Public Law 100-456
100th Congress

An Act

Sept. 29, 1988
[H.R. 4481]

To authorize appropriations for fiscal year 1989 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.

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

National Defense Authorization Act, Fiscal Year 1989.

SECTION 1. SHORT TITLE

This Act may be cited as the "National Defense Authorization Act, Fiscal Year 1989".

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS

This Act is organized into two divisions as follows:

(1) Division A—Department of Defense and other National Defense Authorizations.

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(a) ORDER OF ENACTMENT WITH APPROPRIATIONS ACT.—In applying any rule of statutory construction, the provisions of this Act shall be deemed to have been enacted before the provisions of the Department of Defense Appropriations Act, 1989 (regardless of the actual dates of enactment concerned).

(b) TERMINATION OF REFERENCED AUTHORIZATION PROVISION.—If this Act is enacted after the Department of Defense Appropriations Act, 1989—

(1) section 10001 of that Act shall cease to be effective upon the enactment of this Act; and

(2) subject to subsection (a), this Act shall be deemed for all purposes to have been enacted on the date of the enactment of such Act.

DIVISION A—DEPARTMENT OF DEFENSE AND OTHER NATIONAL DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

SEC. 101. ARMY

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Army as follows:

(1) For aircraft, $2,883,700,000.

(2) For missiles, $2,605,200,000.

(3) For weapons and tracked combat vehicles, $2,915,100,000.

(4) For ammunition, $2,064,036,000.

(5) For other procurement, $4,580,346,000, of which—

(A) $872,671,000 is for tactical and support vehicles;

(B) $2,811,727,000 is for communications and electronics equipment; and

(C) $895,948,000 is for other support equipment.

SEC. 102. NAVY AND MARINE CORPS

(a) AIRCRAFT.—Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement of aircraft for the Navy in the amount of $9,259,253,000.

(b) WEAPONS.—Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement of weapons (including missiles and torpedoes) for the Navy in the amount of $5,972,181,000. Amounts authorized under the preceding sentence are available as follows:

(1) For ballistic missile programs, $1,872,538,000.

(2) For other missile programs, $3,203,737,000.

(3) For torpedo programs, $700,054,000 as follows:

For the MK-48 torpedo program, $431,014,000.

For the MK-50 torpedo program, $198,547,000.

For the Vertical Launched ASROC program, $17,552,000.

For the modification of torpedoes and related equipment, $3,289,000.

For the torpedo support equipment program, $25,988,000.

For the antisubmarine warfare range support program, $22,664,000.

(4) For other weapons, $108,440,000, of which—

(A) $19,449,000 is for the MK-15 close-in weapon system; and

(B) $54,557,000 is for the close-in weapon system modification program.

(5) For spares and repair parts, $87,412,000.

(c) SHIPBUILDING AND CONVERSION.—Funds are hereby authorized to be appropriated for fiscal year 1989 for shipbuilding and conversion for the Navy in the amount of $9,056,100,000. Amounts authorized under the preceding sentence are available as follows:

For the Trident submarine program, $1,368,100,000.

For the SSN-688 nuclear attack submarine program, $1,493,600,000.

For the SSN-21 nuclear attack submarine program, $1,488,000,000.

For the aircraft carrier service life extension program (SLEP), $135,400,000.

For the DDG-51 guided missile destroyer program, $2,207,300,000.

For the LHD-1 amphibious assault ship program, $737,500,000.

For the MHC coastal minehunter program, $197,200,000.

For the TAO-187 fleet oiler program, $284,900,000.

For the AO (Jumbo) conversion program, $84,900,000.

For the TAGOS ocean surveillance ship program, $159,600,000.

For the AOE fast combat support ship program, $363,900,000.

For the landing craft, air cushion (LCAC) program, $192,600,000.

For outfitting and post delivery, $343,100,000.

(d) OTHER PROCUREMENT, NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1989 for other procurement for the Navy in the amount of $4,817,750,000. Amounts authorized under the preceding sentence are available as follows:

(1) For the ship support equipment program, $649,740,000.

(2) For the communications and electronics equipment program, $1,548,164,000.

(3) For aviation support equipment, $550,692,000.

(4) For the ordnance support equipment program, $1,135,671,000.

(5) For civil engineering support equipment, $109,061,000.

(6) For supply support equipment, $126,495,000.

(7) For personnel and command support equipment, $470,731,000.

(8) For spares and repair parts, $227,196,000.

(e) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Marine Corps in the amount of $1,297,265,000.

SEC. 103. AIR FORCE

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Air Force as follows:

(1) For aircraft, $16,125,024,000.

(2) For missiles, $7,716,533,000.

(3) For other procurement, $8,196,782,000, of which—

(A) $605,087,000 is for munitions and associated support equipment;

(B) $279,768,000 is for vehicular equipment;

(C) $1,893,245,000 is for electronics and telecommunications equipment; and

(D) $5,418,682,000 is for other base maintenance and support equipment.

SEC. 104. DEFENSE AGENCIES

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Defense Agencies in the amount of $1,205,100,000.

SEC. 105. CHEMICAL DEMILITARIZATION PROGRAM

Funds are hereby authorized to be appropriated for fiscal year 1989 for the chemical demilitarization program under section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521) in the amount of $179,500,000, of which—

(1) $44,300,000 is for procurement;

(2) $17,900,000 is for research, development, test, and evaluation; and

(3) $117,300,000 is for operation and maintenance.

SEC. 106. RESERVE COMPONENTS

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement of aircraft, vehicles, communications equipment, and other miscellaneous equipment for the reserve components of the Armed Forces as follows:

For the Army National Guard, $240,000,000.

For the Air National Guard, $216,500,000.

For the Army Reserve, $30,000,000.

For the Naval Reserve, $75,000,000.

For the Air Force Reserve, $232,000,000.

For the Marine Corps Reserve, $50,000,000.

SEC. 107. AUTHORIZED MULTIYEAR CONTRACTS

(a) ARMY.—Subject to subsections (d) and (e), the Secretary of the Army may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

(1) CH-47D helicopter modification.

(2) Multiple Launch Rocket System (MLRS).

(3) T-700 helicopter engine.

(4) AH-64 Apache helicopters.

(5) M1 Abrams tanks for 3,000 tanks.

(b) NAVY AND MARINE CORPS.—Subject to subsections (d) and (e), the Secretary of the Navy may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

(1) AV-8B aircraft.

(2) UHF Follow-On Satellite System.

(c) AIR FORCE.—Subject to subsections (d) and (e), the Secretary of the Air Force may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

(1) F-16 aircraft.

(2) Defense Meteorological Satellite Program (DMSP).

(d) CONDITIONS.—A multiyear contract authorized by this section may not be entered into unless each of the following conditions is satisfied:

(1) The Secretary of Defense certifies to Congress that the current five-year defense program fully funds the support costs associated with the multiyear program.

(2) The proposed multiyear contract provides for production at not less than minimum economic rates given the existing tooling and facilities.

(3) The proposed multiyear contract—

(A) achieves a 10 percent savings as compared to the cost of current negotiated contracts, adjusted for changes in quantity and for inflation; or

(B) achieves a 12 percent savings as compared to annual contracts if no recent contract experience exists.

(e) NEGOTIATED PRICED OPTIONS.—The Secretary of Defense may instruct the Secretary of the military department concerned to incorporate into a proposed multiyear contract under this section negotiated priced options for varying the quantities of end items to be procured over the period of the contract.

PART B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

SEC. 111. ARMY PROGRAMS

(a) ADATS AIR DEFENSE WEAPON.—(1) The Secretary of the Army may obligate funds appropriated for fiscal year 1989 for procurement of the ADATS Air Defense Weapon system in the amount of $85,000,000 for production of five fire units and 60 missiles to be used specifically for production qualification testing and operational testing. Funds may be obligated for such purpose only after the Director of Operational Test and Evaluation of the Department of Defense certifies to the Committees on Armed Services of the Senate and House of Representatives that he has approved the plan for the qualification testing and operational testing for such system.

(2) The Secretary of the Army may obligate funds for procurement and advanced procurement for such system for any fiscal year after fiscal year 1989 only after—

(A) the operational tests for such system are completed;

(B) the Secretary of Defense certifies to the Committees on Armed Services of the Senate and House of Representatives that the system meets or exceeds the operational performance criteria of the Army;

(C) the Director of Operational Test and Evaluation of the Department of Defense provides to those Committees his evaluation of the performance of the system; and

(D) the Comptroller General of the United States provides to those Committees his evaluation of the performance of the system.

(b) MORTARS.—The Secretary of the Army may not obligate funds appropriated for fiscal year 1989 for procurement of 120-millimeter mortars or 4.2-inch mortars (or for procurement of ammunition for either such mortar) until the Secretary does each of the following:

(1) Submits to Congress a new master plan for Army mortars, including a description of the status of 4.2-inch mortars (and the ammunition for such mortars) and the status of any proposed upgrade of such mortar or ammunition.

(2) Certifies to Congress that the current Five-Year Defense Program provides for funding for the initiatives set forth in such master plan.

(3) Completes the analysis (referred to as an "Arsenal Act analysis") of the cost-effectiveness of using domestic sources (as provided under section 4532 of title 10, United States Code) for manufacture of 120-millimeter mortars that was specified in section 122(a)(2) of Public Law 99-661.

(c) 155-MILLIMETER BASE BURN ASSEMBLY UNITS.—(1) If the contractor for low-rate initial production of base burn assembly units for the 155-millimeter M864 artillery projectile certifies to the Secretary of the Army that the contractor is willing to finance the expenses of preparing facilities and equipment at (and otherwise "facilitizing") a Government-owned contractor-operated Army ammunition plant for production of such base burn assembly units, the Secretary shall contract with that contractor for production of not less than 96,000 of such units with funds appropriated for such program for each of fiscal years 1989 and 1990 (for a production rate of not less than 8,000 units per month under the program for those fiscal years).

(2) In carrying out the program for production of such base burn assembly units, the Secretary of the Army, through the use of competitive procedures, shall select a second source producer for such base burn assembly units during fiscal year 1989.

SEC. 112. NAVY PROGRAMS

(a) AH-1W GROUND SUPPORT EQUIPMENT.—Of the amount appropriated pursuant to section 102 for the Navy for procurement, $55,000,000 may be obligated only for the procurement of AH-1W ground support equipment.

(b) TRIDENT II MISSILE PROGRAM.—(1) Of the amounts appropriated pursuant to section 102 for the Navy for the procurement of missiles for fiscal year 1989, $1,865,609,000 may be obligated only for the Trident II missile program.

(2) In achieving any undistributed reduction required to be made in programs, projects, or activities for which funds have been appropriated to the Department of Defense for fiscal year 1989, no reduction may be made in the amount of funds available for the Trident II missile program.

(c) DDG-51 DESTROYER PROGRAM COMPETITION.—Notwithstanding the proviso to the item relating to the DDG-51 destroyer program in the paragraph under the heading "SHIPBUILDING AND CONVERSION, NAVY" in title III of the Department of Defense Appropriations Act, 1988 (as contained in section 101(b) of Public Law 100-202), the Secretary of the Navy may limit competition for the shipbuilding portion of the DDG-51 destroyer program for any fiscal year to the two shipyard contractors to which such competition was limited on December 21, 1987 (the day before the date of the enactment of Public Law 100-202), if the Secretary certifies to the Committees on Armed Services of the Senate and House of Representatives that the limitation of such competition to those contractors either—

(1) would likely result in a lower total cost to the United States for the fiscal year 1989 program than would result from including other shipyard contractors in the competition; or

(2) is necessary to meet the cost, schedule, or performance requirements of the Navy or such other requirements of the Navy as may be determined by the Secretary.

(d) USE OF PRIOR YEAR FUNDS FOR DDG-51 DESTROYER PROGRAM.—(1) There are hereby authorized to be transferred to the shipbuilding and conversion program for the Navy for fiscal year 1988, to the extent provided in appropriation Acts, amounts that were appropriated for the Department of Defense for fiscal year 1988 or any prior fiscal year that remain available for obligation and that are no longer required for the purpose for which originally appropriated. The total amount transferred pursuant to the authority of this section may not exceed $730,000,000. Amounts transferred pursuant to this section shall be used for the procurement of one DDG-51 class guided missile destroyer.

(2) The authority to transfer amounts under this subsection is in addition to any other authority to transfer amounts provided in this or any other Act.

(3) A transfer pursuant to the authority provided by this section shall not extend the period of availability for obligation of the amounts so transferred.

(e) MARINE CORPS TACTICAL RADIOS.—Amounts previously appropriated to the Navy for procurement of TSEC/KY-67 (Bancroft) radios and that are available for obligation may be obligated only for procurement of SINCGARS radios.

(f) 5-INCH SEMIACTIVE LASER-GUIDED PROJECTILE PROGRAM.—Of the funds appropriated or otherwise made available for other procurement for the Navy for fiscal year 1989, the Secretary of the Navy shall make available such funds as necessary for the 5-inch semiactive laser-guided projectile program in order to complete production qualification of 150 of such projectiles, with 50 such projectiles to be produced by each of the three established competitive sources.

SEC. 113. AIR FORCE PROGRAMS

(a) AIR NATIONAL GUARD USE OF CERTAIN AIRCRAFT.—The Secretary of the Air Force may authorize the Air National Guard to use the eight C-130 aircraft (and support equipment related to such aircraft) that are in long-term storage at Air Force plant #6, Marietta, Georgia. Of funds appropriated for the Air Force for fiscal year 1989 for modification of C-130 aircraft, $17,500,000 shall be available only to refurbish such aircraft for full operational use.

(b) AIR FORCE LAUNCH FACILITY.—Funds appropriated or otherwise made available to the Air Force for fiscal year 1989 may not be obligated or expended in connection with the launch facility at Vandenberg Air Force Base, California (designed for the launch of Titan IV expendable launch vehicles), identified as the SLC-7 Launch Facility.

SEC. 114. INTERIM INFANTRY ANTI-TANK WEAPON

(a) DETERMINATION OF INTERIM INFANTRY ANTI-TANK WEAPON.—The Secretary of the Army shall select an interim infantry anti-tank weapon from among the Milan II weapon, the Bofors Bill weapon, Dragon Generation II weapon, and the Marine Corps Dragon Generation III weapon. The selection shall be based on the Secretary's determination of which of such weapons is the most effective weapon on the basis of all of the operational testing and evaluation of those weapons conducted as of June 1, 1989. The Secretary shall manage the program for the weapon selected so that such weapon is ready to enter into low-rate initial production during fiscal year 1990.

(b) OT&E ASSESSMENT.—The Director of Operational Test and Evaluation of the Department of Defense shall conduct an independent assessment of the operational tests and evaluations referred to in subsection (a). The Director shall submit a report on such assessment to the Committees on Armed Services of the Senate and House of Representatives not later than June 1, 1989.

Reports.

SEC. 115. SOURCE SELECTION AUTHORITY FOR THE PALLETIZED LOADING SYSTEM

Section 259(b) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1068) is amended by striking out "The Under Secretary of Defense for Acquisition" at the beginning of the second sentence and inserting in lieu thereof "The Acquisition Executive for the Department of the Navy".

SEC. 116. BIGEYE BINARY CHEMICAL BOMB

(a) AUTHORIZED PROCUREMENT FOR TESTING.—(1) Except as provided in paragraph (2), funds appropriated or otherwise made available to the Department of Defense for fiscal years before fiscal year 1989 for procurement under the BIGEYE binary chemical bomb program may be obligated or expended in connection with such program only for procurement of production-configured bombs. Any bombs procured under the preceding sentence may be used only in conducting required follow-on operational testing scheduled to be performed during fiscal years 1989 and 1990.

(2) Any such funds not obligated for the purpose described in paragraph (1) may be used for the purpose of maintaining program continuity for the BIGEYE bomb program.

(3) None of the funds referred to in paragraphs (1) and (2) may be used for low-rate initial production.

(b) CONDITIONS FOR OBLIGATION OF FUNDS FOR PROCUREMENT.—Except as provided in subsection (f), funds appropriated or otherwise made available to the Department of Defense after the date of the enactment of this Act may not be obligated or expended for procurement of the BIGEYE binary chemical bomb, or for any component of such bomb or the assembly of such bomb, until the reports required by subsections (c) and (d) have been submitted in accordance with those subsections and only then if neither of those reports includes a certification that one or more of the production certification conditions has not been met.

Reports.

(c) CERTIFICATION BY DIRECTOR, OT&E.—Upon the completion of operational and developmental tests conducted in connection with the BIGEYE binary chemical bomb program, the Director of Operational Test and Evaluation of the Department of Defense shall submit to Congress a report certifying, with respect to each of the production certification conditions, whether or not, in the judgment of the Director, such condition has been met.

Reports.

(d) CERTIFICATION BY COMPTROLLER GENERAL.—Upon the submission of the report under subsection (c), the Comptroller General of the United States shall submit to Congress a report certifying, with respect to each of the production certification conditions, whether or not, in the judgment of the Comptroller General, such condition has been met.

(e) PRODUCTION CERTIFICATION CONDITIONS.—For purposes of this section, the term "production certification conditions" means, with

respect to the operational and developmental tests of the BIGEYE bomb, each of the following:

(1) That the operational and developmental tests conducted in connection with such program after the date of the enactment of this Act were realistic and adequate.

(2) That the plan and objectives for those tests were clear, well defined, and properly quantifiable.

(3) That the design of those tests supports a valid statistical analysis of data.

(4) That the criteria for a no-test were adequately defined in the plan for those tests.

(5) That the performance of such bomb in those tests met or exceeded the standards established for the tests.

(6) That the BIGEYE bomb program is otherwise ready to proceed into full-scale production.

(f) FISCAL YEAR 1989 AUTHORIZED ACTIVITIES.—Of amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1989, $15,000,000 may be obligated or expended for procurement for the BIGEYE program without regard to the limitations contained elsewhere in this section, but only for the purposes of maintaining program continuity, maintaining the subcontractor base, and procuring piece parts and components. Such funds may not be obligated or expended for low-rate initial production or for final assembly.

SEC. 117. MANAGEMENT OF CERTAIN DEFENSE PROCUREMENT PROGRAMS

10 USC 2431 note.

(a) STRETCHOUT IMPACT STATEMENT.—The Secretary of Defense shall submit to Congress, at the same time the budget for any fiscal year is submitted to Congress under section 1105 of title 31, United States Code, a statement of what the effect would be during the fiscal year for which the budget is submitted of the stretchout of a major defense acquisition program if either of the following applies with respect to that program:

(1) The final year of procurement scheduled for the program at the time the statement is submitted is more than two years later than the final year of procurement for the program as specified in the most recent annual Selected Acquisition Report for that program.

(2) The proposed procurement quantity for that fiscal year is less than 90 percent of the procurement quantity proposed for the same fiscal year in the most recent annual Selected Acquisition Report for that program.

(b) CHANGES IN CERTAIN COSTS TO BE INCLUDED.—A statement under subsection (a) with respect to a major defense acquisition program shall contain an estimate of the projected increase in unit cost and the projected increase in total program cost for the system being procured under the program compared to the program specified in the most recent annual Selected Acquisition Report for that program.

(c) IDENTIFICATION OF STRETCHED OUT PROGRAMS.—The Secretary shall include in a statement under subsection (a) identification of all major acquisition programs for which the proposed procurement quantity for that fiscal year is less than 80 percent of the baseline production rate for that fiscal year, as defined by section 2432(c)(3)(C)(i) of title 10, United States Code, and an explanatory statement for the lower procurement rate for each program.

(d) LIMITATIONS.—(1) Subsection (a) shall apply only for major defense acquisition programs for which procurement is proposed at a rate of six or more units per year.

(2) Subsection (a) shall not apply if the total procurement quantity has been increased, compared to the program specified in the most recent annual Selection Acquisition Report for that program, and subsection (a)(2) does not apply.

(e) REPORT ON ESTABLISHING MAXIMUM PRODUCTION RATES.—Not later than March 15, 1989, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the feasibility and effect of establishing maximum production rates by December 1990 for certain major defense acquisition programs. The report shall identify and discuss ten programs, of which seven shall be programs for the procurement of conventional, tactical, or dual-capable systems.

(f) DEFINITION.—For purposes of this section, the term "major defense acquisition program" has the meaning given that term in section 2430 of title 10, United States Code.

SEC. 118. MODIFICATIONS IN CHEMICAL DEMILITARIZATION PROGRAM

(a) EXTENSION OF DEADLINE FOR COMPLETION OF PROGRAM.—Subsection (b) of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1512(b)) is amended—

50 USC 1521.

(1) by striking out "September 30, 1994" in paragraphs (1) and (3)(A) and inserting in lieu thereof "the stockpile elimination deadline";

(2) in paragraph (3)(B), by striking out "within 30 days" and all that follows in that paragraph and inserting in lieu thereof "not later than the earlier of (A) 30 days after the date on which the decision to defer is made, or (B) 30 days before the stockpile elimination deadline."; and

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

"(4) If the Secretary determines at any time that there will be a delay in meeting the requirement in paragraph (1) for the completion of the destruction of chemical weapons by the stockpile elimination deadline, the Secretary shall immediately notify the Committees on Armed Services of the Senate and House of Representatives of that projected delay.

"(5) For purposes of this section, the term 'stockpile elimination deadline' means April 30, 1997.".

(b) REQUIREMENT FOR SUCCESSFUL COMPLETION OF OPERATIONAL VERIFICATION.—Such section is further amended by striking out subsection (k) and inserting in lieu thereof the following:

"(k) OPERATIONAL VERIFICATION.—(1) Until the Secretary of the Army successfully completes (through the prove-out work to be conducted at Johnston Atoll) operational verification of the technology to be used for the destruction of live chemical agents and munitions under this section, the Secretary may not conduct any activity for equipment prove out and systems test before live chemical agents are introduced at a facility (other than the Johnston Atoll facility) at which the destruction of chemical agent and munitions weapons is to take place under this section. The limitation in the preceding sentence shall not apply with respect to the Chemical Agent Munition Disposal System in Tooele, Utah.

Reports.

"(2) Upon the successful completion of the prove out of the equipment and facility at Johnston Atoll, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and

House of Representatives a report certifying that the prove out is completed.

"(3) If the Secretary determines at any time that there will be a delay in meeting the deadline of December 31, 1990, scheduled by the Department of Defense for completion of the operational verification at Johnston Atoll referred to in paragraph (1), the Secretary shall immediately notify the Committees of that projected delay.".

SEC. 119. REPORT ON NAVY AIRCRAFT REQUIREMENTS

Not later than December 1, 1988, the Secretary of Defense shall submit to Congress a detailed report on the current and projected requirements of the Navy for aircraft. The Secretary shall include in such report the following information:

(1) The plans of the Department of Defense to alleviate existing shortfalls of Navy aircraft.

(2) The plans of the Department of Defense to maintain or reduce the current average age of Navy combat aircraft.

(3) The plans of the Department of Defense to modify Navy aircraft to make such aircraft effective against current and projected threats.

(4) The level of funding required to carry out the plans referred to in paragraphs (1), (2), and (3) during fiscal years 1990 through 1994.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

PART A—AUTHORIZATIONS AND FUNDING FOR SPECIFIC PROGRAMS

SEC. 201. AUTHORIZATION OF APPROPRIATIONS

Funds are hereby authorized to be appropriated for fiscal year 1989 for the use of the Armed Forces for research, development, test, and evaluation, in amounts as follows:

For the Army, $5,198,444,000.

For the Navy (including the Marine Corps), $9,383,162,000.

For the Air Force, $14,680,825,000.

For the Defense Agencies, $8,707,727,000, of which—

(1) $155,900,000 is authorized for the activities of the Deputy Under Secretary of Defense, Test and Evaluation; and

(2) $123,400,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. FUNDING FOR ICBM MODERNIZATION PROGRAMS

(a) PROGRAM FUNDS.—Of the funds appropriated pursuant to section 201 for the Air Force, the amount of $890,000,000 shall be available for ICBM modernization programs.

(b) ALLOCATION.—Of the amounts specified in subsection (a)—

(1) $40,000,000 shall be available for continued development and flight testing of the MX missile;

(2) $250,000,000 shall be available for the small ICBM program; and

(3) $600,000,000 shall be available for the MX Rail-Garrison program.

(c) LIMITATION ON OBLIGATION.—Of the amount specified in subsection (b)(3), the amount obligated before February 15, 1989, may not exceed $250,000,000.

(d) PRESIDENTIAL REPORT.—During the period beginning on January 21, 1989, and ending on February 15, 1989, the President shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a report on—

(1) anticipated obligations for the remainder of fiscal year 1989 for the small ICBM program, the MX Rail-Garrison program, and other ICBM modernization programs; and

(2) the purposes those obligations are intended to accomplish.

SEC. 203. DARPA NUCLEAR MONITORING PROGRAM

Of the amount appropriated pursuant to section 201 for Defense Agencies, $37,600,000 shall be available only to the Defense Advanced Research Projects Agency for the nuclear monitoring program.

SEC. 204. GRANT FOR SEMICONDUCTOR COOPERATIVE RESEARCH PROGRAM

Of the amount appropriated pursuant to section 201 for Defense Agencies, $100,000,000 shall be available only to make grants under section 272 of Public Law 100-180.

SEC. 205. AIRSHIP PROGRAM

Of the amounts appropriated pursuant to section 201, the Secretary of Defense may make available an amount not to exceed $25,000,000 for the Airship Program.

SEC. 206. EXTENDED AIR DEFENSE

Of the amount appropriated pursuant to section 201 for Defense Agencies, $25,000,000 may be obligated only upon approval of the Director of Defense Research and Engineering for the purpose of research and development in connection with anti-tactical missile systems. If any such funds are made available to a firm in an allied country, those funds may not be obligated until the Secretary of Defense enters into a cooperative program with that country for that purpose.

SEC. 207. PRODUCT EVALUATION ACTIVITY

Of the amounts appropriated pursuant to section 201, $17,500,000 shall be available only for the product evaluation activity provided for under section 2369 of title 10, United States Code, as added by section 842 of this Act.

SEC. 208. CHEMICAL WEAPONS CONVENTION COMPLIANCE MONITORING PROGRAM

Of the amounts appropriated pursuant to section 201, $6,800,000 shall be available only to conduct a program to develop and demonstrate compliance monitoring capabilities in support of the Convention on the Prohibition of Chemical Weapons proposed by the United States in the Conference on Disarmament.

SEC. 209. OPTOELECTRONICS MATERIALS CENTER

Of the amounts appropriated pursuant to section 201 for Defense Agencies, $14,500,000 shall be available only for the establishment

of an Optoelectronics Materials Center at a university in the United States and for the acquisition of associated facilities.

PART B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

SEC. 211. TRIDENT II MISSILE PROGRAM

(a) TRIDENT II MISSILE.—Of the amount appropriated pursuant to section 201 for the Navy, $580,889,000 may be obligated only for the Trident II missile program.

(b) UNDISTRIBUTED REDUCTION.—In achieving any undistributed reduction required to be made in programs, projects, or activities for which funds have been appropriated to the Department of Defense for fiscal year 1989, no reduction may be made in the amount of funds available for the Trident II missile program.

SEC. 212. BALANCED TECHNOLOGY INITIATIVE

(a) AMOUNTS AUTHORIZED.—Of the amounts appropriated pursuant to section 201—

(1) $263,000,000 may be obligated only for research and development in connection with those programs, projects, and activities initiated pursuant to section 222 of the Department of Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3845) or section 215 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 100 Stat. 1050); and

(2) $50,000,000 may be obligated only for research and development under the Balanced Technology Initiative and only for new and innovative programs, projects, and activities that have not been designated for funding under a provision of law referred to in clause (1).

(b) DETERMINATION OF SOURCE OF FUNDS.—The Director of Defense Research and Engineering shall determine the amount of the funds appropriated to the Army, Navy, Air Force, and Defense Agencies pursuant to section 201 that are to be allocated (as provided in subsection (a)) for the Balanced Technology Initiative. The Director shall make such determination on the merits of the programs, projects, and activities referred to in section 215(b) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 that are carried out by the Army, Navy, Air Force, and Defense Agencies, taking into consideration ongoing technology research and exploitation opportunities.

(c) PROHIBITION REGARDING UNDISTRIBUTED REDUCTIONS.—No portion of any undistributed reduction may be applied against the funds allocated under subsection (a) or against any funds made available for the Balanced Technology Initiative that are in addition to the funds specified in subsection (a).

(d) PROHIBITION ON USE OF FUNDS FOR SDI.—None of the funds allocated under subsection (a) may be used in connection with any program, project, or activity in support of the Strategic Defense Initiative.

