051. CONTRACTING FUNCTIONS PERFORMED BY FEDERAL PERSONNEL.

(a) AMENDMENT OF OFPP ACT.—The Office of Federal Procurement Policy Act, as amended by section 41092, is further amended by inserting after section 22 the following new section 23:

"CONTRACTING FUNCTIONS PERFORMED BY FEDERAL PERSONNEL

"SEC. 23. (a) LIMITATION ON PAYMENT FOR ADVISORY AND ASSISTANCE SERVICES.—(1) No person who is not a person described in subsection (b) may be paid by an agency for services to conduct evaluations or analyses of any aspect of a proposal submitted for an acquisition unless personnel described in subsection (b) with adequate training and capabilities to perform such evaluations and analyses are not readily available within the agency or another Federal agency, as determined in accordance with standards and procedures prescribed in the Federal Acquisition Regulation.

"(2) In the administration of this subsection, the head of each agency shall determine in accordance with the standards and procedures set forth in the Federal Acquisition Regulation whether—

"(A) a sufficient number of personnel described in subsection (b) within the agency or another Federal agency are readily available to perform a particular evaluation or analysis for the agency head making the determination; and

"(B) the readily available personnel have the training and capabilities necessary to perform the evaluation or analysis.

"(b) COVERED PERSONNEL.—For purposes of subsection (a), the personnel described in this subsection are as follows:

"(1) An employee, as defined in section 2105 of title 5, United States Code.

"(2) A member of the Armed Forces of the United States.

"(3) A person assigned to a Federal agency pursuant to subchapter VI of chapter 33 of title 5, United States Code.

"(c) RULE OF CONSTRUCTION.—Nothing in this section is intended to affect the relationship between the Federal Government and a federally funded research and development center.".

(b) REQUIREMENT FOR GUIDANCE AND REGULATIONS.—Not later than 90 days after the date of the enactment of this division, the Federal Acquisition Regulatory Council established by section 25(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(a)) shall—

(1) review part 37 of title 48 of the Code of Federal Regulations as it relates to the use of advisory and assistance services; and

(2) provide guidance and promulgate regulations regarding—

(A) what actions Federal agencies are required to take to determine whether expertise is readily available within the Federal Government before contracting for advisory and technical services to conduct acquisitions; and

(B) the manner in which personnel with expertise may be shared with agencies needing expertise for such acquisitions.

SEC. 46052. REPEAL OF EXECUTED REQUIREMENT FOR STUDY AND REPORT.

Section 17 of the Office of Federal Procurement Policy Act (41 U.S.C. 415) is repealed.

SEC. 46053. INTERESTS OF MEMBERS OF CONGRESS.

Section 3741 of the Revised Statutes (41 U.S.C. 22) is amended to read as follows:

"No member of Congress shall be admitted to any share or part of any contract or agreement made, entered into, or accepted by or on behalf of the United States, or to any benefit to arise thereupon.".

SEC. 46054. WAITING PERIOD FOR SIGNIFICANT CHANGES PROPOSED FOR ACQUISITION REGULATIONS.

(a) INCREASED PERIOD.—Section 22(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 418b) is amended—

(1) by striking out "30 days" and inserting in lieu thereof "60 days"; and

(2) by adding at the end the following: "Notwithstanding the preceding sentence, such a policy, regulation, procedure, or form may take effect earlier than 60 days after the publication date when there are compelling circumstances for the earlier effective date, but in no event may that effective date be less than 30 days after the publication date.".

(b) TECHNICAL AMENDMENT.—Section 22(d) of such Act is amended by designating the second sentence as paragraph (3).

Subtitle C—Whistleblower Protection

SEC. 46101. ARMED SERVICES PROCUREMENTS.

(a) WHISTLEBLOWER PROTECTIONS FOR CONTRACTOR EMPLOYEES.—Section 2409 of title 10, United States Code, is amended—

(1) by striking out subsection (d);

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

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

"(c) REMEDY AND ENFORCEMENT AUTHORITY.—(1) If the Secretary of Defense determines that a defense contractor has subjected a person to a reprisal prohibited by subsection (a), the Secretary may take one or more of the following actions:

"(A) Order the defense contractor to take affirmative action to abate the reprisal.

"(B) Order the defense contractor to reinstate the person to the position that the person held before the reprisal, together with the compensation (including back pay), employment benefits, and other terms and conditions of employment that would apply to the person in that position if the reprisal had not been taken.

"(C) Order the defense contractor to pay the complainant an amount equal to the aggregate amount of all costs and expenses (including attorney's fees and expert witnesses' fees) that were reasonably incurred by the complainant for, or in connection with, bringing the complaint regarding the reprisal, as determined by the Secretary.

"(2) Whenever a person fails to comply with an order issued under paragraph (1), the Secretary shall file an action for enforcement of such order in the United States district court for a district in which the reprisal was found to have occurred. In any action brought under this paragraph, the court may grant appropriate relief, including injunctive relief and compensatory and exemplary damages.

"(3) Any person adversely affected or aggrieved by an order issued under paragraph (1) may obtain review of the order's conformance with this subsection, and any regulations issued to carry out this section, in the United States court of appeals for a circuit in which the reprisal is alleged in the order to have occurred. No petition seeking such review may be filed more than 60 days after issuance of the Secretary's order. Review shall conform to chapter 7 of title 5.".

(b) RELATED LAW.—

(1) REPEAL.—Section 2409a of title 10, United States Code, is repealed.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2409a.

SEC. 46102. GOVERNMENTWIDE WHISTLEBLOWER PROTECTIONS FOR CONTRACTOR EMPLOYEES.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 45091, is further amended by adding at the end the following new section:

"CONTRACTOR EMPLOYEES: PROTECTION FROM REPRISAL FOR DISCLOSURE OF CERTAIN INFORMATION

"SEC. 32. (a) PROHIBITION OF REPRISALS.—An employee of an executive agency contractor may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a Member of Congress or an authorized official of the agency or the Department of Justice information relating to a substantial violation of law related to an agency contract (including the competition for or negotiation of an agency contract).

"(b) INVESTIGATION OF COMPLAINTS.—A person who believes that the person has been subjected to a reprisal prohibited by subsection (a) may submit a complaint to the Inspector General of the executive agency. Unless the Inspector General determines that the complaint is frivolous, the Inspector General shall investigate the complaint and, upon completion of such investigation, submit a report of the findings of the investigation to the person, the contractor concerned, and the head of the agency. In the case of an executive agency that does not have an inspector general, the duties of the inspector general under this section shall be performed by an official designated by the agency head.

"(c) REMEDY AND ENFORCEMENT AUTHORITY.—(1) If the head of an executive agency determines that an agency contractor has subjected a person to a reprisal prohibited by subsection (a), the agency head may take one or more of the following actions:

"(A) Order the contractor to take affirmative action to abate the reprisal.

"(B) Order the contractor to reinstate the person to the position that the person held before the reprisal, together with the compensation (including back pay), employment benefits, and other terms and conditions of employment that would apply to the person in that position if the reprisal had not been taken.

"(C) Order the contractor to pay the complainant an amount equal to the aggregate amount of all costs and expenses (including attorney's fees and expert witnesses' fees) that were reasonably incurred by the complainant for, or in connection with, bringing the complaint regarding the reprisal, as determined by the Secretary.

"(2) Whenever a person fails to comply with an order issued under paragraph (1), the agency head shall file an action for enforcement of such order in the United States district court for a district in which the reprisal was found to have occurred. In any action brought under this paragraph, the court

may grant appropriate relief, including injunctive relief and compensatory and exemplary damages.

"(3) Any person adversely affected or aggrieved by an order issued under paragraph (1) may obtain review of the order's conformance with this subsection, and any regulations issued to carry out this section, in the United States court of appeals for a circuit in which the reprisal is alleged in the order to have occurred. No petition seeking such review may be filed more than 60 days after issuance of the agency head's order. Review shall conform to chapter 7 of title 5, United States Code.

"(d) CONSTRUCTION.—Nothing in this section may be construed to authorize the discharge of, demotion of, or discrimination against an employee for a disclosure other than a disclosure protected by subsection (a) or to modify or derogate from a right or remedy otherwise available to the employee.

"(e) COORDINATION WITH OTHER LAW.—This section does not apply with respect to the Department of Defense. For the corresponding provision of law applicable to the Department of Defense, see section 2409 of title 10, United States Code.

"(f) DEFINITION.—In this section, the term 'Inspector General' means an Inspector General appointed under the Inspector General Act of 1978.".

TITLE XLVII—DEFENSE TRADE AND COOPERATION

SEC. 47001. PURCHASES OF FOREIGN GOODS.

(a) REPEAL OF EXECUTED REQUIREMENTS.—

(1) REQUIREMENT FOR POLICY GUIDANCE.—Title III of the Act of March 3, 1933 (41 U.S.C. 10a et seq.), commonly referred to as the "Buy American Act", is amended in section 4(g) (41 U.S.C. 10b–1(g)) by striking out paragraphs (2)(C) and (3).

(2) REPORTING REQUIREMENT.—Section 9096(b) of Public Law 102–396 (106 Stat. 1924; 41 U.S.C. 10b–2(b)) is repealed.

(b) REPEAL OF REDUNDANT PROVISION.—

(1) CONSIDERATION OF NATIONAL SECURITY OBJECTIVES.—Section 2327 of title 10, United States Code, is repealed.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 137 of such title is amended by striking out the item relating to section 2327.

SEC. 47002. INTERNATIONAL COOPERATIVE AGREEMENTS.

(a) TERMINOLOGY REVISIONS.—Section 2531 of title 10, United States Code, is amended—

(1) in the subsection captions for subsections (a) and (c), by striking out "MOUs AND RELATED" and inserting in lieu thereof "INTERNATIONAL";

(2) in subsection (a), by striking out "proposed memorandum of understanding, or any existing or proposed agreement related to a memorandum of understanding," in the matter above paragraph (1) and inserting in lieu thereof "proposed international agreement, including a memorandum of understanding,";

(3) by striking out "memorandum of understanding or related agreement" each place it appears and inserting in lieu thereof "international agreement";

(4) in subsection (b), by striking out "memorandum or related agreement" each place it appears in the second sentence and inserting in lieu thereof "international agreement"; and

(5) in subsection (c)—

(A) by striking out "A" after "AGREEMENTS.—" and inserting in lieu thereof "An"; and

(B) by striking out "memorandum or agreement" and inserting in lieu thereof "international agreement".

(b) EXPANDED SCOPE OF AGREEMENTS.—Section 2531(a) of title 10, United States Code, is amended by striking out "research, development, or production" in the matter above paragraph (1) and inserting in lieu thereof "research, development, production, or logistics support".

(c) CLERICAL AMENDMENTS.—

(1) SECTION HEADING.—The heading of section 2531 of title 10, United States Code, is amended to read as follows:

"§ 2531. Defense international agreements".

(2) TABLE OF SECTIONS.—The item relating to such section in the table of sections at the beginning of subchapter V of chapter 148 of such title is amended to read as follows:

"2531. Defense international agreements.".

SEC. 47003. ACQUISITION, CROSS-SERVICING AGREEMENTS, AND STANDARDIZATION.

(a) LIMITED WAIVER OF RESTRICTIONS ON ACCRUED REIMBURSABLE LIABILITIES AND CREDITS FOR CONTINGENCY OPERATIONS.—Section 2347 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) The Secretary of Defense may waive the restrictions in subsections (a) and (b) for a period not to exceed 180 days upon a written determination that the armed forces are involved in a contingency operation or that involvement of the armed forces in a contingency operation is imminent. Upon making such a determination, the Secretary shall transmit a copy of the determination to the Committees on Armed Services of the Senate and House of Representatives.".

(b) COMMUNICATIONS SUPPORT.—Section 2350f 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)(1) Nothing in this section shall be construed to limit the authority of the Secretary of Defense, without a formal bilateral agreement or multilateral arrangement, to furnish communications support and related supplies to, or receive communications support and related supplies from, an allied country in accordance with this subsection.

"(2) The Secretary of Defense may furnish or receive such support and supplies on a reciprocal basis for a period not to exceed 90 days—

"(A) in order to meet emerging operational requirements of the United States and the allied country; or

"(B) incident to a joint military exercise with the allied country.

"(3) If interconnection of communication circuits is maintained for joint or multilateral defense purposes under the authority of this subsection, the costs of maintaining such circuits may be allocated among the various users.".

TITLE XLVIII—COMMERCIAL ITEMS

SEC. 48001. DEFINITIONS.

Section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403), as amended by section 44001(a), is further amended—

(1) by striking out "Act—"and inserting in lieu thereof "Act:";

(2) by capitalizing the initial letter in the first word of each paragraph;

(3) by striking out the semicolon at the end of each of paragraphs (1), (2), (3), (5), (6), (7), (8), and (9) and inserting in lieu thereof a period;

(4) in paragraphs (4) and (10), by striking out "; and" at the end and inserting in lieu thereof a period; and

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

"(12) The term 'commercial item' means—

"(A) property, other than real property, that is of a type customarily used by the general public or by nongovernmental entities in the course of normal business operations for purposes other than governmental purposes and—

"(i) has been sold, leased, or licensed to the general public;

"(ii) has not been sold, leased, or licensed to the general public but has been offered for sale, lease, or license to the general public; or

"(iii) is not yet available in the commercial marketplace but will be made available for commercial delivery within a reasonable period;

"(B) any item that, but for—

"(i) modifications of a type customarily available in the commercial marketplace, or

"(ii) minor modifications made to meet Federal Government requirements,

would satisfy the criteria in subparagraph (A);

"(C) any combination of items meeting the requirements of subparagraph (A), (B), or (D) that are of a type customarily combined and sold in combination to the general public;

"(D) installation services, maintenance services, repair services, training services, and other services if such services are procured for support of an item referred to in subparagraph (A), (B), or (C) and if the source of such services—

"(i) offers such services to the general public and the Federal Government contemporaneously and under similar terms and conditions; and

"(ii) offers to use the same work force for providing the Federal Government with such services as the source uses for providing such services to the general public; and

"(E) any item, combination of items, or service referred to in subparagraph (A), (B), (C), or (D), regardless of whether the item, combination of items, or service is transferred between or among separate divisions, subsidiaries, or affiliates of a contractor.

"(13) The term 'nondevelopmental item' means—

"(A) any commercial item;

"(B) any previously developed item of supply that is in use by a department or agency of the United States, a State or local government, or a foreign government with which the United States has a mutual defense cooperation agreement;

"(C) any item of supply described in subparagraph (A) or (B) that requires only minor modification of the type normally available in the commercial marketplace in order to meet the requirements of the procuring department or agency; or

"(D) any item of supply currently being produced that does not meet the requirements of subparagraph (A), (B), or (C) solely because the item—

"(i) is not yet in use; or

"(ii) is not yet available in the commercial marketplace.

"(14) The term 'component' means any item supplied to the Federal Government as part of an end item or of another component.

"(15) The term 'commercial component' means any component that is a commercial item.".

SEC. 48002. PREFERENCE FOR ACQUISITION OF COMMERCIAL ITEMS AND NONDEVELOPMENTAL ITEMS.

(a) PREFERENCE REQUIRED.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 46102, is

further amended by adding at the end the following new section:

"PREFERENCE FOR ACQUISITION OF COMMERCIAL ITEMS AND NONDEVELOPMENTAL ITEMS

"SEC. 33. (a) PREFERENCE.—The head of each executive agency shall ensure that, to the maximum extent practicable—

"(1) requirements of the executive agency with respect to a procurement of supplies are stated in terms of—

"(A) functions to be performed;

"(B) performance required; or

"(C) essential physical characteristics;

"(2) such requirements are defined so that commercial items or, to the extent that commercial items suitable to meet the agency's needs are not available, other nondevelopmental items may be procured to fulfill such requirements; and

"(3) offerors of commercial items and other nondevelopmental items are provided an opportunity to compete in any procurement to fill such requirements.

"(b) IMPLEMENTATION.—The head of each executive agency shall ensure that procurement officials in that executive agency, to the maximum extent practicable—

"(1) acquire commercial items or other nondevelopmental items to meet the needs of the executive agency;

"(2) require prime contractors and subcontractors at all levels under the executive agency contracts to incorporate commercial items or other nondevelopmental items as components of items supplied to the executive agency;

"(3) modify requirements in appropriate cases to ensure that the requirements can be met by commercial items or, to the extent that commercial items suitable to meet the agency's needs are not available, other nondevelopmental items;

"(4) state specifications in terms that enable and encourage bidders and offerors to supply commercial items or, to the extent that commercial items suitable to meet the agency's needs are not available, other nondevelopmental items in response to the executive agency solicitations;

"(5) revise the executive agency's procurement policies, practices, and procedures not required by law to reduce any impediments in those policies, practices, and procedures to the acquisition of commercial items; and

"(6) require training of appropriate personnel in the acquisition of commercial items.

"(c) PRELIMINARY MARKET RESEARCH.—(1) The head of an executive agency shall conduct market research appropriate to the circumstances—

"(A) before developing new specifications for a procurement by that executive agency; and

"(B) before soliciting bids or proposals for a contract in excess of the simplified acquisition threshold.

"(2) The head of an executive agency shall use the results of market research to determine whether there are commercial items or, to the extent that commercial items suitable to meet the agency's needs are not available, other nondevelopmental items available that—

"(A) meet the executive agency's requirements;

"(B) could be modified to meet the executive agency's requirements; or

"(C) could meet the executive agency's requirements if those requirements were modified to a reasonable extent.

"(3) In conducting market research, the head of an executive agency should not require potential sources to submit more than the minimum information that is necessary to make the determinations required in paragraph (2).".

(b) REPEAL OF SUPERSEDED PROVISION.—

(1) SEPARATE STATEMENT OF PREFERENCE FOR DEPARTMENT OF DEFENSE.—Section 2325 of title 10, United States Code, is repealed.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 137 of such title is amended by striking out the item relating to section 2325.

SEC. 48003. ACQUISITION OF COMMERCIAL ITEMS.

(a) REQUIRED FAR PROVISIONS.—The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 48002, is further amended by adding at the end the following:

"FEDERAL ACQUISITION REGULATION PROVISIONS REGARDING ACQUISITIONS OF COMMERCIAL ITEMS AND COMPONENTS

"SEC. 34. (a) CONTRACT CLAUSES AND OTHER CLAUSES.—(1)(A) The Federal Acquisition Regulation shall include one or more sets of contract clauses containing the required terms and conditions for the acquisition of commercial items and commercial components by executive agencies and by contractors in the performance of contracts of executive agencies.