(e) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a report on the implementation of this section. The report shall include the following:

(1) The amount allocated under subsection (a) for each program, project, or activity and the identification of the source of such amount.

(2) Identification of other ongoing research and development projects not provided for under this section that should be included in the Balanced Technology Initiative in order to improve conventional defense capabilities.

(3) For each program, project, or activity for which funds have been allocated under subsection (a) or which is identified under paragraph (2), a five-year funding plan that is sufficient to maintain significant progress in research and development under such program, project, or activity, including a description of the major milestones for each such program, project, or activity and the projected dates for achieving those milestones.

SEC. 213. ADVANCED TACTICAL AIRCRAFT AND ADVANCED TACTICAL FIGHTER PROGRAMS

(a) ADVANCED TACTICAL AIRCRAFT, NAVY.—Of the amounts made available to the Department of Defense pursuant to section 201 for the Advanced Tactical Aircraft program of the Navy, not more than 50 percent of such amounts may be obligated or expended unless the Secretary of Defense certifies to Congress that the Navy has budgeted sufficient funds for fiscal years 1990 through 1994 to participate in the demonstration and validation program (including source selection) for the Advanced Tactical Fighter of the Air Force.

(b) ADVANCED TACTICAL FIGHTER, AIR FORCE.—Of the amounts appropriated pursuant to section 201, not more than $350,000,000 may be obligated or expended for the Advanced Tactical Fighter program of the Air Force unless the Secretary of Defense certifies to Congress that the Air Force has budgeted sufficient funds for fiscal years 1990 through 1994 to participate in the full scale development of the Advanced Tactical Aircraft of the Navy.

SEC. 214. AIR-TO-AIR MISSILE PROJECT OFFICE

(a) LIMITATION.—Subject to subsection (b), amounts appropriated pursuant to section 201—

(1) may not be obligated in excess of $20,000,000 for the Advanced Air-to-Air Missile (AAAM) program; and

(2) may not be obligated in excess of $10,000,000 for the Advanced Medium-Range Air-to-Air Missile (AMRAAM) program.

(b) JOINT PROGRAM OFFICE.—Subsection (a) shall cease to apply upon the establishment by the Secretary of the Navy and the Secretary of the Air Force of a joint program office, to operate under the guidance of the Office of the Secretary of Defense, for co-development of the Advanced Air-to-Air Missile and the product improved Advanced Medium-Range Air-to-Air Missile.

SEC. 215. TRAINING IN ADVANCED MANUFACTURING TECHNOLOGIES

(a) FUNDS FOR PURCHASE AND INSTALLATION OF EQUIPMENT.—Of the amounts appropriated pursuant to section 201, not more than $15,000,000 may be obligated for the purchase of high technology manufacturing equipment and the installation of such equipment in a private, nonprofit center for advanced technologies for the purpose of training, in a production facility, machine tool operators in skills critical to the defense technology base to build, operate, and maintain such equipment.

(b) REQUIREMENTS.—Funds may not be obligated for the purpose described in subsection (a) until—

(1) the Secretary of Defense, the Secretary of Commerce, the Secretary of Labor, and the Secretary of Education enter into a memorandum of understanding concerning the participation of their respective departments in a project to demonstrate the training of machine technicians in a production facility;

(2) the Secretary of Defense approves the obligation of such funds for such purpose; and

(3) a period of 60 days elapses after the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a report that sets forth— Reports.

(A) a detailed explanation of proposed Federal expenditures,

(B) a description of the cost-sharing arrangements between the Government agencies concerned and the private sector, and

(C) a description of how the proposed program furthers the industrial and technological goals of the Department of Defense.

(c) CONFORMING AMENDMENT.—Section 219(b) of Public Law 100-180 is repealed. 101 Stat. 1054.

SEC. 216. PROHIBITION ON OBLIGATION OF FUNDS FOR CANCELLED ANTISATELLITE WEAPON PROGRAM

(a) PROHIBITION.—Residual fiscal year 1988 ASAT funds may not be obligated for the ASAT program.

(b) RESIDUAL FISCAL YEAR 1988 ASAT FUNDS DEFINED.—For purposes of this section, the term "residual fiscal year 1988 ASAT funds" means funds in the amount of $16,000,000 which were appropriated to the Department of Defense for fiscal year 1988 for research, development, test, and evaluation for the Air Force which—

(1) were originally made available for the ASAT program; and

(2) which remain available for obligation following cancellation of that program by the Secretary of Defense.

(c) ASAT PROGRAM DEFINED.—For purposes of subsections (a) and (b), the term "ASAT program" means the program of the Air Force to develop an F-15 launched miniature homing vehicle antisatellite weapon.

SEC. 217. LONG-RANGE CONVENTIONAL CRUISE MISSILE

(a) REPORT.—Not later than December 31, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the plans and projected expenditures for the Long-Range Conventional Cruise Missile program of the Department of Defense.

(b) CONTENT OF REPORT.—The Secretary shall include in such report the following:

(1) The 5-year funding plan for the program.

(2) A discussion of how the program might be carried out under a joint entity of the military services.

(3) A discussion of the military missions that a long-range conventional cruise missile would be designed to fulfill.

(4) A list of the validated military requirements prescribed for a long-range conventional cruise missile.

(5) An estimate of when a long-range conventional cruise missile system incorporating the most recent advances in guid-

ance, propulsion, mission planning, and munitions technologies would be ready for full-scale engineering development and testing of initial operating capability.

SEC. 218. SEEK SPINNER MISSILE PROGRAM

Funds appropriated or otherwise made available to the Department of Defense pursuant to this Act or any Act enacted after the date of the enactment of this Act may not be obligated or expended for the Seek Spinner Missile program in any configuration.

SEC. 219. DEPRESSED-TRAJECTORY BALLISTIC MISSILES

(a) ESTABLISHMENT OF DEFINITION.—Not later than April 1, 1989, the Secretary of Defense shall prescribe a definition of what constitutes a depressed trajectory for a strategic ballistic missile. The definition shall be prescribed in coordination with the Director of Central Intelligence. The Secretary shall prescribe such definition in specific quantitative terms so as to clearly distinguish ballistic missile trajectories which are depressed from other ballistic missile trajectories, including minimum-energy ballistic missile trajectories, so that if the United States and the Soviet Union mutually observe a policy of non-flight testing of depressed-trajectory strategic ballistic missiles, the observance of that policy—

(1) would, to the maximum possible degree, reduce the potential for a short-time-of-flight attack on strategic aircraft or other strategic assets the survivability or effectiveness of which depends on timely receipt of adequate warning of attack, but

(2) would not significantly affect present or planned practices of the United States for the testing of ballistic missiles that are not intended for development of a depressed-trajectory capability.

(b) REPORT.—Not later than April 1, 1989, the Secretary of Defense shall submit to Congress a report on depressed-trajectory strategic ballistic missiles (as defined under subsection (a)), which shall be prepared in coordination with the Director of Central Intelligence. The report shall set forth the definition prescribed under subsection (a) and shall include each of the following:

(1) An evaluation of the ability of the United States to monitor flight tests by the Soviet Union of depressed-trajectory strategic ballistic missiles (as defined under subsection (a)) on dedicated or nondedicated test ranges.

(2) A description of any past flight test of a ballistic missile by the United States or by the Soviet Union that would qualify as a test of a depressed-trajectory strategic ballistic missile as defined under subsection (a).

(3) An evaluation of the possibility that the Soviet Union could deploy depressed-trajectory ballistic missiles (as defined under subsection (a)) with sufficient confidence in the reliability of those missiles for use in an attack on the United States without further flight testing.

SEC. 220. REQUIREMENT OF COMPETITION FOR AWARD OF GRANTS AND CONTRACTS TO COLLEGES AND UNIVERSITIES FOR CERTAIN PURPOSES

(a) REQUIREMENT OF COMPETITION.—Chapter 139 of title 10, United States Code, is amended by inserting after section 2360 the following new section:

"§ 2361. Award of grants and contracts to colleges and universities: requirement of competition

"(a) The Secretary of Defense may not make a grant or award a contract to a college or university for the performance of research and development, or for the construction of any research or other facility, unless the grant or contract is made or awarded using competitive procedures.

"(b) A provision of law enacted after the date of the enactment of this section may not be construed as modifying or superseding the provisions of subsection (a) unless that provision of law specifically refers to this section and specifically states that such provision of law modifies or supersedes the provisions of this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2360 the following new item:

"2361. Award of grants and contracts to colleges and universities: requirement of competition.".

(c) EFFECTIVE DATE.—The limitation specified in section 2361(a) of title 10, United States Code (as added by subsection (a)), on the authority of the Secretary of Defense to make grants and award contracts shall take effect on October 1, 1989.

PART C—STRATEGIC DEFENSE INITIATIVE

SEC. 221. FUNDING FOR THE STRATEGIC DEFENSE INITIATIVE FOR FISCAL YEAR 1989

(a) AMOUNTS AUTHORIZED.—Of the amounts appropriated pursuant to section 201 or otherwise made available to the Department of Defense for research, development, test and evaluation for fiscal year 1989, not more than $3,738,000,000 may be obligated for the Strategic Defense Initiative.

(b) RESTRICTION ON USE OF FUNDS.—Amounts appropriated to or for the use of the Department of Defense for fiscal year 1989 may not be used to establish a Strategic Defense System Operational Test and Evaluation activity.

(c) REPORT BY SECRETARY OF DEFENSE.—Before the adjournment sine die of the second session of the One Hundredth Congress, the Secretary of Defense shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a report on the Space-Based Interceptor (SBI) program of the Strategic Defense Initiative. The report shall include a discussion of the following matters with respect to the SBI program:

(1) Role of SBI in the Phase One architecture.
(2) SBI performance in the current system concept.
(3) SBI cost projections.
(4) Technology progress and plans.
(5) Launch requirements.
(6) Other programmatic details.

SEC. 222. REPORT ON ALLOCATION OF SDI FUNDING FOR FISCAL YEAR 1989

(a) REPORT.—The Secretary of Defense shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and the House of Representatives a report on the allocation of funds appropriated or otherwise made available for the

Strategic Defense Initiative for fiscal year 1989. The report shall specify the amount of such funds allocated for each program, project, or activity of the Strategic Defense Initiative within each appropriation account.

(b) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

SEC. 223. DEVELOPMENT AND TESTING OF ANTIBALLISTIC MISSILE SYSTEMS OR COMPONENTS

(a) USE OF FUNDS.—(1) Funds appropriated to the Department of Defense for fiscal year 1989, or otherwise made available to the Department of Defense from any funds appropriated for fiscal year 1989 or for any fiscal year before 1989, shall be subject to the limitations prescribed in paragraph (2).

(2) The funds described in paragraph (1) may not be obligated or expended—

(A) for any development or testing of antiballistic missile systems or components except for development and testing consistent with the development and testing described in the March 1988 SDIO Report; or

(B) for the acquisition of any material or equipment (including any long lead materials, components, piece parts, test equipment, or any modified space launch vehicle) required or to be used for the development or testing of antiballistic missile systems or components, except for material or equipment required for development or testing consistent with the development and testing described in the March 1988 SDIO Report.

(3) The limitation under paragraph (2) shall not apply to funds transferred to or for the use of the Strategic Defense Initiative for fiscal year 1989 if the transfer is made in accordance with section 1201 of this Act.

(b) DEFINITION.—As used in this section, the term "March 1988 SDIO Report" means the report entitled, "Report to Congress on the Strategic Defense Initiative", dated March 23, 1988, prepared by the Strategic Defense Initiative Organization and submitted to certain committees of the Senate and House of Representatives pursuant to section 1102 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 10 U.S.C. 2431 note).

SEC. 224. ACCIDENTAL LAUNCH PROTECTION

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

(1) The United States is a signatory to the 1972 Anti-Ballistic Missile Treaty.

(2) The Soviet Union has deployed approximately 1,400 land-based intercontinental ballistic missiles and approximately 900 sea-based ballistic missiles.

(3) There have been several accidents involving ballistic missiles, including the loss of a submarine of the Soviet Union due to inadvertent missile ignition and the inadvertent landing in China of a test missile of the Soviet Union.

(4) Proliferation of ballistic missile technology, such as the action of the People's Republic of China in providing ballistic missiles to Saudi Arabia, raises the possibility of future nuclear threats.

(b) SENSE OF CONGRESS.—It is the sense of Congress—

(1) that the Secretary of Defense should direct the Strategic Defense Initiative Organization to give priority to development of technologies and systems for a system capable of protecting the United States from the accidental launch of a strategic ballistic missile against the continental United States; and

(2) that such development of an accidental launch protection system should be carried out with an objective of ensuring that such system is in compliance with the 1972 Anti-Ballistic Missile Treaty.

(c) REPORT.—Not later than March 1, 1989, the Secretary of Defense shall submit to Congress a report on the status of planning for development of a deployment option for such an accidental launch protection system.

PART D—STRATEGIC PROGRAMS

SEC. 231. B-1B BOMBER PROGRAM

(a) CONDITION ON OBLIGATION OF FUNDS.—The Secretary of Defense may not obligate funds appropriated for fiscal year 1989 for enhancements or mission-specific equipment or modifications for the B-1B aircraft until the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives the report required by section 243(e)(3) of Public Law 100-180 (101 Stat. 1064). After that report is submitted, funds may be obligated for such purposes only as specifically authorized by law. Reports.

(b) REPORT ON ENHANCEMENT PROGRAM.—(1) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report setting forth—

(A) the total cost—

(i) of fixing any discrepancies in the baseline; and

(ii) of the enhancements planned or programmed for the B-1B aircraft; and

(B) a description of each type of such fix or enhancement.

(2) Such report shall be submitted in conjunction with the submission of the President's budget for fiscal year 1990 pursuant to section 1105 of title 31, United States Code.

(c) EXPLORATION OF ALTERNATIVE ELECTRONIC WARFARE SYSTEMS.—Of the amounts appropriated to the Air Force pursuant to section 201, the sum of $15,000,000 shall be available only for the purpose of conducting a preliminary evaluation of whether existing electronic warfare systems could be used to replace portions of the ALQ-161 system of the B-1B aircraft in the event that the current plan of the Air Force for recovery of that system fails to achieve the desired results.

SEC. 232. ADVANCED TECHNOLOGY B-2 BOMBER PROGRAM

(a) PROGRAM MANAGEMENT INITIATIVE.—The Secretary of Defense shall require that the cost, performance, and management initiative for the Advanced Technology B-2 Bomber program established pursuant to section 121 of Public Law 100-180 (101 Stat. 1040) include the creation of a full performance matrix.

(b) GAO COST REVIEW.—(1) The Comptroller General of the United States shall review the costs of the Advanced Technology Bomber program. In reviewing such costs, the Comptroller General shall act independently of the Department of Defense.

(2)(A) The Secretary of Defense shall ensure that the Comptroller General is given direct, full, and timely access to all information and

materials specified in subparagraph (B) in order for the Comptroller General to carry out the cost review required by paragraph (1).

(B) Information and materials referred to in subparagraph (A) are information and materials that are held by, or otherwise available to, the Department of Defense (including the Department of the Air Force) or any contractor for the Advanced Technology Bomber program (including any subcontractor) and that are required by the Secretary of the Air Force for the purpose of performing the required Independent Cost Analysis of the Advanced Technology Bomber program and by the Secretary of Defense for the purpose of performing the Cost Analysis Improvement Group review of that program.

Reports.

(3) The Comptroller General shall submit a report on the program cost review under this subsection to the Armed Services Committees not later than March 1, 1989.

(c) REPORT ON TOTAL PROGRAM COST.—The Secretary of Defense shall submit to Congress a report setting forth the total program cost, in constant and in current dollars, of the Advanced Technology B-2 Bomber program. Such report shall be submitted not later than March 1, 1989.

(d) COST MONITORING AND TRACKING.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall conduct an evaluation of the current system for monitoring and tracking costs for the Advanced Technology Bomber program and shall prepare an assessment of that system. Not later than March 1, 1989, the Secretary shall submit to the Armed Services Committees a report setting forth the Secretary's findings, based upon such evaluation and assessment, with respect to that system and any recommendations of the Secretary for improving that system.

Reports.

(e) DEFINITION.—For purposes of this section, the term "Armed Services Committees" means the Committees on Armed Services of the Senate and House of Representatives.

SEC. 233. SENSE OF CONGRESS ON STRATEGIC MISSILE MODERNIZATION PROGRAMS

It is the sense of Congress that the authorization of funds in this Act for research and development for both the small intercontinental ballistic missile system (the so-called Midgetman system) and for the rail-garrison MX system does not constitute a commitment or express an intent by Congress to provide funds to procure and deploy the Midgetman missile or to deploy any MX missiles in a rail-garrison basing mode or both.

PART E—OTHER PROGRAMS

SEC. 241. ADVANCED SUBMARINE TECHNOLOGY PROGRAM

(a) FISCAL YEAR 1989 FUNDING.—(1) Of the amount appropriated pursuant to section 201 for Defense Agencies, the Secretary of Defense shall make $65,000,000 available only for the purpose of continuing the Advanced Submarine Technology Program initiated in section 211 of Public Law 100-180 (101 Stat. 1048). Amounts appropriated for such purpose for fiscal year 1989 may be used only for that program.

(2) The Secretary of Defense may use funds appropriated for fiscal year 1989 for such program only—

(A) for submarine hull, mechanical, and electrical technologies; and

(B) for nonnuclear propulsion technologies.

(3) Funds appropriated for fiscal year 1989 for such program may be used for research relating to the effect on submarine design of weapons, sensors, or communications equipment, but may not be used for research on weapons, sensors, or communications equipment.

(4) Funds appropriated for fiscal year 1989 for such program may be used only for exploratory development, advanced technology development, and (as necessary) basic research to support the overall objectives of the program.

(b) PURPOSE OF PROGRAM.—(1) Congress established the Advanced Submarine Technology Program in light of the large amount of activity by the Soviet Union in the area of naval submarines and the declining advantage of the United States in submarine technology.

(2) The purpose of the Advanced Submarine Technology Program is to explore innovative state-of-the-art technologies for advanced submarines and to augment the existing United States submarine technology base in order to establish a sound and increasing submarine technology base.

(3) Congress recognizes that research and development activities with respect to submarine weapons and sensors and high density innovative and advanced nuclear plant systems are necessary and important. However, in light of the purpose of the program to augment the submarine technology base, Congress has in this section provided separate authorization for funding to augment the technology base for submarine hull, mechanical, and electrical systems.

(4) Section 211(a) of Public Law 100-180 is amended— 101 Stat. 1048.

(A) by striking out the second and third sentences of paragraph (1); and

(B) by striking out paragraph (2).

(c) MANAGEMENT OF PROGRAM BY DARPA.—In carrying out the provisions of section 211(a) of Public Law 100-180 that the Advanced Submarine Technology Program be carried out through the Director, Defense Advanced Research Projects Agencies (DARPA), the Secretary of Defense shall provide that the overall management of the execution of such program, including the administration of funds appropriated for the program, be vested in the Director. In managing such program, the Director shall take into consideration the advice of the advisory board established pursuant to congressional direction as part of the fiscal year 1988 budget process.

(d) FIVE-YEAR PLAN.—(1) Not later than October 31, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report setting forth a detailed five-year plan for the Advanced Submarine Technology Program. The plan shall update the report submitted pursuant to section 211(b)(1) of Public Law 100-180. Reports.

(2) The report under paragraph (1) shall include the following:

(A) Identification of each of the technologies to be studied or developed under the program.

(B) With respect to each of the technologies to be developed—

(i) identification of responsibility for the execution of the program and the management of the program; and

(ii) milestones for obligating funds under the program and for major program reviews under the program.

(3) Section 211(b)(2) of Public Law 100-180 is repealed.

(e) ANNUAL REPORTS.—Not later than December 1 of each of the years 1989 through 1994, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the Advanced Submarine Technology Program. Each report shall describe—

(1) the activities carried out under the program during the preceding fiscal year;

(2) the obligation of funds for the program during that fiscal year;

(3) activities accomplished under the program during that fiscal year;

(4) ongoing activities under the program; and

(5) major decisions made by the Director of the Defense Advanced Research Projects Agency that were not supported by the advice of the advisory board referred to in subsection (c) and the reasons why the decisions were so made.

Each such report shall also describe how the matters set forth in paragraphs (1) through (4) meet the criteria established in the five-year plan for the program set out in the report under subsection (d).

(f) PROGRAM DURATION.—In providing funds under this section for the Advanced Submarine Technology Program for fiscal year 1989, Congress expects that the program will be continued in the five-year defense plan of the Secretary of Defense and that the management of the program will continue to be executed through the Defense Advanced Research Projects Agency for an additional three-to-five years.

(g) PROHIBITION ON CONTRACTOR MANAGEMENT.—The Director, Defense Advanced Research Projects Agency, may not carry out the Advanced Submarine Technology Program through obligation of all funding to a single contractor or through the use of management by a single public or private shipyard. The Director, in allocating funds under the program and in light of the purposes of the program, shall seek to obligate funds to a wide variety of recipients.

SEC. 242. PROHIBITION ON TESTING ELECTROMAGNETIC PULSE IN CHESAPEAKE BAY

The Secretary of the Navy may not carry out an electromagnetic pulse program in the Chesapeake Bay area in connection with the Electromagnetic Pulse Radiation Environment Simulator Program for Ships (EMPRESS II).

SEC. 243. REPORT ON SPACE CONTROL CAPABILITIES

(a) REPORT.—Not later than the date on which the President submits the budget for fiscal year 1990 to Congress under section 1105 of title 31, United States Code, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a comprehensive report on space control capabilities of the Armed Forces.

(b) CONTENT OF REPORT.—The report shall include the following matters:

(1) A description of requirements for space control capabilities related to deterrence and warfighting objectives, including space surveillance and anti-satellite capabilities, that have been validated by the Chairman of the Joint Chiefs of Staff and transmitted to the commander of the United States Space Command.

(2) A net assessment of the space control capabilities of the United States and the Soviet Union.

(3) An assessment of current deficiencies in United States space control capabilities and recommendations for overcoming those deficiencies.

(4) A 5-year plan for improving ground- and space-based surveillance systems and their associated command, control, and communications systems and the cost and schedule for implementing the plan.

SEC. 244. REPORT ON COMPETITION FOR DEVELOPMENT OF ADVANCED TACTICAL RECONNAISSANCE SYSTEM

Not later than 90 days after the date of the enactment of this Act, the Secretary of the Air Force shall submit to Congress a report outlining the plans of the Secretary for establishing, to the maximum extent practicable, competition in the development and production of components for the Advance Tactical Reconnaissance System.

TITLE III—OPERATION AND MAINTENANCE

PART A—AUTHORIZATIONS OF APPROPRIATIONS

SEC. 301. OPERATION AND MAINTENANCE FUNDING

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal year 1989 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:

For the Army, $22,103,900,000.

For the Navy, $24,852,100,000.

For the Marine Corps, $1,817,000,000.

For the Air Force, $21,855,600,000.

For the Defense Agencies, $7,685,400,000.

For the Army Reserve, $794,900,000.

For the Naval Reserve, $979,200,000.

For the Marine Corps Reserve, $77,500,000.

For the Air Force Reserve, $1,033,900,000.

For the Army National Guard, $1,801,200,000.

For the Air National Guard, $1,971,000,000.

For the National Board for the Promotion of Rifle Practice, $4,300,000.

For the Court of Military Appeals, $3,500,000.

For Environmental Restoration, Defense, $500,000,000.

For Humanitarian Assistance, $13,000,000.

(b) GENERAL AUTHORIZATION FOR CONTINGENCIES.—There are authorized to be appropriated for fiscal year 1989, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary—

(1) for unbudgeted increases in fuel costs; and

(2) for unbudgeted increases as the result of inflation in the cost of activities authorized by subsection (a).

SEC. 302. WORKING CAPITAL FUNDS

Funds are hereby authorized to be appropriated for fiscal year 1989 for the use of the Armed Forces and other activities and

agencies of the Department of Defense for providing capital for working-capital funds in amounts as follows:

For the Army Stock Fund, $291,900,000.
For the Navy Stock Fund, $184,700,000.
For the Air Force Stock Fund, $186,900,000.
For the Defense Stock Fund, $25,000,000.

SEC. 303. HUMANITARIAN ASSISTANCE

(a) PURPOSE.—The amount authorized in section 301 for humanitarian assistance shall be used for the purpose of providing transportation for humanitarian relief for persons displaced or who are refugees because of the invasion of Afghanistan by the Soviet Union. Of the amount authorized in such section for such purpose, not more than $3,000,000 may be used for distribution of humanitarian relief supplies to the non-Communist resistance organization at or near the border between Thailand and Cambodia.

(b) AUTHORITY TO TRANSFER FUNDS.—The Secretary of Defense may transfer to the Secretary of State not more than $3,000,000 of the funds appropriated pursuant to the authorization in section 301 for humanitarian assistance to provide for (1) paying for administrative costs of providing the transportation described in subsection (a), and (2) the purchase or other acquisition of transportation assets for the distribution of relief supplies in the country of destination.

(c) TRANSPORTATION UNDER DIRECTION OF THE SECRETARY OF STATE.—Transportation provided with funds appropriated pursuant to the authorization in section 301 for humanitarian assistance shall be under the direction of the Secretary of State.

(d) MEANS OF TRANSPORTATION TO BE USED.—Transportation for humanitarian relief provided with funds appropriated pursuant to the authorization in section 301 for humanitarian assistance shall be by the most economical commercial or military means available, unless the Secretary of State determines that it is in the national interest of the United States to use means other than the most economical means available. Such means may include the use of aircraft and personnel of the reserve components of the Armed Forces.

(e) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to the authorization in section 301 for humanitarian assistance shall remain available until expended, to the extent provided in appropriation Acts.

(f) REPORTS.—The Secretary of Defense shall submit to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives a report not later than 60 days after the date of the enactment of this Act. The Secretary shall also submit a report to those committees not later than June 1, 1989, and not later than June 1 of each year thereafter, until all funds available under this section have been obligated. Each such report shall contain (as of the date on which the report is submitted) the following information:

(A) The total amount of funds obligated for humanitarian relief under the humanitarian relief laws specified in paragraph (2).

(B) The number of scheduled and completed flights for purposes of providing humanitarian relief under the humanitarian relief laws specified in paragraph (2).

(C) A description of any transfer (including to whom the transfer is made) of excess nonlethal supplies of the Department of Defense made available for humanitarian relief purposes under section 2547 of title 10, United States Code.

(2) The humanitarian relief laws referred to in paragraph (1) are the following:

(A) This section.

(B) Section 331 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3856).

(C) Section 331 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1078).

SEC. 304. TRIPLER ARMY MEDICAL CENTER

Hawaii.

The Secretary of the Army shall establish, during fiscal year 1989, a video teleconferencing center at the Tripler Army Medical Center, Hawaii.

SEC. 305. ASSISTANCE TO THE 1990 GOODWILL GAMES

Washington.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—The Secretary of Defense may provide logistical support and personnel services to Federal, State, and local governmental entities in connection with the 1990 Goodwill Games to be held at Seattle, Washington. Except as provided in subsection (b), such support and services shall be provided by the Secretary on a reimbursable basis.

(b) REIMBURSEMENT WAIVER.—(1) The Secretary may waive the requirement for reimbursement for logistical support and personnel services provided under this section to ensure the security of persons and property in connection with such games if—

(A) the Attorney General of the United States certifies to the Secretary that there are significant potential threats to the security of persons or property, or both, at such games and that other Federal entities and the State and local entities concerned do not have the capability to deal adequately with such potential threats; and

(B) the Attorney General recommends that the requirement for reimbursement for assistance under this section be waived because—

(i) such assistance is necessary to provide the degree of security that is essential in the national interest; and

(ii) unusual circumstances for such assistance make it impractical for other Federal entities or the State or local entities concerned to reimburse the Secretary for such assistance.

(2) Waivers under paragraph (1) shall be made by the Secretary on a case-by-case basis.

(c) AUTHORIZATION.—There is authorized to be appropriated for fiscal year 1989 the amount of $5,000,000 for the purpose of carrying out this section.

(d) RESTRICTION ON FUNDS.—Funds made available to or for the use of the Department of Defense may not be used to provide logistical support or personnel services in connection with the Goodwill Games referred to in subsection (a) unless such funds have been specifically appropriated for such purpose.

(e) COMPUTATION OF AMOUNTS.—In computing the amount that has been expended in carrying out the provisions of this section, the Secretary shall include the pay and allowances of members of reserve components of the Armed Forces called or ordered to active

duty (including active duty for training) to provide support for the Goodwill Games referred to in subsection (a), but shall exclude the pay and nontravel related allowances of other members of the Armed Forces serving on active duty.