"(B) The contract clauses referred to in subparagraph (A) shall include only—

"(i) those clauses that are required to implement provisions of law or executive orders applicable to acquisitions of commercial items or commercial components, as the case may be;

"(ii) those contract clauses that are essential for the protection of the Federal Government's interest in an acquisition of commercial items or commercial components, as the case may be; and

"(iii) those contract clauses that are determined to be consistent with standard commercial practice.

"(2) Subject to paragraph (3), the Federal Acquisition Regulation shall require that, to the maximum extent practicable, only the contract clauses referred to in paragraph (1) be used in a contract, or be required to be used in a subcontract, for the acquisition of commercial items or commercial components by or for an executive agency.

"(3) The Federal Acquisition Regulation shall provide that a contract or subcontract referred to in paragraph (2) may contain contract clauses other than the contract clauses referred to in that paragraph only if the other clauses are essential for the protection of the Federal Government's interest in—

"(A) that contract or subcontract, as determined in writing by the contracting officer for such contract; or

"(B) a class of contracts or subcontracts, as determined by the head of an agency concerned, unless the determination of that head of an agency is disapproved by the Administrator.

"(4) The Federal Acquisition Regulation shall provide standards and procedures for waiving the use of contract clauses required pursuant to paragraph (1), other than those required by law, including standards for determining the cases in which a waiver is appropriate.

"(b) MARKET ACCEPTANCE.—(1) The Federal Acquisition Regulation shall provide that under appropriate conditions the head of an executive agency may require offerors to demonstrate that the items offered—

"(A) have either—

"(i) achieved commercial market acceptance; or

"(ii) been satisfactorily supplied to an executive agency under current or recent contracts for the same or similar requirements; and

"(B) otherwise meet the item description, specifications, or other criteria prescribed in the public notice and solicitation relating to the contract.

"(2) The Federal Acquisition Regulation shall provide guidance to ensure that the criteria for determining commercial market acceptance include the consideration of—

"(A) the minimum needs of the executive agency concerned; and

"(B) the entire relevant commercial market, including small businesses.

"(c) USE OF FIRM, FIXED PRICE CONTRACTS.—The Federal Acquisition Regulation shall include a requirement that firm, fixed price contracts or fixed price with economic price adjustment contracts, be used, to the maximum extent practicable, for the acquisition of commercial items.

"(d) CONTRACT QUALITY REQUIREMENTS.—The Federal Acquisition Regulation shall include provisions that—

"(1) permit, to the maximum extent practicable, a contractor under a commercial items acquisition to use the contractor's existing quality assurance system as a substitute for compliance with a requirement for the Federal Government to inspect or test the commercial items before the contractor's tender of those items for acceptance by the Federal Government;

"(2) require that, to the maximum extent practicable, an executive agency accept commercial warranties (including extended warranties) offered by offerors of commercial items to commercial customers and use such warranties for the repair and replacement of commercial items; and

"(3) set forth guidance to executive agencies regarding the use of past performance of items and sources as a factor in contract award decisions.

"(e) TREATMENT OF TRANSFERS BETWEEN AFFILIATES.—The Federal Acquisition Regulation shall provide for a transfer of commercial items from one division, subsidiary, or affiliate of a contractor to another division, subsidiary, or affiliate of the contractor to be treated as a subcontract for purposes of section 35 of the Office of Federal Procurement Policy Act and the provisions of law amended by section 48005 of the Federal Acquisition Streamlining Act of 1994.".

(b) DEFENSE CONTRACT CLAUSES.—

(1) TERMINATION OF DOD AUTHORITY.—Section 824(b) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 10 U.S.C. 2325 note) shall cease to be effective on the date on which the regulations implementing section 34 of the Office of Federal Procurement Policy Act, as added by subsection (a), become effective.

(2) SAVINGS PROVISION.—Notwithstanding section 34(a) of the Office of Federal Procurement Policy Act (as added by subsection (a)), contracts of the Department of Defense entered into before the date on which section 824(b) ceases to be effective under paragraph (1), and subcontracts entered into before such date under such contracts, may include clauses developed pursuant to paragraphs (2) and (3) of section 824(b) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 10 U.S.C. 2325 note).

SEC. 48004. CLASS WAIVER OF APPLICABILITY OF CERTAIN LAWS.

The Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), as amended by section 48003, is further amended by adding at the end the following:

"CLASS WAIVER OF APPLICABILITY OF CERTAIN LAWS TO ACQUISITIONS OF COMMERCIAL ITEMS

"SEC. 35. (a) IN GENERAL.—The applicability of a provision of law described in subsection (c) that is enacted after the date of the enactment of the Federal Acquisition Streamlining Act of 1994 to contracts for the acquisition of commercial items may be waived on a class basis in the Federal Acquisition Regulation. Such a waiver shall not apply to a provision of law that expressly refers to this section and prohibits the waiver of that provision of law.

"(b) WAIVER OF APPLICABILITY TO SUBCONTRACTS.—(1) The applicability of a provision of law described in subsection (c) to subcontracts under a contract for the acquisition of commercial items or a subcontract for the acquisition of commercial components may be waived on a class basis in the Federal Acquisition Regulation. Such a waiver shall not apply to a provision of law that expressly refers to this section and prohibits the waiver of that provision of law.

"(2) Nothing in this subsection shall be construed to authorize the waiver of the applicability of any provision of law with respect to—

"(A) any contract with a prime contractor; or

"(B) any subcontract under a contract with a prime contractor who does not substantially transform the commercial items supplied under the contract.

"(c) COVERED LAW.—A provision of law referred to in subsections (a) and (b) is any provision of law that, as determined by the Federal Acquisition Regulatory Council, sets forth policies, procedures, requirements, or restrictions for the procurement of property or services by the Federal Government.".

SEC. 48005. INAPPLICABILITY OF CERTAIN PROVISIONS OF LAW.

(a) ARMED SERVICES ACQUISITIONS.—

(1) PROHIBITION ON CONTINGENT FEES.—Section 2306(b) of title 10, United States Code, as amended by section 44022(a), is further amended by inserting before the period at the end of the sentence added by section 44022(a) the following: "or to a contract for the acquisition of commercial items".

(2) REQUIREMENT TO IDENTIFY SUPPLIERS AND SOURCES OF SUPPLIES.—Paragraph (2) of section 2384(b) of title 10, United States Code, is amended to read as follows:

"(2) The regulations prescribed pursuant to paragraph (1) do not apply to a contract that requires the delivery of supplies that are commercial items, as defined in section 2302 of this title.".

(3) PROHIBITION AGAINST DOING BUSINESS WITH CERTAIN OFFERORS OR CONTRACTORS.—Section 2393(d) of title 10, United States Code, as amended by section 44022(e), is further amended by adding at the end the following: "The requirement shall not apply in the case of a subcontract for the acquisition of commercial items (as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))).".

(4) PROHIBITION ON LIMITATION OF SUBCONTRACTOR DIRECT SALES.—Section 2402 of title 10, United States Code, as amended by section 44022(b), is further amended by adding at the end the following new subsection:

"(d)(1) An agreement between the contractor in a contract for the acquisition of commercial items and a subcontractor under such contract that restricts sales by such subcontractor directly to persons other than the contractor may not be considered to unreasonably restrict sales by that subcontractor to the United States in violation of the provision included in such contract pursuant to subsection (a) if the agreement does not result in the Federal Government being treated differently with regard to the restriction than any other prospective purchaser of such commercial items from that subcontractor.

"(2) In paragraph (1), the term 'commercial item' has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).".

(5) CONTRACTOR INVENTORY ACCOUNTING SYSTEMS: STANDARDS.—Section 2410b of title 10, United States Code, is amended—

(A) by inserting "(a) REGULATIONS REQUIRED.—" before "The Secretary of Defense"; and

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

"(b) INAPPLICABILITY TO ACQUISITIONS OF COMMERCIAL ITEMS.—The regulations prescribed pursuant to subsection (a) need not apply to a contract for the acquisition of commercial items (as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))).".

(6) PROHIBITION ON PERSONS CONVICTED OF DEFENSE-CONTRACT RELATED FELONIES.—Paragraph (4) of section 2408(a) of title 10, United States Code, as added by section 44022(f), is amended—

(A) by inserting after subparagraph (A) the following:

"(B) A contract referred to in such subparagraph that is for the acquisition of commercial items (as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))).'"; and

(B) by inserting "or (B)" before the period at the end of subparagraph (C).

(b) CIVILIAN AGENCY ACQUISITIONS.—

(1) RESTRICTIONS ON SUBCONTRACTOR SALES TO THE UNITED STATES.—Section 303G of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253g), as amended by section 44023(b), is further amended by adding at the end the following new subsection:

"(d) An agreement between the contractor in a contract for the acquisition of commercial items and a subcontractor under such contract that restricts sales by such subcontractor directly to persons other than the contractor may not be considered to unreasonably restrict sales by that subcontractor to the United States in violation of the provision included in such contract pursuant to subsection (a) if the agreement does not result in the Federal Government being treated differently with regard to the restriction than any other prospective purchaser of such commercial items from that subcontractor.".

(2) PROHIBITION ON CONTINGENT FEES.—Section 304(a) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254(a)), as amended by section 44023(a), is further amended by inserting before the period at the end of the sentence added by section 44023(a) the following: "or to a contract for the acquisition of commercial items".

(c) ACQUISITIONS GENERALLY.—

(1) FEDERAL WATER POLLUTION CONTROL ACT.—Section 508 of the Federal Water Pollution Control Act (33 U.S.C. 1368) is amended by adding at the end the following new subsection:

"(f)(1) No certification by a contractor, and no contract clause, may be required in the case of a contract for the acquisition of commercial items in order to implement a prohibition or requirement of this section or a prohibition or requirement issued in the implementation of this section.

"(2) In paragraph (1), the term 'commercial item' has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).".

(2) CONTRACT WORK HOURS AND SAFETY STANDARDS ACT.—The Contract Work Hours and Safety Standards Act (title I of the Work Hours and Safety Act of 1962 (40 U.S.C. 327 et seq.)) is amended by adding at the end the following new section:

"SEC. 108. (a) No certification by a contractor, and no contract clause, may be required in the case of a contract for the acquisition of commercial items in order to implement a prohibition or requirement in this title.

"(b) In subsection (a), the term 'commercial item' has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).".

(3) OFFICE OF FEDERAL PROCUREMENT POLICY ACT REQUIREMENT RELATING TO PROCUREMENT INTEGRITY CERTIFICATIONS.—Section 27(e)(7) of the Office of Federal Procurement Policy Act (41 U.S.C. 423) is amended by adding at the end the following new subparagraph:

"(C) This subsection does not apply to a contract for the acquisition of commercial items.".

(4) CERTAIN PROVISIONS OF THE ANTI-KICKBACK ACT OF 1986.—

(A) REQUIREMENT FOR CONTRACT CLAUSE.—Section 7 of the Anti-Kickback Act of 1986 (41 U.S.C. 57), as amended by section 44024(b), is further amended by inserting before the period at the end of subsection (d) the following: "or to a prime contract for the acquisition of commercial items (as defined in section 4(12) of such Act (41 U.S.C. 403(12))).".

(B) INSPECTION AUTHORITY.—Section 8 of such Act (41 U.S.C. 58) is amended by adding at the end the following: "This section does not apply with respect to a prime contract for the acquisition of commercial items (as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))).".

(5) DRUG-FREE WORKPLACE ACT OF 1988.—Section 5152(a)(1) of the Drug-Free Workplace Act of 1988 (subtitle D of title V of Public Law 100-690; 41 U.S.C. 701(a)(1)), as amended by section 44024(e), is further amended by inserting after the matter inserted by such section 44024(e) the following: ", other than a contract for the procurement of commercial items (as defined in section 4(12) of such Act (41 U.S.C. 403(12))),".

(6) CLEAN AIR ACT.—Section 306 of the Clean Air Act (42 U.S.C. 7606) is amended by adding at the end the following new subsection:

"(f)(1) No certification by a contractor, and no contract clause, may be required in the case of a contract for the acquisition of commercial items in order to implement a prohibition or requirement of this section or a prohibition or requirement issued in the implementation of this section.

"(2) In paragraph (1), the term 'commercial item' has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).".

(7) FLY AMERICAN REQUIREMENTS.—Section 1117 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1517) is amended by adding at the end the following new subsection:

"(e)(1) No certification by a contractor, and no contract clause, may be required in the case of a contract for the transportation of commercial items in order to implement a requirement in this section.

"(2) In paragraph (1), the term 'commercial item' has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).".

SEC. 48006. FLEXIBLE DEADLINES FOR SUBMISSION OF OFFERS OF COMMERCIAL ITEMS.

(a) OFFICE OF FEDERAL PROCUREMENT POLICY ACT AMENDMENT.—Section 18(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(a)) is amended by adding at the end the following new paragraph:

"(4) The requirements of paragraph (3)(B) do not apply to contracts for the purchase of commercial items. The Administrator shall prescribe for such contracts appropriate limits on the applicability of a deadline for submission of bids or proposals that is required by paragraph (1). Such limits shall be incorporated in the Federal Acquisition Regulation. The Federal Acquisition Regulation shall specify a minimum period for submission of a response to a solicitation of offers for a contract for the acquisition of commercial items.".

(b) SAVINGS PROVISION.—The deadlines for submission of offers that are in effect in accordance with section 18(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(a)) and section 8(e) of the Small Business Act (15 U.S.C. 637(e)) shall continue to apply to contracts for the purchase of commercial items until the limits prescribed pursuant to paragraph (4) of section 18(a) of the Office of Federal Procurement Policy Act (as added by subsection (a)) are incorporated in the Federal Acquisition Regulation, as required by such paragraph.

SEC. 48007. ADVOCATES FOR ACQUISITION OF COMMERCIAL AND NONDEVELOPMENTAL ITEMS.

(a) RESPONSIBILITIES OF THE ADVOCATE FOR COMPETITION.—Section 20(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 418(c)) is amended to read as follows:

"(c) The advocate for competition for each procuring activity shall be responsible for promoting full and open competition, promoting the acquisition of commercial items and other nondevelopmental items, and challenging barriers to such acquisition, including such barriers as unnecessarily restrictive statements of need, unnecessarily detailed specifications, and unnecessarily burdensome contract clauses.".

(b) REPEAL OF SUPERSEDED PROVISION.—Section 28 of such Act (41 U.S.C. 424) is repealed.

SEC. 48008. PROVISIONS NOT AFFECTED.

Nothing in this title shall be construed as amending, modifying, or superseding, or as intended to impair or restrict authorities or responsibilities under—

(1) section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759), popularly referred to as the "Brooks Automatic Data Processing Act";

(2) title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.), popularly referred to as the "Brooks Architect-Engineers Act";

(3) subsections (a) and (d) of section 8 of the Small Business Act (15 U.S.C. 637); or

(4) the Act of June 25, 1938 (41 U.S.C. 46–48c), that was revised and reenacted in the Act of June 23, 1971 (85 Stat. 77), popularly referred to as the "Javits-Wagner-O'Day Act".

SEC. 48009. COMPTROLLER GENERAL REVIEW OF FEDERAL GOVERNMENT USE OF MARKET RESEARCH.

(a) REPORT REQUIRED.—Not later than 2 years after the date of the enactment of this division, the Comptroller General of the United States shall submit to the Congress a report on the use of market research by the Federal Government in support of the procurement of commercial items and nondevelopmental items.

(b) CONTENT OF REPORT.—The report shall include the following:

(1) A review of existing Federal Government market research efforts to gather data concerning commercial and other nondevelopmental items.

(2) A review of the feasibility of creating a Government-wide data base for storing, retrieving, and analyzing market data, including use of existing Federal Government resources.

(3) Any recommendations for changes in law or regulations that the Comptroller General considers appropriate.

TITLE XLIX—MISCELLANEOUS PROVISIONS

SEC. 49001. COMPTROLLER GENERAL REVIEW OF THE PROVISION OF LEGAL ADVICE FOR INSPECTORS GENERAL.

(a) REVIEW AND REPORT REQUIRED.—Not later than March 1, 1995, the Comptroller General of the United States shall—

(1) conduct a review of the independence of the legal services being provided to Inspectors General appointed under the Inspector General Act of 1978; and

(2) submit to Congress a report on the results of the review.

(b) MATTERS REQUIRED FOR REPORT.—The report shall include the following matters:

(1) With respect to each department or agency of the Federal Government that has an Inspector General appointed in accordance with the Inspector General Act of 1978 whose only or principal source of legal advice is the general counsel or other chief legal officer of the department or agency, an assessment of the extent of the independence of the legal advisors providing advice to the Inspector General.

(2) A comparison of the findings under the assessment referred to in paragraph (1) with findings on the same matters with respect to each Inspector General whose source of legal advice is legal counsel accountable solely to the Inspector General.

SEC. 49002. COST SAVINGS FOR OFFICIAL TRAVEL.

(a) The Administrator of the General Services Administration, no later than 120 days after enactment of this section, shall issue guidelines to ensure that agencies promote, encourage and facilitate the use of frequent traveler programs offered by airlines, hotels and car rental vendors by Federal employees who engage in official air travel, for the purpose of realizing to the maximum extent practicable cost savings for official travel.

(b) Any awards granted under such a frequent traveler program accrued through official travel shall be used only for official travel.

(c) Within one year of enactment of this section, the Administrator shall report to the Congress on efforts to promote the use of frequent traveler programs by Federal employees.

SEC. 49003. PROMPT RESOLUTION OF AUDIT RECOMMENDATIONS.

Federal agencies shall resolve or take corrective action on all Office of Inspector General audit report findings within a maximum of six months after their issuance, or, in the case of audits performed by non-Federal auditors, six months after receipt of the report by the Federal Government.

SEC. 49004. UNIFORM SUSPENSION AND DEBARMENT.

(a) Within six months after the date of enactment of this division, regulations shall be issued providing that provisions for the debarment, suspension, or other exclusion of a participant in a procurement activity under the Federal Acquisition Regulation, or in a nonprocurement activity under regulations issued pursuant to Executive Order No. 12549, shall have government-wide effect. No agency shall allow a party to participate in any procurement or nonprocurement activity if any agency has debarred, suspended, or otherwise excluded (to the extent specified in the exclusion agreement) that party from participation in a procurement or nonprocurement activity.

(b) The Regulations issued pursuant to subsection (a) shall provide that an agency may grant an exception permitting a debarred, suspended, or otherwise excluded party to participate in procurement activities of that agency to the extent exceptions are authorized under the Federal Acquisition Regulation, or to participate in nonprocurement activities of that agency to the extent exceptions are authorized under regulations issued pursuant to Executive Order No. 12549.

(c) DEFINITIONS.—For the purposes of this part—

(1) "Procurement activities" refers to all acquisition programs and activities of the Federal Government, as defined in the Federal Acquisition Regulation.

(2) "Nonprocurement activities" refers to all programs and activities involving Federal financial and nonfinancial assistance and benefits, as covered by Executive Order No. 12549 and the Office of Management and Budget guidelines implementing that order.

(3) "Agency" refers to executive departments and agencies.

TITLE L—EFFECTIVE DATES AND IMPLEMENTATION

SEC. 50001. EFFECTIVE DATES.

(a) EFFECTIVE DATE OF ACT.—Except as otherwise provided in this division, this division shall take effect on the date of the enactment of this Act.

(b) EFFECTIVE DATE OF AMENDMENTS.—Except as otherwise provided in this division, the amendments made by this division shall take effect on the date on which final implementing regulations are prescribed in accordance with section 50002.

SEC. 50002. IMPLEMENTING REGULATIONS.

(a) PROPOSED CHANGES.—Proposed changes to the Federal Acquisition Regulation and such other proposed regulations (or changes to existing regulations) as may be necessary to implement this division shall be published in the Federal Register not later than 210 days after the date of the enactment of this division.

(b) PUBLIC COMMENT.—The proposed regulations described in subsection (a) shall be made available for public comment for a period of not less than 60 days.

(c) FINAL REGULATIONS.—Final regulations shall be published in the Federal Register not later than 330 days after the date of enactment of this division.

(d) APPLICABILITY.—(1) The amendments made by this division shall apply, in the manner prescribed in such final regulations, to any solicitation that is issued or any unsolicited proposal that is received on or after the date described in paragraph (3).

(2) The amendments made by this division shall apply, to the extent and in the manner prescribed in such final regulations, to any matter related to—

(A) a contract that is in effect on the date described in paragraph (3);

(B) an offer under consideration on the date described in paragraph (3); or

(C) any other proceeding or action that is ongoing on the date described in paragraph (3).

(3) The date referred to in paragraphs (1) and (2) is the date specified in such regulations, which—

(A) shall not be earlier than the end of the 30-day period that begins on the date the regulations required by subsection (c) are published; and

(B) shall not be later than October 1, 1995.

(e) REQUIREMENT FOR CLARITY.—Officers and employees of the Federal Government who prescribe regulations to implement this division and the amendments made by this division shall make every effort practicable to ensure that the regulations are concise and are easily understandable by potential offerors as well as by Government officials.

(f) SAVINGS PROVISION.—Nothing in this division shall be construed to affect the validity of any action taken or any contract entered into prior to the date specified in the regulations pursuant to subsection (d)(3) except to the extent and in the manner prescribed in such regulations.

SEC. 50003. EVALUATION BY THE COMPTROLLER GENERAL.

(a) EVALUATION RELATING TO ISSUANCE OF REGULATIONS.—Not later than December 1, 1995, the Comptroller General shall submit to the committees referred to in subsection (c) a report evaluating compliance with the requirements in section 50002, relating to the issuance of implementing regulations.

(b) EVALUATION OF IMPLEMENTATION OF REGULATIONS.—Not later than December 1, 1996, the Comptroller General shall submit to the committees referred to in subsection (c) a report evaluating the effectiveness of the regulations implementing this division in streamlining the acquisition system and fulfilling the other purposes of this division. The report shall include the Comptroller General's evaluation of the extent to which the departments and agencies of the Federal Government, in implementing this division and the amendments made by this division, are reducing acquisition management layers and associated costs.

(c) COMMITTEES DESIGNATED TO RECEIVE THE REPORTS.—The Comptroller General shall submit the reports required by this section to the Committees on Armed Services and on Governmental Affairs of the Senate and the Committees on Small Business on Government Operations of the House of Representatives.

SEC. 50004. DATA COLLECTION THROUGH THE FEDERAL PROCUREMENT DATA SYSTEM.

(a) DATA COLLECTION REQUIRED.—The Federal Procurement Data System described in section 6(d)(4)(A) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(d)(4)(A)) shall be modified to collect from contracts in excess of the simplified acquisition threshold data pertaining to the following matters:

(1) Contract awards made pursuant to competitions conducted pursuant to section 2323 of title 10, United States Code, or section 8(c) of the Small Business Act (15 U.S.C. 637(c)).

(2) Awards to business concerns owned and controlled by women.

(3) Number of offers received in response to a solicitation.

(4) Task order contracts.

(5) Contracts for the acquisition of commercial items.

(b) DEFINITION.—In this section, the term "simplified acquisition threshold" has the meaning given such term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

TITLE LI—WAIVER OF THE APPLICATION OF THE PREVAILING WAGE-SETTING REQUIREMENTS TO VOLUNTEERS

SEC. 51001. SHORT TITLE.

This title may be cited as the "Community Improvement Volunteer Act of 1994".

SEC. 51002. PURPOSE.

It is the purpose of this title to promote and provide more opportunities for people who wish to volunteer their services in the construction, repair or alteration (including painting and decorating) of public buildings and public works funded, in whole or in part, with Federal financial assistance authorized under certain Federal programs that might not otherwise be possible without the use of volunteers, by waiving the application of the otherwise applicable prevailing wage-setting provisions of the Act of March 3, 1931 (commonly known as the "Davis-Bacon Act") (40 U.S.C. 276a et seq.) to such volunteers.

SEC. 51003. WAIVER.

(a) IN GENERAL.—The requirement that certain laborers and mechanics be paid in accordance with the wage-setting provisions of the Act of March 3, 1931 (commonly known as the "Davis-Bacon Act") (40 U.S.C. 276a et seq.) as set forth in any of the Acts or provisions described in subsection (d), and the provisions relating to wages, in any federally assisted or insured contract or subcontract for construction, shall not apply to any individual—

(1) who volunteers—

(A) to perform a service for a public or private entity for civic, charitable, or humanitarian reasons, without promise, expectation, or receipt of compensation for services rendered other than expenses, reasonable benefits, or a nominal fee (as defined in subsection (b)), but solely for the personal purpose or pleasure of the individual; and

(B) to provide such services freely and without pressure or coercion, direct or implied, from an employer;

(2) whose contribution of service is not for the benefit of any contractor otherwise performing or seeking to perform work on the same project; and

(3) who is not otherwise employed at any time under the federally assisted or insured contract or subcontract involved for construction with respect to the project for which the individual is volunteering.

(b) EXPENSES.—Payments of expenses, reasonable benefits, or a nominal fee may be provided to volunteers described in subsection (a) if the Secretary of Labor determines, after an examination of the total amount of payments made (relating to expenses, benefits, or fees) in the context of the economic realities of the specific federally assisted or insured project, that such payments are appropriate. Subject to such a determination—

(1) a payment for an expense may be received by a volunteer for items such as uniform allowances, protective gear and clothing, reimbursement for approximate out-of-pocket expenses, or for the cost or expense of meals and transportation;

(2) a reasonable benefit may include the inclusion of a volunteer in a group insurance plan (such as a liability, health, life, disability, or worker's compensation plan) or pension plan, or the awarding of a length of service award; and

(3) a nominal fee may not be used as a substitute for compensation and may not be tied to productivity.

The decision as to what constitutes a nominal fee for purposes of paragraph (3) shall be made on a case-by-case basis and in the context of the economic realities of the situation involved.

(c) ECONOMIC REALITY.—For purposes of subsection (b), in determining whether an expense, benefit, or fee described in such subsection may be paid to volunteers in the context of the economic realities of the particular situation, the Secretary of Labor shall not approve any such expense, benefit, or fee that has the effect of undermining labor standards by creating downward pressure on prevailing wages in the local construction industry.

(d) CONTRACTS EXEMPTED.—For purposes of subsection (a), the Acts or provisions described in this subsection are the following:

(1) The Library Services and Construction Act (20 U.S.C. 351 et seq.).

(2) The Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

(3) Section 329 of the Public Health Service Act (42 U.S.C. 254b).

(4) Section 330 of the Public Health Service Act (42 U.S.C. 254c).

SEC. 51004. REPORT.

Not later than December 31, 1997, the Secretary of Labor shall prepare and submit to the appropriate committees of Congress a report that—

(1) identifies and assesses, to the maximum extent practicable—

(A) the projects for which volunteers were permitted to work under this title; and

(B) the number of volunteers permitted to work because of the compliance of entities with the provisions of this title; and

(2) contains recommendations with respect to Acts related to the Davis-Bacon Act that could be addressed to permit volunteer work.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 6:12 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, without amendment:

S. 273. An act to remove certain restrictions from a parcel of land owned by the city of North Charleston, South Carolina, in order to permit a land exchange, and for other purposes; and

S. 1402. An act to convey a certain parcel of public land to the county of Twin Falls, Idaho, for use as a landfill, and for other purposes.

At 6:54 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 3567. An act to amend the John F. Kennedy Center Act to transfer operating responsibilities to the Board of Trustees of the John F. Kennedy Center for the Performing Arts, and for other purposes; and

H.R. 4454. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1995, and for other purposes.

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-3014. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the annual report on animal welfare enforcement for fiscal year 1993; to the Committee on Agriculture, Nutrition and Forestry.

EC-3015. A communication from the Comptroller of the Department of Defense, transmitting, pursuant to law, a report of a violation of the Antideficiency Act, case number 94-03; to the Committee on Appropriations.

EC-3016. A communication from the Secretary of Energy, transmitting, pursuant to law, a report relative to research for the development of technologies useful for the reduction of environmental hazards and contamination from defense waste; to the Committee on Armed Services.

EC-3017. A communication from the Deputy Assistant Secretary of Defense (Requirements and Resources), transmitting, pursuant to law, a report on the actuarial status of the Military Retirement System for fiscal year 1993; to the Committee on Armed Services.

EC-3018. A communication from the Chairman of the Board of the National Credit Union Administration, transmitting, pursuant to law, the Administration's annual report for calendar year 1993; to the Committee on Banking, Housing and Urban Affairs.

EC-3019. A communication from the President and Chairman of the Export-Import Bank, transmitting, pursuant to law, a report with respect to a recent transaction involving U.S. exports to the Philippines; to the Committee on Banking, Housing and Urban Affairs.

EC-3020. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation dated July 5, 1994; to the Committee on Budget.

EC-3021. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report relative to the committees which provide advice to the Secretary with respect to the Social Security Act; to the Committee on Finance.

EC-3022. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, a report relative to international agreements other than treaties entered into by the United States in the sixty day period prior to June 30, 1994; to the Committee on Foreign Relations.

EC-3023. A communication from the Plan Administrator of the Eighth Farm Credit District Employee Benefit trust, transmitting, pursuant to law, the annual report of the District's savings plan for calendar year 1993; to the Committee on Governmental Affairs.

EC-3024. A communication from the Deputy and Acting Chief Executive Officer of the Resolution Trust Corporation, transmitting, pursuant to law, the Corporation's annual management report for calendar year 1993; to the Committee on Governmental Affairs.

EC-3025. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report relative to the financial review of the Public Access Corporation; to the Committee on Governmental Affairs.

EC-3026. A communication from the Chairman of the National Council on Indian Education, transmitting, pursuant to law, a report entitled "Keeping Forgotten Promises" to the Committee on Indian Affairs.

EC-3027. A communication from the Chairperson of the National Institute for Literacy, transmitting, pursuant to law, the annual report for the Institute for fiscal year 1993; to the Committee on Labor and Human Resources.

EC-3028. A communication from the Chairman of the Fund for the Improvement and Reform of Schools and Teaching Board, Department of Education, transmitting, pursuant to law, the Board's annual report relative to advisory committee activities; to the Committee on Labor and Human Resources.

EC-3029. A communication from the Chair of the National Educational Goals Panel, transmitting, pursuant to law, the annual report of the Panel for fiscal year 1993; to the Committee on Labor and Human Resources.

EC-3030. A communication from the Chairperson of the Advisory Committee on Student Financial Assistance, transmitting, pursuant to law, the annual report of the Committee for fiscal year 1993; to the Committee on Labor and Human Resources.

EC-3031. A communication from the Presiding Officer of the Advisory Council on Education Statistics, Department of Education, transmitting, pursuant to law, the Council's annual report for fiscal year 1993; to the Committee on Labor and Human Resources.

EC-3032. A communication from the Chairman of the National Advisory Council on Educational Research and Improvement, transmitting, pursuant to law, the Council's annual report for fiscal year 1993; to the Committee on Labor and Human Resources.

EC-3033. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled, "Health, United States, 1993"; to the Committee on Labor and Human Resources.

EC-3034. A communication from the Assistant Secretary for Educational Research and Improvement, Department of Education, transmitting, pursuant to law, a report relative to an assessment of vocational education; to the Committee on Labor and Human Resources.

EC-3035. A communication from the Chair of the National Board of the Fund for the Improvement of Postsecondary Education, transmitting, pursuant to law, the annual report of the Board for fiscal year 1993; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROCKEFELLER, from the Committee on Veterans' Affairs, without amendment:

S. 2277. An original bill to authorize major medical facility construction projects for the Department of Veterans Affairs for fiscal year 1995, and for other purposes.

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. KENNEDY:

S. 2276. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize a device application fee, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. ROCKEFELLER:

S. 2277. An original bill to authorize major medical facility construction projects for the Department of Veterans Affairs for fiscal year 1995, and for other purposes; from the Committee on Veterans Affairs; placed on the calendar.

By Mr. SIMON:

S. 2278. A bill to amend the Harmonized Tariff Schedule of the United States to extend certain provisions relating to the production incentive certificates for producers in the insular possessions, and for other purposes; to the Committee on Finance.

By Mr. COCHRAN:

S.J. Res. 209. A joint resolution designating November 21, 1994, as "National Military Families Recognition Day"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KENNEDY:

S. 2276. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize a device application fee, and for other purposes; to the Committee on Labor and Human Resources.

MEDICAL DEVICE USER FEE ACT OF 1994

Mr. KENNEDY. Mr. President, today I am introducing the Medical Device User Fee Act of 1994. The purpose of this measure is to improve the procedures used by the Food and Drug Administration to review such devices.

The rapid pace of innovations in American health care makes such legislation essential. The medical device industry is one of our cutting-edge growth industries, and holds great promise for better health care in the years ahead. Devices range from tongue depressors and syringes to cardiac pacemakers and ultrasound scanners. Increasingly sophisticated technologies continue to improve physicians' ability to diagnose and treat illness and enhance the quality of life for large numbers of individuals. Exports of U.S. medical devices have made the American industry the world leader and enhanced our balance of trade.

Too often, however, the bottleneck to progress is the FDA clearance process. Agency resources to review new devices have actually declined in recent years. The mismatch between mushrooming investment and research on these devices and declining FDA resources is seriously delaying medical advances, and some remedy must be found.

Without additional funds, the FDA cannot dispose of its large and growing backlog of device approval and notification decisions, let alone process new device applications expeditiously. The current Federal budget offers little prospect that adequate resources will

be available to the FDA to do the job it should be doing. Without more assistance, the agency can't keep up with innovation.

User fees from medical device manufacturers is the obvious answer. The idea has already proved successful for prescription drugs in a landmark Federal law enacted in 1992. The concept of user fees was endorsed by the Edwards Committee report on FDA reform in 1991, which urged Congress and the private sector to supplement the agency's annual Federal appropriation with industry funds.

With the help of the new resources available through prescription drug user fees, the FDA has hired new reviewers and come closer to the goal it has set of cutting review times in half. The pharmaceutical industry has worked closely with the FDA to ensure that the user fees are implemented in a fair and timely manner.

The legislation I am offering today provides a similar opportunity for the medical device industry. The bill reflects a consensus that has emerged from discussions in Congress and the Clinton administration and with the industry and consumers. All of us who have worked on this legislation are gratified by the support of medical device manufacturers for this approach, since industry support is essential for a user fee to be successful. Health Industry Manufacturers Association, the national trade association whose members manufacture more than 90 percent of the health technology purchased in the United States, has endorsed this legislation.

The statutory framework has been carefully designed to ensure that the fees are reasonable, and that all funds go only for activities directly related to the FDA review and approval process for medical devices. The legislation I am introducing authorizes FDA to collect approximately $100 million over the next 5 years for this purpose.

These funds will be dedicated specifically to FDA action on medical devices. A key part of this compact is that these funds will not be available for any other purpose or priority, including deficit reduction.

The fees are set to reflect the relative length and complexity of the product submissions, and the size of companies making the submissions.

Most of the premarket submissions—known as 510(K) submissions—seeking FDA's determination of substantial equivalence to existing devices come from small companies. The fee for these submissions would be $3,200.

The longer premarket approval or [PMA] submissions for new devices require clinical data and are more frequently submitted by larger companies. The legislation sets the fee for these submissions at $52,000.

In contrast, the prescription drug user fees were set as high as $100,000 for a submission for new drug approval.

In return for these resources, FDA Commissioner Kessler has set specific performance goals to cut review times dramatically. The new personnel needed to review medical devices will be hired within a year of enactment. With these new reviewers, FDA has committed to a 95-percent completion rate for all premarket [510(K)] notifications within the statutory 90-day deadline and 90 percent of all premarket approvals within the required 180 days.

Commissioner Kessler has also committed to a timetable for eliminating backlogs of overdue applications. The number of overdue 510(k) submissions soared from 330 in 1992 to 1,895 in 1993. The FDA has committed to eliminating 95 percent of this backlog within 2 years of enactment of this legislation, and will seek to reduce the backlog of premarket approvals by 90 percent.

These actions will have a significant, long-term impact on health care. Faster device approvals will save lives and benefit the industry, too.

We have also included provisions to help user fees from becoming disincentives to the development of new devices by small businesses. Such businesses constitute the majority of innovative device firms. The legislation allows a complete waiver of fees for a company's first premarket notification submission to FDA—the time when a start-up company may be financially most vulnerable.

This legislation offers a worthwhile opportunity to improve health care by improving FDA's performance. Congressmen DINGELL and WAXMAN have introduced an identical measure today in the House of Representatives, and I look forward to working with them and many other colleagues in the Senate and House on this important legislation.

I ask unanimous consent that the text of the bill may be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2276

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

SECTION 1. SHORT TITLE AND REFERENCE.

(a) SHORT TITLE.—This Act may be cited as the "Medical Device User Fee Act of 1994".

(b) REFERENCE.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Food, Drug, and Cosmetic Act.

SEC. 2. FINDINGS.