SEC. 306. INAUGURATION ASSISTANCE

(a) FURNISHING OF MATERIALS, SUPPLIES, AND SERVICES.—During fiscal year 1989, the Secretary of Defense may, as the Secretary determines to be appropriate and under such conditions as the Secretary may prescribe, lend materials or supplies and provide materials, supplies, or services of personnel to the Inaugural Committee established under the first section of the Presidential Inaugural Ceremonies Act (36 U.S.C. 721 et seq.) or to the joint committee described in section 9 of that Act.

(b) ADDITIONAL AUTHORITY.—The authority provided by subsection (a) is in addition to the authority provided by section 2543 of title 10, United States Code.

SEC. 307. ENHANCEMENT OF CAPABILITY TO COMBAT FRAUD, WASTE, AND ABUSE

In order to enhance the capability of the Department of Defense to combat fraud, waste, and abuse and to assist in restoring public confidence in the defense acquisition process, the Secretary of Defense, not later than September 30, 1989, shall—

(1) increase the number of audit and support personnel assigned within the Office of the Inspector General of the Department of Defense to the Assistant Inspector General for Audit from 550 personnel (as assumed in the President's amended budget request for fiscal year 1989) to not less than 657; and

(2) increase the number of audit and support personnel assigned to the Defense Contract Audit Agency from 6,439 (as assumed in the President's amended budget request for fiscal year 1989) to not less than 7,007.

PART B—LIMITATIONS

SEC. 311. PROHIBITION ON FINANCING CERTAIN ACTIVITIES BY DIRECT APPROPRIATIONS

(a) PROHIBITION.—During fiscal year 1989, the Secretary of the Navy may not take any action with respect to converting or planning the conversion of the operation of an activity specified in subsection (b) from operation as an activity financed by the Naval Industrial Fund (as authorized by section 2208 of title 10, United States Code) to operation as an activity financed by direct appropriations.

(b) ACTIVITIES COVERED.—An activity referred to in subsection (a) is any of the following:

(1) Naval Avionics Center, Indianapolis, Indiana.

(2) Naval Civil Engineering Laboratory, Port Hueneme, California.

(3) Naval Air Engineering Center, Lakehurst, New Jersey.

SEC. 312. PROHIBITION ON JOINT USE OF DOBBINS AIR FORCE BASE WITH CIVIL AVIATION

The Secretary of the Air Force may not enter into an agreement that would provide for or permit the joint use of Dobbins Air Force Base, Marietta, Georgia, by the Air Force and civil aircraft.

SEC. 313. PROHIBITION ON PURCHASE OF TOSHIBA PRODUCTS FOR RESALE IN MILITARY EXCHANGE STORES

50 USC app. 2410a note.

(a) PROHIBITION.—During the three-year period beginning on the date of the enactment of this Act, no product manufactured or assembled by Toshiba America, Incorporated, or Toshiba Corporation (or any of its affiliates or subsidiaries) may be purchased by the Department of Defense for the purpose of resale of such product in a military exchange store or in any other morale, welfare, recreation, or resale activity operated by the Department of Defense (either directly or by concessionaire).

(b) EXCEPTION.—The prohibition in subsection (a) shall not apply to microwave ovens manufactured or assembled in the United States.

SEC. 314. LIMITATION ON FUNDING FOR UNITED STATES SOUTHERN COMMAND AIRLIFT

Funds appropriated for operation and maintenance for the Air Force for fiscal year 1989 may not be obligated or expended in connection with any contract for aircraft with short takeoff and landing capability until—

(1) the Secretary of Defense approves a requirements document and an acquisition plan, including costs and schedule information, for an aircraft with short takeoff and landing capability for the United States Southern Command; and

(2) the Secretary of Defense submits both the document and the plan to the Committees on Armed Services of the Senate and the House of Representatives.

SEC. 315. ONE-YEAR EXTENSION OF LIMITATION ON ARMY DEPOT MAINTENANCE FUNDING

(a) ONE-YEAR EXTENSION.—Section 314 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1074) is amended—

(1) in subsection (a), by striking out "fiscal year 1988" and inserting in lieu thereof "fiscal year 1989"; and

(2) in subsection (b)(1)(C), by striking out "fiscal year 1989" and inserting in lieu thereof "fiscal year 1990".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1988.

SEC. 316. OPERATION OF SR-71 DEPOT REWORK FACILITY

California.

The Secretary of the Air Force shall ensure that the facility used for depot support and rework for the SR-71 fleet of aircraft at Palmdale, California, shall remain operational through September 30, 1989.

SEC. 317. MANAGEMENT OF CIVILIAN PERSONNEL DURING FISCAL YEARS 1989 AND 1990

(a) PROHIBITION ON MANAGEMENT BY END-STRENGTH.—During fiscal years 1989 and 1990, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength or any similar or related methodology, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an "end-strength") on the number of such personnel who may be employed on the last day of such fiscal year.

(b) WAIVER OF CIVILIAN PERSONNEL CEILINGS.—Section 115(b)(2) of title 10, United States Code, shall not apply with respect to fiscal years 1989 and 1990 or with respect to the appropriation of funds for that year.

(c) SEMIANNUAL REPORTS.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives semiannual reports on the obligation of funds appropriated for civilian personnel of the Department of Defense for fiscal years 1989 and 1990. Each report shall include—

(1) for each appropriation account, the amounts authorized and appropriated for such personnel for fiscal years 1989 and 1990; and

(2) for each appropriation account and for the entire Department—

(A) the actual number of such personnel employed, and the amount of funds obligated for such personnel, as of the end of each six-month period described in the report; and

(B) the projected number of such personnel to be employed, and amount of funds that will be obligated for such personnel, as of the end of each of fiscal years 1989 and 1990.

SEC. 318. LIMITATION ON OPERATION OF EXISTING POSEIDON CLASS SUBMARINES U.S.S. JAMES MONROE AND U.S.S. HENRY CLAY

Effective as of September 1, 1989, no funds appropriated to the Department of Defense for fiscal year 1989 or a prior year may be obligated or expended—

(1) to overhaul, operate, or deploy the U.S.S. Henry Clay (SSBN 625), except that such funds may be obligated or expended after such date for the operation of such vessel (A) for crew training in port, and (B) for a short underway trial before such vessel proceeds to the inactivating port; or

(2) to overhaul, operate, maintain, or deploy the U.S.S. James Monroe (SSBN 622).

PART C—PERMANENT LAW CHANGES

Contracts.

SEC. 321. LIMITATION ON PRIVATE OPERATION OF COMMISSARY STORES

Section 2482 of title 10, United States Code, is amended by adding at the end the following new sentences: "A contract with a private person for the operation of any commissary store may not require or permit the contractor to carry out functions for the procurement of products to be sold in the store or to engage in functions relating to the overall management of a commissary system or the management of any such store. Such functions shall be carried out by personnel of the Department of Defense under regulations approved by the Secretary of Defense.".

SEC. 322. ALLOWABLE COSTS WITH RESPECT TO CERTAIN SERVICE CONTRACTS PERFORMED OVERSEAS

(a) CERTAIN SEVERANCE PAY COSTS NOT ALLOWABLE.—Section 2324(e)(1) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

"(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 under regulations prescribed by the Secretary of Defense.".

(b) EFFECTIVE DATE.—Subparagraph (M) of section 2324(e)(1) of title 10, United States Code, as added by subsection (a), shall apply with respect to any contract entered into after the end of the 180-day period beginning on the date of the enactment of this Act.

10 USC 2324 note.

SEC. 323. AUTHORITY TO CONTINUE SUPPORT OF SCOUTING ACTIVITIES OVERSEAS

(a) AUTHORITY.—Chapter 155 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2606. Scouting: cooperation and assistance in foreign areas

"(a) Subject to subsection (b), the Secretary concerned may cooperate with and assist qualified scouting organizations in establishing and providing facilities and services for members of the armed forces and their dependents, and civilian employees of the Department of Defense and their dependents, at locations outside the United States.

"(b) Cooperation and assistance under subsection (a) shall be provided under regulations prescribed by the Secretary of Defense and may be provided only if the President determines that such cooperation and assistance is necessary in the interest of the morale, welfare, and recreation of members of the armed forces.

Regulations.

"(c) Personnel of a qualified scouting organization, including officials certified by that organization as representing that organization, who are performing duties in connection with cooperation and assistance provided under subsection (a) may be furnished—

"(1) transportation at the expense of the United States while traveling to and from, and while performing, such duties in the same manner as civilian employees of the United States; and

"(2) available office space (including space for recreational activities for Boy Scouts and Girl Scouts), warehousing, utilities, and a means of communication, without charge.

"(d) Supplies of a qualified scouting organization may be transported at the expense of the United States if the Secretary concerned determines, under regulations prescribed under subsection (b), that the supplies are necessary to the cooperation and assistance provided under this section.

"(e) The Secretary concerned may reimburse a qualified scouting organization for all or part of the pay of an employee of that organization for any period during which the employee was performing services under subsection (a). Any such reimbursement may not be made from appropriated funds and shall be made under regulations prescribed under subsection (b).

"(f) For the purposes of this section, employees of a qualified scouting organization performing services under subsection (a) may not be considered to be employees of the United States.

"(g) In this section, the term 'qualified scouting organization' means the Girl Scouts of the United States of America and the Boy Scouts of America.".

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

"2606. Scouting: cooperation and assistance in foreign areas.".

SEC. 324. TRANSFERS AND EXCHANGES OF CERTAIN DOCUMENTS, HISTORICAL ARTIFACTS, AND CONDEMNED AND OBSOLETE COMBAT MATERIEL

(a) AUTHORITY.—Section 2572 of title 10, United States Code, is amended to read as follows:

"§ 2572. Documents, historical artifacts, and condemned or obsolete combat materiel: loan, gift, or exchange

"(a) The Secretary concerned may lend or give items described in subsection (c) that are not needed by the military department concerned (or by the Coast Guard, in the case of the Secretary of Transportation), to any of the following:

"(1) A municipal corporation.

"(2) A soldiers' monument association.

"(3) A museum, historical society, or historical institution of a State or a foreign nation.

"(4) An incorporated museum that is operated and maintained for educational purposes only and the charter of which denies it the right to operate for profit.

"(5) A post of the Veterans of Foreign Wars of the United States or of the American Legion or a unit of any other recognized war veterans' association.

"(6) A local or national unit of any war veterans' association of a foreign nation which is recognized by the national government of that nation (or by the government of one of the principal political subdivisions of that nation).

"(7) A post of the Sons of Veterans Reserve.

"(b)(1) Subject to paragraph (2), the Secretary concerned may exchange items described in subsection (c) that are not needed by the armed forces for similar items held by any individual, organization, institution, agency, or nation.

"(2) The Secretary concerned may not make an exchange under paragraph (1) unless the monetary value of property transferred to the United States under the exchange is not less than the value of the property transferred by the United States. The Secretary concerned may waive the limitation in the preceding sentence in any case in which the Secretary determines that the item to be received by the United States in the exchange will significantly enhance the historical collection of the property administered by the Secretary.

"(c) This section applies to the following types of property held by a military department or the Coast Guard: books, manuscripts, works of art, historical artifacts, drawings, plans, models, and condemned or obsolete combat materiel.

"(d)(1) A loan or gift made under this section shall be subject to regulations prescribed by the Secretary concerned and to regulations under section 205 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 486).

"(2) The United States may not incur any expense in connection with a loan or gift under subsection (a).".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 153 of such title is amended to read as follows:

"2572. Documents, historical artifacts, and condemned or obsolete combat materiel: loan, gift, or exchange.".

SEC. 325. QUALIFICATIONS FOR HEAD OF AUDITING FUNCTION IN MILITARY DEPARTMENTS

(a) DEPARTMENT OF THE ARMY.—Section 3014(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) The head of the office or other entity established or designated by the Secretary to conduct the auditing function shall have at least five years of professional experience in accounting or auditing. The position shall be considered to be a career reserved position as defined in section 3132(a)(8) of title 5.".

(b) DEPARTMENT OF THE NAVY.—Section 5014(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) The head of the office or other entity established or designated by the Secretary to conduct the auditing function shall have at least five years of professional experience in accounting or auditing. The position shall be considered to be a career reserved position as defined in section 3132(a)(8) of title 5.

"(B) The position of regional director within such office or entity, and any other position within such office or entity the primary responsibilities of which are to carry out supervisory functions, may not be held by a member of the armed forces on active duty.".

(c) DEPARTMENT OF THE AIR FORCE.—Section 8014(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) The head of the office or other entity established or designated by the Secretary to conduct the auditing function shall have at least five years of professional experience in accounting or auditing. The position shall be considered to be a career reserved position as defined in section 3132(a)(8) of title 5.".

(d) EFFECTIVE DATES.—(1) The requirements of sections 3014(c)(5), 5014(c)(5)(A), and 8014(c)(5) of title 10, United States Code (as added by subsections (a), (b), and (c), respectively), shall apply with respect to any person appointed on or after the date of the enactment of this Act as the head of the office or other entity designated for conducting the auditing function in a military department. 10 USC 5014 note.

(2) Subparagraph (B) of section 5014(c)(5) of title 10, United States Code (as added by subsection (b)), shall take effect at the end of the one-year period beginning on the date of the enactment of this Act.

SEC. 326. PROHIBITION ON CERTAIN DEPOT MAINTENANCE WORKLOAD COMPETITIONS

(a) IN GENERAL.—Chapter 146 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2466. Prohibition on certain depot maintenance workload competitions

"The Secretary of Defense may not require the Secretary of the Army or the Secretary of the Air Force, in selecting an entity to perform any depot maintenance workload, to carry out a competition for such selection—

"(1) between or among maintenance activities of the Department of the Army and the Department of the Air Force; or

"(2) between a maintenance activity of either such department and a private contractor.".

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

"2466. Prohibition on certain depot maintenance workload competitions.".

SEC. 327. REPORT ON MANPOWER, MOBILITY, SUSTAINABILITY, AND EQUIPMENT

(a) REPORT REQUIREMENT.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a comprehensive report on the readiness of the Armed Forces, in terms of manpower, mobility, sustainability, and equipment, to perform their assigned missions. The report shall be based on the manpower and other resources planned for the Armed Forces in the 1990-1991 biennial budget for the Department of Defense.

(b) MATTERS TO BE INCLUDED IN REPORT.—The Secretary shall include the following in the report required by subsection (a):

(1) A detailed analysis of trends in readiness and sustainability of the military forces of the United States over the five-year period 1985 to 1989 and, based on the current Five-Year Defense Program or other planning document approved by the Secretary, a projection of such trends over the succeeding five-year period.

(2) A detailed evaluation of the readiness and sustainability of the unified combatant commands and the specified combatant commands of the Armed Forces.

(3) A discussion of—

(A) the readiness and sustainability of the military forces of the United States in terms of the standards approved by the Secretary of Defense;

(B) the readiness and sustainability of allied forces of the United States; and

(C) the readiness and sustainability of potential enemy forces.

(4) A list of all improvements that need to be made in the readiness and sustainability of the manpower, mobility, and equipment of the Armed Forces to correct major shortfalls of the unified combatant commands and the specified combatant commands, the relative priority of each such improvement, and the estimated cost of each such improvement.

(5) Such other information regarding the readiness of the Armed Forces, in terms of manpower, mobility, sustainability, and equipment, as the Secretary considers appropriate.

(c) PRIORITY FOR IMPROVEMENTS.—The relative priority of the improvements referred to in subsection (b)(4) shall be determined by the Secretary on the basis of the improvements necessary to ensure the ability of the Armed Forces to perform their assigned missions and the ability of the United States to meet its military commitments.

(d) REPORT DEADLINE.—The Secretary shall submit the report required by subsection (a), together with such comments and recommendations as the Secretary considers appropriate, not later then February 15, 1989.

SEC. 328. LEASE OF AIRCRAFT FOR FLEET ELECTRONIC WARFARE SUPPORT GROUP ACTIVITIES

The Secretary of the Navy may lease aircraft for Fleet Electronic Warfare Support Group activities in accordance with section 2401 of title 10, United States Code, if the cost of such a lease is less than the cost of operating and maintaining the same number of existing aircraft of the Navy for that purpose.

PART D—CONTRACTING OUT

SEC. 331. REQUIREMENTS FOR CERTAIN CIRCULAR A-76 PROCEDURES

(a) IN GENERAL.—Chapter 146 of title 10, United States Code, as amended by section 326, is further amended by adding at the end the following new section:

"§ 2467. Cost comparisons: requirements with respect to retirement costs and consultation with employees

"(a) REQUIREMENT TO INCLUDE RETIREMENT COSTS.—(1) In any comparison conducted by the Department of Defense under Office of Management and Budget Circular A-76 (or any successor administrative regulation or policy) of the cost of performing commercial activities by Department of Defense personnel and the cost of performing such activities by contractor personnel, the Secretary of Defense shall include retirement system costs (as described in paragraphs (2) and (3)) of both the Department of Defense and the contractor.

"(2) The retirement system costs of the Department of Defense shall include (to the extent applicable) the following:

"(A) The cost of the Federal Employees' Retirement System, valued by using the normal-cost percentage (as defined by section 8401(23) of title 5, United States Code).

"(B) The cost of the Civil Service Retirement System under subchapter III of chapter 83 of such title 5.

"(C) The cost of the thrift savings plan under subchapter III of chapter 84 of such title 5.

"(D) The cost of the old age, survivors, and disability insurance taxes imposed under section 3111(a) of the Internal Revenue Code of 1986.

"(3) The retirement system costs of the contractor shall include the cost of the old age, survivors, and disability insurance taxes imposed under section 3111(a) of the Internal Revenue Code of 1986, the cost of thrift or other retirement savings plans, and other relevant retirement costs.

"(b) REQUIREMENT TO CONSULT DOD EMPLOYEES.—(1) Each officer or employee of the Department of Defense responsible for determining under Office of Management and Budget Circular A-76 whether to convert to contractor performance any commercial activity of the Department—

"(A) shall, at least monthly during the development and preparation of the performance work statement and the management efficiency study used in making that determination, consult with civilian employees who will be affected by that determination and consider the views of such employees on the development and preparation of that statement and that study; and

"(B) may consult with such employees on other matters relating to that determination.

"(2)(A) In the case of employees represented by a labor organization accorded exclusive recognition under section 7111 of title 5, United States Code, consultation with representatives of that labor organization shall satisfy the consultation requirement in paragraph (1).

"(B) In the case of employees other than employees referred to in subparagraph (A), consultation with appropriate representatives of those employees shall satisfy the consultation requirement in paragraph (1).

Regulations.

"(3) The Secretary of Defense shall prescribe regulations to carry out this subsection. The regulations shall include provisions for the selection or designation of appropriate representatives of employees referred to in paragraph (2)(B) for purposes of consultation required by paragraph (1).".

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

"2467. Cost comparisons: requirements with respect to retirement costs and consultation with employees.".

SEC. 332. PERFORMANCE OF FIREFIGHTING AND SECURITY GUARD FUNCTIONS AT AMCHITKA, ALASKA

(a) AUTHORITY TO CONTRACT.—The Secretary of the Navy may contract for the performance of firefighting and security guard functions required by the Navy at the over-the-horizon radar site at Amchitka, Alaska.

(b) INAPPLICABILITY OF LIMITATION ON USE OF FUNDS.—Section 2693 of title 10, United States Code, shall not apply with respect to the authority provided in subsection (a).

PART E—DEFENSE SUPPLIES SECURITY AND CONTROL

10 USC 2891 note.

SEC. 341. DEFENSE SUPPLY MANAGEMENT STUDIES AND MODERNIZATION PLAN

(a) DEFENSE INVENTORY SECURITY AND CONTROL ENHANCEMENT STUDY.—(1) The Secretary of Defense shall carry out a study to determine the effectiveness of Department of Defense procedures for ensuring security and control of supplies at Department of Defense depots.

Reports.

(2)(A) Not later than 18 months after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the results of the study. The Secretary may submit the report in both classified and unclassified forms if the Secretary considers it necessary to do so in the interest of national security.

(B) The Secretary of Defense, at the same time as the Secretary submits the report to Congress under subparagraph (A), shall transmit a copy of the report to the Comptroller General of the United States.

(3) The Comptroller General shall—

(A) review the report transmitted by the Secretary of Defense under paragraph (2)(B); and

(B) submit to the Committees on Armed Services of the Senate and the House of Representatives, within 90 days after the date on which the Comptroller General receives such report,

any findings and recommendations on procedures for ensuring the security and control of supplies at Department of Defense depots that the Comptroller General considers appropriate.

(b) ANALYSIS OF SALES OF SURPLUS MUNITIONS.—The Secretary of Defense shall—

(1) conduct a cost-benefit analysis of the practice of selling surplus Department of Defense munitions to the public and to licensed dealers; and

(2) submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than 180 days after the date of the enactment of this Act, a report containing a description and discussion of each such practice. Reports.

(c) SUPPLY TRACEABILITY ENHANCEMENT.—The Secretary of Defense shall—

(1) develop improved methods for the identification of and accounting for individual items of ammunition, explosives, and other Department of Defense supplies that are susceptible to pilferage; and

(2) submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than one year after the date of the enactment of this Act, a report containing a description and discussion of each such method. Reports.

(d) SUPPLY SYSTEM MODERNIZATION PLAN.—The Secretary of Defense shall—

(1) prepare a plan for the modernization of the supply facilities and supply distribution procedures of each of the military departments and Defense Agencies of the Department of Defense; and

(2) not later than one year after the date of the enactment of this Act, transmit a copy of such plan to the Committees on Armed Services of the Senate and the House of Representatives.

SEC. 342. SUPPLY SECURITY AND CONTROL IMPROVEMENTS

(a) SECURITY AND CONTROL OF SUPPLIES: REPORTS, FUNDING, PROCEDURES.—(1) Part IV of subtitle A of title 10, United States Code, is amended by adding at the end the following new chapter:

"CHAPTER 171—SECURITY AND CONTROL OF SUPPLIES

"Sec.
"2891. Security and control of supplies: annual report.
"2892. Miscellaneous procedures.

"§ 2891. Security and control of supplies: annual report

"(a) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report for each of fiscal years 1989, 1990, and 1991 on security and control of Department of Defense supplies. Each such report shall be submitted not later than four months after the end of the fiscal year for which the report is submitted.

"(b) Each report shall include the following:

"(1) A summary of each of the physical inventory program plans of the Department of Defense, the Defense Logistics Agency, and the military departments for the fiscal year in which the report is submitted.

"(2) A discussion of the deficiencies, if any, in the security and control of Department of Defense supplies in the fiscal year preceding the year in which the report is submitted and a discussion of the extent to which such deficiencies have been corrected.

"(3) A discussion of—

"(A) research and development projects carried out by the Department of Defense in such preceding fiscal year for the improvement of the inventory and recordkeeping capabilities of the Department;

"(B) any proposals for expeditious application of any new technology resulting from such projects; and

"(C) the budget needs for research and development for such purpose in the fiscal year in which the report is submitted and any subsequent fiscal year for which the budget needs have been determined.

"(4) The budget authority made available to the Department of Defense for inventory control functions in the fiscal year in which the report is submitted and in each of the five fiscal years preceding such fiscal year.

"(5) The budget authority proposed for such purpose in the budget submitted to Congress under section 1105 of title 31 for the fiscal year following the fiscal year in which the report is submitted.

"(6) The budget authority needed for such purpose in each of the five fiscal years following the fiscal year for which such budget is submitted.

"(7) An evaluation of the effectiveness of supply inventory control in the fiscal year preceding the fiscal year in which the report is submitted, the criteria used by the Secretary to make such evaluation, and the information considered by the Department in making the evaluation, including the value of supplies lost or stolen or for which accountability has otherwise been lost.

"(8) The aggregate statistics for all incidents of theft, fraud, or breach of security involving Department of Defense supplies that were investigated by military or civilian law enforcement agencies during the fiscal year preceding the fiscal year in which the report is submitted (including incidents involving munitions), a summary description of all such incidents (including the circumstances under which the incidents occurred), and the lessons learned by the Department of Defense from such incidents.

"§ 2892. Miscellaneous procedures

"(a) The Secretary of Defense shall require an investigation of each discrepancy in an accounting for supplies of the Department of Defense involving an amount exceeding the amount determined under procedures prescribed by the Secretary. The Secretary shall prescribe procedures that provide for random investigation of physical inventory discrepancies, regardless of the value of the property involved in the discrepancy.

"(b) The Secretary shall, to the extent feasible, require that the job function of supply ordering and the job function of supply receiving be performed by different offices and individuals.

"(c) The Secretary shall ensure—

"(1) that the employees of the Department of Defense and members of the armed forces assigned to manage Department of Defense supplies are skilled in the management of such supplies; and

"(2) that no employee of the Department of Defense and no member of the armed forces is assigned to perform such function for disciplinary reasons.".

(2) The tables of chapters at the beginning of such part and such subtitle are each amended by adding at the end the following new item:

"171. Security and Control of Supplies ..... 2891".

(b) REPORT EXCEPTION.—The Secretary of Defense may omit in the report for any fiscal year under section 2891 of title 10, United States Code, as added by subsection (a), the information relating to any of fiscal years 1983 through 1988, described in subsection (b)(4) of such section, for which the Secretary determines that there are inadequate records.

10 USC 2891 note.

SEC. 343. INVENTORY INVESTIGATIONS

10 USC 2891 note.

(a) UNDERCOVER INVESTIGATIONS.—(1) Congress finds that the use of undercover investigative techniques by the Department of Defense enhances the ability of the Department of Defense to detect and investigate theft of Government property (including munitions) from the Department of Defense supply system.

(2) The Secretary of Defense is urged to continue to conduct undercover investigations to detect and investigate thefts referred to in paragraph (1).

(b) INVENTORY SECURITY INCIDENT REPOSITORY.—The Secretary of Defense shall establish and maintain a centralized computer system for recording and organizing information on theft, fraud, and breach of security and incidents involving the loss of Department of Defense supplies (including munitions).

SEC. 344. REPORTS TO THE SECRETARY OF THE TREASURY OF LOSSES OF MUNITIONS

(a) IN GENERAL.—Chapter 161 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2722. Theft or loss of ammunition, destructive devices, and explosives: report to Secretary of the Treasury

"(a) IN GENERAL.—The Secretary of Defense shall report the theft or other loss of any ammunition, destructive device, or explosive material from the stocks of the Department of Defense to the Secretary of the Treasury within 72 hours, if possible, after the discovery of such theft or loss.

"(b) EXCLUSION FOR CERTAIN ITEMS.—The Secretary of Defense may exclude from the reporting requirement under subsection (a) any item referred to in that subsection if—

"(1) the Secretary determines that the item represents a low risk of danger to the public and would be of minimal utility to any person who may illegally receive such item; and

"(2) the exclusion of such item is specified as being excluded from the reporting requirement in a memorandum of agreement between the Secretary of Defense and the Secretary of the Treasury.

"(c) DEFINITIONS.—In this section:

"(1) The term 'explosive material' means explosives, blasting agents, and detonators.

"(2) The terms 'destructive device' and 'ammunition' have the meanings given those terms by paragraphs (4) and (17), respectively, of section 921 of title 18.".

(b) CLERICAL AMENDMENTS.—(1) Chapter 161 of such title is further amended—

(A) by striking out the chapter heading at the beginning and inserting in lieu thereof the following:

"CHAPTER 161—PROPERTY RECORDS AND REPORT OF THEFT OR LOSS OF CERTAIN PROPERTY"

and

(B) by adding at the end of the table of sections at the beginning of such chapter the following new item:

"2722. Theft or loss of ammunition, destructive devices, and explosives: report to Secretary of the Treasury.".

(2) The tables of chapters at the beginning of part A, and at the beginning of part IV of part A, of such title are each amended by striking out the item relating to chapter 161 and inserting in lieu thereof the following:

"161. Property Records and Report of Theft or Loss of Certain Property..... 2721".

10 USC 2722 note.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect with respect to thefts and losses discovered more than 180 days after the date of the enactment of this Act.

PART F—STUDIES AND REPORTS

SEC. 351. STUDY OF DEPARTMENT OF DEFENSE SAFETY STANDARDS FOR TRANSPORTATION OF HAZARDOUS MATERIALS

Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the adequacy of Department of Defense safety standards for the transportation of hazardous materials.

SEC. 352. REPORT ON THE USE OF DEGRADABLE PLASTIC ITEMS BY DEPARTMENT OF DEFENSE

(a) STUDY.—The Secretary of Defense shall conduct a study of the use of disposable plastic items by the Department of Defense during fiscal year 1989 in order to identify the types of such items used by the Department of Defense and to determine the approximate quantity of those items used annually by the Department of Defense and to identify which of those items are degradable and which are not degradable.