The Congress finds that—

(1) prompt approval and clearance of safe and effective devices is critical to the improvement of the public health so that patients may enjoy the benefits of devices to diagnose, treat, and prevent disease;

(2) the public health will be served by furnishing additional funds for the review of devices so that statutorily mandated deadlines may be met, and

(3) the fees authorized by the amendment made by section 3 will be dedicated—

(A) toward expediting the review of device applications, supplements, and substantial equivalence submissions, and

(B) for related activities as defined in section 741(3) of the Federal Food, Drug, and Cosmetic Act,

as set forth in goals identified in the letter of July 8, 1994, from the Commissioner of Food and Drugs to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

SEC. 3. FEES RELATING TO DEVICES.

Chapter VII is amended by adding at the end of subchapter C the following:

"PART 3—FEES RELATING TO DEVICES

"SEC. 741. DEFINITIONS.

"For purposes of this subchapter:

"(1) The term—

"(A) 'device application' means an application for approval of a device submitted under section 515(c) or section 351 of the Public Health Service Act, a supplement to such an application, or a device substantial equivalence submission made under section 510(k); and

"(B) 'section 351 application' means a device application submitted under section 351 of the Public Health Service Act.

"(2) The term 'supplement' means a request to the Secretary to approve a change in a device application which has been approved under section 515(d) or section 351 of the Public Health Service Act.

"(3) The term 'process for the review of device applications and related activities' means the following activities of the Secretary with respect to the review of device applications and related activities:

"(A) The activities necessary for the review of device applications and related activities.

"(B) The issuance of action letters which allow marketing of devices or which set forth in detail the specific deficiencies in such applications and, where appropriate, the actions necessary to place such applications in condition for approval.

"(C) The inspection of device establishments and other facilities undertaken as part of the Secretary's review of pending device applications.

"(D) Activities necessary for the review of applications for licensure of devices subject to section 351 of the Public Health Service Act, for the licensure of establishments where such devices are manufactured, and for the release of lots of such devices.

"(E) Review of device applications for an investigational new drug exemption under section 505(i) and for an investigational device exemption under section 520(g) and activities conducted in anticipation of the submission of an application under sections 505(i) and 520(g).

"(F) The development of guidance and policy documents to improve the process for the review of device applications.

"(G) The development of test methods and standards in connection with the review of device applications and related activities.

"(H) The provision of technical assistance to device manufacturers in connection with the submission of a device application.

"(I) Activities undertaken in connection with the export of a device.

"(J) Activities undertaken under sections 513 and 515(i) in connection with the initial classification and reclassification of a device and under section 515(b) in connection with any requirement for premarket approval of a device.

"(K) Monitoring of research.

"(L) Activities undertaken under sections 519(a) and 519(b).

"(M) Postmarket studies required as a condition of an approval of a device application under section 515(d) or section 351 of the Public Health Service Act.

"(N) Postmarket surveillance required under section 522.

"(4) The term 'costs of resources allocated for the process for the review of device applications and related activities' means the expenses incurred in connection with the process for the review of device applications and related activities for—

"(A) officers and employees of the Food and Drug Administration, employees under contract with the Food and Drug Administration, advisory committees, and costs related to such officers, employees, and committees,

"(B) management of information, and the acquisition, maintenance, and repair of computer resources,

"(C) leasing, maintenance, renovation, and repair of facilities and acquisition, maintenance, and repair of fixtures, furniture, scientific equipment, and other necessary materials, services, and supplies, and

"(D) collecting fees under section 742 and accounting for resources allocated for the review of device applications and related activities, including activities related to the review of applications for fee exceptions, waivers, and reductions.

"(5) The term 'adjustment factor' applicable to a fiscal year is the lower of—

"(A) the Consumer Price Index for all urban consumers (all items; United States city average) for August of the preceding fiscal year divided by such Index for August 1994, or

"(B) the total budget authority provided for discretionary programs for the immediately preceding fiscal year (as reported in the Office of Management and Budget sequestration preview report, if available, required under section 254(d) of the Balanced Budget and Emergency Deficit Control Act of 1985) divided by such budget authority for fiscal year 1994 (as reported in the Office of Management and Budget final sequestration report submitted after the end of the 103d Congress, 2d Session).

The term 'budget authority' in subparagraph (B) is as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as in effect as of January 1, 1994.

"SEC. 742. AUTHORITY TO ASSESS AND USE DEVICE USER FEES.

"(a) FEES.—Beginning in fiscal year 1995, the Secretary shall assess and collect fees as follows:

"(1) GENERAL RULE.—Except as provided in paragraph (2), each person that submits, on or after 90 days before—

"(A) the date of the enactment of the Medical Device User Fee Act of 1994, or

"(B) the date of the enactment of the first appropriation under subsection (g)(4) for fees under this section,

whichever occurs later, a device application shall be subject to the fee prescribed by subsection (b).

"(2) EXCEPTION.—

"(A) FURTHER MANUFACTURING USE.—No fee shall be required for the submission of a section 351 application for a product licensed for further manufacturing use only.

"(B) EXCEPTION FOR PREVIOUSLY FILED APPLICATION OR SUPPLEMENT.—If a device application was—

"(i) submitted by a person that paid the fee for such application,

"(ii) accepted for filing, and

"(iii) not approved or withdrawn (without a waiver under subsection (d)),

the submission of a device application for the identical device by the same person (or the person's licensee, assignee, or successor) shall not be subject to a fee under paragraph (1).

"(3) PAYMENT SCHEDULE.—

"(A) GENERAL RULE.—Except as provided in subparagraph (B), the fee prescribed by subsection (b) shall be due upon the submission of the application.

"(B) EXCEPTIONS.—

"(i) PENDING.—In the case of a device application for which fees are required under paragraph (1) and which is pending on the later of—

"(I) the date of the enactment of the Medical Device User Fee Act of 1994, or

"(II) the date of the enactment of the first appropriation under subsection (g)(4) for fees under this section,

the fee required by paragraph (1) shall be due 90 days after such later date of enactment.

"(ii) EXCESS OF AUTHORIZATION.—A fee which is due after an amount of fees equal to the authorization of appropriations under subsection (g)(4) for the fiscal year in which the fee is imposed has been collected shall be due on November 1 in the following fiscal year.

"(4) REFUND IF APPLICATION OR SUPPLEMENT NOT ACCEPTED FOR FILING.—

"(A) 515(c) AND 351.—The Secretary shall refund 85 percent of the fee paid under paragraph (3) for any application submitted under section 515(c) or section 351 of the Public Health Service Act which is not accepted for filing.

"(B) SUPPLEMENTS.—The Secretary shall refund 85 percent of the fee paid under paragraph (3) for any supplement with required clinical data which is not accepted for filing and shall refund the fee paid under such paragraph for any supplement without required clinical data is not accepted for filing.

"(C) 510(k).—The Secretary shall refund the fee paid under paragraph (3) for any substantial equivalence submission under section 510(k) which is not accepted for filing.

"(b) FEE AMOUNTS.—

"(1) AMOUNT.—Except as provided in paragraph (2) and subsections (c), (d), (f), and (g), the fees required under subsection (a) are as follows:

"(A) $52,000 for applications submitted under section 515(c) and applications for devices submitted under section 351 of the Public Health Service Act,

"(B) $7,100 for a supplement with required clinical data,

"(C) $4.500 for a supplement without required clinical data, and

"(D) $3,200 for a submission under section 510(k).

"(2) SMALL BUSINESS EXCEPTION.—

"(A) APPLICATIONS AND SUBMISSIONS.—Any person employing fewer than 20 employees, including employees of affiliates, and which does not have a device introduced or delivered for introduction into interstate commerce under a device application—

"(i) shall pay one-half the amount of the fee prescribed by paragraph (1)(A) one year after the date of final action by the Secretary on an application of such person which is subject to such fee, and

"(ii) shall pay the fee prescribed by paragraph (1)(D) for a submission made by such person under section 510(k) one year after the date of final action by the Secretary on such submission.

"(B) CERTIFICATION.—The Secretary shall require any person who applies to pay a fee in accordance with subparagraph (A) to certify such person's qualification under such subparagraph. The Secretary shall periodically publish in the Federal Register a list of persons making such certification.

"(C) DEFINITION.—For purposes of this paragraph, a person is an affiliate of another person when—

"(i) directly or indirectly, one person controls, or has the power to control, the other person,

"(ii) directly or indirectly, a third party controls, or has the power to control, both persons, or

"(iii) an identity of interest between or among such persons exists such that affiliation may be found.

"(c) ADJUSTMENTS.—

"(1) FEE ADJUSTMENT.—Subject to the amount appropriated for a fiscal year under subsection (g), the Secretary shall, in a fiscal year beginning after fiscal year 1995, adjust the fees due in the fiscal year following the fiscal year in which the adjustment is made to reflect the greater of—

"(A) the total percentage increase that occurred during the preceding fiscal year in the Consumer Price Index for all urban consumers (all items; U.S. city average) that exceeds 3.5 percent, or

"(B) the total percentage increase for such preceding fiscal year in basic pay under the General Schedule in accordance with section 5332 of title 5, United States Code, as adjusted by any locality-based comparability payment pursuant to section 5304 of such title for Federal employees stationed in the District of Columbia that exceeds 3.5 percent.

The Secretary shall, by notice published in the Federal Register, make an adjustment under this paragraph within the first 60 days of a fiscal year.

"(2) LIMIT.—The total amount of fees charged, as adjusted under paragraph (1), for a fiscal year may not exceed the total costs for such fiscal year for the resources allocated for the process for the review of device applications and related activities.

"(d) FEE WAIVER OR REDUCTION.—The Secretary shall grant a waiver from or a reduction of a fee for a person under subsection (a) if the person has submitted an application under section 515(c) or section 351 of the Public Health Service Act and if the Secretary finds—

"(1) that such application is a device application for a device which has a humanitarian device exemption under section 520(m), or

"(2)(A) such waiver or reduction is necessary to protect the public health, and

"(B) the assessment of the fee would present a significant barrier to innovation because of limited resources available to such person or other circumstances.

"(e) EFFECT OF FAILURE TO PAY FEES.—A device application or supplement submitted by a person subject to fees under subsection (a) shall be considered incomplete and shall not be accepted for review by the Secretary until all fees owed by such person under subsection (a) have been paid. The Secretary may discontinue review of any device application submitted by a person if such person has not paid all fees owed by such person such subsection (a).

"(f) ASSESSEMENT OF FEES.—

"(1) LIMITATION.—Fees may not be assessed under subsection (a) for a fiscal year beginning after fiscal year 1995 unless appropriations for salaries and expenses of the Food and Drug Administration for such fiscal year (excluding the amount of fees appropriated under chapter 7, chapter 97 of title 31, United

States Code, or other authority for such fiscal year) are equal to or greater than the amount of appropriations for the salaries and expenses of the Food and Drug Administration for the fiscal year 1994 (excluding the amount of fees appropriated under chapter 7, chapter 97 of title 31, United States Code, or other authority for such fiscal year) multiplied by the adjustment factor applicable to the fiscal year involved.

"(2) AUTHORITY.—If the Secretary does not assess fees under subsection (a) during any portion of a fiscal year because of paragraph (1) and if at a later date in such fiscal year the Secretary is authorized to assess such fees, the Secretary may assess and collect such fees, without any modification in the rate to account for the time in which the Secretary could not collect such fees.

"(g) CREDITING AND AVAILABILITY OF FEES.—

"(1) IN GENERAL.—Fees collected for a fiscal year pursuant to subsection (a) shall be credited to the appropriation account for salaries and expenses of the Food and Drug Administration and shall be available in accordance with appropriation Acts until expended, without fiscal year limitation.

"(2) AVAILABILITY.—Not more than 5 percent of the projected fee receipts in any fiscal year may be used for activities described in subparagraphs (L) and (N) of section 741(3), except that up to 15 percent of the projected fee receipts in any fiscal year may be used for such activities after the Commissioner of the Food and Drug Administration issues a public notice that the Food and Drug Administration has met the applicable goals referenced in section 2(3) of the Medical Device User Fee Act of 1994. If subsequent to such notice the Food and Drug Administration is not meeting such goals—

"(A) the Commissioner shall issue a public notice of the Food and Drug Administration's actual performance level, and

"(B) not more than 5 percent of projected fee receipts may be used for such activities until the Commissioner issues a subsequent notice that the Food and Drug Administration is again meeting such goals.

"(3) COLLECTIONS AND APPROPRIATION ACTS.—The fees authorized by this section—

"(A) shall be collected in each fiscal year in an amount equal to the amount specified in appropriation Acts for such fiscal year, and

"(B) shall only be collected and available to defray increases in the costs of the resources allocated for the process for the review of device applications and related activities (including increases in such costs for an additional number of full-time equivalent employees in the Department of Health and Human Services to be engaged in such process) over such costs for fiscal year 1994 multiplied by the adjustment factor.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fees under this section—

"(A) $23,000,000 for fiscal year 1995,

"(B) $21,300,000 for fiscal year 1996,

"(C) $23,000,000 for fiscal year 1997,

"(D) $24,000,000 for fiscal year 1998, and

"(E) $24,000,000 for fiscal year 1999,

as adjusted to reflect the percentage adjustment of fees authorized under subsection (c)(1).

"(h) COLLECTION OF UNPAID FEES.—In any case where the Secretary does not receive payment of a fee for a pending application assessed under subsection (a) within 30 days after it is due, such fee shall be treated as a claim of the United States Government subject to subchapter II of chapter 37 of title 31, United States Code.

"(i) POSITIONS.—

"(1) GENERAL RULE.—The number of full-time equivalent employees in the Department of Health and Human Services not engaged in the process of the review of device applications and related activities, may not be reduced by the Secretary to offset the number of officers, employees, and advisory committees so engaged.

"(2) EXECUTIVE ORDER AND OTHER LIMITS.—The number of full-time equivalent employees engaged in the process of the review of device applications and related activities are not subject to counting or inclusion in the limits on hiring Civilian Personnel set out in Executive Order 12839 for February 10, 1993, any other current limit, or any limit that may be implemented through September 30, 1999. The full-time equivalent employees not so engaged may not be reduced by the Secretary to offset the number of full-time equivalent employees exempt from such limit.".

SEC. 4. ANNUAL REPORTS.

(a) FIRST REPORT.—Within 90 days after the end of each fiscal year during which fees are collected under part 3 of subchapter C of chapter VII of the Federal Food, Drug, and Cosmetic Act, the Secretary of Health and Human Services shall submit a report stating the Food and Drug Administration's progress in achieving the goals identified in section 2(3) of this Act during such fiscal year and that agency's future plans for meeting such goals. There shall be included in such report—

(1) a specific statement from the Secretary concerning the Food and Drug Administration's actions to reduce the backlog in the review of device applications and meeting statutory review times applicable to submissions for devices, and

(2) the following data from the Center for Devices and Radiological Health and the Center for Biologics Evaluation and Research:

(A) The number of device submissions found not fileable.

(B) Total elapsed time for review of device submissions.

(C) Total time for review of device submissions as calculated by such Center.

(D) Number of negative decisions for device submissions.

(E) Number of non-approveable letters for device submissions.

(F) Number of deficiency letters for device submissions.

(G) Information for subparagraphs (A) through (F) for fiscal year 1994.

(b) SECOND REPORT.—Within 120 days after the end of each fiscal during which such fees are collected, the Secretary of Health and Human Services shall submit a report on the implementation of the authority for such fees during such fiscal year and on the use the Food and Drug Administration made of the fees collected during such fiscal year for which the report is made.

(c) COMMITTEES.—The reports described in subsections (a) and (b) shall be submitted to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

SEC. 5. REGULATIONS.

(a) GENERAL RULE.—This Act and the amendment made by section 3 shall not be in effect after June 30, 1995, unless the Secretary of Health and Human Services, through the Commissioner of Food and Drugs, approves—

(1) regulations described in subsection (b), and

(2) regulations which identify devices in class II of the device classes in section 513 of the Federal Food, Drug, and Cosmetic Act which are appropriate for exemption from the requirement of section 510(k) of such Act and exempts such devices from such requirement following their reclassification into class I.

(b) REGULATIONS.—

(1) PROPOSED.—Not later than 30 days after the date of enactment of this Act, the Secretary shall issue proposed regulations that—

(A) identify all devices in class I of the device classes in section 513 of the Federal Food, Drug, and Cosmetic Act which are exempt from the requirement of section 510(k) of such Act, and

(B) identify the criteria for selecting devices for such exemption.

The Secretary shall provide an opportunity to comment on such proposed regulations for 60 days after their publication.

(2) FINAL.—Not later than 30 days after the close of the comment period provided under paragraph (1), the Secretary shall issue final regulations which grant an exemption to the devices identified in the proposed regulations which clearly meet the criteria for exemption from the requirement of such section 510(k) of the Federal Food, Drug, and Cosmetic Act.

(c) OTHER REGULATIONS.—Not later than June 30, 1995, the Secretary shall issue final regulations for the remainder of the devices from the list published in the proposed regulations which exempts such devices from such requirement or which continues the applicability of such requirement.

(d) FEES.—An applicant under a substantial equivalence submission under section 510(k) of the Federal Food, Drug, and Cosmetic Act which the Secretary proposed to exempt from the requirement of such section under subsection (b)(1) shall not be required to pay a fee for such submission unless the Secretary issue a final regulation requiring such submission. An applicant under a substantial equivalence submission under such section 510(k) which the Secretary exempts from the requirement of such section under subsection (b) shall not be required to pay a fee for such submission.

SEC. 6. SUNSET.

This Act and the amendment made by section 3 shall not be in effect after September 30, 1999.

By Mr. SIMON:

S. 2278. A bill to amend the Harmonized Tariff Schedule of the United States to extend certain provisions relating to the production incentive certificates for producers in the insular possessions, and for other purposes; to the Committee on Finance.

LEGISLATION EXTENDING A PRODUCTION INCENTIVE CERTIFICATE

• Mr. SIMON. Mr. President, today I am introducing a simple bill to assist an Illinois company that was damaged during Hurricane Hugo. The hurricane prevented the Hampden Watch Co. from utilizing a previously issued production incentive certificate. The certificate would exempt them from duties on certain watch parts.

The bill I am introducing corrects the expiration date on S. 536. It also extends the expiration date on the section of the Haromized Tariff Schedule

that authorized the production incentive certificate program. This date must be amended for the PIC extension to be valid.

Hampden's contribution to the development of the U.S. Virgin Islands is a record to be noted and appreciated by both the insular and Federal Government. This bill simply allows Hampden to receive the duty exemption that was granted to them as both the Government and the company intended. The bill would do this on a one time basis only. I think we have a good case for the extension of the expiration date in these special circumstances.

Mr. President, this is an important bill. I urge its adoption by the Senate.●

By Mr. COCHRAN:

S.J. Res. 209. A joint resolution designating November 21, 1994, as "National Military Families Recognition Day"; to the Committee on the Judiciary.

NATIONAL MILITARY FAMILIES RECOGNITION DAY

Mr. COCHRAN. Mr. President, I am introducing legislation today to designate November 21, 1994, as "National Military Families Recognition Day."

Military families deserve special recognition for the sacrifices they make and the hardships they often endure. Even in peacetime, frequent and extended separations, whether from husbands, wives, or children, often create special problems for the military family.

Most active duty personnel are reassigned every few years, thereby reducing career opportunities for spouses and limiting their ability to establish roots in any location. Military children must adjust to new schools and new neighborhoods on a regular basis.

This joint resolution would set aside a special day for the Nation to pay tribute to military families and thank them for their contributions to our Nation's security.

Mr. President, I ask unanimous consent that a copy of the joint resolution be printed in the RECORD, and I urge my colleagues to support this legislation.

Without objection, this bill was ordered to be printed in the RECORD, as follows:

S.J. RES. 209

Whereas the Congress recognizes and supports the Department of Defense policies to recruit, train, equip, retain, and field a military force that is capable of preserving peace and protecting the vital interests of the United States and its allies;

Whereas military families shoulder the responsibility of providing emotional support for their service members;

Whereas, in times of war and military action, military families have demonstrated their patriotism through their steadfast support and commitment to the Nation;

Whereas the emotional and mental readiness of the United States military personnel around the world is tied to the well-being and satisfaction of their families;

Whereas the quality of life that the Armed Forces provide to military families is a key factor in the retention of military personnel;

Whereas the people of the United States are truly indebted to military families for facing adversities, including extended separations from their service members, frequent household moves due to reassignments, and restrictions on their employment and educational opportunities;

Whereas 75 percent of officers and 57 percent of enlisted personnel in the Armed Forces are married;

Whereas families of active duty military personnel (including individuals other than spouses and children) comprise more than one-half of the active duty community of the Armed Forces, and spouses and children of members of the reserve component of the Armed Forces in paid status comprise more than one-half of the individuals constituting the reserve component of the Armed Forces community;

Whereas hundreds of thousands of spouses, children, and other dependents living abroad with members of the Armed Forces face financial hardship and feelings of cultural isolation;

Whereas the significantly reduced global military tensions following the end of the Cold War have resulted in a down-sizing of the national defense and a refocusing of national priorities on strengthening the American economy and increasing competitiveness in global marketplace;

Whereas the Congress is grateful for the sacrifices of military families and is committed to assisting the service members and their families who undergo the transition from active duty to civilian life; and

Whereas military families are devoted to the overall mission of the Department of Defense and have supported the role of the United States as the military leader and protector of the Free World; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That November 21, 1994, is designated as "National Military Families Recognition Day" in appreciation of the commitment and devotion of present and former military families and the sacrifices that such families have made on behalf of the Nation and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate programs, ceremonies, and activities.

ADDITIONAL COSPONSORS

S. 277

At the request of Mr. SIMON, the names of the Senator from Nevada [Mr. BRYAN] and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of S. 277, a bill to authorize the establishment of the National African American Museum within the Smithsonian Institution.

S. 359

At the request of Mr. DECONCINI, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 359, a bill to require the Secretary of the Treasury to mint coins in commemoration of the National Law Enforcement Officers Memorial, and for other purposes.

S. 1415

At the request of Mr. PRYOR, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 1415, a bill to amend the Internal Revenue Code of 1986 to clarify provisions relating to church pension benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 1468

At the request of Ms. MOSELEY-BRAUN, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1468, a bill to amend the Higher Education Act of 1965 to require institutions of higher education to disclose participation rates, and program support expenditures, in college athletic programs, and for other purposes.

S. 1539

At the request of Mr. INOUYE, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1539, a bill to require the Secretary of the Treasury to mint coins in commemoration of Franklin Delano Roosevelt on the occasion of the 50th anniversary of the death of President Roosevelt.

S. 1746

At the request of Mrs. KASSEBAUM, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 1746, a bill to establish a youth development grant program, and for other purposes.

S. 1880

At the request of Mr. BINGAMAN, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1880, a bill to provide that the National Education Commission on Time and Learning shall terminate on September 30, 1994.

S. 1924

At the request of Mr. HATCH, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 1924, a bill to amend the Internal Revenue Code of 1986 to provide clarification for the deductibility of expenses incurred by a taxpayer in connection with the business use of the home.

S. 2056

At the request of Mr. DECONCINI, the names of the Senator from New York [Mr. D'AMATO], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Indiana [Mr. LUGAR], the Senator from Nebraska [Mr. KERREY], the Senator from Arkansas [Mr. BUMPERS], the Senator from Ohio [Mr. GLENN], the Senator from Florida [Mr. GRAHAM], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 2056, a bill to amend the National Security Act of 1947 to improve the counterintelligence and security posture of the United States, and for other purposes.

SENATE JOINT RESOLUTION 183

At the request of Mr. ROTH, the name of the Senator from Pennsylvania [Mr. WOFFORD] was added as a cosponsor of Senate Joint Resolution 183, a joint resolution designating the week beginning May 1, 1994 as "Arson Awareness Week."

SENATE JOINT RESOLUTION 189

At the request of Mr. ROTH, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of Senate Joint Resolution 189, a joint resolution designating October 1994 as "National Decorative Painting Month."

SENATE JOINT RESOLUTION 192

At the request of Mr. KOHL, the names of the Senator from Washington [Mr. GORTON], the Senator from Pennsylvania [Mr. SPECTER], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of Senate Joint Resolution 192, a joint resolution to designate October 1994 as "Crime Prevention Month."

SENATE JOINT RESOLUTION 195

At the request of Mr. DECONCINI, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of Senate Joint Resolution 195, a joint resolution to designate August 1, 1994, as "Helsinki Human Rights Day."

SENATE JOINT RESOLUTION 196

At the request of Mr. DORGAN, his name was added as a cosponsor of Senate Joint Resolution 196, a joint resolution designating September 16, 1994, as "National POW/MIA Recognition Day" and authorizing display of the National League of Families POW/MIA flag.

SENATE RESOLUTION 240

At the request of Mr. THURMOND, the names of the Senator from New York [Mr. D'AMATO], the Senator from Washington [Mrs. MURRAY], the Senator from Indiana [Mr. LUGAR], the Senator from Virginia [Mr. WARNER], the Senator from New Hampshire [Mr. SMITH], the Senator from Colorado [Mr. BROWN], the Senator from Washington [Mr. GORTON], the Senator from New Hampshire [Mr. GREGG], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Oregon [Mr. PACKWOOD], the Senator from Montana [Mr. BURNS], the Senator from Colorado [Mr. CAMPBELL], the Senator from North Dakota [Mr. CONRAD], the Senator from North Carolina [Mr. FAIRCLOTH], the Senator from Kentucky [Mr. FORD], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Idaho [Mr. KEMPTHORNE], the Senator from Texas [Mr. GRAMM], the Senator from New Mexico [Mr. DOMENICI], the Senator from Oregon [Mr. HATFIELD], the Senator from Arkansas [Mr. BUMPERS], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Wyoming [Mr. WALLOP], the Senator from Mississippi [Mr. LOTT], the Senator from Delaware [Mr. BIDEN], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Illinois [Mr. SIMON], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Arkansas [Mr. PRYOR], the Senator from Michigan [Mr. LEVIN], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Maryland [Ms. MIKULSKI], the Senator from California [Mrs. FEINSTEIN], the Senator from North Dakota [Mr. DORGAN], the Senator from Nevada [Mr. REID], the Senator from Florida [Mr. MACK], the Senator from Arizona [Mr. MCCAIN], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Illinois [Ms. MOSELEY-BRAUN], the Senator from New York [Mr. MOYNIHAN], the Senator from Alabama [Mr. HEFLIN], the Senator from Texas [Mrs. HUTCHISON], the Senator from Hawaii [Mr. INOUYE], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Maine [Mr. COHEN], the Senator from Missouri [Mr. DANFORTH], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. HATCH], the Senator from Wisconsin [Mr. KOHL], the Senator from California [Mrs. BOXER], the Senator from Vermont [Mr. JEFFORDS], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Rhode Island [Mr. PELL], the Senator from Iowa [Mr. HARKIN], the Senator from Ohio [Mr. METZENBAUM], the Senator from Oklahoma [Mr. NICKLES], the Senator from Delaware [Mr. ROTH], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Indiana [Mr. COATS], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of Senate Resolution 240, a resolution honoring the U.S. 1994 World Cup soccer team.

AMENDMENTS SUBMITTED

WORKPLACE FAIRNESS ACT

CONRAD AMENDMENT NO. 2237

(Ordered to lie on the table.)

Mr. CONRAD submitted an amendment intended to be proposed by him to the bill (S. 55) to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes; as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. LABOR AND MANAGEMENT DISPUTE RESOLUTION PROGRAM.

Section 8(a) of the National Labor Relations Act (29 U.S.C. 158(a)) is amended—

(1) by striking the period at the end of paragraph (5) and inserting "; or"; and

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

"(6) subject to subsection (h), to promise, to threaten or take other action—

"(A) to hire a permanent replacement for an employee who—

"(i) at the commencement of a labor dispute was an employee of the employer in a bargaining unit in which a labor organization was the certified or recognized exclusive representative or, on the basis of written authorizations by a majority of the unit employees, was seeking to be so certified or recognized; and

"(ii) in connection with that dispute has engaged in concerted activities for the purpose of collective bargaining or other mutual aid or protection through that labor organization; or

"(B) to withhold or deny any other employment right or privilege to an employee, who meets the criteria of clauses (i) and (ii) of subparagraph (A) and who is working for or has unconditionally offered to return to work for the employer, out of a preference for any other individual that is based on the fact that the individual is performing, has performed or has indicated a willingness to perform bargaining unit work for the employer during the labor dispute.".

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

"(h)(1) The provisions of subsection (a)(6) shall not apply to a labor dispute between an employer and a labor organization under such subsection unless such labor organization, not later than 7 days prior to the date of the commencement of a strike, notifies such employer and the Federal Mediation and Conciliation Service that such labor organization agrees to the formation of a fact-finding panel under paragraph (4) to conduct hearings and to make recommendations for the resolution of outstanding issues with respect to such dispute.

"(2) An employer who receives a notification from a labor organization under paragraph (1) shall, not later than 7 days after the date of the receipt of such notification, notify such labor organization and the Federal Mediation and Conciliation Service whether such employer agrees or does not agree to the formation of a fact-finding panel under paragraph (4). If such employer does not agree to the formation of such panel, such employer may not hire permanent replacements.

"(3)(A) If an employer and a labor organization described in paragraph (1) agree to the formation of a fact-finding panel under paragraph (4), the existing collective bargaining agreement between such employer and labor organization, if any, or the existing wages, hours and other terms and conditions of employment shall remain in effect until the date that is 7 days after the date on which such fact-finding panel issues its report and recommendations.

"(B) During the period described in subparagraph (A)—

"(i) a labor organization described in such subparagraph may not commence a strike; and

"(ii) an employer described in such subparagraph may not lock out workers or hire permanent replacements.

"(4)(A) A fact-finding panel shall be established by an employer and a labor organization that agree to the formation of such panel to make findings of fact and to make recommendations with respect to issues that are in dispute between an employer and a labor organization under subsection (a)(6).

"(B) A panel established under subparagraph (A) shall consist of 3 members who shall be selected in the manner provided under section 1207(c)(1) of title 39, United States Code. Of the 3 members—

"(i) one shall be selected by an employer (described in such subparagraph);

"(ii) one shall be selected by a labor organization (described in such subparagraph); and

"(iii) one shall be selected by an employer and a labor organization (described in such subparagraph).

"(C) A panel established under subparagraph (A) shall conduct a hearing of the kind required by section 1207(c)(2) of title 39, United States Code and issue a report, within 45 days of the establishment of such panel, to an employer, a labor organization, and the Federal Mediation and Conciliation Service of its findings and recommendations with respect to issues that are in dispute between such employer and such labor organization under subsection (a)(6).

"(5)(A) Not later than 7 days after date of the issuance of a report by a fact-finding panel, an employer and a labor organization shall notify the Federal Mediation and Conciliation Service whether such employer and labor organization accept or do not accept the recommendations made under subparagraph (C) of paragraph (4).

"(B) If an employer and a labor organization accept the recommendations described in subparagraph (A), the fact-finding recommendations with respect to all unresolved issues, and the parties' agreement on all issues shall be deemed to be a collective bargaining agreement between such employer and labor organization enforceable pursuant to section 301 of the Labor Management Relations Act, 1947 (29 U.S.C. 185).

"(C) If a labor organization accepts the recommendations described in subparagraph (A) and an employer does not accept such recommendations, such employer may not hire permanent replacement workers if such labor organization commences a strike.

"(D) Subject to subparagraph (F), if a labor organization does not accept the recommendations described in subparagraph (A) and commences a strike, and an employer accepts such recommendations, such employer may hire permanent replacement workers.

"(E)(i) If a labor organization and an employer do not accept the recommendations described in subparagraph (A), not later than 7 days after the date of the nonacceptance of the recommendations, such labor organization or such employer may request a 30-day mediation period (which shall begin on the date of such request) at which a special mediator, who shall be the panel member selected under paragraph (4)(B)(iii), shall, not later than the end of such period, make recommendations with respect to the resolution of all remaining outstanding issues and make a report of such recommendations to the labor organization, the employer, and Federal Mediation and Conciliation Service.

"(ii)(I) If a labor organization and an employer agree to the mediation period described in clause (i), during such period, the requirements under paragraph (3)(B)(i) and (ii) shall apply.

"(II) If such employer does not agree to the mediation period described in clause (i), such employer may not hire permanent replacements.

"(III) If such labor organization does not agree to the mediation period described in clause (i) and commences a strike, then such employer may hire permanent replacements.

"(iii)(I) If a labor organization and an employer agree to accept the recommendations described in clause (i), the fact-finding recommendations with respect to all unresolved issues, and the parties' agreement on all issues shall be deemed to be a collective bargaining agreement between such employer and labor organization enforceable pursuant to section 301 of the Labor Management Relations Act, 1947 (29 U.S.C. 185).

"(II) If a labor organization accepts the recommendations described in clause (i) and an employer does not accept such recommendations, such employer may not hire permanent replacement workers if such labor organization commences a strike.

"(III) If a labor organization does not accept the recommendations described in clause (i) and an employer accepts such recommendations, such employer may hire permanent replacement workers.

"(IV) Subject to subparagraph (F), if a labor organization and an employer do not accept the recommendations described in clause (i), and such labor organization commences a strike, such employer may hire permanent replacement workers.

"(F) If a labor organization described in clause (iii)(IV) of subparagraph (E), after its nonacceptance under such subparagraph, accepts the recommendations described in clause, such employer shall cease the hiring of permanent replacement workers and hire an employee described in subsection (a)(6) to return to work, except that an employee whose position was filled by a permanent replacement worker may not be hired.".

SEC. 2. PREVENTION OF DISCRIMINATION DURING AND AT THE CONCLUSION OF RAILWAY LABOR DISPUTES.

Paragraph Four of section 2 of the Railway Labor Act (45 U.S.C. 152) is amended—

(1) by inserting "(a)" after "Fourth."; and

(2) by adding at the end thereof the following:

"(b) No carrier, or officer or agent of the carrier, shall promise, threaten or take other action—

"(1) to hire a permanent replacement for an employee who—

"(A) at the commencement of a dispute was an employee of the carrier in a craft or class in which a labor organization was the designated or authorized representative or, on the basis of written authorizations by a majority of the craft or class, was seeking to be so designated or authorized; and

"(B) in connection with that dispute has exercised the right to join, to organize, to assist in organizing, or to bargain collectively through that labor organization; or

"(2) to withhold or deny any other employment right or privilege to an employee, who meets the criteria of subparagraphs (A) and (B) of paragraph (1) and who is working for or has unconditionally offered to return to work for the carrier, out of a preference for any other individual that is based on the fact that the individual is employed, was employed, or indicated a willingness to be employed during the dispute.".

SEC. 3. EFFECTIVE DATE.

This Act shall be effective on the day after the date of enactment.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The hearing will take place on Thursday, July 28, 1994, beginning at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on S. 2121, a bill to promote entrepreneurial management of the National Park Service, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit a written statement is welcome to do so by sending two copies to the Committee on Energy and Natural Resources, 304 Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearing, please contact Sue McGill at (202) 224–2366 or Tom Williams at (202) 224–7145.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. CONRAD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, July 12, 1994, at 2:45 p.m., in open session to consider nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. CONRAD. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee for authority to meet on Tuesday, July 12, at 9:30 a.m. for a hearing on the subject: Making the Pentagon Accountable: Financial Problems and Progress.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. CONRAD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, July 12, 1994, at 10 a.m. in room 216 Senate Hart Office Building, to hold a hearing on the nomination of Stephen G. Breyer of Massachusetts, to be Associate Justice of the Supreme Court.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. CONRAD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, July 12, 1994, at 4:30 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SURFACE TRANSPORTATION

Mr. CONRAD. Mr. President, I ask unanimous consent that the Surface Transportation Subcommittee of the Senate Committee on Commerce, Science, and Transportation be authorized to meet on July 12, 1994, at 9:30 a.m. on oversight of the Interstate Commerce Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

RETIREMENT OF CAPT. HENRY S. PALAU, U.S. NAVY (RETIRED)

• Mr. MCCAIN. Mr. President, I would like to take this occasion to recognize the distinguished career of Capt. Henry S. Palau, U.S. Navy, retired. In one capacity or another, Captain Palau has spent his entire life either in or working for the military, and he has served his country and the military with distinction.

Born in Danbury, CT, in 1929, Captain Palau received a bachelor of arts degree from Trinity College, Hartford, CT, in 1950. Shortly after receiving an LL.B. from Boston University in 1953, he entered the Navy and served his initial tour of duty as communications officer and antisubmarine warfare officer aboard the U.S.S. *Gatling* [DD671].

In 1957, he served as assistant force legal officer on the staff of commander, destroyer force, U.S. Atlantic Fleet. His other duty stations have included an assignment at Naval Station, Charleston, SC, and service as head, civil and international law branch, Office of the Staff Judge Advocate, United States Military Assistance Command, Vietnam. Following his Vietnam tour, he attended the college of naval command and staff at the Naval War College. Subsequent tours included special assistant to the Judge Advocate General and Director of Military Personnel, Office of the Judge Advocate, United States Naval Forces, Japan, and Director, United States Law Center, Yokosuka, Japan. In 1974, Captain Palau returned to Washington as director of legislation, Navy Office of Legislative Affairs, serving until August 1975 when he became the Assistant Judge Advocate General of the Navy [Military Personnel and Management] where he served until his retirement in September 1977.