(b) REPORT.—Not later than March 1, 1990, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the results of the study required by subsection (a). The report shall include—

(1) recommendations of the Secretary concerning the feasibility of substituting degradable plastic items for nondegradable plastic items identified in the study that are needed by the Department of Defense; and

(2) a description of—

(A) the availability of degradable plastic items that are suitable substitutes for the nondegradable plastic items identified; and

(B) any additional cost to the United States that would result from conversion to the use of such degradable plastic items over the cost of continued use of the nondegradable plastic items.

SEC. 353. NAVY PARTICIPATION IN FEASIBILITY STUDY OF SUNSET HARBOR PROJECT, CALIFORNIA

(a) REQUIRED FUNDING.—The Secretary of the Navy shall obligate not less than $100,000 as the contribution by the Department of the Navy to the feasibility study by the Army Corps of Engineers of the Sunset Harbor Project, California, which was authorized by Public Law 99-662.

(b) SOURCE OF FUNDS.—For the purpose described in subsection (a), the Secretary of the Navy may use operation and maintenance funds appropriated to or for the use of the Department of the Navy for fiscal year 1989.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

SEC. 401. END STRENGTHS FOR ACTIVE FORCES

The Armed Forces are authorized end strengths for active duty personnel as of September 30, 1989, as follows:

(1) The Army, 771,800, of which not more than 106,927 may be officers.

(2) The Navy, 593,200, of which not more than 72,610 may be officers.

(3) The Marine Corps, 197,200, of which not more than 20,120 may be officers.

(4) The Air Force, 575,100, of which not more than 105,038 may be officers.

SEC. 402. REPEAL OF MANDATORY REDUCTIONS IN STRENGTH OF ACTIVE DUTY OFFICER CORPS

(a) PUBLIC LAW 99-661.—Section 403 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3859) is amended by striking out the last line (relating to September 30, 1989) in the table in subsection (a). 10 USC 521 note.

(b) PUBLIC LAW 100-180.—Section 402(c) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1081) is repealed. 10 USC 521 note.

(c) LIMITATIONS FOR FISCAL YEAR 1990.—(1) The number of officers serving on active duty (excluding officers in categories specified in paragraph (2)) as of September 30, 1990, may not exceed— 10 USC 521 note.

(A) in the case of the Army, 106,427; and

(B) in the case of the Air Force, 102,438.

(2) Officers in the categories described in section 403(b) of the National Defense Authorization Act for Fiscal Year 1987 shall be excluded in counting officers under this subsection.

SEC. 403. TEMPORARY REDUCTION IN NUMBER OF AIR FORCE COLONELS 10 USC 523 note.

The number of officers that (but for this section) would be authorized under section 523 of title 10, United States Code, and

other applicable provisions of law to be serving on active duty in the Air Force in the grade of colonel during fiscal year 1989 is hereby reduced by 125, and the number of such officers that (but for this section) would be so authorized to be serving on active duty during fiscal year 1990 is hereby reduced by 250.

PART B—RESERVE FORCES

SEC. 411. END STRENGTHS FOR SELECTED RESERVE

10 USC 261 note.

(a) AUTHORIZATION.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1989, as follows:

(1) The Army National Guard of the United States, 457,300.
(2) The Army Reserve, 320,600.
(3) The Naval Reserve, 152,600.
(4) The Marine Corps Reserve, 43,600.
(5) The Air National Guard of the United States, 115,200.
(6) The Air Force Reserve, 83,600.
(7) The Coast Guard Reserve, 13,000.

10 USC 261 note.

(b) CONFORMING AMENDMENTS.—(1) Section 411(c) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1082) is amended by striking out "or subsection (b)" and inserting in lieu thereof "or section 411(a) of the National Defense Authorization Act, Fiscal Year 1989".

(2) Section 411(d) of such Act is amended by striking out "subsections (a) and (b)" and inserting in lieu thereof "subsection (a) and by section 411(a) of the National Defense Authorization Act, Fiscal Year 1989".

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES

Within the strengths prescribed in section 411, the reserve components of the Armed Forces are authorized, as of September 30, 1989, 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, 25,725.
(2) The Army Reserve, 13,329.
(3) The Naval Reserve, 21,991.
(4) The Marine Corps Reserve, 1,945.
(5) The Air National Guard of the United States, 7,948.
(6) The Air Force Reserve, 657.

SEC. 413. CLARIFICATION OF APPLICABILITY OF PRIOR AMENDMENTS RELATING TO NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES

The provisions of section 5 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1020) may not be construed as applying to the amendments made by subsections (a)(2) and (b)(2) of section 413 of such Act.

PART C—MILITARY TRAINING

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS

(a) IN GENERAL.—For fiscal year 1989, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 80,281.
(2) The Navy, 65,925.
(3) The Marine Corps, 18,064.
(4) The Air Force, 36,857.
(5) The Army National Guard of the United States, 19,561.
(6) The Army Reserve, 17,190.
(7) The Naval Reserve, 3,136.
(8) The Marine Corps Reserve, 3,459.
(9) The Air National Guard of the United States, 2,868.
(10) The Air Force Reserve, 1,827.

(b) ADJUSTMENTS.—The average military student loads authorized in subsection (a) shall be adjusted consistent with the end strengths authorized in parts A and B. The Secretary of Defense shall prescribe the manner in which such adjustment shall be apportioned.

PART D—AUTHORIZATION OF APPROPRIATIONS

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL FOR FISCAL YEAR 1989

There is hereby authorized to be appropriated to the Secretary of Defense for military personnel for fiscal year 1989 a total of $78,461,000,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1989.

TITLE V—MILITARY PERSONNEL POLICY

PART A—OFFICER PERSONNEL POLICY

SEC. 501. SELECTION BOARDS

(a) INFORMATION FURNISHED TO BOARDS.—Section 615 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out clause (4) and inserting in lieu thereof the following:

"(4) information or guidelines relating to the needs of the armed force concerned for officers having particular skills, including guidelines or information relating to the need for either a minimum number or a maximum number of officers with particular skills within a competitive category;"; and

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

"(c) Information or guidelines furnished to a selection board under subsection (a) may not be modified, withdrawn, or supplemented after the board submits the report to the Secretary of the military department concerned pursuant to section 617(a) of this title, except that, in the case of a report returned to a board pursuant to section 618(a)(2) of this title for further proceedings because of a determination by the Secretary of the military department concerned that the board acted contrary to law, regulation, or guidelines, the Secretary may modify, withdraw, or supplement such information or guide- Reports.

lines as part of a written explanation to the board as provided in that section.".

10 USC 616.

(b) RECOMMENDATIONS FOR PROMOTION.—Section 616(a) of such title is amended by inserting "(as noted in the guidelines or information furnished the board under section 615(a) of this title)" after "particular skills".

(c) REPORTS OF SELECTION BOARD.—Section 617(a)(2) of such title is amended by inserting "(as noted in the guidelines or information furnished the board under section 615(a) of this title)" after "concerned".

(d) ACTION ON REPORTS.—(1) Subsection (a) of section 618 of such title is amended to read as follows:

"(a)(1) Upon receipt of the report of a selection board submitted to him under section 617(a) of this title, the Secretary of the military department concerned shall review the report to determine whether the board has acted contrary to law or regulation or to guidelines furnished the board under section 615(a) of this title. Following such review, unless the Secretary concerned makes a determination as described in paragraph (2), the Secretary shall submit the report as required by subsection (b) or (c), as appropriate.

"(2) If, on the basis of a review of the report under paragraph (1), the Secretary of the military department concerned determines that the board acted contrary to law or regulation or to guidelines furnished the board under section 615(a) of this title, the Secretary shall return the report, together with a written explanation of the basis for such determination, to the board for further proceedings. Upon receipt of a report returned by the Secretary concerned under this paragraph, the selection board (or a subsequent selection board convened under section 611(a) of this title for the same grade and competitive category) shall conduct such proceedings as may be necessary in order to revise the report to be consistent with law, regulation, and such guidelines and shall resubmit the report, as revised, to the Secretary in accordance with section 617 of this title.".

(2) Subsection (c)(1) of such section is amended—

(A) by striking out ", modification,"; and

(B) by adding at the end the following: "If the authority of the President under this paragraph to approve or disapprove the report of a selection board is delegated to the Secretary of Defense, it may not be redelegated except to an official in the Office of the Secretary of Defense.".

10 USC 615 note.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect 60 days after the date of the enactment of this Act and shall apply with respect to selection boards convened under section 611(a) of title 10, United States Code, on or after that effective date.

SEC. 502. REMOVAL FROM PROMOTION LIST

(a) AUTHORITY TO REMOVE.—The first sentence of section 5905(a) of title 10, United States Code, is amended to read as follows: "The President may remove the name of any reserve officer from a promotion list established under this chapter.".

President of U.S.
10 USC 5905 note.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to removal actions taken by the President on or after the date of the enactment of this Act.

SEC. 503. SELECTIVE EARLY RETIREMENT FOR CERTAIN PRE-DOPMA NAVY AND MARINE CORPS OFFICERS

(a) CONFORMANCE TO ARMY AND AIR FORCE PROVISIONS.—Subsection (a)(2) of section 613 of the Defense Officer Personnel Management Act (Public Law 96-513; 10 U.S.C. 611 note) is amended—

(1) by striking out "or" at the end of clause (B);

(2) by striking out the period at the end of clause (C) and inserting in lieu thereof "; or"; and

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

"(D) selected for early retirement under section 638 of title 10, United States Code.".

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

(1) by striking out "on the effective date of this Act" in the matter in subsection (a)(1) preceding clause (A) and inserting in lieu thereof "on September 15, 1981"; and

(2) by striking out "on the day before the effective date of this Act" each place it appears in such section and inserting in lieu thereof "on September 14, 1981".

SEC. 504. TECHNICAL REVISION OF SECTION 638 OF TITLE 10, UNITED STATES CODE

Subsection (a) of section 638 of title 10, United States Code, is amended to read as follows:

"(a)(1) A regular officer on the active-duty list of the Army, Navy, Air Force, or Marine Corps may be considered for selective early retirement by a selection board convened under section 611(b) of this title if the officer is described in any of subparagraphs (A) through (D) as follows:

"(A) An officer holding the regular grade of lieutenant colonel or commander who has failed of selection for promotion to the grade of colonel or, in the case of an officer of the Navy, captain two or more times and whose name is not on a list of officers recommended for promotion.

"(B) An officer holding the regular grade of colonel or, in the case of an officer of the Navy, captain who has served at least four years of active duty in that grade and whose name is not on a list of officers recommended for promotion.

"(C) An officer holding the regular grade of brigadier general or rear admiral (lower half) who has served at least three and one-half years of active duty in that grade and whose name is not on a list of officers recommended for promotion.

"(D) An officer holding the regular grade of major general or rear admiral who has served at least three and one-half years of active duty in that grade.

"(2) The Secretary of the military department concerned shall specify the number of officers described in paragraphs (1)(A) and (1)(B) which a selection board convened under section 611(b) of this title may recommend for early retirement. Such number may not be more than 30 percent of the number of officers considered in each grade in each competitive category.".

PART B—JOINT OFFICER PERSONNEL POLICY

SEC. 511. WAIVER AUTHORITY WITH RESPECT TO SELECTION OF OFFICERS FOR THE JOINT SPECIALTY

The last sentence of section 661(c)(3)(D) of title 10, United States Code, is amended—

(1) by inserting "for officers in the same pay grade" after "under this paragraph";

(2) by striking out "5 percent" and inserting in lieu thereof "10 percent"; and

(3) by inserting "in that pay grade" after "number of officers".

SEC. 512. JOINT SPECIALTY OFFICERS IN CRITICAL JOINT DUTY ASSIGNMENTS

(a) FLEXIBILITY FOR CRITICAL JOINT DUTY ASSIGNMENT POSITIONS.—Section 661(d)(2) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(2)";

(2) by striking out the last sentence; and

(3) by adding at the end the following:

"(B) Until January 1, 1994, at least 80 percent of the positions designated by the Secretary under subparagraph (A) shall be held at all times by officers who have the joint specialty. On and after January 1, 1994, each position so designated may (subject to subparagraph (C)) be held only by an officer who has the joint specialty.

"(C) The Secretary of Defense may, on a case-by-case basis, waive the requirement in the second sentence of subparagraph (B) with respect to a particular assignment of an officer to a position designated as a critical joint duty assignment position. The authority of the Secretary to make such a waiver may be delegated only to the Chairman of the Joint Chiefs of Staff.

Reports.

"(D) During the period beginning on October 1, 1992, and ending on January 1, 1993, the Secretary of Defense shall submit to Congress a report on the operation, to the date of the report, of the first sentence of subparagraph (B) and on the Secretary's projection for the use of the waiver authority provided under subparagraph (C), including the Secretary's estimate of the average annual number of waivers to be provided under subparagraph (C).".

(b) REVISION OF ANNUAL REPORT.—Section 667 of such title is amended—

(1) by redesignating paragraph (16) as paragraph (17); and

(2) inserting after paragraph (15) the following new paragraph:

"(16) During the period of the applicability of the first sentence of subparagraph (B) of section 661(d)(2) of this title, information on critical positions not filled by officers with the joint specialty, including—

"(A) a listing by organization of the joint duty assignment positions which were not filled by officers with the joint specialty;

"(B) an explanation of the reasons such positions were not filled by officers with the joint specialty, described by the categories of such reasons; and

"(C) the percentage of critical joint duty assignment positions held by officers who have the joint specialty.".

SEC. 513. PROMOTION POLICY OBJECTIVES FOR OFFICERS WITH THE JOINT SPECIALTY

Section 662(a) of title 10, United States Code, is amended by inserting "to the next higher grade" in paragraphs (1) and (3) after "promoted".

SEC. 514. LENGTH OF JOINT DUTY ASSIGNMENTS

Section 664 of title 10, United States Code, is amended as follows:

(1) Subsection (a) is amended—

(A) by striking out "three years" in paragraph (1) and inserting in lieu thereof "two years"; and

(B) by striking out "three and one-half years" in paragraph (2) and inserting in lieu thereof "three years".

(2) Subsection (c)(1) is amended—

(A) by striking out "has been" and inserting in lieu thereof "is"; and

(B) by striking out "before such assignment begins".

(3) Subsection (d)(2) is amended by inserting "which is less than the applicable standard prescribed in subsection (a)" after "Hawaii".

(4) Subsection (f) is amended—

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

(B) by striking out the period at the end of paragraph (3) and inserting in lieu a semicolon; and

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

"(4) a joint duty assignment outside the United States or in Alaska or Hawaii for which the normal accompanied-by-dependents tour of duty is prescribed by regulation to be at least two years in length, if the officer serves in the assignment for a period equivalent to the accompanied-by-dependents tour length (except that not more than 6 percent of all joint duty assignments may be considered to be under this paragraph at any time); or

Alaska.
Hawaii.

"(5) a joint duty assignment with respect to which the Secretary of Defense has granted a waiver under subsection (b), but only in a case in which the Secretary determines that the service completed by that officer in that duty assignment shall be considered to be a full tour of duty in a joint duty assignment.".

(5) Subsection (g)(3) is amended by striking out "shall be excluded—" and all that follows in that subsection and inserting in lieu thereof "shall be excluded if the officer served less than 10 months in that assignment.".

(6) Such section is further amended by adding at the end the following new subsection:

"(h) CONSTRUCTIVE CREDIT.—(1) The Secretary of Defense may accord constructive credit in the case of an officer (other than a general or flag officer) who, for reasons of military necessity, is reassigned from a joint duty assignment within 60 days of meeting the tour length criteria prescribed in subsection (f)(1), (f)(2), (f)(4), or (g)(2). The amount of constructive service that may be credited to such officer shall be the amount sufficient for the completion of the applicable tour of duty requirement, but in no case more than 60 days.

"(2) For the purpose of computing under subsection (e) the average length of joint duty assignments during a fiscal year, the amount of any constructive service credited under this subsection with respect

to a joint duty assignment to be counted in that computation shall be excluded.

"(3) This subsection shall not apply in the case of an officer who serves less than 10 months in the joint duty assignment.".

SEC. 515. ADDITIONAL TRANSITION PROVISIONS FOR IMPLEMENTATION OF PREREQUISITE FOR PROMOTION TO INITIAL FLAG AND GENERAL OFFICER GRADE

(a) NAVY NUCLEAR PROPULSION OFFICERS.—(1) Section 619(e) of title 10, United States Code, is amended—

(A) by striking out "January 1, 1992" in the second sentence of paragraph (1) and inserting in lieu thereof "January 1, 1994"; and

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

Reports.

"(5) Not later than March 1 of each year from 1989 through 1994, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation during the preceding calendar year of the transition plan developed by the Secretary pursuant to section 1305(b) of Public Law 100-180 (101 Stat. 1173) with respect to service by qualified nuclear propulsion officers in joint duty assignments.".

10 USC 619 note.

(2) Section 1305(b) of Public Law 100-180 is amended by striking out "January 1, 1992" each place it appears and inserting in lieu thereof "January 1, 1994".

10 USC 619 note.

Reports.

(3) The Secretary of Defense, after consultation with the Chairman of the Joint Chiefs of Staff, shall revise the transition plan developed pursuant to section 1305(b) of Public Law 100-180 to take account of the amendments made by paragraphs (1) and (2). The Secretary shall include with the first report of the Secretary under section 619(e)(5) of title 10, United States Code, as added by paragraph (1)(B), a report on the actions of the Secretary in revising such transition plan.

(b) WAIVER AUTHORITY.—(1) Paragraph (2) of section 619(e) of title 10, United States Code, is amended—

(A) by striking out "and" at the end of subparagraph (C); and

(B) by striking out subparagraph (D) and inserting in lieu thereof the following:

"(D) in the case of an officer who served in a joint duty assignment that began before January 1, 1987, if the officer served in that assignment for a period of sufficient duration (which may not be less than 12 months) for his service to have been considered a full tour of duty under the policies and regulations in effect on September 30, 1986; and

"(E) until January 1, 1994, in the case of an officer who—

"(i) served in an assignment (other than a joint duty assignment) that began before October 1, 1986, and that involved significant experience in joint matters (as determined by the Secretary) if the officer served in that assignment for a period of sufficient duration (which may not be less than 12 months) for his service to have been considered a full tour of duty under the policies and regulations in effect on September 30, 1986; or

"(ii) served in a joint duty assignment for not less than two years during which the officer is selected for promotion to the grade of brigadier general or rear admiral (lower half).".

(2) Paragraph (3)(C) of such section is amended by striking out "paragraph (2)(B), (2)(C), or (2)(D)" and inserting in lieu thereof "paragraph (2) (other than under subparagraph (A) of that paragraph)".

SEC. 516. EXTENSION OF TRANSITION TO JOINT DUTY ASSIGNMENT STAFFING REQUIREMENTS

(a) GENERAL EXTENSION.—Subsection (a) of section 406 of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433; 100 Stat. 1033) is amended to read as follows: 10 USC 661 note.

"(a) JOINT DUTY ASSIGNMENTS.—(1) Section 661(d) of title 10, United States Code, shall be implemented as rapidly as possible and (except as provided under paragraph (2)) not later than October 1, 1989.

"(2) The first sentence of section 661(d)(2)(B) of such title shall apply with respect to positions designated under the first sentence of section 661(d)(2)(A) of that title as critical joint duty assignment positions which become vacant after January 1, 1989.".

(b) TRANSITION.—Subsection (b)(1)(B) of such section is amended by striking out clauses (ii) and (iii) and inserting in lieu thereof the following:

"(ii) waive the requirement for the length of a joint duty assignment in the case of a joint duty assignment begun by an officer before January 1, 1987, if the officer served in that assignment for a period of sufficient duration (which may not be less than 12 months) to have been considered a full tour of duty under the policies and regulations in effect on September 30, 1986; or

"(iii) consider as a joint duty assignment any tour of duty begun by an officer before October 1, 1986, that involved significant experience in joint matters (as determined by the Secretary) if the officer served in that assignment for a period of sufficient duration (which may not be less than 12 months) for his service to have been considered a full tour of duty under the policies and regulations in effect on September 30, 1986.".

(c) DEADLINE FOR INITIAL SELECTION OF OFFICERS FOR THE JOINT SPECIALTY.—Subsection (b)(3) of such section is amended by striking out "two years after the date of the enactment of this Act" and inserting in lieu thereof "on October 1, 1989".

SEC. 517. COUNTING OF OFFICERS WITH CRITICAL OCCUPATIONAL SPECIALTY INVOLVING COMBAT OPERATIONS FOR PURPOSES OF JOINT DUTY ASSIGNMENT STAFFING AND TOUR LENGTHS

(a) STAFFING.—Section 661(d)(4) of title 10, United States Code, is amended by striking out "one-third" and inserting in lieu thereof "25 percent".

(b) TOUR LENGTHS.—Section 664(e)(2) of such title is amended by striking out "10 percent" and inserting in lieu thereof "12½ percent".

SEC. 518. SERVICE BY CAPTAINS AND NAVY LIEUTENANTS IN JOINT DUTY ASSIGNMENT TO BE COUNTED FOR ALL OFFICER PERSONNEL LAWS CONCERNING SUCH SERVICE

Section 661 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) TREATMENT OF CERTAIN SERVICE.—Any service by an officer in the grade of captain or, in the case of the Navy, lieutenant in a joint duty assignment shall be considered to be service in a joint duty assignment for purposes of all laws (including section 619(e)(1) of this title) establishing a requirement or condition with respect to an officer's service in a joint duty assignment.".

SEC. 519. TECHNICAL AMENDMENTS

(a) AMENDMENTS RELATING TO JOINT DUTY ASSIGNMENTS.—(1) Section 154(b)(1)(B) of title 10, United States Code, is amended by striking out "served in at least one joint duty assignment (as defined under section 668(b) of this title)" and inserting in lieu thereof "completed a full tour of duty in a joint duty assignment (as defined in section 664(f) of this title)".

(2) Section 164(a)(1)(B) of such title is amended by striking out "served in at least one joint duty assignment (as defined under section 668(b) of this title)" and inserting in lieu thereof "completed a full tour of duty in a joint duty assignment (as defined in section 664(f) of this title)".

(3) Sections 3033(a)(2)(B), 5033(a)(2)(B), 5043(a)(2)(B), and 8033(a)(2)(B) of such title are amended by striking out "joint duty assignment" and inserting in lieu thereof "full tour of duty in a joint duty assignment (as defined in section 664(f) of this title)".

(b) CORRECTION OF ERRONEOUS SUBSECTION DESIGNATION.—Section 668 of such title is amended by redesignating subsection (f) as subsection (c).

PART C—MISCELLANEOUS

SEC. 521. TESTING OF NEW ENTRANTS FOR DRUG AND ALCOHOL ABUSE

(a) REVISION OF MANDATORY TESTING PROGRAM.—(1) Section 978 of title 10, United States Code, is amended to read as follows:

"§ 978. Drug and alcohol abuse and dependency: testing of new entrants

"(a)(1) Except as provided in paragraph (2), the Secretary concerned shall require each member of the armed forces under the Secretary's jurisdiction, within 72 hours after the member's initial entry on active duty after enlistment or appointment, to—

"(A) undergo testing (by practicable, scientifically supported means) for drug and alcohol use; and

"(B) be evaluated for drug and alcohol dependency.

"(2) The Secretary concerned shall require an applicant for appointment as a cadet or midshipman to undergo the testing and evaluation described in paragraph (1) during the physical examination given the applicant before such appointment. The Secretary concerned shall require a person to whom a commission is offered under section 2106 of this title following completion of the program of advanced training under the Reserve Officers' Training Corps program to undergo such testing and evaluation during the precommissioning physical examination given such person.

"(b) A person who refuses to consent to testing and evaluation required by subsection (a) may not be retained in the armed forces, and any original appointment of such person as an officer shall be terminated, unless that person consents to such testing and evaluation.

"(c)(1) The enlistment or appointment of a person who is determined, as a result of an evaluation conducted under subsection (a)(1)(B), to be dependent on drugs or alcohol at the time of such enlistment or appointment shall be void.

"(2) A person whose enlistment or appointment is voided under paragraph (1) shall be referred to a civilian treatment facility.

"(d) The testing and evaluation required by subsection (a) shall be carried out under regulations prescribed by the Secretary of Defense in consultation with the Secretary of Transportation. Those regulations shall apply uniformly throughout the armed forces. Regulations.

"(e) In time of war, or time of emergency declared by Congress or the President, the President may suspend the provisions of subsection (a).".

(2) The item relating to that section in the table of sections at the beginning of chapter 49 of such title is amended to read as follows:

"978. Drug and alcohol abuse and dependency: testing of new entrants.".

(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations for the implementation of section 978 of title 10, United States Code, as amended by subsection (a), not later than 60 days after the date of the enactment of this Act. 10 USC 978 note.

(c) EFFECTIVE DATE.—The testing and evaluation program prescribed by that section shall be implemented not later than October 1, 1989. 10 USC 978 note.

(d) CONFORMING AMENDMENT.—Section 513(b)(2) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1091) is repealed. 10 USC 978 note.

SEC. 522. REQUIREMENT TO ACCEPT PERSONS ENLISTING IN THE AIR FORCE ON GENDER-FREE BASIS

(a) REQUIREMENT.—(1) Chapter 833 of title 10, United States Code, is amended by inserting after section 8251 the following new section:

"§ 8252. Regular Air Force: gender-free basis for acceptance of original enlistments

"(a) Except as provided in subsection (b), in accepting persons for original enlistment in the Regular Air Force, the Secretary of the Air Force may not—

"(1) set a minimum or maximum percentage of persons who may be accepted for such an enlistment according to gender for skill categories or jobs; or

"(2) in any other way base the acceptance of a person for such an enlistment on gender.

"(b) Subsection (a) shall not apply with respect to an enlistment specified as being for training leading to designation in a skill category involving duty assignments to which, under section 8549 of this title, female members of the Air Force may not be assigned.". Women.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8251 the following new item:

"8252. Regular Air Force: gender-free basis for acceptance of original enlistments.".

(b) IMPLEMENTATION.—The Secretary of the Air Force shall develop a methodology for implementing section 8252 of title 10, United States Code, as added by subsection (a), not later than October 1, 1989. 10 USC 8252 note.

10 USC 8252 note.

(c) EFFECTIVE DATE.—Such section shall apply with respect to persons accepted for original enlistment in the Regular Air Force after September 30, 1989.

(d) REPEAL OF FY 89 REQUIREMENT FOR SPECIFIED PERCENTAGE OF AIR FORCE ENLISTEES TO BE WOMEN.—Section 551(a) of the Department of Defense Authorization Act, 1985 (10 U.S.C. 8251 note), is repealed.

32 USC 709 note.

SEC. 523. MILITARY EDUCATION FOR ARMY NATIONAL GUARD CIVILIAN TECHNICIANS

(a) PHASE-OUT OF PROGRAM REQUIRING OUT-OF-STATE TRAINING.—A civilian technician of the Army National Guard whose military occupational specialty has been approved by the Secretary of the Army in accordance with subsection (b) for training under the Reserve Component Noncommissioned Officers Education Program by an appropriate National Guard school (as defined in subsection (f)) shall, if such technician is not already qualified in that military occupational specialty, receive military training in that military occupational specialty through that school rather than through the Military Education Program.

(b) APPROVAL OF STATE COURSES.—(1) Each National Guard school which receives from the Department of the Army a training program for National Guard training for a military occupational specialty as part of the Reserve Component Noncommissioned Officers Education Program shall implement that training program by the end of the 45-day period beginning on the receipt of such program by the school or as soon thereafter as feasible. The Secretary of the Army shall, not later than 45 days after any such school notifies the Secretary that it has implemented such a training program, determine whether or not such school has properly implemented such program. Upon the approval by the Secretary of the implementation of such program by such school, subsection (a) shall apply with respect to military education of civilian technicians of the Army National Guard of that State in the applicable military occupational specialty.

(2) In the case of a National Guard school for which a program has not been approved under paragraph (1) with respect to a military occupational specialty, the Secretary of the Army may, subject to subsection (d), require a civilian technician of the Army National Guard in that State with that military occupational specialty to receive training through the Military Education Program.

(c) SPECIAL RULE FOR LEADERSHIP TRAINING.—A civilian technician of the Army National Guard who is required by the National Guard Bureau to receive leadership training through courses known as Primary Leadership Development courses shall receive such training through the appropriate State National Guard school.