Captain Palau's awards and decorations include the Legion of Merit, Joint Service Commendation Medal, Navy Commendation Medal, and a meritorious unit citation.

Upon his retirement from the Navy in 1977, Captain Palau joined the staff of the National Headquarters of the Retired Officers Association [TROA] as legal counsel and assistant legislative counsel.

His arrival at TROA coincided with a phenomenon aptly named the "hemorrhage of talent" which plagued the armed forces in the late 1970's and resulted in the "hallow" Army, "unmanned" Navy and "pilotless" Air Force. Captain Palau was more than equal to the challenge and was a pillar of dependability in his association's efforts to salvage the all volunteer force—an effort that culminated in restoration of adequate levels of military compensation and the resurgence of patriotism in this Nation.

It is often said that the measure of leadership is not limited to an individual's singular accomplishments but extends more broadly to the impact on the environment in which he works and on those around him. In this context, Henry Palau has been, in every sense of the word, a leader. On several occasions, too numerous to count, he has been in the vanguard of some of our Nation's most challenging military personnel issues.

Ironically, few of the members that Captain Palau represented know him by name or realize the debt of gratitude they owe him. By paying tribute to him today, I hope to provide formal recognition for his legislative achievements and note for posterity his painstaking efforts on such issues as reducing the survivor benefit plans social security offset to make the plan more attractive and increase participation; to thwart countless efforts to diminish other military benefits; and to resist efforts to abrogate commitments to military retirees by reducing, capping, or delaying their cost-of-living adjustments. Additionally, he was at the forefront of a strong counter movement to preclude the unionization of the Armed Forces and to prevent States from illegally taxing military retired pay.

He became the association general counsel in 1981 and was elected to the position of national secretary in 1985. Thankfully, even though Henry Palau may be officially retiring, his legacy of recognizing that responsive and dedicated people are the most significant elements of the defense equation will continue.

Mr. President, Capt. Henry Palau is, and will continue to be, a true leader and sage adviser. He will be sorely missed upon his retirement, and on behalf of myself and his many friends, I wish him "fair winds and a following sea."•

HONORING THE TOWN OF OVID, NY, CELEBRATING 200 YEARS

• Mr. D'AMATO. Mr. President, I rise today to speak in celebration of the town of Ovid's 200-year anniversary and Ovid Fire Department's 150-year anniversary. On March 5, 1794, the town of Ovid was founded and the first town meeting was held on April 1, 1794, at the house of Abraham Covert. For many years the meetings were carried on in various area homes until the original wooden frame courthouse was used in 1833.

A town with a lively and interesting history, as well as good, hard working, and friendly people, Ovid has managed to thrive over the past 200 years. I take pride in raising my voice in celebration of the anniversary of this great town.

Fifteen years prior to its founding General Sullivan's army marched northward in this area between Seneca and Cayuga Lakes; 10 years later, Andrew Dunlap became the first permanent settler of the town of Ovid. The next 5 years brought families by the name of Wilson, Smith, Covert, Seeley, Cole, Chapman, Kinne, Huff, Hughes, DeMott, Harris, LeConte, Swarthout, and Baldwin. Later came more settlers with names which are also recognized by the residents of today: Bloomer, Weed, Thompson, Starrett, Wyckoff, Bodine, Auten, Van Dorn, Wheeler, Brooks, Townsend, Leonard, Van Horn, and Combs.

Primarily a residential area, Ovid is sought out to provide good housing at reasonable prices in a pleasant setting. Today, travelers come to the area to visit the lush vineyards and partake of the world-class wines.

The Ovid Fire Department is celebrating their 150-year anniversary and will be honored at the same time. The brick buildings, known as Papa Bear and Baby Bear were constructed in 1845. Mama Bear was added in the middle 15 years later, and many of the trees seen in the present village park date back to the same time.

I am proud to represent Ovid and towns like it. It is people like the good people of Ovid who make up the very fabric of American life and culture. I ask my colleagues, indeed all Americans, to recognize the proud history of Ovid and its longstanding fire department and celebrate the ability of this town to bloom and prosper over two centuries of change. I salute Ovid's residents, and congratulate the town on its 200th anniversary.•

HONORING THE LATE ROSE TOTINO

• Mr. DURENBERGER. Mr. President, I rise today to mourn the passing of a distinguished and truly beloved member of the Minnesota community.

Americans knew Rose Totino as the creator of our country's largest frozen pizza company.

Rose Totino started baking pizzas when she was a young newlywed. Her success with pizza at local PTA events convinced her to open Totino's Italian Kitchen on Central Avenue in Minneapolis—and then start a frozen pizza factory in 1962.

By the 1970's, Totino's Pizza was the largest frozen-pizza factory in the United States.

In 1975, she was able to sell the company to Pillsbury for $20 million.

She wrote one of the most impressive small business success stories of Minnesota history. But Rose Totino, who died last month at the age of 79, was more than a business person and entrepreneur. She was an outstanding human being whose life can serve as a terrific example to all of us.

Her friends remember her as a woman who—though she was a very powerful person—did not revel in power

for its own sake. When you would ask her, "How are you?" she would answer: "I'm fine—but more important, how are you?"

Archbishop Roach of the Catholic Archdiocese of St. Paul—where Rose Totino lived her whole life—made a similar observation about her character. He said that there were two things that stood out for him in Rose Totino's life.

First, she knew where her gifts came from. She never let her public life be disconnected from her private faith in Jesus Christ.

And second, she was a beacon of hope and optimism in a world that desperately needs it.

If I might be allowed to put this into my own words, Mr. President, I would say that Rose Totino realized that happiness is a gift that increases when it is passed on to others. She saw the truth of faith not as a stick with which to assail rivals, or as an instrument of her own superiority. Rather, it was the secret behind the smile she gave the world.

And it was her willingness to share this secret with so many people that made her such a beloved figure in the Twin Cities.

Her exuberant approach to life won her many friends—inspiring a sense of personal loyalty in all who knew her. Another person of wealth might use his riches to win friends and influence people—not Rose. When she began giving away much of the millions she earned to numerous public causes, she did it with what amounted to a self-deprecating shrug: "Have you ever seen a U-Haul behind a hearse?"

That kind of down-to-earth wisdom marked her whole life. Her proverbs ring in the memory:

Health is wealth, and friends are fortune.

If you don't believe in something, you'll fall for anything.

The older the hand, the better the broth.

This is the attitude that led her to make her famous comment about the equal rights amendment: "Why," she asked, "should I give up superiority for equality?"

Her leadership was broadly recognized. She won the very first Woman Entrepreneur of the Year Award conferred by the Small Business Administration. She won the John R. Roach Leadership Award, and awards from the National Food Brokers Association, the National Council on Aging, the Frozen Food Hall of Fame—but the most important awards were not the ones that were conferred on her, but the ones she gave us.

The gift she gave was, first and foremost, herself. To her, family was a concept that extended beyond even her nine grandchildren and five great-grandchildren—it included her employees, her prayer groups, and practically everyone she knew.

She lived by the words of St. Paul:

For you know the gracious act of our Lord Jesus Christ, that for your sake he became poor although he was rich, so that by his poverty you might become rich. . . . As a matter of equality your surplus at the present time should supply their needs, so that their surplus may also supply your needs, that there may be equality.—II Cor. 8:9, 13–14.

Wise words about how to build a just community.

And let me add, Mr. President, some words from Robert Browning that I believe summarize the Rose Totino example for all of us:

Ah, but a man's reach should exceed his grasp,
Or what's a heaven for?●

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 a.m., Wednesday, July 13; that following the prayer, the Journal of proceedings be deemed approved to date and the time for the two leaders reserved for their use later in the day; that immediately thereafter the Senate resume consideration of the motion to proceed to S. 55, the striker replacement legislation, with the time until 10 a.m. equally divided and controlled between Senators METZENBAUM and HATCH, or their designees; and that at 10 a.m., as provided for under a previous unanimous-consent agreement, the Senate vote on the motion to invoke cloture on the motion to proceed to S. 55.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 9 A.M.

Mr. MITCHELL. Mr. President, there being no further business to come before the Senate, I now ask unanimous consent that the Senate stand in recess as under the previous order.

There being no objection, the Senate, at 7:04 p.m., recessed until Wednesday, July 13, 1994, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate July 12, 1994:

U.S. INFORMATION AGENCY

ROBERT B. FULTON, OF PENNSYLVANIA, TO BE AN ASSOCIATE DIRECTOR OF THE U.S. INFORMATION AGENCY, VICE PAULA J. DOBRIANSKY.

DEPARTMENT OF STATE

CURTIS WARREN KAMMAN, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BOLIVIA.

EILEEN A. MALLOY, OF CONNECTICUT, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BE KYRGYZ REPUBLIC.

DEPARTMENT OF THE INTERIOR

HAROLD A. MONTEAU, OF MONTANA, TO BE CHAIRMAN OF THE NATIONAL INDIAN GAMING COMMISSION FOR THE TERM OF 3 YEARS, VICE ANTHONY J. HOPE, TERM EXPIRED.

THE JUDICIARY

VANESSA RUIZ, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE DISTRICT OF COLUMBIA COURT OF APPEALS FOR THE TERM OF 15 YEARS, VICE JUDITH W. ROGERS.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

JOEL DAVID VALDEZ, OF ARIZONA, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 1998, VICE BEN-CHIEH LIU, TERM EXPIRED.

DEPARTMENT OF DEFENSE

PHILIP EDWARD COYLE III, OF THE DISTRICT OF COLUMBIA, TO BE DIRECTOR OF OPERATIONAL TEST EVALUATION, DEPARTMENT OF DEFENSE, VICE ROBERT CLIFTON DUNCAN, RESIGNED.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. MICHAEL E. RYAN, [redacted] U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. THEODORE G. STROUP, JR. [redacted] U.S. ARMY.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT AS RESERVE OF THE AIR FORCE (ANGUS) IN THE GRADE INDICATED UNDER THE PROVISIONS OF SECTIONS 593 AND 9351(A), TITLE 10, UNITED STATES CODE, TO PERFORM DUTIES AS INDICATED. (EFFECTIVE DATE FOLLOWS SERIAL NUMBER.)

To be lieutenant colonel

MARILYN J. LYTHGOE [redacted] 6/1/92
FRANCIS E. FELICE [redacted] 2/1/90
RODGER F. SEIDEL [redacted] 3/1/93

IN THE ARMY

THE FOLLOWING-NAME OFFICER, ON THE ACTIVE DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE.

To be major

CHARLES A. JARNOT [redacted]

IN THE NAVY

THE FOLLOWING-NAMED COMMANDERS OF THE RESERVE OF THE U.S. NAVY FOR PERMANENT PROMOTION TO THE GRADE OF CAPTAIN IN THE STAFF CORPS, IN THE COMPETITIVE CATEGORY AS INDICATED, PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5912:

MEDICAL CORPS OFFICERS

To be captain

WILLIAM E. ADKINS [redacted]
JAMES E. ALEXANDER, JR. [redacted]
BOIANA ALEXIEVAJACKSON [redacted]
BELLE B. ALMOJERA [redacted]
WILLIAM M. ASHER [redacted]
CARL ASSEFF [redacted]
WILLIAM B. BARBER II [redacted]
EFIGINIO L. BAUTISTA [redacted]
JEFFREY S. BENDER [redacted]
JEFFREY M. BERMAN [redacted]
KENNETH D. BIRD [redacted]
CARL V. BISGARD [redacted]
KEITH N. BLACK [redacted]
RANNIE P. BORDLEE [redacted]
JERRELL L. BORUP [redacted]
JOHN T. BRITTON [redacted]
CHARLES M. BROHM [redacted]
STEVEN A. BUTLER [redacted]
JOSEPH J. CAMPBELL [redacted]
GERALD E. CARLSON [redacted]
ALAN W. CASHELL [redacted]
JAMES A. CECIL II [redacted]
ANTONIA C. CHALMERS [redacted]
PETER C. COTE [redacted]
HUGH G. DEEN, JR. [redacted]
GERALD B. DEMAREST [redacted]
ROBERT L. DENNISON, JR. [redacted]
DAVID J. DONAHUE [redacted]
THOMAS C. DUNNE [redacted]
TIM E. ECKSTEIN [redacted]
BERNARD H. EICHOLD III [redacted]
JOSEPH G. ENGLISH [redacted]

RICHARD D. ENGLISH xxx-xx-x...
MICHAEL J. EPSTEIN xxx-xx-xx...
NILS S. ERIKSON xxx-xx-xx...
TIMOTHY C. FLYNN xxx-xx-x...
JOHN I. FOSTER III xxx-xx-xx...
HARRY FRIEDMAN xxx-xx-x...
RICHARD L. FURMAN xxx-xx-x...
JAMES J. GALLO xxx-xx-xx...
BEN F. GAUMER xxx-xx-x...
MICHAEL R. GOLER xxx-xx-x...
ANDREW F. GREENE xxx-xx-x...
DAVID J. HARRIS, JR. xxx-xx-xx...
CHRISTOPHER S. HOLLAND xxx-xx-xx...
CHARLES B. HUDDLESTON xxx-xx-x...
ANTHONY N. HUI xxx-xx-x...
LANE W. JOHNSON xxx-xx-x...
ROBERT A. JOHNSON xxx-xx-x...
MICHAEL A. KOSMO xxx-xx-x...
MICHAEL P. KOSTY xxx-xx-x...
JEFFREY J. KREBS xxx-xx-xxxx
WALTER D. LEVENTHAL xxx-xx-x...
JOSIAH K. LILLY xxx-xx-xx...
THOMAS H. LYON, JR. xxx-xx-x...
DAVID T. MACMILLAN xxx-xx-x...
MICHAEL A. MADDALENA xxx-xx-x...
JANET T. MARKLE xxx-xx-xx...
MICHAEL J. MASELLA xxx-xx-xx...
STEPHEN B. MAZER xxx-xx-xx...
STEPHEN A. MCADAMS xxx-xx-xx...
STEPHEN F. MCCARTNEY xxx-xx-xx...
EDWARD J. MCGINN xxx-xx-x...
ROBERT A. MCGUIRE xxx-xx-x...
JOHN A. MCGURTY, JR. xxx-xx-x...
LARRY E. MENESTRINA xxx-xx-xx...
GEORGE G. MILLER xxx-xx-x...
JOHN H. NADEAU xxx-xx-x...
JAMES M. NANNEY xxx-xx-x...
HOWARD R. NASH xxx-xx-x...
CLIFFORD J. NEMETH xxx-xx-xx...
JON K. NEWSUM xxx-xx-x...
HENRY F. OLIVIER, JR. xxx-xx-xx...
THOMAS J. ONEILL xxx-xx-xx...
STEVEN L. ORECK xxx-xx-x...
DAVID O. PARRISH xxx-xx-xx...
ARTHUR E. PRYOR, JR. xxx-xx-xx...
ROBERT W. QUIGG xxx-xx-x...
DAVID H. RATCLIFF xxx-xx-xx...
ERNEST F. RIBERA xxx-xx-xx...
JOHN F. SCHENK xxx-xx-x...
RANDOLPH B. SCHIFFER xxx-xx-xx...
DENNIS W. SCHMIDT xxx-xx-x...
GARY E. SCHRAUT xxx-xx-x...
ANTHONY B. SERFUSTINI xxx-xx-xx...
KEVIN M. SHANNON xxx-xx-x...
CHARLES T. SMITH xxx-xx-x...
OBRIAN C. SMITH xxx-xx-x...
BRUCE W. STAEHELI xxx-xx-x...
PAUL G. STEINKULLER xxx-xx-xx...
JOHN R. STEWART xxx-xx-xx...
EULON R. TAYLOR xxx-xx-x...
DAVID W. TERHUNE xxx-xx-x...
YVONNE R. TORREZ xxx-xx-x...
MICHAEL I. VENGROW xxx-xx-x...
CHRISTIE W. WINKLER xxx-xx-x...
CHARLES C. YELVERTON xxx-xx-x...
MARCOS A. ZEQUEIRA xxx-xx-x...

DENTAL CORPS OFFICERS

To be captain

ROBERT ANTHONY xxx-xx-x...
MARK C. BAKER xxx-xx-x...
ANTHONY M. BATKO xxx-xx-x...
MARK W. BIOLO xxx-xx-x...
JOHN S. BOND xxx-xx-x...
JAMES R. CARNEY xxx-xx-xx...
IRA M. GREENE xxx-xx-x...
CHARLES J. HARLAND, JR. xxx-xx-xx...
DAN C. MCCAREL xxx-xx-x...
BRIAN E. SCOTT xxx-xx-x...
RAYMOND A. SHELKO xxx-xx-x...
WALTER B. SHREWSBURY xxx-xx-x...
BARBARA J. SLABE xxx-xx-xx...
DAVID R. STEVENS xxx-xx-xx...
MICHAEL C. TAYLOR xxx-xx-x...
LARRY W. THOMAS xxx-xx-x...
NEAL K. WILSTED xxx-xx-xx...

MEDICAL SERVICE CORPS OFFICERS

To be captain

GAIL D. BUCHANAN xxx-xx-x...
JAMES R. DILLON xxx-xx-x...
MICHAEL J. GOSHA xxx-xx-x...
MARCELLUS GRACE xxx-xx-x...
LYNN C. GRISWOLD xxx-xx-x...
STEPHEN J. HENSKE xxx-xx-xx...
WAYNE B. KIELSMEIER xxx-xx-xx...
DAVID L. MASERANG xxx-xx-x...
DONNA L. PAVLICK xxx-xx-x...
DONALD R. THURSTON xxx-xx-x...

JUDGE ADVOCATE GENERAL'S CORPS OFFICERS

To be captain

JONATHAN J. ANDERSON xxx-xx-xx...
DAVID J. COOPER, JR. xxx-xx-xx...
GREGORY J. GARNER xxx-xx-xx...
LAUREL C. GILLESPIE xxx-xx-xx...
DOUGLAS J. GLASSCOCK xxx-xx-x...
KEITH F. GRAHAM xxx-xx-x...
MARYANN L. GRODIN xxx-xx-x...
MARK S. HOWELL xxx-xx-x...
JOHN P. HUGGARD xxx-xx-x...
KENNETH C. MCMANAMAN xxx-xx-x...
ROY D. PETERSEN xxx-xx-xx...
ROBERT K. ROGERS, JR. xxx-xx-xx...