(d) TRANSITION.—In the case of a civilian technician of the Army National Guard for whose military occupational specialty there is not, as of the date of the enactment of this Act, a program of training approved under subsection (b) for an appropriate National Guard school, the technician shall, at his request, be given the Skill Qualification Test appropriate for his military occupational specialty and skill level. If the technician passes the test and, if necessary for his military occupational specialty, successfully completes the Army National Guard Battle Skills Course for the appropriate grade, the Secretary of the Army may not require the technician to receive training through the existing Military

Education Program and may not reduce the technician in military grade, or deny the technician a military promotion, by reason of failure to receive training through the Military Education Program.

(e) REPORT.—The Secretary of the Army shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation of the Reserve Component Noncommissioned Officers Education Program. The report shall discuss the implementation of such program at each State National Guard school and shall explain, in any case in which the implementation of a training program has not been approved under subsection (b), the reasons for the withholding of such approval. Such report shall be submitted not later than December 31, 1988.

(f) DEFINITIONS.—For purposes of this section:

(1) The term "National Guard school", with respect to a civilian technician, means a National Guard school of that technician's State, or (2) a regional National Guard school designated by the Secretary of the Army for the region including that technician's State.

(2) The term "State" includes the District of Columbia and any commonwealth, territory, or possession of the United States.

SEC. 524. EXPANSION OF MILITARY SPOUSE EMPLOYMENT PREFERENCE

Section 806(b)(2) of the Military Family Act of 1985 (10 U.S.C. 113 note) is amended—

(1) by striking out "hiring" the first place it appears;

(2) by inserting "civilian" before "position" the first place it appears; and

(3) by striking out "above Grade GS-1 (or its equivalent)".

SEC. 525. MANPOWER ESTIMATES FOR MAJOR DEFENSE ACQUISITION PROGRAMS

Section 2434 of title 10, United States Code, is amended—

(1) in subsection (a)(2), by striking out "90 days" and inserting in lieu thereof "30 days";

(2) by redesignating subsection (b) as subsection (c) and in paragraph (3)(A) of that subsection striking out "both in total personnel and" and inserting in lieu thereof "in total personnel or in"; and

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

"(b) EXCEPTIONS.—(1) Subsection (a)(2) shall not apply during time of war or during a national emergency declared by Congress or the President.

"(2) The 30-day period specified in subsection (a)(2) shall be reduced to 10 days in the case of a major defense acquisition program if the manpower estimate submitted by the Secretary of Defense under subsection (a)(2) with respect to that program indicates that no increase in military or civilian personnel end strengths described in subsection (c)(3)(B) will be required.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1989

37 USC 1009 note.

(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 1989 shall not be made.

Effective date.

(b) INCREASE IN BASIC PAY AND BAS.—The rates of basic pay and basic allowance for subsistence of members of the uniformed services are increased by 4.1 percent effective on January 1, 1989.

Effective date.
37 USC 403 note.

(c) INCREASE IN BAQ.—(1) The rates of basic allowance for quarters for members of the uniformed services are increased by 7 percent effective on January 1, 1989.

(2) The President may allocate the increase in the rates of basic allowance for quarters provided in paragraph (1) among pay grades and dependency categories so that the resulting rates of basic allowance for quarters, expressed in the case of each such rate as a percentage determined under paragraph (3), are as nearly as practicable the same.

(3) The percentage of the rate of basic allowance for quarters for any pay grade and dependency status to be applied for the purpose of paragraph (2) is the percentage that results from dividing such rate by the national median cost of housing (as determined by the Secretary of Defense) for members of that pay grade and dependency status.

(4) An allocation under paragraph (2) may not reduce the rate of basic allowance for quarters for members in any pay grade and dependency status below the rate in effect with respect to such members on December 31, 1988.

(5) The Secretary of Defense may establish separate rates of basic allowance for quarters for commissioned officers credited with over four years of active service as enlisted members or warrant officers.

Effective date.

(d) INCREASE IN CADET AND MIDSHIPMAN PAY.—Effective January 1, 1989, section 203(c)(1) of title 37, United States Code, is amended by striking out "$504.30" and inserting in lieu thereof "$525".

SEC. 602. ALLOWANCE FOR TRANSPORTATION OF HOUSEHOLD GOODS

(a) ALLOWANCE.—Section 406(b)(1) of title 37, United States Code, is amended—

(1) by striking out "within such weight allowances prescribed by the Secretaries concerned" in subparagraph (A) and inserting in lieu thereof "within the weight allowances listed in subparagraph (C)"; and

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

Regulations.

"(C) Under regulations prescribed by the Secretary of Defense, the weight allowance to which a member is entitled under subparagraph (A) is determined in accordance with the following table:

"Pay Grade	Without Dependents	With Dependents
O-10 to O-6	18,000	18,000
O-5	16,000	17,500
O-4	14,000	17,000

"Pay Grade	Without Dependents	With Dependents
O-3	13,000	14,500
O-2	12,500	13,500
O-1	10,000	12,000
W-4	14,000	17,000
W-3	13,000	14,500
W-2	12,500	13,500
W-1	10,000	12,000
E-9	12,000	14,500
E-8	11,000	13,500
E-7	10,500	12,500
E-6	8,000	11,000
E-5	7,000	9,000
E-4 [1]	7,000	8,000
E-4 [2]	3,500	7,000
E-3	2,000	5,000
E-2	1,500	5,000
E-1	1,500	5,000

[1] Member with more than two years of service computed under section 205 of this title.
[2] Member with less than two years of service computed under section 205 of this title".

(b) EFFECTIVE DATE.—The weight allowances in section 406(b)(1)(C) of title 37, United States Code (as added by subsection (a)), shall apply with respect to transportation of baggage and household effects occurring after June 30, 1989. 37 USC 406 note.

PART B—SPECIAL PAY FOR CRITICAL PERSONNEL

SEC. 611. AVIATOR RETENTION BONUS

37 USC 301b note. Contracts.

(a) BONUS AUTHORIZED.—(1) An aviation officer described in subsection (b) who, during the period beginning on January 1, 1989, and ending on September 30, 1989, executes a written agreement to remain on active duty in aviation service for at least one year may, upon the acceptance of the written agreement by the Secretary concerned, be paid a retention bonus as provided in this section.

(2) The amount of such bonus shall be not more than—

(A) $12,000 for each year covered by the agreement, if the officer agrees to remain on active duty to complete 14 years of commissioned service; or

(B) $6,000 for each year covered by the agreement, if the officer agrees to remain on active duty for one or two years.

(3) The term of the agreement and the amount of payment may be prorated as long as an agreement under this section does not extend beyond the date on which the officer would complete 14 years of commissioned service.

(4) Upon the officer's acceptance of the agreement, the total amount payable becomes fixed and may be paid in either a lump sum or in installments.

(b) COVERED OFFICERS.—(1) This section applies to an officer of a uniformed service who—

(A) is entitled to aviation career incentive pay under section 301a of title 37, United States Code;

(B) is in a pay grade below pay grade O-6;

(C) is qualified to perform operational flying duty;

(D) has completed at least six but less than 13 years of active duty;

(E) has completed any active duty service commitment incurred for undergraduate aviator training; and

(F) is in an aviation specialty designated by the Secretary concerned, and approved by the Secretary of Defense or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, as critical.

(2) For purposes of paragraph (1)(F), an aviation specialty shall be considered subject to designation as critical when there exists a current shortage of officers in that specialty.

(c) ADDITIONAL PAY.—A retention bonus under this section is in addition to any other pay and allowances to which an officer is entitled.

Contracts.

(d) REFUNDS.—(1) Refunds shall be required, on a pro rata basis, of sums paid under this section if the officer who has received the payment fails to complete the total period of active duty specified in the agreement, as conditions and circumstances warrant.

(2) An obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

(3) A discharge in bankruptcy under title 11, United States Code, that is entered less than 5 years after the termination of an agreement under this section does not discharge the member signing such agreement from a debt arising under such agreement or under paragraph (1). This paragraph applies to any case commenced under title 11, United States Code, after January 1, 1989.

Effective date.

(e) CERTAIN PAY AGREEMENTS PROHIBITED.—An agreement for special pay under section 301b of title 37, United States Code, may not be accepted by the Secretary of Defense after December 31, 1988.

(f) REGULATIONS.—This section shall be administered under regulations prescribed by the Secretaries concerned and approved by the Secretary of Defense or the Secretary of Transportation, as appropriate.

(g) DEFINITIONS.—In this section:

(1) The term "aviation service" means the service performed by an officer holding an aeronautical rating or designation (except a flight surgeon or other medical officer).

(2) The term "aviation specialty" means a community of pilots or other designated aeronautical officers identified by type of aircraft or weapon system.

(3) The term "operational flying duty" has the meaning given such term by clause (6) of section 301a(a) of title 37, United States Code.

(4) The terms "grade", "member", "pay", "Secretary concerned", and "uniformed services" have the meanings given those terms by section 101 of title 37, United States Code.

(h) REPORTS.—(1) Not later than November 15, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report describing the manner in which the authority provided in this section is to be used. The report shall include a description of the relative level of payments between officers with various amounts of aviation service by aviation specialty.

(2) Not later than December 1, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a comprehensive report on the retention of aviators in the Armed Forces. The report shall include, at a minimum, the following:

(A) An analysis of aviator requirements and inventories (current and projected) of the Armed Forces by grade and years of service, including a list of those aviators who are assigned to duty other than operational flying duty and a justification for such assignments.

(B) An analysis of current and projected aviator retention rates in the Armed Forces and of those current and projected retention rates actually needed to meet the requirements of the Armed Forces.

(C) Such recommendations as the Secretary considers appropriate regarding—

(i) the initial active duty service commitment of aviators;

(ii) the integration of the aviator career incentive pay under section 301a of title 37, United States Code, and the retention bonus under this section into a structure that more efficiently supports the retention requirements for aviators in the Armed Forces; and

(iii) changes in the aviator management policies of the Armed Forces that would eliminate the disincentives cited by aviators as retention detractors.

(D) Specific proposals for such legislation as the Secretary considers necessary to retain on active duty the aviators required to meet the needs of the Armed Forces.

(i) LIMITATION ON OBLIGATIONS.—The total amount of payments made to officers of the Air Force during fiscal year 1989 under this section may not exceed $36,200,000.

(j) TERMINATION OF AUTHORITY.—If both reports required by paragraphs (1) and (2) of subsection (h) are not received by the committees named in such paragraphs by the respective dates specified in such paragraphs, the authority to make payments under this section shall terminate effective December 2, 1988.

SEC. 612. MEDICAL OFFICER RETENTION BONUS

37 USC 302 note.
Contracts.

(a) BONUS AUTHORIZED.—(1) A medical officer described in subsection (b) who, during the period beginning on January 1, 1989, and ending on September 30, 1989, executes a written agreement to remain on active duty for at least two years after completion of any other active-duty service commitment may, upon acceptance of the written agreement by the Secretary concerned, be paid a retention bonus as provided in this section.

(2) The amount of such retention bonus shall be not more than $20,000 for each year covered by the agreement.

(b) COVERED OFFICERS.—This section applies to an officer of a uniformed service who—

(1) is an officer of the Medical Corps of the Army or the Navy or an officer of the Air Force designated as a medical officer;

(2) is in a pay grade below pay grade 0-7;

(3) has at least eight years of creditable service (computed as described in section 302(g) of title 37, United States Code); and

(4) has completed any active-duty service commitment incurred for medical education and training (or will have completed any such commitment before October 1, 1991).

(c) LIMITATION ON TOTAL COMPENSATION.—The Secretary of Defense shall ensure that no officer receives pay under this section which, when added to all other pay and allowances such officer receives pursuant to titles 10 and 37, United States Code, results in such officer receiving total compensation in an amount that exceeds

the total compensation paid to comparable physicians (considering age, education, experience, certification, training, and other appropriate criteria), as determined by the Secretary, who are civilian physicians employed in the private sector in employment other than self-employment. The Secretary shall target payments under this section to officers in categories in which the most severe shortages exist in the Department of Defense.

(d) ADMINISTRATION AND IMPLEMENTATION.—The provisions of subsections (a) and (b) of section 303a of title 37, United States Code, shall apply to the administration of this section as if a reference to this section were included in the list of sections referred to in such subsections.

Contracts.

(e) REFUNDS.—(1) Refunds shall be required, on a pro rata basis, of sums paid under this section if the officer who has received the payment fails to complete the total period of active duty specified in the agreement, as conditions and circumstances warrant.

(2) An obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

(3) A discharge in bankruptcy under title 11, United States Code, that is entered less than 5 years after the termination of an agreement under this section does not discharge the member signing such agreement from a debt arising under such agreement or under paragraph (1). This paragraph applies to any case commenced under title 11, United States Code, after January 1, 1989.

Effective date.

(f) DEFINITIONS.—In this section, the terms "grade", "member", "pay", "Secretary concerned", and "uniformed services" have the meanings given thise terms by section 101 of title 37, United States Code.

(g) REPORTS.—(1) Not later than November 15, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report describing the manner in which the authority provided in this section is to be used. The report shall include a description of the relative level of payments between officers in various categories.

(2)(A) Not later than December 1, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing the following:

(i) An analysis of current and projected requirements of the Armed Forces for health professionals by speciality and years of service, including a list of requirements for physicians who are assigned to duties other than duties consisting primarily of providing patient care and a justification for those requirements.

(ii) The Secretary's assessment of the adequacy of the existing compensation system for such health care professionals.

(iii) Such recommendations for legislation as the Secretary considers necessary to attract and retain on active duty the health care professionals needed to meet the needs of the Armed Forces.

(B) The Secretary shall include in his report a draft of legislation which, if enacted, would establish either—

(i) a compensation system which provides total compensation that is competitive with the compensation paid comparable health care professionals (considering age, education, experience, certification, training, and other appropriate criteria) who are health care professionals employed in the private sector in employment other than self-employment; or

(ii) a single military health care professional incentive compensation program (in lieu of special pay provided under chapter 5 of title 37, United States Code) which provides incentive compensation in sufficient amounts to ensure that the total amount of such compensation to which such health care professionals are entitled under the provisions of titles 10 and 37, United States Code, is competitive with the compensation paid comparable health care professionals (considering age, education, experience, certification, training, and other appropriate criteria) who are health care professionals employed in the private sector in employment other than self-employment.

(h) LIMITATION ON OBLIGATIONS.—The total amount of payments made during fiscal year 1989 under this section may not exceed $30,000,000.

(i) TERMINATION OF AUTHORITY.—If both reports required by paragraphs (1) and (2) of subsection (g) are not received by the committees named in such paragraphs by the respective dates specified in such paragraphs, the authority to make payments under this section shall terminate effective December 2, 1988.

SEC. 613. SPECIAL PAY FOR CRITICALLY SHORT WARTIME HEALTH SPECIALISTS IN THE SELECTED RESERVE

37 USC 302 note.

(a) IN GENERAL.—(1) An officer of a reserve component of the Armed Forces described in paragraph (2) who executes a written agreement under which the officer agrees to serve in the Selected Reserve of an armed force for a period of not less than one year nor more than three years, beginning on the date the officer accepts the award of special pay under this section, may be paid special pay at an annual rate not to exceed $10,000.

Contracts.

(2) An officer referred to in paragraph (1) is an officer in a health care profession who is qualified in a specialty designated by regulations as a critically short wartime specialty.

(3) Special pay under this section shall be paid annually at the beginning of each twelve-month period for which the officer has agreed to serve.

(b) REFUND REQUIREMENT.—An officer who voluntarily terminates service in the Selected Reserve of an armed force before the end of the period for which a payment was made to such officer under this section shall refund to the United States the full amount of the payment made for the period on which the payment was based.

(c) INAPPLICABILITY OF DISCHARGE IN BANKRUPTCY.—A discharge in bankruptcy under title 11, United States Code, that is entered less than 5 years after the termination of an agreement under this section does not discharge the person receiving such special pay from the debt arising under the agreement.

Contracts.

(d) TERMINATION OF AGREEMENT AUTHORITY.—No agreement under this section may be entered into after September 30, 1990.

(e) PURPOSE OF PROGRAM.—The authority provided under this section shall be used only for the purpose of establishing and conducting a pilot test program to determine the effect that the program provided for in this section has on the retention of officers who are qualified in specialties designated by regulation as critically short wartime specialties.

(f) REGULATIONS.—(1) This section shall be administered under regulations prescribed by the Secretary concerned and approved by the Secretary of Defense.

(2) As used in paragraph (1), the term "Secretary concerned" has the same meaning as provided in section 101(5) of title 37, United States Code.

(g) LIMITATIONS ON OBLIGATIONS.—The total amount of payments made during fiscal year 1989 as the result of agreements entered into under this section may not exceed $4,000,000.

(h) REPORT.—(1) Not later than September 1, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing a description of the manner in which the pilot test program provided for in this section is to be structured, including the minimum periods of service to be required for various levels of special pay under this section.

(2) Not later than February 1, 1990, the Secretary also shall submit to such committees an evaluation of the effectiveness of the program and recommendations for its continuation or modification.

Contracts.

(i) EFFECTIVE DATE.—The authority to enter into agreements under this section shall take effect 30 days after the date on which the committees referred to in subsection (h)(1) receive the report required by such subsection.

PART C—OTHER PERSONNEL BENEFITS

SEC. 621. HOUSING LEASE INDEMNITY PROGRAM

(a) IN GENERAL.—(1) Chapter 53 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1055. Waiver of security deposits for members renting private housing; authority to indemnify landlord

"(a) The Secretary of Defense may carry out a program under which the Secretary of a military department agrees to indemnify a landlord who leases a rental unit to a member of the armed forces against a breach of the lease by the member or for damage to the rental unit caused by the member. In exchange for agreement for such indemnification by the Secretary, the landlord shall be required to waive any requirement for payment by the member of a security deposit that the landlord would otherwise require.

"(b)(1) For purposes of carrying out a program authorized by subsection (a), the Secretary of a military department, to the extent funds are provided in advance in appropriation Acts, may enter into an agreement with any landlord who agrees to waive the requirement for a security deposit in connection with the lease of a rental unit to a member of the armed forces under the jurisdiction of the Secretary. An agreement under this paragraph shall provide that—

"(A) the term of the agreement shall remain in effect during the term of the member's lease and during any lease renewal periods with the lessor;

"(B) the member shall not pay a security deposit;

"(C) the Secretary (except as provided in subparagraphs (D) and (E)) shall compensate the landlord for breach of the lease by the member and for damage to the rental unit caused by the member or by a guest or dependent of the member;

"(D) the total liability of the Secretary for a breach of the lease or for damage described in subparagraph (C) may not exceed an amount equal to the amount that the Secretary determines would have been required by the landlord as a

security deposit in the absence of an agreement authorized in this paragraph;

"(E) the Secretary may not compensate the landlord for any claim for breach of the lease or for damage described in subparagraph (C) until the landlord exhausts any remedies available to the landlord (including submission to binding arbitration by a panel composed of military personnel and persons from the private sector) against the member for the breach or damage; and

"(F) the Secretary shall be subrogated to the rights of the landlord in any case in which the Secretary compensates the landlord for breach of the lease or for damage described in subparagraph (C).

"(2) Any authority of the Secretary of a military department under this section shall be exercised under regulations prescribed by the Secretary of Defense. Regulations.

"(c)(1) The Secretary of a military department who compensates a landlord under subsection (b) for a breach of a lease or for damage described in subsection (b)(1)(C) may issue a special order under section 1007 of title 37 to authorize the withholding from the pay of the member of an amount equal to the amount paid by the Secretary to the landlord as compensation for the breach or damage.

"(2) Before the Secretary of a military department issues a special order under section 1007 of title 37 to authorize the withholding of any amount from the pay of a member for a breach or damage referred to in paragraph (1), the Secretary concerned shall provide the member with the same notice and opportunity for hearing and record inspection as provided an individual under section 5514(a)(2) of title 5. The Secretary concerned shall prescribe regulations, subject to the approval of the President, to carry out this paragraph. Such regulations shall be as uniform for the military departments as practicable. Records. Regulations.

"(d) In this section, the term 'landlord' means a person who leases a rental unit to a member of the armed forces.".

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

"1055. Waiver of security deposits for members renting private housing; authority to indemnify landlord.".

(b) EFFECTIVE DATE.—Section 1055 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1988. 10 USC 1055 note.

SEC. 622. RETIRED PAY INVERSIONS RESULTING FROM COURT-MARTIAL PUNISHMENT

(a) IN GENERAL.—Section 1401a(f) of title 10, United States Code, is amended by inserting after the second sentence the following: "However, in the case of a member who, after initially becoming eligible for retired pay, is reduced in grade pursuant to a sentence of a court-martial, such computation may not be based on a grade higher than the grade in which the member is retired.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first month that begins after the date of the enactment of this Act and shall apply to the computation of the retired or retainer pay of members who initially become entitled to such pay on or after such effective date. 10 USC 1401a note.

SEC. 623. TRAVEL AND TRANSPORTATION ALLOWANCES FOR EMERGENCY TRAVEL

(a) IN GENERAL.—Section 411e(a) of title 37, United States Code, is amended by striking out "incident to the serious illness or injury or the death of a dependent of the member" and inserting in lieu thereof "incident to a personal emergency of the member".

37 USC 411e note.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to travel performed after September 30, 1988.

SEC. 624. TRAVEL AND TRANSPORTATION ALLOWANCES INCIDENT TO VOLUNTARY EXTENSION OF OVERSEAS TOURS OF DUTY

(a) CHANGE FROM MANDATORY TO PERMISSIVE.—Section 411g(a) of title 37, United States Code, is amended by striking out "is entitled" and inserting in lieu thereof "may be paid".

37 USC 411g note.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to agreements to extend overseas tours of duty made on and after the date of the enactment of this Act.

SEC. 625. CIVILIAN CLOTHING ALLOWANCE

Section 419 of title 37, United States Code, is amended—

(1) by striking out "member" each place it appears and inserting in lieu thereof "officer";

(2) by striking out "is entitled" and inserting in lieu thereof "may be paid"; and

(3) by striking out "member's" and inserting in lieu thereof "officer's".

PART D—BENEFITS RELATING TO INCAPACITATION OF CERTAIN RESERVE MEMBERS IN LINE OF DUTY

SEC. 631. COMPENSATION FOR CERTAIN RESERVE MEMBERS

(a) AUTHORIZATION OF COMPENSATION.—Subsections (g) and (h) of section 204 of title 37, United States Code, are amended to read as follows:

"(g)(1) A member of a reserve component of a uniformed service is entitled to the pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service whenever such member is physically disabled as the result of an injury, illness, or disease incurred or aggravated—

"(A) in line of duty while performing active duty;

"(B) in line of duty while performing inactive-duty training (other than work or study in connection with a correspondence course of an armed force or attendance in an inactive status at an educational institution under the sponsorship of an armed force or the Public Health Service); or

"(C) while traveling directly to or from such duty or training.

"(2) In the case of a member who receives earned income from nonmilitary employment or self-employment performed in any month in which the member is otherwise entitled to pay and allowances under paragraph (1), the total pay and allowances shall be reduced by the amount of such income. In calculating earned income for the purpose of the preceding sentence, income from an income protection plan, vacation pay, or sick leave which the member elects to receive shall be considered.

"(h)(1) A member of a reserve component of a uniformed service who is physically able to perform his military duties, is entitled, upon request, to a portion of the monthly pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service for each month for which the member demonstrates a loss of earned income from nonmilitary employment or self-employment as a result of an injury, illness, or disease incurred or aggravated—

"(A) in line of duty while performing active duty;

"(B) in line of duty while performing inactive-duty training (other than work or study in connection with a correspondence course of an armed force or attendance in an inactive status at an educational institution under the sponsorship of an armed force or the Public Health Service); or

"(C) while traveling directly to or from such duty or training.

"(2) The monthly entitlement may not exceed the member's demonstrated loss of earned income from nonmilitary or self-employment. In calculating such loss of income, income from an income protection plan, vacation pay, or sick leave which the member elects to receive shall be considered.".

(b) LIMIT ON TOTAL COMPENSATION.—Such section is further amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection (i):

"(i)(1) The total amount of pay and allowances paid under subsections (g) and (h) and compensation paid under section 206(a) of this title for any period may not exceed the amount of pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service for that period.

"(2) Pay and allowances may not be paid under subsection (g) or (h) for a period of more than six months. The Secretary concerned may extend such period in any case if the Secretary determines that it is in the interests of fairness and equity to do so.

"(3) A member is not entitled to benefits under subsection (g) or (h) if the injury, illness, disease, or aggravation of an injury, illness, or disease is the result of the gross negligence or misconduct of the member.

"(4) Regulations with respect to procedures for paying pay and allowances under subsections (g) and (h) shall be prescribed— Regulations.

"(A) by the Secretary of Defense for the armed forces under the jurisdiction of the Secretary; and

"(B) by the Secretary of Transportation for the Coast Guard when the Coast Guard is not operating as a service in the Navy.".

(c) CONFORMING AMENDMENT FOR INACTIVE-DUTY TRAINING.—Section 206(a) of such title is amended by striking out "for a period of 30 days or less" in paragraph (3)(A)(i). 37 USC 206.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to persons who, after the date of enactment of this Act, incur or aggravate an injury, illness, or disease, or who die as the result of incurring or aggravating an injury, illness, or disease. 37 USC 204 note.

SEC. 632. TRAVEL FOR DEPENDENTS OF CERTAIN MEMBERS

(a) TRAVEL AUTHORIZED.—Paragraph (2) of section 411h(a) of title 37, United States Code, is amended to read as follows:

"(2) A member referred to in paragraph (1) is a member of the uniformed services who—

"(A) is serving on active duty or is entitled to pay and allowances under section 204(g) of this title (or would be so entitled were it not for offsetting earned income described in that section);

"(B) is seriously ill or seriously injured; and

"(C) is hospitalized in a medical facility in or outside the United States.".

37 USC 411.

(b) TRAVEL TO BURIAL CEREMONIES.—Section 411f(a) of such title is amended by striking out "for a period of 30 days or more in order to" and inserting in lieu thereof "or inactive duty in order that such dependents may".

37 USC 411f note.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1988.

SEC. 633. INJURY, DISABILITY, AND DEATH COMPENSATION COVERAGE FOR ROTC CADETS DURING MILITARY TRAINING ACTIVITIES

(a) AUTHORITY TO PRESCRIBE TRAINING.—(1) Subsection (a) of section 2109 of title 10, United States Code, is amended to read as follows:

"(a) For the further practical instruction of members of, and designated applicants for membership in, the program, the Secretary of the military department concerned may prescribe and conduct practical military training, in addition to field training and practice cruises prescribed under section 2104(b)(6) of this title. The Secretary concerned may require that some or all of the training prescribed under this subsection must be completed by a member before the member is commissioned.".

(2) Subsection (b) of such section is amended—

(A) by striking out "may—" and inserting in lieu thereof ", with respect to practical military training prescribed under this section and field training and practice cruises prescribed under section 2104(b)(6) of this title, may—"; and

(B) by striking out "field training" each place it appears and inserting in lieu thereof "such training".

(3)(A) The heading of such section is amended to read as follows:

"§ 2109. Practical military training".

(B) The item relating to such section in the table of sections at the beginning of chapter 103 of such title is amended to read as follows:

"2109. Practical military training.".

(b) COVERAGE FOR INJURY, DISABILITY, AND DEATH.—Section 8140 of title 5, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "disability or death from an injury" and inserting in lieu thereof "an injury, disability, or death"; and

(B) by striking out "field" before "training";

(2) in subsection (f), by striking out "while attending field training or a practice cruise under chapter 103 of title 10" and inserting in lieu thereof "by a military department in a facility of a military department"; and

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

"(g) For purposes of this section, the term 'applicant for membership' includes a student enrolled, during a semester or other enroll-

ment term, in a course which is part of Reserve Officers' Training Corps instruction at an educational institution.".

(c) TRAINING INCLUDED WITHIN CERTAIN DEFINITIONS.—(1) Paragraph (22)(D) of section 101 of title 38, United States Code, is amended—

(A) by striking out "field"; and

(B) by inserting "for a period of not less than four weeks and which must be completed by the member before the member is commissioned" after "title 10".

(2) Paragraph (23) of such section is amended—

(A) by striking out "and" at the end of clause (A);

(B) by striking out the period at the end of clause (B) and inserting in lieu thereof "; and"; and

(C) by inserting after clause (B) the following new clause:

"(C) training (other than active duty for training) by a member of, or applicant for membership (as defined in section 8140(g) of title 5) in, the Senior Reserve Officers' Training Corps prescribed under chapter 103 of title 10.".

(d) PAY STATUS WHILE IN CERTAIN TRAINING.—Section 209(c) of title 37, United States Code, is amended by striking out "field training or practice cruises under section 2109 of title 10" and inserting in lieu thereof "training or practice cruises under chapter 103 of title 10 if the training or cruise is of at least four weeks duration and must be completed before the cadet or midshipman is commissioned.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply only with respect to training performed after September 30, 1988. 10 USC 2109 note.

PART E—HEALTH CARE MANAGEMENT PROVISIONS

SEC. 641. REQUIREMENT TO SUBMIT END STRENGTHS AND MANPOWER REPORT FOR MEDICAL PERSONNEL

(a) END STRENGTH REQUIREMENT.—Section 115(b)(1) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

"(D) At the same time the President submits the budget for any fiscal year to Congress pursuant to section 1105 of title 31, the Secretary of Defense shall submit to Congress recommendations for the end strength levels for medical personnel for each component of the armed forces as of the end of that fiscal year. For purposes of this subparagraph, the term 'medical personnel' includes—

"(i) in the Army, members of the Medical Corps, Dental Corps, Nurse Corps, Medical Service Corps, Veterinary Corps, and Army Medical Specialist Corps;

"(ii) in the Air Force, members designated as medical officers, dental officers, Air Force nurses, medical service officers, and biomedical science officers;

"(iii) in the Navy, members of the Medical Corps, Dental Corps, Nurse Corps, and Medical Service Corps;

"(iv) enlisted personnel engaged in or supporting medically-related activities; and

"(v) such other personnel as the Secretary considers appropriate.".

(b) MANPOWER REPORT REQUIREMENT.—Section 115(b)(3)(B) of such title is amended—

(1) by striking out "and" at the end of clause (ii);

(2) by striking out the period at the end of clause (iii) and inserting in lieu thereof "; and"; and

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

"(iv) the manpower required to perform the medical missions of the armed forces and the Department of Defense.".

SEC. 642. REQUIREMENTS WITH RESPECT TO CERTAIN NAVY MEDICAL PERSONNEL

Of the amount appropriated for operation and maintenance for the Navy for fiscal year 1989, $15,000,000 shall be available only for the pay and allowances of those civilian employees of the Navy—

(1) hired after September 30, 1988, to perform duties in support of Navy medical treatment facilities; and

(2) only to the extent that the number of such employees hired after that date results in a greater number of such employees performing those duties for the Navy than were performing those duties for the Navy on September 30, 1988.

SEC. 643. PROVISIONS RELATING TO NAVY HEALTH PROFESSION PERSONNEL

(a) REPEAL.—Section 723 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1116) is repealed.

(b) MINIMUM REQUIREMENTS.—(1) Of the total number of officers authorized to be serving on active duty in the Navy as of September 30, 1989, under section 401(2), 11,940 shall be available only for assignment to duties in health profession specialties.

(2) Of the total number of officers authorized to be serving on active duty in the Navy as of September 30, 1990, 12,240 shall be available only for assignment to duties in health profession specialties.

(3) Of the total number of officers authorized to be serving on active duty in the Navy as of September 30, 1991, 12,510 shall be available only for assignment to duties in health profession specialties.

SEC. 644. SHARING OF HEALTH-CARE RESOURCES BETWEEN THE DEPARTMENT OF DEFENSE AND THE VETERANS' ADMINISTRATION

Of the total amount appropriated for operation and maintenance for the Department of Defense for fiscal year 1989, $20,000,000 shall be available only for sharing health-care resources between the Department of Defense and the Veterans' Administration under section 5011 of title 38, United States Code, or under section 1535 of title 31, United States Code.

SEC. 645. EXTENSION OF TERMINATION DATE FOR FORMER PUBLIC HEALTH SERVICE HOSPITALS AND REQUIREMENT THAT SUCH HOSPITALS BE COST EFFECTIVE

Section 1252(e) of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d(e)), is amended—

(1) by striking out "1988" in the first sentence and inserting in lieu thereof "1990";

(2) by striking out "which identifies" in the second sentence and all that follows through the end of that sentence and inserting in lieu thereof the following: "which (1) identifies the facility whose status is being terminated, (2) specifies the date

on which such status is being terminated, and (3) certifies that more cost-effective medical and dental care for members and former members of the uniformed services or their dependents is available elsewhere in the same geographic area."; and

(3) by inserting after the third sentence the following: "Each such copy of the order shall include a copy of the certification required in clause (3) of the second sentence of this subsection and shall contain cost data substantiating the termination decision and identifying how more cost-effective care could be provided to the affected individuals.".

SEC. 646. ELIGIBILITY OF CERTAIN INSTITUTIONS TO RECEIVE REIMBURSEMENT UNDER CHAMPUS

(a) ACTIVE-DUTY DEPENDENTS.—(1) Section 1079(b) of title 10, United States Code, is amended by adding at the end of paragraph (1) the following: "The Secretary of Defense may exempt a patient from paying such amount if the hospital to which the patient is admitted does not impose a legal obligation on any of its patients to pay for inpatient care.".

(2) Section 1079 of such title is further amended by adding at the end the following new subsection:

"(m)(1) Subject to paragraph (2), the Secretary of Defense may, upon request, make payments under this section for a charge for services for which a claim is submitted under a plan contracted for under subsection (a) to a hospital that does not impose a legal obligation on any of its patients to pay for such services. Claims.

"(2) A payment under paragraph (1) may not exceed the average amount paid for comparable services in the geographic area in which the hospital is located or, if no comparable services are available in that area, in an area similar to the area in which the hospital is located.

"(3) The Secretary of Defense shall periodically review the billing practices of each hospital the Secretary approves for payment under this subsection to ensure that the hospital's practices of not billing patients for payment are not resulting in increased costs to the Government.

"(4) The Secretary of Defense may require each hospital the Secretary approves for payment under this subsection to provide evidence that it has sources of revenue to cover unbilled costs.".

(b) RETIREES AND THEIR DEPENDENTS.—(1) Section 1086(b) of title 10, United States Code, is amended in paragraph (3) by adding at the end the following: "The Secretary of Defense may exempt a patient from paying such charges if the hospital to which the patient is admitted does not impose a legal obligation on any of its patients to pay for inpatient care.".

(2) Section 1086 of such title is further amended by adding at the end the following new subsection:

"(h)(1) Subject to paragraph (2), the Secretary of Defense may, upon request, make payments under this section for a charge for services for which a claim is submitted under a plan contracted for under subsection (a) to a hospital that does not impose a legal obligation on any of its patients to pay for such services. Claims.

"(2) A payment under paragraph (1) may not exceed the average amount paid for comparable services in the geographic area in which the hospital is located or, if no comparable services are available in that area, in an area similar to the area in which the hospital is located.

"(3) The Secretary of Defense shall periodically review the billing practices of each hospital the Secretary approves for payment under this subsection to ensure that the hospital's practices of not billing patients for payment are not resulting in increased costs to the Government.

"(4) The Secretary of Defense may require each hospital the Secretary approves for payment under this subsection to provide evidence that it has sources of revenue to cover unbilled costs.".

10 USC 1079 note.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to medical care received after September 30, 1988.

PART F—MISCELLANEOUS

SEC. 651. LIMITED EXTENSION OF CERTAIN MEDICAL BENEFITS FOR FORMER SPOUSES

(a) MEDICAL COVERAGE.—Section 1076 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) A person described in paragraph (2) shall be considered a dependent for purposes of this section for a period of one year after the date of the person's final decree of divorce, dissolution, or annulment. In addition, if such a person purchases a conversion health policy within the one-year period referred to in the preceding sentence, such person shall be entitled, upon request, to medical and dental care prescribed by section 1077 of this title for a period of one year after the purchase of the policy for any condition of the person that existed on the date on which coverage under the policy begins and for which care is not provided under that policy.

"(2) A person referred to in paragraph (1) is a person who would qualify as a dependent under section 1072(2)(G) but for the fact that the person's final decree of divorce, dissolution, or annulment is dated on or after April 1, 1985.

"(3) In this subsection, the term 'conversion health policy' means a health insurance plan with a private insurer, developed through negotiations between the Secretary of Defense and a private insurer, that is available for purchase by or for the use of persons described in paragraph (2).".

Effective date.

(b) CONFORMING AMENDMENT.—Section 645(c) of the Department of Defense Authorization Act, 1985 (10 U.S.C. 1072 note) is repealed effective as of the effective date of section 1076(f) of title 10, United States Code (as added by subsection (a)).

10 USC 1076 note.

(c) TRANSITION.—Any person who qualified as a dependent under section 645(c) of the Department of Defense Authorization Act, 1985, as in effect before its repeal by subsection (b), shall remain qualified as a dependent as specified in that section and shall become eligible for benefits in accordance with section 1076(f) of title 10, United States Code (as added by subsection (a)), when no longer qualified as a dependent pursuant to such section 645(c).

10 USC 1076 note.

(d) EFFECTIVE DATE.—Section 1076(f) of title 10, United States Code, as added by subsection (a), shall take effect on the date of enactment of this Act or 30 days after the Secretary of Defense first makes available a conversion health policy (as defined in such section), whichever is later. Such section shall apply to persons whose decree of divorce, dissolution, or annulment becomes final after the date of the enactment of this Act.

SEC. 652. TECHNICAL CORRECTION TO SURVIVOR BENEFIT PLAN COVERAGE OF FORMER SPOUSES

(a) INCLUSION OF FORMER SPOUSES IN SAVINGS PROVISION.—Section 1451(e)(1) of title 10, United States Code, is amended—

(1) by striking out "widow or widower" in subparagraph (A) and inserting in lieu thereof "widow, widower, or former spouse"; and

(2) by inserting "or former spouse" in subparagraph (B) after "A spouse".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments under the Survivor Benefit Plan established under subchapter II of chapter 73 of title 10, United States Code, for periods after February 28, 1986.

10 USC 1451 note.

SEC. 653. ANNUITY FOR CERTAIN SURVIVING SPOUSES

10 USC 1448 note.

(a) ANNUITY.—(1) The Secretary concerned shall pay an annuity to the qualified surviving spouse of each member of the uniformed services who—

(A) died before November 1, 1953; and

(B) was entitled to retired or retainer pay on the date of death.

(2) A qualified surviving spouse for purposes of this section is a surviving spouse who has not remarried and who is eligible for an annuity under section 4 of Public Law 92-425 (10 U.S.C. 1448 note).

(b) AMOUNT OF ANNUITY.—(1) An annuity payable under this section shall be paid at the rate of $165 per month, as adjusted from time to time under subsection (c).

(2) An annuity paid to a surviving spouse under this section shall be reduced by the amount of dependency and indemnity compensation (DIC) to which the surviving spouse is entitled under section 411(a) of title 38, United States Code.

(c) COST-OF-LIVING INCREASES.—Whenever retired or retainer pay is increased under section 1401a(b)(2) of title 10, United States Code, each annuity that is payable under this section shall be increased at the same time and by the same total percent. The amount of the increase shall be based on the monthly annuity payable before any reduction under this section.

(d) RELATIONSHIP TO OTHER PROGRAMS.—An annuity paid to a surviving spouse under this section is in addition to any pension to which the surviving spouse is entitled under subchapter III of chapter 15 of title 38, United States Code, or section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978 (38 U.S.C. 521 note), and any payment made under the provisions of section 4 of Public Law 92-425. An annuity paid under this section shall not be considered as income for the purposes of eligibility for any such pension.

(e) DEFINITIONS.—For purposes of this section:

(1) The terms "uniformed services" and "Secretary concerned" have the meanings given those terms in section 101 of title 37, United States Code.

(2) The term "surviving spouse" has the meaning given the terms "widow" and "widower" in paragraphs (3) and (4), respectively, of section 1447 of title 10, United States Code.

(f) EFFECTIVE DATE.—Annuities under this section shall be paid for months beginning after the month in which this Act is enacted. No benefit shall accrue to any person by reason of the enactment of this section for any period before the first month referred to in the

preceding sentence. No benefit shall be paid to any person under this section unless an application for such benefit has been filed with the Secretary concerned by or on behalf of such person.

SEC. 654. REPORT ON DEFINITION OF DEPENDENT FOR CERTAIN PURPOSES

(a) REPORT.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the desirability of providing in law a more uniform and consistent definition of the term "dependent" for the purpose of determining the eligibility of a person, based upon the relationship of such person to a member or former member of the uniformed services, for various rights and benefits provided by law, including the following:

(1) Pay and allowances under title 37, United States Code.

(2) Rights and benefits (including eligibility for travel and commissary store privileges) under chapters 53 and 54 of title 10, United States Code.

(3) Medical and dental care under chapter 55 of title 10, United States Code.

(b) DEADLINE FOR REPORT.—The Secretary shall submit the report required by subsection (a) not later than March 15, 1989, together with such comments and recommendations for legislation as he considers appropriate.

TITLE VII—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

PART A—ORGANIZATION

SEC. 701. AUTHORITY TO ESTABLISH POSITION OF ASSISTANT SECRETARY OF DEFENSE FOR INTELLIGENCE

Paragraph (3) of section 136(b) of title 10, United States Code, is amended to read as follows:

"(3)(A) One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence. He shall have as his principal duty the overall supervision of command, control, communications, and intelligence affairs of the Department of Defense.

"(B) Notwithstanding subparagraph (A), one of the Assistant Secretaries established by the Secretary of Defense may be an Assistant Secretary of Defense for Intelligence, who shall have as his principal duty the overall supervision of intelligence affairs of the Department of Defense.

"(C) If the Secretary of Defense establishes an Assistant Secretary of Defense for Intelligence, the Assistant Secretary provided for under subparagraph (A) shall be the Assistant Secretary of Defense for Command, Control, and Communications and shall have as his principal duty the overall supervision of command, control, and communications affairs of the Department of Defense.".

SEC. 702. DESIGNATION IN EACH MILITARY DEPARTMENT OF ASSISTANT SECRETARY WITH RESPONSIBILITY FOR FINANCIAL MANAGEMENT

(a) DEPARTMENT OF THE ARMY.—(1) Section 3016(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) One of the Assistant Secretaries shall be the Assistant Secretary of the Army for Financial Management. The Assistant Secretary shall have as his principal responsibility the exercise of the comptroller functions of the Department of the Army, including financial management functions. The Assistant Secretary shall be responsible for all financial management activities and operations of the Department of the Army and shall advise the Secretary of the Army on financial management.".

(2) Chapter 303 of such title is amended by adding at the end the following new section:

"§ 3022. Financial management

10 USC 3022.

"(a) The Secretary of the Army shall provide that the Assistant Secretary of the Army for Financial Management shall direct and manage financial management activities and operations of the Department of the Army, including ensuring that financial management systems of the Department of the Army comply with subsection (b). The authority of the Assistant Secretary for such direction and management shall include the authority to—

"(1) supervise and direct the preparation of budget estimates of the Department of the Army and otherwise carry out, with respect to the Department of the Army, the functions specified for the Comptroller of the Department of Defense in section 137(c) of this title;

"(2) approve and supervise any project to design or enhance a financial management system for the Department of the Army; and

"(3) approve the establishment and supervise the operation of any asset management system of the Department of the Army, including—

"(A) systems for cash management, credit management, and debt collection; and

"(B) systems for the accounting for the quantity, location, and cost of property and inventory.

"(b)(1) Financial management systems of the Department of the Army (including accounting systems, internal control systems, and financial reporting systems) shall be established and maintained in conformance with—

"(A) the accounting and financial reporting principles, standards, and requirements established by the Comptroller General under section 3511 of title 31; and

"(B) the internal control standards established by the Comptroller General under section 3512 of title 31.

"(2) Such systems shall provide for—

"(A) complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to the financial information needs of department management;

"(B) the development and reporting of cost information;

"(C) the integration of accounting and budgeting information; and

"(D) the systematic measurement of performance.

"(c) The Assistant Secretary shall maintain a five-year plan describing the activities the Department of the Army proposes to conduct over the next five fiscal years to improve financial management. Such plan shall be revised annually.

"(d) The Assistant Secretary of the Army for Financial Management shall transmit to the Secretary of the Army a report each year

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on the activities of the Assistant Secretary during the preceding year. Each such report shall include a description and analysis of the status of Department of the Army financial management.".

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

"3022. Financial management.".

10 USC 5016.

(b) DEPARTMENT OF THE NAVY.—Section 5016(b) of such title is amended by adding at the end the following new paragraph:

"(3) One of the Assistant Secretaries shall be the Assistant Secretary of the Navy for Financial Management. The Assistant Secretary shall have as his principal responsibility the exercise of the comptroller functions of the Department of the Navy, including financial management functions. The Assistant Secretary shall be responsible for all financial management activities and operations of the Department of the Navy and shall advise the Secretary of the Navy on financial management.".

(2) Chapter 503 of such title is amended by adding at the end the following new section:

10 USC 5025.

"§ 5025. Financial management

"(a) The Secretary of the Navy shall provide that the Assistant Secretary of the Navy for Financial Management shall direct and manage financial management activities and operations of the Department of the Navy, including ensuring that financial management systems of the Department of the Navy comply with subsection (b). The authority of the Assistant Secretary for such direction and management shall include the authority to—

"(1) supervise and direct the preparation of budget estimates of the Department of the Navy and otherwise carry out, with respect to the Department of the Navy, the functions specified for the Comptroller of the Department of Defense in section 137(c) of this title;

"(2) approve and supervise any project to design or enhance a financial management system for the Department of the Navy; and

"(3) approve the establishment and supervise the operation of any asset management system of the Department of the Navy, including—

"(A) systems for cash management, credit management, and debt collection; and

"(B) systems for the accounting for the quantity, location, and cost of property and inventory.

"(b)(1) Financial management systems of the Department of the Navy (including accounting systems, internal control systems, and financial reporting systems) shall be established and maintained in conformance with—

"(A) the accounting and financial reporting principles, standards, and requirements established by the Comptroller General under section 3511 of title 31; and

"(B) the internal control standards established by the Comptroller General under section 3512 of title 31.

"(2) Such systems shall provide for—

"(A) complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to the financial information needs of department management;

"(B) the development and reporting of cost information;

"(C) the integration of accounting and budgeting information; and

"(D) the systematic measurement of performance.

"(c) The Assistant Secretary shall maintain a five-year plan describing the activities the Department of the Navy proposes to conduct over the next five fiscal years to improve financial management. Such plan shall be revised annually.

"(d) The Assistant Secretary of the Navy for Financial Management shall transmit to the Secretary of the Navy a report each year on the activities of the Assistant Secretary during the preceding year. Each such report shall include a description and analysis of the status of Department of the Navy financial management.". Reports.

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

"5025. Financial management.".

(c) DEPARTMENT OF THE AIR FORCE.—Section 8016(b) of such title is amended by adding at the end the following new paragraph: 10 USC 8016.

"(3) One of the Assistant Secretaries shall be the Assistant Secretary of the Air Force for Financial Management. The Assistant Secretary shall have as his principal responsibility the exercise of the comptroller functions of the Department of the Air Force, including financial management functions. The Assistant Secretary shall be responsible for all financial management activities and operations of the Department of the Air Force and shall advise the Secretary of the Air Force on financial management.".

(2) Chapter 803 of such title is amended by adding at the end the following new section:

"§ 8022. Financial management 10 USC 8022.

"(a) The Secretary of the Air Force shall provide that the Assistant Secretary of the Air Force for Financial Management shall direct and manage financial management activities and operations of the Department of the Air Force, including ensuring that financial management systems of the Department of the Air Force comply with subsection (b). The authority of the Assistant Secretary for such direction and management shall include the authority to—

"(1) supervise and direct the preparation of budget estimates of the Department of the Air Force and otherwise carry out, with respect to the Department of the Air Force, the functions specified for the Comptroller of the Department of Defense in section 137(c) of this title;

"(2) approve and supervise any project to design or enhance a financial management system for the Department of the Air Force; and

"(3) approve the establishment and supervise the operation of any asset management system of the Department of the Air Force, including—

"(A) systems for cash management, credit management, and debt collection; and

"(B) systems for the accounting for the quantity, location, and cost of property and inventory.

"(b)(1) Financial management systems of the Department of the Air Force (including accounting systems, internal control systems, and financial reporting systems) shall be established and maintained in conformance with—

"(A) the accounting and financial reporting principles, standards, and requirements established by the Comptroller General under section 3511 of title 31; and

"(B) the internal control standards established by the Comptroller General under section 3512 of title 31.

"(2) Such systems shall provide for—

"(A) complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to the financial information needs of department management;

"(B) the development and reporting of cost information;

"(C) the integration of accounting and budgeting information; and

"(D) the systematic measurement of performance.

"(c) The Assistant Secretary shall maintain a five-year plan describing the activities the Department of the Air Force proposes to conduct over the next five fiscal years to improve financial management. Such plan shall be revised annually.

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"(d) The Assistant Secretary of the Air Force for Financial Management shall transmit to the Secretary of the Air Force a report each year on the activities of the Assistant Secretary during the preceding year. Each such report shall include a description and analysis of the status of Department of the Air Force financial management.".

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

"8022. Financial management.".

10 USC 8016.

(d) NUMBER OF ASSISTANT SECRETARIES IN THE DEPARTMENT OF THE AIR FORCE.—Section 8016(a) of such title is amended by striking out "three" and inserting in lieu thereof "four".

10 USC 3016 note.

(e) EFFECTIVE DATES.—(1) The amendments made by subsections (a) and (b) shall take effect on January 20, 1989.

10 USC 8016 note.

(2) The amendments made by subsections (c) and (d) shall take effect on July 1, 1989, except that such amendments shall take effect on such earlier date, but not before January 21, 1989, as may be prescribed by the President in advance by Executive order.

SEC. 703. GENERAL COUNSELS OF MILITARY DEPARTMENTS

(a) REQUIREMENT FOR ADVICE AND CONSENT OF SENATE.—Sections 3019, 5019, and 8019 of title 10, United States Code, are each amended by inserting ", by and with the advice and consent of the Senate" after "President".

5 USC 5316 note.

(b) PAY GRADE.—Notwithstanding section 5316 of title 5, United States Code, the General Counsel of each of the military departments shall be paid at the highest rate of basic pay payable under section 5382 of title 5, United States Code, to a member of the Senior Executive Service.

10 USC 3019 note.

(c) APPLICABILITY.—The amendments made by this section shall apply to appointments made under sections 3019, 5019, and 8019, respectively, of title 10, United States Code, on and after the date of the enactment of this Act.

10 USC 1251 note.

SEC. 704. DEFERRAL OF RETIREMENT DATE FOR CHAIRMAN OF THE JOINT CHIEFS OF STAFF

Notwithstanding the limitation contained in the first sentence of subsection (b) of section 1251 of title 10, United States Code, the President may defer until October 1, 1989, the retirement of the

officer serving as Chairman of the Joint Chiefs of Staff for the term which began on October 1, 1987.

PART B—FORCE STRUCTURE

SEC. 711. ASSIGNMENT OF COMBATANT FORCES

Section 162(a) of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting "or to the United States element of the North American Air Defense Command" in the first sentence after "combatant commands";

(2) in paragraph (2), by inserting "or to the United States element of the North American Air Defense Command" after "combatant commands"; and

(3) in paragraph (3), by inserting "or to the United States element of the North American Air Defense Command" after "combatant command".

SEC. 712. RESPONSIBILITY AND AUTHORITY OF COMMANDER OF SPECIAL OPERATIONS COMMAND

Section 167(e) of title 10, United States Code, is amended—

(1) by striking out "activities, including the following functions:" and inserting in lieu thereof "activities.

"(2) The commander of such command shall be responsible for, and shall have the authority to conduct, the following functions relating to special operations activities (whether or not relating to the special operations command):";

(2) by striking out subparagraphs (F) and (G);

(3) by redesignating subparagraphs (B) through (E) as subparagraphs (D) through (G), respectively;

(4) by inserting after subparagraph (A) the following new subparagraphs:

"(B) Preparing and submitting to the Secretary of Defense program recommendations and budget proposals for special operations forces and for other forces assigned to the special operations command.

"(C) Exercising authority, direction, and control over the expenditure of funds—

"(i) for forces assigned to the special operations command; and

"(ii) for special operations forces assigned to unified combatant commands other than the special operations command, with respect to all matters covered by paragraph (4) and, with respect to a matter not covered by paragraph (4), to the extent directed by the Secretary of Defense.";

(5) by striking out paragraph (2) (as in effect immediately before the enactment of this Act) and inserting in lieu thereof the following:

"(3) The commander of the special operations command shall be responsible for—

"(A) ensuring the combat readiness of forces assigned to the special operations command; and

"(B) monitoring the preparedness to carry out assigned missions of special operations forces assigned to unified combatant commands other than the special operations command.

"(4)(A) The commander of the special operations command shall be responsible for, and shall have the authority to conduct, the following:

"(i) Development and acquisition of special operations-peculiar equipment.

"(ii) Acquisition of special operations-peculiar material, supplies, and services.";

(6) by striking out "(3) Subject to" and inserting in lieu thereof "(B) Subject to";

(7) by striking out "paragraph (1)(G)" and inserting in lieu thereof "subparagraph (A)"; and

(8) by designating the sentence beginning "The staff of the commander" as subparagraph (C).

SEC. 713. STRATEGIC AIR DEFENSE ALERT MISSION

National Guard.

(a) LIMITATION.—Except as provided in subsection (b)(2), the Secretary of the Air Force may not make any change in the alert status of any Air National Guard unit in the strategic air defense mission in the northern portion of the United States, or in the deployment of units assigned to that mission, from that status and deployment as in effect on April 10, 1988.

(b) REPORT.—(1) After the North Warning System and the Over-the-Horizon Backscatter Radar System are deployed and in operation as replacements for the Distant Early Warning (DEW line) system, the Secretary of Defense, acting through the Chairman of the Joint Chiefs of Staff, shall submit to Congress a report on those systems. The report shall—

(A) describe the implementation of those systems and their operational capability and effectiveness as demonstrated up to the time of the report;

(B) describe plans, in light of those new systems, for the forward deployment of the interceptor aircraft from United States bases during periods of heightened international tension; and

(C) clarify the alert status in the strategic air defense mission, under those new systems, of elements of the Air Force (including elements of the reserve components) at Air Force bases in the northern portions of the United States.

(2) The limitation in subsection (a) shall cease to apply 180 days after the date on which Congress receives the report required by paragraph (1).

(c) INTERIM REPORT.—Not later than February 1, 1989, the Secretary of Defense, acting through the Chairman of the Joint Chiefs of Staff, shall submit to Congress a report setting forth in detail each of the following:

(1) A description of the radar surveillance system and the alert and non-alert interceptor aircraft which will be available during each of fiscal years 1989, 1990, and 1991 along the northern border of the United States to carry out the strategic air defense mission.

(2) A description of the specific contributions to the strategic air defense mission expected to be made by the units identified in subsection (a) during each of those fiscal years.

(3) A specific recommendation as to whether the limitation in subsection (b) should be renewed and made permanent after fiscal year 1989.

SEC. 714. REPORTS ON BUDGETS FOR UNIFIED AND SPECIFIED COMMANDS

(a) REPORTS BY COMMANDERS OF COMBATANT COMMANDS.—(1) The commander of each of the unified and specified commands shall, not later than April 1, 1989, prepare an independent report on the implementation of the resource allocation provisions of title 10, United States Code, enacted by the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433) that are specified in paragraph (2) and any other resource allocation provision enacted by that Act which the commander concerned considers appropriate.

(2) The sections of title 10, United States Code, referred to in paragraph (1) are the following:

(A) Section 153(a)(4) (A), (B), (C), and (D), relating to advice on requirements, programs, and budget.

(B) Section 163(b)(2), relating to the role of the Chairman as spokesman for the commanders of the unified and specified combatant commands.

(C) Section 166, relating to budget proposals for such commands.

(b) MATTERS TO BE INCLUDED.—Each report required by subsection (a) shall address the following matters:

(1) The status of implementation of each of the provisions referred to in subsection (a)(2) and any other related resource allocation provisions.

(2) For any provision referred to in subsection (a)(2) that is not fully implemented and for which the commander is responsible or shares responsibility, the date estimated by the commander concerned for final implementation of such provisions.

(3) An evaluation of the effect that each provision referred to in subsection (a)(2) has had or will have on (A) improving decisions within the Department of Defense with respect to the allocation of resources, and (B) improving the implementation of such decisions.

(4) With respect to section 166 of title 10, United States Code, the assessment by the commander, supported by actual examples, of what the effect would be of a small budget (in an annual amount of not more than $50,000,000) that would be managed by the Chairman of the Joint Chiefs of Staff but which would be controlled for execution by the commander and that would be available for activities to which the commander assigns a high priority, such as—

(A) JCS/non-JCS exercises (including foreign country participation);

(B) on-going contingencies;

(C) command and control;

(D) training; and

(E) selected operations.