NURSE CORPS OFFICERS

To be captain

DEBORAH A. ATWATER xxx-xx-x...
CYNTHIA M. DROZ xxx-xx-x...
JOHN A. FAFINSKI xxx-xx-xx...
ANNE V. FORSHA xxx-xx-x...
PATRICIA M. GILBERT xxx-xx-xx...
LYNNE L. HAMILTON xxx-xx-x...
NANCY R. JOHNSON xxx-xx-x...
WILLIAM K. JOHNSON xxx-xx-x...
CYNTHIA L. KELLEY xxx-xx-x...
MARY C. NETTUM xxx-xx-x...
CAROL A. RODRIGUEZ xxx-xx-x...
LUCY N. SAMMONS xxx-xx-x...
SUSAN M. VARENHOLT xxx-xx-x...

SUPPLY CORPS OFFICERS

To be captain

WILLIAM F. BRESEE xxx-xx-xx...
DAVID L. CARTER xxx-xx-x...
JAMES C. CHANG xxx-xx-x...
MICHAEL T. DERRICO xxx-xx-x...
JAMES F. HALLFORD xxx-xx-xx...
EUGENE W. JACOBS xxx-xx-x...
THOMAS M. KANALEY xxx-xx-x...
JOHN E. LEATHER xxx-xx-xx...
BRUCE D. LOWMAN xxx-xx-x...
THOMAS G. LOZIER xxx-xx-x...
HENRY B. MADURO xxx-xx-x...
MICHAEL S. MCKEEVER xxx-xx-xx...
SUMNER K. MOORE, JR. xxx-xx-xx...
ARTHUR G. OLLER xxx-xx-x...
FENTON F. PRIEST III xxx-xx-xx...
ENOS R. STEWART, JR. xxx-xx-xx...
JAMES T. WARD xxx-xx-x...

SUPPLY CORPS OFFICERS (TAR)

To be captain

THEODORE F. BARKERDING, JR. xxx-xx-xx...

CHAPLAIN CORPS OFFICERS

To be captain

DAROLD F. BIGGER xxx-xx-x...
BRUCE E. KAHN xxx-xx-x...
ALLEN S. KAPLAN xxx-xx-xx...
BYRON D. LONG xxx-xx-x...
LAWRENCE G. MCCONNELL xxx-xx-x...
JOHN R. MCKEE, JR. xxx-xx-xx...
ERNEST B. NEWSOM xxx-xx-x...
MICHAEL D. PAYNE xxx-xx-x...
DONALD A. TAYLOR xxx-xx-x...

CIVIL ENGINEER CORPS OFFICERS

To be captain

STEVAN M. ARMSTRONG xxx-xx-x...
ERIC H. DAVY xxx-xx-x...
RONALD P. DETROYE xxx-xx-x...
MICHAEL R. FOSDICK xxx-xx-x...
JAMES A. FRAZER xxx-xx-xx...
ROBERT K. FRINK II xxx-xx-xx...
JOSEPH J. FURCO xxx-xx-xx...
JAMES F. GEORGE xxx-xx-xx...
GEORGE F. GILBERT, JR. xxx-xx-xx...
ARTHUR B. GOODWIN xxx-xx-x...
RONALD B. HELSON xxx-xx-x...
ROBERT R. HOOD xxx-xx-x...
CALVIN P. JONES, JR. xxx-xx-xx...
DANIEL F. KNUDSON, JR. xxx-xx-xx...
ROBERT G. MCANDREW III xxx-xx-x...
MARVIN L. PULST xxx-xx-x...
OVA W. RAMSEY xxx-xx-x...
JAMES M. SMITH xxx-xx-x...

IN THE NAVY

THE FOLLOWING-NAMED LIEUTENANT COMMANDERS OF THE RESERVE OF THE U.S. NAVY FOR PERMANENT PROMOTION TO THE GRADE OF COMMANDER IN THE STAFF CORPS, IN THE COMPETITIVE CATEGORY AS INDICATED, PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5912:

MEDICAL CORPS OFFICERS

To be commander

NATHANIEL E. ADAMSON II xxx-xx-x...
BENJAMIN C. ANDREWS, JR. xxx-xx-xx...
JAMES W. ANTHAMATTEN xxx-xx-x...
TERRENCE E. ARAGONI xxx-xx-xx...
ULYSSES J. ARRETTEIG. II xxx-xx-xxxx
SARBJIT S. AUJLA xxx-xx-xx...
JOHN D. BALUCH xxx-xx-x...
RICHARD A. BANKS xxx-xx-x...
CRAIG L. BARTOS xxx-xx-x...
STEPHEN E. BAUM xxx-xx-x...
PATRICK N. BAYS xxx-xx-x...
CRAIG M. BEREZNOFF xxx-xx-xx...
DAVID A. BIANCHI xxx-xx-x...
LAWRENCE R. BLACK xxx-xx-x...
PAUL F. BOFFETT xxx-xx-xx...
TIMOTHY J. BONATUS xxx-xx-x...
DOUGLAS J. BOWER xxx-xx-x...
KENNETH G. BRADSHAW xxx-xx-x...
ELIZABETH W. BRADY xxx-xx-x...
STEVE J. BRASINGTON xxx-xx-xx...
DONALD J. BRIDEAU, JR. xxx-xx-xx...
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THOMAS BUCKLEY xxx-xx-x...
SANFORD A. CARIMI xxx-xx-x...
THOMAS A. CARNEVALE xxx-xx-x...
THOMAS A. CARR xxx-xx-x...
CHARLES CARROLL xxx-xx-x...
JAMES R. CHAMPA xxx-xx-xx...
SIMON K. CHAN xxx-xx-x...
JAMES T. CHANDLER xxx-xx-xx...
RICHARD M. CHESBROUGH xxx-xx-x...
THOMAS E. CLINCH xxx-xx-x...
JOHN F. COCO xxx-xx-x...
JEANETTE L. COLSON xxx-xx-xx...
DOUGLAS R. CONTE xxx-xx-x...
ALFRED C. COTTRELL, JR. xxx-xx-xx...
SAMUEL C. COVINGTON xxx-xx-x...
TERRY L. CROASDALE xxx-xx-xx...
LINDSEY E. CRUMLIN, JR. xxx-xx-xx...
KAREN C. DANTIN xxx-xx-x...
MARK S. DAUNIS xxx-xx-x...
JOHN M. DAWSON xxx-xx-x...
ROBERT J. DEPUTY xxx-xx-xx...
JOSEPH P. DERVAY xxx-xx-xx...
LOUIS DORO xxx-xx-x...
MICHAEL L. DRERUP xxx-xx-xx...
MARSHA L. DUPREE xxx-xx-xx...
WILLIAM J. DURKAN xxx-xx-x...
DANIEL P. EARDLEY xxx-xx-xx...
THOMAS C. FALVO xxx-xx-x...
JOHN A. FLICKINGER xxx-xx-xx...
ANTHONY E. FOLEY xxx-xx-x...
BRIAN G. FORRESTER xxx-xx-xx...
CAROL A. FORSSELL xxx-xx-xx...
EDWIN N. FOSTER xxx-xx-x...
MICHAEL J. FRAC xxx-xx-x...
GREGORY FRAILEY xxx-xx-x...
DENNIS M. FRISMAN xxx-xx-x...
MICHAEL A. FUEYO xxx-xx-x...
JANET N. FUJIKAWA xxx-xx-xx...
DONALD GALLIGAN xxx-xx-x...
SUSAN M. GASTON xxx-xx-x...
JAMES F. GOLDSZER xxx-xx-xx...
JULIA C. GOODIN xxx-xx-x...
JILL E. GUSTAFSON xxx-xx-xx...
JOHN R. HANDY xxx-xx-x...
CHARLES D. HARR xxx-xx-x...
TIMOTHY P. HARRIS xxx-xx-xx...
RHETT H. HASELL xxx-xx-xx...
BRYAN J. HAWKINS xxx-xx-x...
GARY D. HELMBRECHT xxx-xx-x...
RICHARD HERNANDEZ xxx-xx-x...
WILLIAM H. HUMPHRIES, JR. xxx-xx-xx...
ANITA INVEISSSILTUMENS xxx-xx-xx...
LOUIS A. IVEY xxx-xx-x...
EDWARD J. JELONEK, JR. xxx-xx-xx...
GARY R. JONES xxx-xx-x...
KAYNE KISHIYAMA xxx-xx-x...
ANDREW M. KNOLL xxx-xx-x...
SABINA M. KOBYLINSKI xxx-xx-x...
JACOB J. KOCH xxx-xx-x...
JEROME T. KOCHINSKY xxx-xx-x...
MARK S. KOVACIK xxx-xx-x...
LLOYD J. KRAPIN xxx-xx-xx...
LORRAINE A. KRETCHMAN xxx-xx-x...
CHARLES H. LUDMER xxx-xx-x...
RITA A. MANFREDI xxx-xx-x...
CLOVIS E. MANLEY xxx-xx-x...
LYNN D. MARTIN xxx-xx-x...
GREGG C. MASON xxx-xx-x...
PHILIPPE A. MASSER xxx-xx-xx...
JOHN H. MASTALSKI xxx-xx-x...
CYNTHIA J. MCCURDY xxx-xx-x...
WILLIAM G. MCNETT xxx-xx-x...
BRIAN H. MCPHILLIPS xxx-xx-x...
ELIZABETH J. MCSHANE xxx-xx-xx...
STEPHEN J. MEISTER xxx-xx-xx...
IGNACIO I. MENDIGUREN xxx-xx-x...
RICHARD J. MILLS xxx-xx-x...
LAURA J. MIRKINSON xxx-xx-xx...
MARGIE A. MORALES xxx-xx-x...
GORDON S. NAYLOR xxx-xx-x...
JAMES F. NOLAN xxx-xx-xx...
MICHAEL S. OCONNOR xxx-xx-x...
RICHARD E. OSWALD, JR. xxx-xx-xx...
CINDY L. OWEN xxx-xx-x...
MARK F. OZOG xxx-xx-x...
STEPHEN F. PENNY xxx-xx-xx...
EDWIN C. PIGMAN xxx-xx-x...
SANFORD POLLAK xxx-xx-x...
ROBERT E. POLLARD xxx-xx-xx...
BRUCE M. POTENZA xxx-xx-x...
KARI B. REIBER xxx-xx-xx...
ACUNA C. REYES xxx-xx-x...
CARL A. RIDDICK xxx-xx-x...
ROBERT S. RIDDICK xxx-xx-x...
JULIA K. ROBERTSON xxx-xx-xx...
PAUL P. ROUNTREE xxx-xx-xx...
PATRICK W. RUSSELL xxx-xx-xx...
REED M. SAUNDERS xxx-xx-x...
STEVEN R. SCHNEIDER xxx-xx-xx...
ALLENE J. SCOTT xxx-xx-xx...
KEVIN G. SEAMAN xxx-xx-x...
ANTHONY M. SENTER xxx-xx-x...
JOHN P. SERLEMITSOS xxx-xx-xx...
ADAM J. SINGER xxx-xx-xx...
GERALD B. SMITH xxx-xx-x...
CHRISTOPHER W. SOIKA xxx-xx-xx...
LUCIA M. SPEARS xxx-xx-xx...

CHRISTOPHER H. STAEHELI, xxx-xx-xx...
RICHARD E. STANDRIDGE, xxx-xx-x...
SCOTT STEELMAN, xxx-xx-x...
ROGER H. STEUBLE, xxx-xx-x...
CHARLES K. STEVENS, xxx-xx-x...
VICTOR G. STIEBEL, xxx-xx-x...
RICHARD A. STOERMANN, xxx-xx-x...
WILLIAM F. SULLIVAN, xxx-xx-x...
STEVEN E. SWARTZ, xxx-xx-x...
STEVEN J. TAGGART, xxx-xx-xx...
NOELLE C. THABAULT, xxx-xx-x...
RICHARD W. TOBIN, xxx-xx-x...
JEFFREY J. TOMLIN, xxx-xx-xx...
WARING J. TRIBLE, xxx-xx-x...
RAMONA P. WEAVER, xxx-xx-x...
RICHARD A. WEINER, xxx-xx-x...
ANN C. WEISS, xxx-xx-x...
KURT J. WEISSEND, xxx-xx-xx...
FRANK WHITMER, xxx-xx-x...
ERIC A. WIEBKE, xxx-xx-x...
STANLEY WIERCINSKI, xxx-xx-x...
STEPHEN P. WRIGHT, xxx-xx-xx...
JAMES YOUNG, xxx-xx-x...
LEWIS C. ZULICK, xxx-xx-x...

DENTAL CORPS OFFICERS

TO BE COMMANDER

RICHARD D. ARCHER, xxx-xx-x...
FRANKLIN E. BAILEY, xxx-xx-x...
DAVID A. BANACH, xxx-xx-x...
ARTHUR S. BENSON, xxx-xx-x...
JOHN B. BERG, JR., xxx-xx-xx...
BRUCE A. BIERMANN, xxx-xx-x...
DAVID C. BOWMAN, xxx-xx-x...
MARILYN E. BRADDOCK, xxx-xx-x...
DON E. BROOKINS, xxx-xx-x...
KURT B. BUSKA, xxx-xx-x...
TIMOTHY J. BUTSON, xxx-xx-x...
JACK P. CAMPBELL, xxx-xx-xx...
FLOYD G. CAMPEN, xxx-xx-x...
KEVIN B. COOK, xxx-xx-x...
JOHN M. CROSS, xxx-xx-x...
JON B. DULL, xxx-xx-x...
TERRY L. EGGLESTON, xxx-xx-xx...
NORMAN V. EID, xxx-xx-x...
LAURENCE R. GERBO, xxx-xx-x...
MARY A. GONZALEZ, xxx-xx-x...
DAVID L. GRUBER, xxx-xx-x...
DAVID C. HAMMER, xxx-xx-x...
WILLIAM E. HARTMAN, xxx-xx-x...
BEVERLY D. HEDGEPETH, xxx-xx-xx...
DOUGLAS J. HENSCHEL, xxx-xx-x...
MICHAEL J. HERRIGES, xxx-xx-xx...
WADE L. HILL, xxx-xx-x...
ROGER S. HOLLISTER, xxx-xx-x...
STEVEN F. JAKSHA, xxx-xx-xx...
JANICE R. JOHNSON, xxx-xx-x...
EDWARD C. KASSAB, xxx-xx-x...
JOHN F. KEITEL, JR., xxx-xx-xx...
KEVIN M. KENNY, xxx-xx-x...
THOMAS E. KENT, xxx-xx-x...
LARRY W. LAURINAT, xxx-xx-x...
ROBERT L. LINDSAY, xxx-xx-x...
MARK L. LITTLESTAR, xxx-xx-xx...
PAUL M. LOEFFLER, xxx-xx-xx...
KEVIN MAHONEY, xxx-xx-x...
STEPHEN G. MORSE, xxx-xx-x...
DONALD L. NELSON, xxx-xx-x...
LINDA L. OTIS, xxx-xx-x...
STEPHEN Y. PARK, xxx-xx-xx...
ROBERT L. PARRISH, JR., xxx-xx-xx...
ALLAN K. PATCH, xxx-xx-x...
JAMES K. PETERSON, xxx-xx-x...
ROBERT S. POWELL, xxx-xx-x...
ZOLTAN W. RAJNAY, xxx-xx-x...
CHARLES C. RICHTER, JR., xxx-xx-xx...
MARY L. RITZ, xxx-xx-x...
ANTHONY W. SAVAGE, xxx-xx-x...
GEORGE J. SHEPPARD III, xxx-xx-xx...
JAMES G. SINDAD, xxx-xx-x...
NELSON A. SMITH, xxx-xx-x...
ROBERT M. SMITH, xxx-xx-x...
JUAN N. SOLERMONTEQUIN, xxx-xx-x...
THOMAS R. SUMNICHT, xxx-xx-x...
BARBARA J. TOMCKO, xxx-xx-x...
PHILIP J. VARGAS, xxx-xx-xx...
MYLES T. WAGNER, xxx-xx-x...
JOSEPH B. WALTON, xxx-xx-x...
CLIFF P. WATKINS, xxx-xx-xx...
DONALD L. WEXLER, xxx-xx-x...
ROBERT P. YARDUMIAN, xxx-xx-x...

MEDICAL SERVICE CORPS OFFICERS

To be commander

MICHAEL A. ADAMS, xxx-xx-x...
JAMES C. ARRINGTON, xxx-xx-x...
TROY L. BAXLEY, xxx-xx-x...
CLARENCE E. BROWN, xxx-xx-x...
NANCY E. CLANCY, xxx-xx-x...
SARA R. COLE, xxx-xx-x...
DAVID R. GEARHART, xxx-xx-x...
TRACY K. GILES, xxx-xx-x...
MICHAEL A. GLAZESKI, xxx-xx-x...
MICHAEL H. HRYSHCHYSHYN, xxx-xx-x...
PAUL W. JONES, xxx-xx-x...
STEPHEN W. KAJA, xxx-xx-x...
JOHN D. LAMBETH, xxx-xx-x...
JOEL M. LIBBY, xxx-xx-x...
JOHN J. MALONEY, xxx-xx-x...
CHARLES B. MCVEIGH, JR., xxx-xx-xx...
FRANK V. MELLBLOM, xxx-xx-x...
MELISSA M. MERRITT, xxx-xx-xx...
JOHN P. MITCHELL, JR., xxx-xx-xx...
JOHN W. OWEN, xxx-xx-x...
JOSEPH P. PECORELLI, xxx-xx-xx...
BRUCE T. REED, xxx-xx-x...
JAMES M. STEVENS, xxx-xx-xx...
MICHAEL J. TIERNEY, xxx-xx-xx...
SUSAN R. TOKLE, xxx-xx-x...
DON A. WILHELMUS, xxx-xx-x...

JUDGE ADVOCATE GENERAL'S CORPS OFFICERS

To be commander

GLENN C. ADAMS, xxx-xx-x...
JAMES G. BAKER, xxx-xx-x...
MICHAEL D. BAKER, xxx-xx-x...
JERRY J. BISHOP, II, xxx-xx-xx...
ROBERT L. BRYANT, xxx-xx-x...
LAURIE J. CANTWELL, xxx-xx-xx...
CARL J. COPERTINO, xxx-xx-xx...
ROSEMARY A. DENSON, xxx-xx-x...
MICHAEL L. DETZKY, xxx-xx-x...
DANIEL D. DOWNING, xxx-xx-x...
WALTER A. DURLING, JR., xxx-xx-xx...
DANIEL R. ECKSTROM, xxx-xx-x...
FREDERICK R. EVANS, xxx-xx-xx...
MARION D. EVANS, xxx-xx-x...
WILLIAM W. FARMER, xxx-xx-x...
DON W. FOX, xxx-xx-x...
JAMES A. HANEY, xxx-xx-x...
JAMES D. HARTY, xxx-xx-x...
GEORGE A. HIGGINS, xxx-xx-x...
LAURA M. HORTON, xxx-xx-x...
DOUGLAS G. JEU, xxx-xx-x...
JOHN A. KING, xxx-xx-x...
JAMES F. KOLASINSKI, xxx-xx-xx...
MARGARET E. LEDERER, xxx-xx-xx...
BRIAN M. MADDEN, xxx-xx-x...
ELLEN M. MCGRATH, xxx-xx-x...
ROBERT D. NOEY, xxx-xx-x...
MARK W. PEDERSEN, xxx-xx-x...
WILLIAM R. PHIPPS, xxx-xx-xx...
JAMES F. PROTHRO, II, xxx-xx-xx...
JANET J. QUINN, xxx-xx-xx...
JAMES L. SEAY, JR., xxx-xx-xx...
GREGORY B. SMITH, xxx-xx-x...
JAMES A. SOUKUP, xxx-xx-x...
DOROTHY J. ULMER, xxx-xx-x...
LYNNE O. WOOD, xxx-xx-x...
PATRICIA E. YAP, xxx-xx-xx...