(5) The views of the commander on the optimum role of the unified and specified commands in resource allocation decision-making and execution within the Department of Defense.

(6) The assessment of the commander concerning the degree to which that optimum role is played, as of the time of the preparation of the report, by his command.

(7) The assessment of the commander of whether current law, regulations, policies, and procedures provide the latitude for his command to play that optimum role.

(c) REPORT BY CHAIRMAN OF JOINT CHIEFS OF STAFF.—(1) The Chairman of the Joint Chiefs of Staff shall, not later than April 1, 1989, prepare a report on the implementation of the resource allocation provisions of title 10, United States Code, enacted by the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433) that are specified in paragraph (2) and any other resource allocation provision enacted by that Act which the Chairman considers appropriate.

(2) The sections of title 10, United States Code, referred to in paragraph (1) are the following:

(A) Section 113(g), relating to annual guidance by the Secretary of Defense to the heads of Department of Defense components.

(B) Section 153(a)(2)(A), relating to the preparation of strategic plans.

(C) Section 153(a)(3)(C), relating to the preparation and review of contingency plans.

(D) Section 153(a)(4), relating to advice by the Chairman to the Secretary of Defense concerning the requirements, programs, and budget of the Department of Defense.

(E) Section 163(b)(2), relating to the role of the Chairman as spokesman for the commanders of the unified and specified combatant commands.

(F) Section 166, relating to budget proposals for such commands.

(d) MATTERS TO BE INCLUDED.—The report required by subsection (c) shall address the following matters:

(1) The status of implementation of each of the provisions referred to in subsection (c)(2) and any other related resource allocation provisions.

(2) For any provision referred to in subsection (c)(2) that is not fully implemented, the date estimated by the Chairman for final implementation of such provisions.

(3) An evaluation of the effect that each provision referred to in subsection (c)(2) has had or will have on (A) improving decisions within the Department of Defense with respect to the allocation of resources, and (B) improving the implementation of such decisions.

(4) The views of the Chairman on the optimum role of the unified and specified commands, the Joint Staff, and the Chairman in resource allocation decisionmaking and execution within the Department of Defense .

(5) The assessment of the Chairman concerning the degree to which those optimum roles are played, as of the time of the preparation of the report, by the unified and specified commands, the Joint Staff, and the Chairman.

(6) The assessment of the Chairman of whether current law, regulations, policies, and procedures provide the latitude for the unified and specified commands, the Joint Staff, and the Chairman to play those optimum roles.

(e) SUBMISSION OF REPORTS.—The commanders of the unified and specified commands shall each submit the report required by subsection (a) to the Secretary of Defense. The Chairman of the Joint Chiefs of Staff shall submit the report required by subsection (c) to

the Secretary. The Secretary shall transmit those reports, without change, to the Committees on Armed Services of the Senate and House of Representatives not later than April 1, 1989, together with such comments on the reports and such recommendations as the Secretary considers appropriate.

SEC. 715. REPORT ON INITIAL REVIEW OF UNIFIED COMMAND PLAN AND INITIAL REVIEW OF SERVICE ROLES AND MISSIONS

(a) REPORT REQUIREMENT.—Not later than April 1, 1989, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation of sections 153(b) and 161(b) of title 10, United States Code.

(b) INITIAL REVIEW OF SERVICE ROLES AND MISSIONS.—With respect to the initial report of the Chairman of the Joint Chiefs of Staff to the Secretary of Defense under such section 153(b) (relating to the assignment of functions (or roles and missions) to the Armed Forces), the report under subsection (a) shall particularly describe how such report addressed each of the matters that the Chairman was required (under the second sentence of such section) to consider in preparing the report.

(c) INITIAL REVIEW OF THE UNIFIED COMMAND PLAN.—With respect to the initial review of the Chairman under such section 161(b) (relating to the missions, responsibilities, and force structures of the unified and specified combatant commands), the report under subsection (a) shall particularly describe how such review took into consideration each of the matters specified in paragraphs (1) through (10) of section 212(a) of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433; 100 Stat. 1017).

(d) MATTERS TO BE INCLUDED.—The report under subsection (a) shall describe, with respect to the reports referred to in subsections (b) and (c)—

(1) the Secretary's evaluation of each of the findings and conclusions of the Chairman in each such report;

(2) how the Secretary has implemented (or proposes to implement) each of the recommendations in each such report; and

(3) such recommendations for further legislative and administrative action as the Secretary considers appropriate based on his review of the reports.

PART C—PERSONNEL-RELATED PROVISIONS

SEC. 721. REGULATIONS FOR DELIVERY OF MILITARY PERSONNEL TO CIVIL AUTHORITIES WHEN CHARGED WITH CERTAIN OFFENSES 10 USC 814 note.

(a) Not later than 90 days after the date of enactment of this Act, the Secretary of Defense shall ensure that the Secretaries of the military departments have issued uniform regulations pursuant to section 814 of title 10, United States Code, to provide for the delivery of members of the Armed Forces to civilian authority when such members have been accused of offenses against civil authority. Such regulations shall specifically provide for the delivery of such members to civilian authority, in appropriate cases, when such members are accused of parental kidnapping and other similar offenses, including criminal contempt arising from such offenses and from child custody matters, and shall specifically address the special

needs for the exercise of the authority contained in section 814 of title 10, United States Code, when members of the Armed Forces assigned overseas are accused of offenses by civilian authorities.

(b) Not later than 120 days after the enactment of this Act, the Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and House of Representatives a copy of all regulations promulgated under section 814 of title 10, United States Code, as a result of this section and any recommendations that the Secretary may have concerning the need for additional legislation related to the amenability of members of the Armed Forces to civil authority.

SEC. 722. ANNUITIES FOR JUDGES OF UNITED STATES COURT OF MILITARY APPEALS

(a) IN GENERAL.—Section 867 of title 10, United States Code (article 67 of the Uniform Code of Military Justice), is amended by adding at the end the following new subsection:

"(i)(1) A judge of the United States Court of Military Appeals who is separated from civilian service in the Federal Government after completing the term of service for which he was appointed as a judge of the court is eligible for an annuity under this subsection. An individual who is a former judge of the court who is separated from civilian service in the Federal Government and who completed the term of service on the court for which he was appointed is eligible for an annuity under this subsection. A judge or former judge who is eligible for an annuity under this subsection shall be paid that annuity if he elects, at the time he becomes eligible to receive that annuity, to receive that annuity in lieu of any other annuity for which he may be eligible at the time of such election (whether an immediate or a deferred annuity) under subchapter III of chapter 83 or chapter 84 of title 5 or any other retirement system for civilian employees of the Federal Government. Such an election may not be revoked.

"(2) The annuity of a judge or former judge under this subsection is 80 percent of the rate of pay for a judge in active service on the United States Court of Military Appeals as of the date on which the judge or former judge is separated from civilian service.

"(3) Nothing in this subsection affects any right of a judge or former judge to participate in the thrift savings plan under subchapter III of chapter 84 of title 5.

Regulations.

"(4) The Secretary of Defense shall prescribe by regulation a program to provide annuities for survivors and former spouses of judges and former judges who receive an annuity under this subsection. That program shall, to the maximum extent practicable, provide benefits and establish terms and conditions that are similar to those provided under survivor and former spouse annuity programs under retirement systems for civilian employees of the Federal Government. The program may include provisions for the reduction in the annuity paid the judge or former judge as a condition for the annuity. An election by a judge or former judge to receive an annuity under this subsection terminates any right or interest which any individual may have to an annuity under any other retirement system for civilian employees of the Federal Government based on the service of the judge or former judge.

"(5) The Secretary of Defense shall periodically increase annuities and survivor annuities paid under this subsection in order to take account of changes in the cost of living. The Secretary shall pre-

Regulations.

scribe by regulation procedures for increases in annuities under this subsection. Such system shall, to the maximum extent appropriate, provide cost-of-living adjustments that are similar to those that are provided under other retirement systems for civilian employees of the Federal Government.

"(6) A retired judge or former judge of the court who is receiving an annuity under this subsection and who is appointed to a position in the Federal Government shall, during the period of such retired judge's or former judge's service in such position, be entitled to receive only the annuity under this subsection or the pay for that position, whichever is paid at the higher rate.

"(7) A retired judge or former judge who is entitled to an annuity under this subsection and who later is appointed as a justice or judge of the United States to hold office during good behavior and who retires from that office, or from regular active service in that office, shall be paid either (A) the annuity under this subsection, or (B) the annuity or salary to which he is entitled by reason of his service as such a justice or judge of the United States, as determined by an election by the judge or former judge at the time of such retirement from the office, or from regular active service in the office, of justice or judge of the United States. Such an election may not be revoked.

"(8) Annuities and survivor annuities paid under this subsection shall be paid out of the Department of Defense Military Retirement Fund.".

(b) DEADLINE FOR ESTABLISHMENT OF SURVIVOR PROGRAM.—The Secretary of Defense shall establish the program required by paragraph (4) of section 867(i) of title 10, United States Code, as added by subsection (a), not later than one year after the date of the enactment of this Act. 10 USC 867 note.

(c) TECHNICAL AMENDMENT.—Section 867(a)(4) of title 10, United States Code, is amended by inserting "or an annuity under subsection (i) or subchapter III of chapter 83 or chapter 84 of title 5" after "retired pay" both places it appears.

(d) EFFECTIVE DATE.—Subsection (i) of section 867 of title 10, United States Code, as added by subsection (a), shall apply with respect to judges of the United States Court of Military Appeals whose term of service on such court ends on or after the date of the enactment of this Act and to the survivors of such judges. 10 USC 867 note.

PART D—OTHER

SEC. 731. ANNUAL NET ASSESSMENTS

Section 113(j) of title 10, United States Code, is amended—

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

(2) by striking out the second sentence; and

(3) by adding at the end the following:

"(2) Each such report shall— Reports.

"(A) include a comparison of the defense capabilities and programs of the armed forces of the United States and its allies with the armed forces of potential adversaries of the United States and allies of the United States;

"(B) include an examination of the trends experienced in those capabilities and programs during the five years immediately preceding the year in which the report is transmitted and an examination of the expected trends in those capabilities

and programs during the five years covered by the Five-Year Defense Program submitted to Congress during that year pursuant to section 114(g) of this title;

"(C) reflect, in the overall assessment and in the strategic and regional assessments, the defense capabilities and programs of the armed forces of the United States specified in the budget submitted to Congress under section 1105 of title 31 in the year in which the report is submitted and in the five-year defense program submitted in such year; and

"(D) identify the deficiencies in the defense capabilities of the armed forces of the United States in such budget and such five-year defense program.

Reports.

"(3) The Secretary shall transmit to Congress the report required for each year under paragraph (1) at the same time that the President submits the budget to Congress under section 1105 of title 31 in that year. Such report shall be transmitted in both classified and unclassified form.".

Classified information. Public information.

SEC. 732. LINKAGE OF NATIONAL MILITARY STRATEGY AND WEAPON ACQUISITION PROGRAMS

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

(1) The Final Report to the President by the President's Blue Ribbon Commission on Defense Management (the "Packard Commission"), the Defense Acquisition Study of the Center for Strategic and International Studies, and the Report of the Commission on Integrated Long-Term Strategy (referred to as "Discriminate Deterrence") have separately identified significant deficiencies in the integration of weapon acquisition programs of the Department of Defense with national military strategy.

(2) There is no established process involving the Office of the Secretary of Defense and the Joint Staff in which strategy, policy, operational concepts, and resource constraints are fully debated, coordinated, and translated into weapon acquisition programs. The dominant role of setting requirements for new weapon systems remains with the headquarters staffs of the military departments, and the requirements developed by those departments often do not appear to have been rigorously evaluated in terms of their overall contribution to national military strategy.

(3) The requirements and planning process of the Department of Defense is not constrained by realistic projections of future defense budgets. Consequently, the process is fiscally unrealistic and, therefore, largely ignored in the subsequent planning and budgeting process. This process often results in disparate plans that do not optimize the potential contribution of the acquisition programs of each military department to the objectives of national military strategy.

(b) SENSE OF CONGRESS.—In light of the findings in subsection (a), it is the sense of Congress that—

(1) to ensure that the United States develops and acquires the proper mix of weapon systems to support national military strategy most effectively and efficiently, the Office of the Secretary of Defense and the Joint Staff should better define the links between national military strategy and specific acquisition programs;

(2) the Office of the Secretary of Defense, the Joint Staff, and the headquarters of the unified and specified combatant commands should more clearly define the necessary operational capabilities and concepts of operations as part of the requirements process and should explicitly consider alternative acquisition programs based on probable levels of resources likely to be approved by Congress and trade-offs among the acquisition programs of the military departments;

(3) the Secretary of Defense should ensure that resulting acquisition programs clearly reflect the objectives of national military strategy; and

(4) the Secretary of Defense should commission an independent study to assess the degree to which the development and acquisition of weapon systems is currently linked to and determined by the national military strategy and to recommend improvements where necessary or desirable.

SEC. 733. REPORT ON FUNDING FOR THE AMMUNITION PRODUCTION BASE

(a) SENSE OF CONGRESS.—It is the sense of Congress—

(1) that the maintenance of the inactive portion of the Government-owned ammunition production base is critical to the defense of the United States; and

(2) that sufficient funding should be provided to maintain this base to meet surge requirements and mobilization requirements of the military departments.

(b) STUDY OF ALTERNATIVES.—The Secretary of Defense shall study alternatives to the current method of providing funds for maintenance of the ammunition production base in order to determine if there are methods other than the current one which would better ensure that appropriate levels of funds are used for the maintenance of that production base.

(c) REPORT.—The Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the alternative methods considered by the Secretary under subsection (b) for providing funds for the ammunition production base. The Secretary shall include in the report such comments and recommendations with respect to such methods, including recommendations for legislation, as the Secretary considers appropriate. The report shall be submitted not later than December 1, 1988.

SEC. 734. SENSE OF CONGRESS CONCERNING DECLASSIFICATION OF CLASSIFIED INFORMATION

It is the sense of Congress that the Secretary of Defense should take all reasonable measures to declassify classified material under the control of the Department of Defense that the Secretary determines to be no longer required in the interest of national security to be protected from unauthorized disclosure.

SEC. 735. ADVANCE PAYMENTS OF ADMINISTRATIVE CLAIMS

(a) INCREASE IN MAXIMUM PAYMENT.—Subsection (a) of section 2736 of title 10, United States Code, is amended to read as follows:

"(a)(1) In the case of a person who is injured or killed, or whose property is damaged or lost, under circumstances for which the Secretary of a military department is authorized by law to allow a claim, the Secretary of the military department concerned may

make a payment to or for the person, or the legal representatives of the person, in advance of the submission of such a claim or, if such a claim is submitted, in advance of the final settlement of the claim. The amount of such a payment may not exceed $100,000.

"(2) Payments under this subsection are limited to payments which would otherwise be payable under section 2733 or 2734 of this title or section 715 of title 32.

"(3) The Secretary of a military department may delegate the authority to make payments under this subsection to the Judge Advocate General of an armed force under the jurisdiction of the Secretary. The Secretary may delegate such authority to any other officer or employee under the jurisdiction of the Secretary, but only with respect to the payment of amounts of $25,000 or less.

Regulations.

"(4) Payments under this subsection shall be made under regulations prescribed by the Secretary of the military department concerned.".

10 USC 2736 note.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to any claim which would otherwise be payable under section 2733 or 2734 of title 10, United States Code, or under section 715 of title 32, United States Code, and which has not been finally settled on or before the date of the enactment of this Act.

Contracts. 42 USC 8287 note.

SEC. 736. ENERGY EFFICIENCY INCENTIVE

(a) ENERGY CONSERVATION INCENTIVE.—In order to provide additional incentive for the Secretary of a military department to enter into contracts under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.), the Secretary may use the first-year energy cost savings (as defined in subsection (d)) realized under any such contract in the manner provided in subsection (b). The amount of savings available for use under subsection (b) shall be determined as provided in subsection (c) and shall remain available for obligation until expended.

(b) AUTHORIZED USES OF SAVINGS.—First-year energy cost savings may be used as follows:

(1) One-half of the amount of such savings may be used for the acquisition of energy conserving measures at a military installation in addition to any such energy conserving measures provided for that installation under a contract entered into under title VIII of the National Conservation Energy Policy Act.

(2) One-half of the amount of such savings may be used for any morale, welfare, or recreation facility or service that is normally provided with appropriated funds, or for any minor military construction project (as defined in section 2805(a) of title 10, United States Code), that will enhance the quality of life of members of the Armed Forces at the military installation at which the energy cost savings were realized.

(c) DETERMINATION OF AMOUNT OF SAVINGS.—Not more than 90 days after the end of the first year during which energy savings measures have been in operation under a contract entered into by the Secretary of a military department under title VIII of the National Energy Conservation Policy Act, the Secretary of the military department concerned shall determine the amount of first-year energy cost savings realized under the terms of the contract during that year by the military department concerned by reason of the energy savings measures acquired and installed at that installation pursuant to that contract.

(d) DEFINITION.—For purposes of this section, the term "first-year energy cost savings" means the savings realized by the United States during the first year of a contract entered into by the Secretary of a military department under title VIII of the National Energy Conservation Policy Act.

TITLE VIII—ACQUISITION POLICY AND MANAGEMENT

Business and industry. Science and technology. Contracts.

PART A—ACQUISITION MANAGEMENT

SEC. 801. INTEGRATED FINANCING POLICY

(a) IN GENERAL.—(1) Chapter 137 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2330. Integrated financing policy

"(a) PLAN.—(1) The Secretary of Defense shall develop and keep current a plan that ensures that Department of Defense policies referred to in paragraph (2) are structured to meet the long-term needs of the Department of Defense for industrial resources and technology innovation.

"(2) This section applies to the following policies applicable to Department of Defense contracts:

"(A) Policies relating to progress payments or other financing by the Department of Defense under such contracts.

"(B) Policies relating to the return on contractor investment under such contracts.

"(C) Policies relating to the allocation of contract risk between the Department of Defense and a contractor.

"(b) MATTERS TO TAKE INTO CONSIDERATION.—In developing the plan under subsection (a) and keeping such plan current, the Secretary shall take into consideration the following:

"(1) The Five-Year Defense Program submitted to Congress under section 114(g) of this title each year.

"(2) Department of Defense mobilization plans.

"(3) The different characteristics of separate segments and tiers of private industry.

"(4) The profitability of contracts negotiated by the Department of Defense in each fiscal year.

"(c) REVIEW.—Each year the Secretary of Defense shall review the plan developed under subsection (a) and shall report the results of such review to the Committees on Armed Services of the Senate and the House of Representatives in conjunction with the submission of the Five-Year Defense Program in such year.

"(d) USE OF INFORMATION ON PROFITABILITY.—The Secretary of Defense, in negotiating any contract, shall use the most current information on profitability developed or obtained by the Secretary of Defense. The Secretary shall submit a report to Congress each year in conjunction with the submission of the Five-Year Defense Program on the extent to which contracts negotiated during the preceding fiscal year have prevented excessive contractor profits, determined on the basis of information obtained by the Secretary of Defense.". Reports.

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

"2330. Integrated financing policy.".

10 USC 2330 note.

(b) ADVISORY COMMITTEE ON STUDY METHODOLOGY.—(1) The Secretary of Defense shall appoint, in accordance with paragraph (3), an advisory committee consisting of five members for the purpose of recommending to the Secretary a financial analysis methodology for any return on investment study conducted by the Secretary.

(2) In recommending a financial analysis methodology under paragraph (1), the advisory committee shall provide recommendations on the desirability of using separate calculations for—

(A) the return on assets;

(B) the return on sales;

(C) capital-to-labor ratios;

(D) asset turnover;

(E) total investment in research and development; and

(F) such other measures of rate of return on investment as the Secretary determines to be appropriate.

(3) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall appoint the members of the committee, with representation from both the public and private sectors.

(4) The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory committee appointed under this subsection.

Reports.

(5) Not later than November 1, 1989, the advisory committee shall submit to the Secretary of Defense a report containing the financial analysis methodology recommended for use in the conduct of the study referred to in paragraph (1). The committee shall cease to exist 90 days after submission of its report.

Reports.

(6) Not later than 90 days after receipt of the report from the advisory committee, the Secretary of Defense shall transmit the report to Congress, together with the Secretary's views on the committee's report.

SEC. 802. COMPETITIVE PROTOTYPE STRATEGIES

Section 2365 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) TERMINATION.—This section shall cease to be effective on September 30, 1991.".

SEC. 803. DELEGATION OF AUTHORITY TO APPROVE CERTAIN CONTRACT JUSTIFICATIONS

Section 2304(f) of title 10, United States Code, is amended—

(1) in paragraph (1)(B)(ii), by striking out "or a delegate" and all that follows through the semicolon and inserting in lieu thereof "(or the head of the procuring activity's delegate designated pursuant to paragraph (6)(A));";

(2) in paragraph (1)(B)(iii), by inserting "or in the case of the Under Secretary of Defense for Acquisition, acting in his capacity as the senior procurement executive for the Department of Defense, the Under Secretary's delegate designated pursuant to paragraph (6)(B)" after "(without further delegation)"; and

(3) by adding at the end the following:

"(6)(A) The authority of the head of a procuring activity under paragraph (1)(B)(ii) may be delegated only to an officer or employee who—

"(i) if a member of the armed forces, is a general or flag officer; or

"(ii) if a civilian, is serving in a position with a grade under the General Schedule (or any other schedule for civilian officers

or employees) that is comparable to or higher than the grade of brigadier general or rear admiral (lower half).

"(B) The authority of the Under Secretary of Defense for Acquisition under paragraph (1)(B)(iii) may be delegated only to—

"(i) an Assistant Secretary of Defense; or

"(ii) with respect to the element of the Department of Defense (as specified in section 111(b) of this title), other than a military department, carrying out the procurement action concerned, an officer or employee serving in or assigned or detailed to that element who—

"(I) if a member of the armed forces, is serving in a grade above brigadier general or rear admiral (lower half); or

"(II) if a civilian, is serving in a position with a grade under the General Schedule (or any other schedule for civilian officers or employees) that is comparable to or higher than the grade of major general or rear admiral.".

SEC. 804. EVALUATION OF CONTRACTS FOR PROFESSIONAL AND TECHNICAL SERVICES

10 USC 2304 note.

(a) ESTABLISHMENT OF CRITERIA.—Within 120 days after the date of the enactment of this Act, the Secretary of Defense shall establish criteria to ensure that proposals for contracts for professional and technical services are evaluated on a basis which does not encourage contractors to propose mandatory uncompensated overtime for professional and technical employees. In establishing such criteria, the Secretary shall consider the recommendations of the advisory committee established under subsection (b). The Secretary shall, before implementing such criteria, transmit to the Committees on Armed Services of the Senate and House of Representatives a report containing such criteria and the recommendations made by the advisory committee.

Reports.

(b) ADVISORY COMMITTEE.—(1) Within 30 days after the date of the enactment of this Act, the Secretary of Defense shall establish an advisory committee to make recommendations on the criteria to be adopted by the Secretary. The advisory committee shall be composed, at a minimum, of such representatives as the Secretary considers appropriate from the Office of the Under Secretary of Defense for Acquisition, the Office of the Comptroller of the Department of Defense, the Acquisition Executives of the military departments, the Defense Contract Audit Agency, the Office of the Inspector General of the Department of Defense, and professional and technical services industries.

(2) In developing the recommendations, the advisory committee shall address the following issues:

(A) How the Department of Defense can best be assured that it receives the best quality services for the amounts expended and that the contractors supplying such services follow sound personnel management practices and observe established labor-management policies and regulations.

(B) Whether contract competitions should be structured in a manner that requires offerors to compete on the basis of factors other than the number of hours per week its professional and technical employees of similar annual salaries work.

(C) Whether the Department of Defense can allow contractors to maintain different accounting systems (for example, 40-hour work week, full time accounting) and still allow the Department

to evaluate proposals on the basis of a work rate of 40 hours per week and 2,080 hours per year.

SEC. 805. PROCUREMENT OF CRITICAL AIRCRAFT AND SHIP SPARE PARTS

(a) IN GENERAL.—(1) Chapter 141 of title 10, United States Code, is amended by inserting after section 2382 the following:

"§ 2383. Procurement of critical aircraft and ship spare parts: quality control

"(a) In procuring any spare or repair part that is critical to the operation of an aircraft or ship, the Secretary of Defense shall require the contractor supplying such part to provide a part that meets all appropriate qualification and contractual quality requirements as may be specified and made available to prospective offerors. In establishing the appropriate qualification requirements, the Secretary of Defense shall utilize those requirements, if available, which were used to qualify the original production part, unless the Secretary of Defense determines in writing that any or all such requirements are unnecessary.

10 USC 2383 note.

"(b) In this section, the term 'spare or repair part' has the meaning given such term by section 2323(f) of this title.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2382 the following new item:

"2383. Procurement of critical aircraft and ship spare parts: quality control.".

(b) EFFECTIVE DATE.—Section 2383 of title 10, United States Code, as added by subsection (a), shall apply with respect to contracts entered into after the end of the 180-day period beginning on the date of the enactment of this Act.

SEC. 806. INCENTIVES FOR INNOVATION

(a) IN GENERAL.—(1) Section 2305(d) of title 10, United States Code, is amended by adding at the end the following:

"(4)(A) Whenever the head of an agency requires that proposals described in paragraph (1)(B) or (2)(B) be submitted by an offeror in its offer, the offeror shall not be required to provide a proposal that enables the United States to acquire competitively in the future an identical item if the item was developed exclusively at private expense unless the head of the agency determines that—

"(i) the original supplier of such item will be unable to satisfy program schedule or delivery requirements; or

"(ii) proposals by the original supplier of such item to meet the mobilization requirements are insufficient to meet the agency's mobilization needs.

"(B) In considering offers in response to a solicitation requiring proposals described in paragraph (1)(B) or (2)(B), the head of an agency shall base any evaluation of items developed exclusively at private expense on an analysis of the total value, in terms of innovative design, life-cycle costs, and other pertinent factors, of incorporating such items in the system.".

(2) Section 2305(d)(3) of such title is amended by adding at the end the following: "Such objectives may not impair the rights of prospective contractors or subcontractors otherwise provided by law.".

(b) CLARIFYING AMENDMENT.—Paragraphs (1)(B) and (2)(B) of section 2305(d) of such title are each amended by striking out "The proposals" and all that follows through "contract are" and inserting

in lieu thereof "Proposals referred to in the first sentence of subparagraph (A) are".

SEC. 807. REGULATIONS ON USE OF FIXED-PRICE DEVELOPMENT CONTRACTS

10 USC 2304 note.

(a) IN GENERAL.—(1) Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall revise the Department of Defense regulations that provide for the use of fixed-price type contracts in a development program. The regulations shall provide that a fixed-price contract may be awarded in such a program only if—

(A) the level of program risk permits realistic pricing; and

(B) the use of a fixed-price contract permits an equitable and sensible allocation of program risk between the United States and the contractor.

(2)(A) The regulations also shall provide that if a contract for development of a major system is to be awarded in an amount greater than $10,000,000, the contract may not be a firm fixed-price contract.

(B) A waiver of the requirement prescribed in regulations under subparagraph (A) may be granted by the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, but only if the Secretary determines and states in writing that the award is consistent with the criteria specified in clauses (A) and (B) of paragraph (1) and the regulations prescribed under such paragraph. The Secretary may delegate the authority in the preceding sentence only to a person who holds a position in the Office of the Secretary of Defense at or above the level of Assistant Secretary of Defense.

(b) DEFINITIONS.—In this section, the term "major system" has the meaning given such term by section 2302(5) of such title.

(c) EXPIRATION.—Paragraph (2) of subsection (a) shall cease to be effective two years after the date of the enactment of this Act.

SEC. 808. DEPARTMENT OF DEFENSE ADVISORY PANEL ON GOVERNMENT-INDUSTRY RELATIONS

(a) ESTABLISHMENT OF ADVISORY PANEL.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall establish an advisory panel to study and make recommendations to the Secretary on ways to enhance cooperation between the Department of Defense and industry regarding matters of mutual interest, including—

(1) procedures governing the debarment and suspension of contractors from doing business with the Department of Defense;

(2) the role of self-governing oversight programs established by defense contractors;

(3) expanded use of alternative dispute resolution procedures; and

(4) the desirability of establishing a permanent advisory panel on government-industry relations.