NURSE CORPS OFFICERS

To be commander

DEBRA M. AGAR, xxx-xx-x...
KIM L. ALDER, xxx-xx-x...
GLENDA P. AULTOWSKI, xxx-xx-x...
ANA M. AVILLANROSA, xxx-xx-x...
DAN M. BABIN, xxx-xx-x...
WENDY L. BARNES, xxx-xx-x...
ANGELA C. BELPON, xxx-xx-x...
NANCY L. BEYER, xxx-xx-x...
PAUL M. BLOSE, JR., xxx-xx-xx...
JULIE L. BOHANNON, xxx-xx-x...
KERRY F. BOMAN, xxx-xx-x...
DENISE F. BOUTIN, xxx-xx-x...
BARBARA W. BROWN, xxx-xx-x...
KATHLEEN A. BURNS, xxx-xx-x...
SUSAN S. CARTHEY, xxx-xx-x...
RENEE C. CLANCY, xxx-xx-x...
KATHRYN A. CLONINGER, xxx-xx-x...
LINDA T. COCHENOUR, xxx-xx-x...
DONALD J. CORWIN, xxx-xx-x...
DAVID J. COUGHLIN, xxx-xx-x...
BARBARA S. CUNNINGHAM, xxx-xx-x...
GEORGIA C. DALY, xxx-xx-x...
CONSTANCE S. DAVIDSON, xxx-xx-x...
DONNA E. DEHART, xxx-xx-x...
LINDA I. DETONNANCOURT, xxx-xx-x...
DEBRA L. DULA, xxx-xx-x...
CYNTHIA A. DULLEA, xxx-xx-x...
CLARETTA Y. DUPREE, xxx-xx-xx...
JOANN M. FAUST, xxx-xx-x...
JAMES R. FELL, xxx-xx-xx...
ELAINE A. FINCHER, xxx-xx-xx...
EDITH L. FRANCO, xxx-xx-x...
SANDRA S. FRANKLIN, xxx-xx-xx...
GLORIA S. GLENEWINKEL, xxx-xx-xx...
GREGORY L. GROENEVELD, xxx-xx-x...
KAREN N. GRUBER, xxx-xx-x...
NORRIS J. GUIDRY, JR., xxx-xx-xx...
GAIL P. GUY, xxx-xx-x...
ANNE L. GUZA, xxx-xx-x...
CHRISTINA A. HANNAN, xxx-xx-x...
REBECCA J. HATHAWAY, xxx-xx-x...
PATSY L. HEATLEY, xxx-xx-xx...
MARIE C. HEIMERDINGER, xxx-xx-x...
CHERYL L. HENDRICKS, xxx-xx-x...
BARBARA L. HENK, xxx-xx-x...
CAROL L. HILE, xxx-xx-x...
JEFFREY A. HILL, xxx-xx-xx...
JANICE J. HOFFMAN, xxx-xx-xx...
HILDA J. HOLLAND, xxx-xx-x...
JOE M. HOOD, xxx-xx-x...
DEBRA L. JAMES, xxx-xx-xx...
MARYANNE P. KAESSNER, xxx-xx-xx...
TERESA A. KENNARD, xxx-xx-xx...
MARGARET L. KEVERN, xxx-xx-xx...
JEAN E. KOHL, xxx-xx-x...
ANN M. KOLSHAK, xxx-xx-x...
NANCY A. LABELLA, xxx-xx-x...
DIANE E. LAW, xxx-xx-x...
ROSANNE V. LEAHY, xxx-xx-x...
LINDA R. LITTELL, xxx-xx-xx...
CHERYL L. LOBAUGH, xxx-xx-x...
JUDITH A. LOPEZ, xxx-xx-x...
CAROL W. LUND, xxx-xx-x...
KATHLEEN J. LYLE, xxx-xx-xx...
EILEEN M. MALATINO, xxx-xx-x...
JULIANA M. MALONEY, xxx-xx-x...
DARLENE S. MARKO, xxx-xx-x...
KARIN E. MARSHALL, xxx-xx-x...
LINDA A. MASSEY, xxx-xx-x...
SHARON S. MCGILL, xxx-xx-x...
JEANETTE L. MCGRAW, xxx-xx-x...
JUDY R. MERRING, xxx-xx-x...
JOAN M. MISENCIK, xxx-xx-x...
PATRICIA I. MONTGOMERY, xxx-xx-x...
SAUNDRA L. MOORE, xxx-xx-x...
EDA MORENO, xxx-xx-x...
CATHERINE J. MORTON, xxx-xx-x...
MARY E. MOYER, xxx-xx-x...
BRIDGET A. MULCAHY, xxx-xx-x...
MARTINE R. MYERS, xxx-xx-x...
KARLA J. NACION, xxx-xx-x...
JOSE A. NEGRON, xxx-xx-x...
CLAUDETTE V. NEWMAN, xxx-xx-x...
DOROTHY J. NEWMAN, xxx-xx-x...
JOAN M. NIGRELLI, xxx-xx-x...
JOAN M. OLSON, xxx-xx-x...
SUSAN M. OMALLEY, xxx-xx-x...
KAY E. ORTMAN, xxx-xx-x...
DEBRA D. PARKER, xxx-xx-x...
DEBORAH W. PAULIN, xxx-xx-x...
BETH A. PERKINS, xxx-xx-xx...
MARJORIE R. PIORKOWSKI, xxx-xx-xx...
CHRISTOPHER A. PROCTOR, xxx-xx-xx...
MARY E. QUINN, xxx-xx-x...
KENNETH G. RANUM, xxx-xx-x...
CATHERINE R. RICHARDS, xxx-xx-xx...
KAROLYN K. RYAN, xxx-xx-x...
LINDA K. SALYER, xxx-xx-x...
LYNNE M. SCANLON, xxx-xx-x...
DARLENE T. SCHELPER, xxx-xx-xx...
MARTHA A. SCOTILLO, xxx-xx-x...
CAROL F. SEDNEK, xxx-xx-x...
JAMES C. SHAVER, xxx-xx-xx...
DEBRA K. SHULL, xxx-xx-x...
ANNE E. SILVIA, xxx-xx-x...
BECKY J. SIMPKINS, xxx-xx-xx...
CHERYL A. SKINNER, xxx-xx-x...
SUSAN M. SKINNER, xxx-xx-xx...
CELILIA M. SMITH, xxx-xx-x...
DEBRA G. SMITH, xxx-xx-x...
ELIZA I. SMITH, xxx-xx-x...
KATHLEEN K. SMITH, xxx-xx-x...
CATHERINE E. SPANGLER, xxx-xx-xx...
DOROTHY M. STUNDON, xxx-xx-x...
CATHERINE M. SUTTLE, xxx-xx-xx...
MILTON D. SWINFORD, xxx-xx-x...
FAITH E. THOMAS, xxx-xx-x...
PAMELA L. THOMPSON, xxx-xx-x...
JANET L. TREMBLAY, xxx-xx-xx...
STEVEN W. TUDHOPE, xxx-xx-x...
SUSAN P. TYE, xxx-xx-x...
VICTORIA K. TYSON, xxx-xx-x...
WILLIAM P. VURNAKES, xxx-xx-xx...
MARY E. WALKER, xxx-xx-x...
MELVIN D. WETZEL II, xxx-xx-xx...
BARBARA A. WHITING, xxx-xx-x...
GAYLE S. WILBUR, xxx-xx-x...
CHERYL D. WILLIAMS, xxx-xx-x...
NANCY A. WINCHESTER, xxx-xx-x...
JUVANN M. WOLFF, xxx-xx-x...

SUPPLY CORPS OFFICERS

To be commander

JESSE J. ADAMS, xxx-xx-xx...
JUNDY O. AUSTRIA, xxx-xx-xx...
DANIEL J. BALBERCHAK, JR., xxx-xx-xx...
TERRY L. BARBAREE, xxx-xx-xx...
JEFFREY J. BARTZ, xxx-xx-xxxx
CHARLES A. BAUMGARDNER, xxx-xx-x...
ROBERT D. BECHILL, xxx-xx-x...
JOHN R. BECKER, xxx-xx-x...
RICHARD F. BERNAL, xxx-xx-x...
MICHAEL T. BOND, xxx-xx-x...
WILLIAM A. BRAMER, xxx-xx-x...
WILLIAM J. BRENNAN, xxx-xx-x...
JOHN H. CHRISTENSEN, xxx-xx-xx...
THOMAS R. CLEMENTS, xxx-xx-x...
GARY L. CLOWER, xxx-xx-x...
LOGAN V. COCKRUM, JR., xxx-xx-x...
CAROLYN C. COX, xxx-xx-x...
DAVID C. CRAWFORD, xxx-xx-x...
KEVIN W. CROPP, xxx-xx-x...
JEROME D. DAVIS, xxx-xx-x...
BARTON E. DEADERICK, xxx-xx-x...
ALEJANDRO R. DELACRUZ, xxx-xx-xx...
LESLIE H. DUNLAP, xxx-xx-xx...
GARY L. ENGEBRETSON, xxx-xx-xx...
WILLIE E. EVANS, xxx-xx-x...
WALTER W. FARRELL, xxx-xx-xx...
ROLANDO P. FELICITAS, xxx-xx-xx...
BRIAN E. FERGUSON, xxx-xx-x...
V. A. GARBARINI, xxx-xx-x...
JAMES F. GATES, xxx-xx-xx...
LEON A. GEORGE, xxx-xx-x...
JAMES T. GILL, xxx-xx-xx...
MARGARET A. GOSS, xxx-xx-x...
HARRY L. GUTHMULLER, xxx-xx-x...
BRICE HAMMERSTEIN, xxx-xx-x...

EDWARD B. HASKINS, xxx-xx-x...
RICHARD W. HATTINGS, xxx-xx-x...
HERMANN K. HOPPER, xxx-xx-x...
PAUL H. KALTSAS, JR., xxx-xx-xx...
JACK D. KEIDEL, xxx-xx-x...
THOMAS J. KEYSER, xxx-xx-x...
RUSSELL L. KIRTS, xxx-xx-xx...
ANDREW J. KOVALCHIK, xxx-xx-x...
STEVEN R. LAPP, xxx-xx-xx...
NEIL M. LARIMER, xxx-xx-x...
FREDERICK S. LOCHTE, xxx-xx-xx...
RAYMOND K. LOFINK, xxx-xx-x...
RUSSELL J. LUCIA, xxx-xx-xx...
RON J. MACLAREN, xxx-xx-x...
THOMAS D. MADISON, xxx-xx-x...
CRAIG L. MAJKOWSKI, xxx-xx-x...
DAVID E. MC DANIEL, xxx-xx-x...
WILLIAM K. MCGAUGHEY, xxx-xx-x...
JOSEPH N. MECCA, xxx-xx-x...
LOUIS M. MECKLER IV, xxx-xx-x...
VINCENT M. NASH, xxx-xx-x...
SCOTT E. NIBBE, xxx-xx-x...
PAUL C. ODLAUG, xxx-xx-x...
RAY C. OMAN, xxx-xx-x...
BRADFORD W. PARKER, xxx-xx-x...
DIRK W. PAYNE, xxx-xx-x...
PHILIP M. PAYNE III, xxx-xx-xx...
JOSEPH L. PICOGNA, xxx-xx-xx...
LAWRENCE L. POPE, JR., xxx-xx-xx...
FREDERICK J. RIBLE, JR., xxx-xx-xxxx
LIBERTAD RODRIGUEZ, xxx-xx-x...
JOSEPH B. RUCKMAN, xxx-xx-x...
MARJORIE L. SCHELLER, xxx-xx-xx...
KIMBERLY SHUNK, xxx-xx-x...
HOWARD L. SKINNER, JR., xxx-xx-xx...
ROBERT C. SNYDER, xxx-xx-x...
SCOTT D. SORENSEN, xxx-xx-x...
MARC A. SUMMERS, xxx-xx-x...
CHRISTINE O. SWERCZEK, xxx-xx-x...
MICHAEL D. THOMAS, xxx-xx-x...
ANNETTE L. TISON, xxx-xx-xx...
KEITH G. TOWNSLEY, xxx-xx-x...
TERRY N. TRIPP, xxx-xx-xx...
ELAINE K. TYREE, xxx-xx-xx...
DERRICK A. WAGNER, xxx-xx-x...
PAUL R. WHELAN, xxx-xx-x...
JOHN H. WIGGINS, JR., xxx-xx-xx...
DAVID R. WOOD, xxx-xx-x...
JAMES C. WRIGHT, xxx-xx-x...
JOHN H. YOUNG III, xxx-xx-x...
NANCY Z. YOUNG, xxx-xx-x...
JOHN ZAREM, xxx-xx-x...
SANDRA L. ZOSCHAK, xxx-xx-x...

SUPPLY CORPS OFFICERS (TAR)

To be commander

BILLY K. DODSON, xxx-xx-x...
JOHN F. ERICKSON, xxx-xx-x...
DENNIS G. GREENE, xxx-xx-xx...
ROBERT E. GREENE, xxx-xx-xx...
KENNETH E. HOFFMAN, xxx-xx-x...
ALDEN S. SALCEDO, xxx-xx-x...

CHAPLAIN CORPS OFFICERS

To be commander

KENNETH K. ABBOTT, JR., xxx-xx-xx...
JOSEPH J. BAGGETTA, xxx-xx-xx...
STEPHEN A. BIRD, xxx-xx-xx...
WAYNE A. BLEY, xxx-xx-x...
ALBERTO V. CORDOVA, xxx-xx-x...
WILLIAM F. GILROY, xxx-xx-x...
LAWRENCE C. GRANT III, xxx-xx-x...
RICHARD L. HARBOUR, xxx-xx-x...
JOHN D. HENDERSON, xxx-xx-x...
WILMA J. IRVIN, xxx-xx-x...
ARNOLD C. JOHNSON, xxx-xx-x...
BENNIE L. KINGWOOD, xxx-xx-x...
WILLIAM J. MCELLROY, JR., xxx-xx-xx...
ELSIE M. MCKENNEY, xxx-xx-x...
MILFORD J. OXENDINE, xxx-xx-xx...
JOSEPH H. PANGBORN, xxx-xx-xx...
WILLIAM T. PERKINS, xxx-xx-xx...
DANIEL G. RUGER, xxx-xx-x...
REINHART SCHELERT, xxx-xx-xx...
MARK J. SCHREIBER, xxx-xx-xx...
STEPHEN W. SEELIG, xxx-xx-xx...
NEAL E. SMITH, xxx-xx-x...
HAZEL L. THOMAS, xxx-xx-x...
FRED A. THOMPSON, JR., xxx-xx-xx...
RALPH W. TURNER, JR., xxx-xx-xx...
DAVID S. VANDERBILT, xxx-xx-xx...
RODOLFO E. VIERA, xxx-xx-x...
RICHARD J. WOLFRAM, xxx-xx-x...
ROBERT H. WOODFIN, xxx-xx-x...
JOAN H. WOOTEN, xxx-xx-x...

CIVIL ENGINEER CORPS OFFICERS

To be commander

DAVID G. BASILE, xxx-xx-x...
WILLIAM T. BERSSON, xxx-xx-xx...
QUENTIN L. BRUHN, xxx-xx-x...
DOUGLAS D. CARVEL, xxx-xx-x...
STEPHEN J. DANGELO, xxx-xx-xx...
GREGORY K. DENARDO, xxx-xx-x...
CARYL L. ERICKSON, xxx-xx-x...
JOSE A. FIGUEROA, xxx-xx-xx...
JAMES M. FORSETH, xxx-xx-xx...
ROGER FRAZIER, xxx-xx-x...
HARRY A. GRAVELY, xxx-xx-x...
NANCY A. HOPPEL, xxx-xx-x...
ROBERT C. JACKSON, xxx-xx-x...
MARY E. KAPPUS, xxx-xx-x...
RICHARD L. KATZ, xxx-xx-x...
CARL W. KNUCKLES, xxx-xx-x...
PAUL F. KRUG, xxx-xx-x...
FRED G. LAPIANA III, xxx-xx-xx...
WALTER F. LUNDIN, xxx-xx-x...
JOSEPH M. LYNCH III, xxx-xx-xx...
STEPHAN C. MC CAREL, xxx-xx-x...
COURTNEY J. MC CRACKEN, xxx-xx-x...
TIMOTHY R. MILLER, xxx-xx-xx...
BONNIE A. NAULT, xxx-xx-x...
MIKAL H. NICHOLLS, xxx-xx-x...
ALDEN T. PERRY, xxx-xx-xx...
MARTIN E. PHILLIPS, xxx-xx-xx...
MARC A. POWERS, xxx-xx-x...
JAMES E. RANDOL, xxx-xx-x...
ROBERT J. SACHUK, xxx-xx-xx...
KENT A. SANDGREN, xxx-xx-x...
THEODORE H. SHEPARD III, xxx-xx-xx...
LAWRENCE R. SMITH, xxx-xx-x...
CONNIE M. STARK, xxx-xx-x...
ROGER W. THOMAS, xxx-xx-x...
GARY A. TORIBIO, xxx-xx-x...
DOUGLAS W. TRINDER, xxx-xx-x...
KENNETH G. TUEBNER, xxx-xx-x...
CHARLES F. VAUGHAN, xxx-xx-x...
GERALD E. WHEELER, xxx-xx-xx...
CHARLES F. WINSOR, xxx-xx-x...
JONES K. WONG, xxx-xx-x...
REX W. WRIGHT, xxx-xx-x...

LIMITED DUTY OFFICERS (STAFF)

To be commander

JOSEPH A. SCHWEIGART, JR., xxx-xx-xx...