(b) MEMBERSHIP OF ADVISORY PANEL.—The Secretary of Defense shall appoint persons to the advisory panel who are especially qualified to serve on such panel by virtue of their education, training, and experience in defense acquisition matters. The Secretary shall include on the membership of such panel an appropriate

balance of persons from government, private industry, and academia.

(c) REPORT DEADLINE.—(1) The Secretary shall require the advisory panel to submit its findings and recommendations to him not later than 180 days after the date on which the panel is appointed.

(2) The Secretary shall transmit a copy of the report of the advisory panel to Congress, together with such comments and recommendations thereon as the Secretary determines appropriate, within 30 days after the date on which the report is submitted to the Secretary.

SEC. 809. REPORT ON SIMPLIFICATION AND STREAMLINING OF ACQUISITION PROCEDURES

(a) REPORT ON ACQUISITION SIMPLIFICATION PROGRAMS.—The Under Secretary of Defense for Acquisition shall submit to Congress a report on the current programs of the Under Secretary regarding simplification of procedures governing the acquisition process of the Department of Defense. The report shall include an assessment of the results of those programs.

(b) MATTERS TO BE INCLUDED.—The report under subsection (a) shall include the following:

(1) A timetable to effectuate regulation reform measures based on the lessons learned from the conduct of the programs referred to in subsection (a).

(2) In the case of a program referred to in subsection (a) which has not been completed—

(A) the methodology to be used in evaluating such program; and

(B) a timetable for completing an assessment of the results of the program.

(3) A comprehensive analysis of the effects that existing laws, regulations, and guidelines applicable to procurement by the Department of Defense have on the capability of the Department of Defense efficiently and effectively to meet the national defense needs of the United States, including any recommendations for legislation that the Under Secretary considers appropriate to improve that capability.

(4) A description of the results of the studies undertaken by the Under Secretary in conjunction with the Inspector General of the Department of Defense and the Comptroller of the Department of Defense regarding the responsibilities of the Under Secretary under section 133(d) of title 10, United States Code, to prescribe policies for the prevention of duplicative audit and oversight of contractor activities by different elements of the Department of Defense.

(5) A discussion of the feasibility and desirability of each of the following:

(A) Structuring the audit and oversight of a contractor by the Department of Defense in a manner that reasonably relates to the extent of the risk assumed by the contractor in the type of contract that is subject to the audit and oversight.

(B) Granting authority to a senior official of the Department of Defense to receive and promptly resolve complaints of acquisition officials and contractors of the Department of Defense regarding allegations of duplicative oversight activities.

(C) Establishing a formal independent means within the Department of Defense to ensure quality, integrity, and professionalism in the performance of audit and oversight activities.

(D) Establishing and implementing a policy that prohibits an organization within the Department of Defense with responsibility for oversight of contractor activities from conducting an audit or review of an activity in the Department of Defense if another such oversight organization of the Department of Defense has conducted an audit or review of that activity within a fixed period of time preceding the proposed audit or review, unless the audit or review proposed to be conducted is substantially different in type and scope from the prior audit or review and there is a compelling reason not to rely on the prior audit or review.

(c) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than December 1, 1988.

(d) COORDINATION OF ANNUAL AUDIT PLANS BY AUDIT AND OVERSIGHT ELEMENTS OF DOD.—Section 133(d)(1) of title 10, United States Code, is amended by adding at the end the following new sentence: "Such policies shall provide for coordination of the annual plans developed by each such element for the conduct of audit and oversight functions within each contracting activity.".

PART B—DEFENSE INDUSTRIAL BASE

SEC. 821. MAINTENANCE AND IMPROVEMENT OF THE DEFENSE INDUSTRIAL BASE

10 USC 2501 note.

(a) FINDINGS.—Congress finds the following:

(1) A strong defense industrial base in the United States is essential to the national security and significantly enhances the capability of United States manufacturers and producers—

(A) to develop technologically superior defense material rapidly and to produce such material efficiently in cost-effective quantities during peacetime; and

(B) to expand productive capacity rapidly to meet the demands of a national emergency.

(2) A strong and responsive defense industrial base is a basic deterrent to aggression and, thus, helps to preserve peace.

(3) Studies conducted over a 10-year period by Congress, the General Accounting Office, the Department of Defense, and others have consistently shown a steady, unchecked erosion of the defense industrial base in the United States.

(4) Despite the uniformly adverse findings contained in the reports on such studies, the United States still lacks a coherent industrial base policy that is directly linked to national security strategy.

(5) Reliable methods for assessing the weaknesses and strengths of the defense industrial base have not been utilized.

(6) The development and implementation of an effective program for the restoration and maintenance of the defense industrial base is unlikely to occur without improved centralized policy direction and management.

(7) Existing programs and authorities designed to restore and maintain the defense industrial base have received inconsistent and, frequently, inadequate allocations of resources and

management attention from the military departments and the Defense Agencies because the Office of the Secretary of Defense has not exercised strong leadership in defense industrial base management.

(8) Procurement policies, regulations, and practices of the Department of Defense do not sufficiently encourage—

(A) investment in advanced manufacturing technology and modernization of manufacturing facilities and equipment;

(B) the entry of efficient commercial producers into the defense procurement market; and

(C) continued participation of efficient producers in defense procurement competitions.

(b) AMENDMENTS TO TITLE 10.—(1) Chapter 148 of title 10, United States Code, is amended—

(A) by redesignating sections 2501 and 2502 as sections 2506 and 2507, respectively; and

(B) by striking out the chapter heading and the table of sections and inserting in lieu thereof the following:

"CHAPTER 148—DEFENSE INDUSTRIAL BASE

"Sec.
"2501. Centralized guidance, analysis, and planning.
"2502. Policies relating to defense industrial base.
"2503. Defense industrial base office.
"2504. Defense memoranda of understanding.
"2505. Offset policy; notification.
"2506. Limitation on use of funds: procurement of goods which are other than American goods.
"2507. Miscellaneous procurement limitations.

"§ 2501. Centralized guidance, analysis, and planning

"The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall—

"(1) provide overall policy guidance and direction to the military departments and the Defense Agencies on matters relating to the maintenance, expansion, and readiness of the defense industrial base of the United States;

"(2) analyze the capabilities of the defense industrial base of the United States to fulfill the requirements of national defense strategy in time of peace and the expanded requirements of national defense strategy in time of war or national emergency;

"(3) develop clear standards for assessing military mobilization requirements and the manner in which those requirements will be met;

"(4) develop and direct the implementation of plans, programs, and policies that promote the ability of the defense industrial base of the United States to fulfill the requirements of the Department of Defense; and

"(5) identify and plan for the procurement of items of supply that—

"(A) are suitable substitutes for military standard items of supply, or suitable substitutes for subsystems or components of military standard items of supply, that are anticipated to be unavailable from existing sources in quantities that are sufficient to meet planned requirements in time of war or national emergency; and

"(B) are commercially available from domestic sources.

"§ 2502. Policies relating to defense industrial base

"(a) ACQUISITION POLICIES.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall establish and implement policies requiring—

"(1) for each major defense acquisition program, an analysis of the capabilities of the defense industrial base to develop, produce, maintain, and support such program;

"(2) the consideration of requirements for efficient manufacture during the design and production of the systems to be procured under the major defense acquisition program;

"(3) the use of advanced manufacturing technology, processes, and systems during the research and development and production phases of the acquisition of a weapon system under a major defense acquisition program;

"(4) to the maximum extent practicable for each major defense acquisition program, the development of an acquisition plan that provides for contract solicitations which encourage competing offerors to acquire, for use in the performance of the contract, modern technology, production equipment, and production systems (including hardware and software) that increase the productivity of the offerors and reduce life-cycle costs;

"(5) the encouragement of domestic source investment in advanced manufacturing technology production equipment and processes through—

"(A) recognition of the contractor's investment in advanced manufacturing technology production equipment and processes in the development of the contract objective; and

"(B) increased emphasis in source selections to the efficiency of production;

"(6) the expanded use of commercial manufacturing processes rather than processes specified by the Department of Defense;

"(7) elimination of barriers to, and facilitation of, the integrated manufacture of commercial items and items being produced under defense contracts; and

"(8) the expanded use of commercial products as set forth in section 2325 of this title.

"(b) ANALYSIS.—(1) In the conduct of any analysis required under subsection (a)(1), the following factors, as appropriate, may be considered:

"(A) The availability of essential raw materials, special alloys, and composite materials.

"(B) The availability of components, subsystems, production equipment, and facilities that are essential for—

"(i) the sustained production of a system that is fully capable of performing its purpose;

"(ii) the uninterrupted maintenance and repair of such system; and

"(iii) the sustained operation of such system.

"(C) The availability of required special tooling and production test equipment.

"(D) The identification of components or subsystems that are available solely from sources outside the United States.

"(E) Planned alternatives, if appropriate, for fulfilling requirements that during peacetime are fulfilled by sources outside the United States.

"(2) In the conduct of the analysis required under subsection (a)(1), the Under Secretary shall minimize the paperwork burden on the contractor, its subcontractors, and suppliers.

"(c) ASSESSMENTS.—(1) The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall ensure that, for each major defense acquisition program—

"(A) the capability of the domestic defense industrial base to meet requirements for that program has been assessed by the military department or Defense Agency carrying out such program; and

"(B) the capability of the domestic defense industrial base to meet the aggregate requirements for all such programs has been assessed in the Office of the Secretary of Defense.

"(2) For purposes of this subsection, the term 'domestic defense industrial base' means firms engaged in production in the United States and Canada.

"§ 2503. Defense industrial base office

"The Under Secretary of Defense for Acquisition may establish within the Office of the Under Secretary of Defense for Acquisition a defense industrial base office to be the principal office in the Department of Defense for the development of policies and plans regarding the conduct of programs for the improvement of the defense industrial base of the United States. Such an office shall, at a minimum—

"(1) develop and propose plans and programs for the maintenance and fostering of defense industrial readiness in the United States;

"(2) develop and propose plans and programs to encourage the use by the defense industries of the United States of advanced manufacturing technology and processes and investment in improved productivity;

"(3) propose, consistent with existing law, the repeal or amendment of the regulations of the Department of Defense prescribed as part of the Federal Acquisition Regulation (the single system of Government-wide procurement regulation as defined in section 4(4) of the Office of Federal Procurement Policy Act) and such other regulations and policies as may be necessary to eliminate any adverse effect that the regulations and policies may have on investment in improved productivity; and

"(4) evaluate and propose for testing innovative ideas for improving defense industrial readiness in the United States, including ideas for improving—

"(A) manufacturing processes; and

"(B) the acquisition procedures of the Department of Defense.".

(2) The items relating to chapter 148 in the tables of chapters at the beginning of part IV of subtitle A of title 10, United States Code, and at the beginning of such subtitle, are each amended to read as follows:

"148. Defense Industrial Base ..... 2501".

(c) ANALYSIS OF DEFENSE INDUSTRIAL BASE CAPABILITY.—(1) The Under Secretary of Defense for Acquisition shall require the Secretary of each military department to provide to the Under Secretary at least one analysis of the type described in section 2502(a)(1) of title 10, United States Code (as added by subsection (b)) for an acquisition program carried out by such department. The Under Secretary shall compile and analyze the data obtained from such analysis in order to ascertain whether the industrial base is capable of supporting each such program. 10 USC 2502 note.

(2) A program may not be selected for an analysis under this subsection if production of the system to be acquired under such program has begun.

(3) All analyses required under this subsection shall be completed not later than September 30, 1990.

(4) Not later than February 1, 1991, the Under Secretary of Defense for Acquisition shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the analyses required under this subsection. Reports.

SEC. 822. SOURCE FOR PROCUREMENT OF CERTAIN VALVES AND MACHINE TOOLS

Section 2507 of title 10, United States Code, as redesignated by section 821, is amended by adding at the end the following new subsection:

"(d) VALVES AND MACHINE TOOLS.—(1) During fiscal years 1989, 1990, and 1991, funds appropriated or otherwise made available to the Department of Defense may not be used to enter into a contract for the procurement of items described in paragraph (2) that are not manufactured in the United States or Canada.

"(2) Items covered by paragraph (1) are the following:

"(A) Powered and non-powered valves in Federal Supply Classes 4810 and 4820 used in piping for naval surface ships and submarines.

"(B) Machine tools in the Federal Supply Classes for metal-working machinery numbered 3405, 3408, 3410 through 3419, 3426, 3433, 3438, 3441 through 3443, 3445, 3446, 3448, 3449, 3460, and 3461.

"(3) The Secretary of Defense may waive the requirement of paragraph (1) with respect to the procurement of an item if the Secretary determines that any of the following apply with respect to that item:

"(A) The restriction would cause unreasonable costs or delays to be incurred.

"(B) United States producers of the item would not be jeopardized by competition from a foreign country and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.

"(C) Satisfactory quality items manufactured in the United States or Canada are not available. Canada.

"(D) The restriction would impede cooperative programs entered into between the Department of Defense and a foreign country and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.

"(E) The procurement is for an amount less than $25,000 and simplified small purchase procedures are being used.

"(F) The restriction would result in the existence of only one United States or Canadian source for the item.

"(4) The provisions of this section may be renewed with respect to any item by the Secretary of Defense at the end of fiscal year 1991 for an additional two fiscal years if the Secretary determines that a continued restriction on that item is in the national security interest.".

Arms and munitions.

SEC. 823. CRITICAL TECHNOLOGIES PLAN

(a) IN GENERAL.—(1) Chapter 139 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2368. Critical technologies plan

"(a) ANNUAL PLAN.—(1) Not later than March 15 of each year, the Under Secretary of Defense for Acquisition, in consultation with the Assistant Secretary of Energy for Defense Programs, shall submit to the Committees on Armed Services of the Senate and the House of Representatives a plan for developing the 20 technologies considered by the Secretary of Defense and the Secretary of Energy to be the technologies most essential to develop in order to ensure the long-term qualitative superiority of United States weapon systems.

"(2) In selecting the technologies to be included in the plan, the Secretary of Defense and the Secretary of Energy shall consider both product technologies and process technologies.

Classified information. Public information.

"(3) Such plan shall be submitted in both classified and unclassified form.

"(b) CONTENT OF PLAN.—Each plan submitted under subsection (a) shall include, with respect to each technology included in the plan, the following matters:

"(1) The reasons for selecting such technology.

"(2) The milestone goals for the development of such technology.

"(3) The amounts contained in the budgets of the Department of Defense, the Department of Energy, and other departments and agencies for the support of the development of such technology for the fiscal year beginning in the year in which the plan is submitted.

"(4) A comparison of the positions of the United States and the Soviet Union in the development of such technology.

"(5) The potential contributions that the allies of the United States can make to meet the needs of the alliance for such technology.

"(6) With respect to the development of such technology, a comparison of the relative positions of the United States and other industrialized countries that are prominent in the development of such technology and the extent to which the United States should depend on other countries for the development of such technology.

"(7) The potential contributions that the private sector can be expected to make from its own resources in connection with development of civilian applications for such technology.".

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

"2368. Critical technologies plan.".

(b) FIRST REPORT.—The first report under section 2368 of title 10, United States Code (as added by subsection (a)), shall be submitted in 1989.

10 USC 2368 note.

SEC. 824. DEFENSE MEMORANDA OF UNDERSTANDING

Chapter 148 of title 10, United States Code, as amended by section 821, is further amended by inserting after section 2503 the following new section:

"§ 2504. Defense memoranda of understanding

"In the negotiation and renegotiation of each memorandum of understanding between the Secretary of Defense, acting on behalf of the United States, and one or more foreign countries (or any instrumentality of a foreign country) relating to research, development, or production of defense equipment, the Secretary of Defense shall—

"(1) consider the effect of such proposed memorandum of understanding on the defense industrial base of the United States; and

"(2) regularly solicit and consider information or recommendations from the Secretary of Commerce with respect to the effect on the United States industrial base of such memorandum of understanding.".

SEC. 825. DEPARTMENT OF DEFENSE OFFSET POLICY

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

10 USC 2505 note.

(1) Many contracts entered into by United States firms for the supply of weapon systems or defense-related items to foreign countries and foreign firms are subject to contractual arrangements under which United States firms must agree—

(A) to have a specified percentage of work under, or monetary amount of, the contract performed by one or more foreign firms;

(B) to purchase a specified amount or quantity of unrelated goods or services from domestic sources of such foreign countries; or

(C) to invest a specified amount in domestic businesses of such foreign countries.

Such contractual arrangements, known as "offsets", are a component of international trade and could have an impact on United States defense industry opportunities in domestic and foreign markets.

(2) Some United States contractors and subcontractors may be adversely affected by such contractual arrangements.

(3) Many contracts which provide for or are subject to offset arrangements require, in connection with such arrangements, the transfer of United States technology to foreign firms.

(4) The use of such transferred technology by foreign firms in conjunction with foreign trade practices permitted under the trade policies of the countries of such firms can give foreign firms a competitive advantage against United States firms in world markets for products using such technology.

(5) A purchase of defense equipment pursuant to an offset arrangement may increase the cost of the defense equipment to the purchasing country and may reduce the amount of defense equipment that a country may purchase.

(6) The exporting of defense equipment produced in the United States is important to maintain the defense industrial base of the United States, lower the unit cost of such equipment to the Department of Defense, and encourage the standardized utilization of United States equipment by the allies of the United States.

(b) AMENDMENT TO TITLE 10.—Chapter 148 of title 10, United States Code, as amended by sections 821 and 824, is further amended by inserting after section 2504 the following new section:

President of U.S.

"§ 2505. Offset policy; notification

"(a) ESTABLISHMENT OF OFFSET POLICY.—The President shall establish, consistent with the requirements of this section, a comprehensive policy with respect to contractual offset arrangements in connection with the purchase of defense equipment or supplies which addresses the following:

"(1) Transfer of technology in connection with offset arrangements.

"(2) Application of offset arrangements, including cases in which United States funds are used to finance the purchase by a foreign government.

"(3) Effects of offset arrangements on specific subsectors of the industrial base of the United States and for preventing or ameliorating any serious adverse effects on such subsectors.

"(b) TECHNOLOGY TRANSFER.—(1) No official of the United States may enter into a memorandum of understanding or other agreement with a foreign government that would require the transfer of United States defense technology to a foreign country or a foreign firm in connection with a contract that is subject to an offset arrangement if the implementation of such memorandum or agreement would significantly and adversely affect the defense industrial base of the United States and would result in a substantial financial loss to a United States firm.

"(2) Paragraph (1) shall not apply in the case of a memorandum of understanding or agreement described in paragraph (1) if the Secretary of Defense, in consultation with the Secretary of Commerce and the Secretary of State, determines that a transfer of United States defense technology pursuant to such understanding or agreement will result in strengthening the national security of the United States and so certifies to Congress.

"(3) If a United States firm is required under the terms of a memorandum of understanding, or other agreement entered into by the United States with a foreign country, to transfer defense technology to a foreign country, the United States firm may protest the determination to the Secretary of Defense on the grounds that the transfer of such technology would adversely affect the defense industrial base of the United States and would result in substantial financial loss to the protesting firm. The Secretary of Defense, in consultation with the Secretary of Commerce and the Secretary of State, shall make the final determination of the validity of the protesting firm's claim.

Claims.

"(c) NOTIFICATION REGARDING OFFSETS.—If at any time a United States firm enters into a contract for the sale of a weapon system or defense-related item to a foreign country or foreign firm and such contract is subject to an offset arrangement exceeding $50,000,000 in value, such firm shall notify the Secretary of Defense of the proposed sale. Notification shall be made under this subsection in

Regulations.

accordance with regulations prescribed by the Secretary of Defense in consultation with the Secretary of Commerce.

"(d) DEFINITIONS.—In this section:

"(1) The term 'United States firm' means a business entity that performs substantially all of its manufacturing, production, and research and development activities in the United States.

"(2) The term 'foreign firm' means a business entity other than a United States firm.".

(c) NEGOTIATIONS.—(1) The President shall enter into negotiations with foreign countries that have a policy of requiring an offset arrangement in connection with the purchase of defense equipment or supplies from the United States. The negotiations should be conducted with a view to achieving an agreement with the countries concerned that would limit the adverse effects that such arrangements have on the defense industrial base of each such country.

President of U.S.
10 USC 2505 note.

(2) Every effort shall be made to achieve such agreements within two years after the date of the enactment of this Act.

(d) REPORTS.—(1) Not later than November 15, 1988, the President shall submit to Congress a comprehensive report on contractual offset arrangements required of United States firms for the supply of weapon systems or defense-related items to foreign countries or foreign firms. Such report shall include, at a minimum, the following:

President of U.S.

(A) An analysis of the amount and type of contractual offsets required of United States firms by the governments of foreign countries or by foreign firms.

(B) An assessment of the benefits for and costs to United States manufacturers of defense products at all tiers that result from requirements of foreign governments for contractual offset arrangements in the case of products procured from United States firms.

(C) An assessment of the benefits for and the costs to United States manufacturers of defense products at all tiers that would result from restriction of the ability of foreign governments or foreign firms to require contractual offsets in the case of defense products procured from United States firms.

(D) An assessment of the benefits and costs of a United States policy that requires reciprocal offsets in the procurement of defense products from those countries whose governments have a policy of requiring contractual offsets in the case of defense products procured from United States firms.

(E) An assessment of the impact that elimination of contractual offset requirements in international sales of defense products would have on the national security of the United States.

(F) Recommendations for a national policy with respect to contractual offset arrangements.

(G) A preliminary discussion of the actions referred to in paragraph (2).

(2) Not later than March 15, 1990, the President shall transmit to Congress a report containing a discussion of appropriate actions to be taken by the United States with respect to purchases from United States firms by a foreign country (or a firm of that country) when that country or firm requires an offset arrangement in connection with the purchase of defense equipment or supplies in favor of such country. The report shall include a discussion of the following possible actions:

(A) A requirement for an offset in favor of the United States or United States firms in any case in which the Department of Defense or any other department or agency of the United States purchases goods from such foreign country or a firm of such country.

(B) A demand for offset credits from such foreign country to be used, to the extent practicable, to meet offset obligations of United States firms to such foreign country or to a firm of such country.

(C) A reduction in assistance furnished such foreign country by the United States.

(D) A requirement for alternative equivalent advantages in the case of any such foreign country or a firm of such country if the United States does not purchase a sufficient volume of goods from such country or firm for a requirement described in subparagraph (A) to be effective.

(3) The President shall report to Congress at least once each year, for a period of 4 years, on the progress of the negotiations referred to in subsection (c). The first such report shall be submitted not later than one year after the date of the enactment of this Act.

(4) In this subsection, the terms "United States firm" and "foreign firm" have the same meanings as are provided in section 2505(d) of title 10, United States Code, as added by subsection (b).

SEC. 826. ALLOWABILITY OF COSTS TO PROMOTE THE EXPORT OF DEFENSE PRODUCTS

(a) IN GENERAL.—Section 2324(f) of title 10, United States Code, is amended by adding at the end the following new paragraph:

Regulations.

"(5) The regulations shall provide that costs to promote the export of products of the United States defense industry, including costs of exhibiting or demonstrating products, shall be allowable to the extent that such costs—

"(A) are allocable, reasonable, and not otherwise unallowable;

"(B) with respect to the activities of the business segment to which such costs are being allocated, are determined by the Secretary of Defense to be likely to result in future cost advantages to the United States; and

"(C) with respect to a business segment which allocates to Department of Defense contracts $2,500,000 or more of such costs in any fiscal year of such business segment, are not in excess of the amount equal to 110 percent of such costs incurred by such business segment in the previous fiscal year.".

10 USC 2324 note.

(b) REGULATIONS.—The Secretary of Defense shall prescribe final regulations under paragraph (5) of section 2324(f) of title 10, United States Code (as added by subsection (a)), not later than 90 days after the date of the enactment of this Act. Such regulations shall apply with respect to costs referred to in such paragraph that are incurred by a Department of Defense contractor (or a subcontractor of such a contractor) on or after the first day of the contractor's (or subcontractor's) first fiscal year that begins on or after the date on which such final regulations are prescribed.

10 USC 2324 note.

(c) REPORT.—Not later than two years after the date of the enactment of this Act, the Comptroller General of the United States and the Inspector General of the Department of Defense shall each submit to the Committees on Armed Services of the Senate and House of Representatives a report that includes the following:

(1) An assessment of whether the regulations required by section 2324(f)(5) of title 10, United States Code (as added by subsection (a)), provide the appropriate incentives to stimulate exports by the United States defense industry and provide cost savings to the United States.

(2) An assessment of whether such regulations provide appropriate criteria to ensure that costs allowed are reasonably likely to provide future cost savings to the United States.

(d) TERMINATION.—Section 2324(f)(5) of title 10, United States Code (as added by subsection (a)), shall cease to be effective three years after the date of the enactment of this Act. 10 USC 2324 note.

PART C—POLICIES RELATING TO DEFENSE CONTRACTORS

SEC. 831. ADDITIONAL PROHIBITIONS ON PERSONS CONVICTED OF FELONIES RELATED TO DEFENSE CONTRACTS

(a) IN GENERAL.—Section 2408(a) of title 10, United States Code, is amended to read as follows:

"(a) PROHIBITION.—(1) An individual who is convicted of fraud or any other felony arising out of a contract with the Department of Defense shall be prohibited from each of the following: Fraud.

"(A) Working in a management or supervisory capacity on any defense contract.

"(B) Serving on the board of directors of any defense contractor.

"(C) Serving as a consultant to any defense contractor.

"(D) Being involved in any other way, as determined under regulations prescribed by the Secretary of Defense, with a defense contract. Regulations.

"(2) Except as provided in paragraph (3), the prohibition in paragraph (1) shall apply for a period, as determined by the Secretary of Defense, of not less than five years after the date of the conviction.

"(3) The prohibition in paragraph (1) may apply with respect to an individual for a period of less than five years if the Secretary determines that the five-year period should be waived in the interests of national security. If the five-year period is waived, the Secretary shall submit to Congress a report stating the reasons for the waiver.". Reports.

(b) EFFECTIVE DATE.—Section 2408(a) of title 10, United States Code, as amended by subsection (a), shall apply with respect to individuals convicted after the date of the enactment of this Act. 10 USC 2408 note.

SEC. 832. LIMITATION ON ALLOWABILITY OF COSTS OF CONTRACTORS INCURRED IN CERTAIN PROCEEDINGS

Law enforcement and crime.

(a) LIMIT ON COSTS.—Section 2324(e) of title 10, United States Code, is amended—

(1) by adding at the end of paragraph (1), as amended by section 322(a), the following:

"(N) Except as provided in paragraph (2), costs incurred in connection with any civil, criminal, or administrative action brought by the United States that results in a determination that a contractor has violated or failed to comply with any Federal law or regulation if the action results in any of the following:

"(i) In the case of a criminal action, a conviction (including a conviction pursuant to a plea of nolo contendere).

"(ii) In the case of a civil or administrative action, (I) a determination by the Secretary of Defense that the violation or failure to comply was knowing or willful, and (II) the imposition of a monetary penalty.

"(iii) A final decision by an appropriate official of the Department of Defense to debar or suspend the contractor or to rescind, void, or terminate a contract awarded to such contractor if such decision is based on a determination by the Secretary of Defense that the violation or failure to comply was knowing or willful.";

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) (as amended by paragraph (1)) the following:

"(2) If a civil, criminal, or administrative action referred to in paragraph (1)(N) is resolved by consent or compromise pursuant to an agreement entered into by a contractor and the United States, the contractor's costs that are otherwise not allowable under paragraph (1)(N) may be allowed to the extent provided in such agreement.".

10 USC 2324 note.

(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations to implement section 2324(e)(1)(N) of title 10, United States Code, as added by subsection (a), not later than 90 days after the date of the enactment of this Act.

10 USC 2324 note.

SEC. 833. AIR TRAVEL EXPENSES OF DEFENSE CONTRACTOR PERSONNEL

(a) AIR FARE DISCOUNT AGREEMENTS.—The Administrator of General Services shall enter into negotiations with commercial air carriers with a view to achieving agreements that permit personnel of contractors who are traveling solely in the performance of covered contracts to be transported by such carriers at the same discount air passenger transportation rates as such carriers charge for travel by Federal Government employees traveling at Government expense.

Regulations.

(b) ALLOWABLE COSTS.—Not later than 120 days after the first agreement goes into effect between the Administrator of General Services and a commercial air carrier under subsection (a), the Secretary of Defense shall prescribe regulations that provide that costs for travel by commercial air carrier by an employee of a defense contractor that exceed the air passenger transportation rates established under the agreement are not allowable costs under section 2324 of title 10, United States Code, under a covered contract if—

(1) the rate was available; and

(2) travel could have reasonably been performed under the conditions required by the air carrier to qualify for such rate.

(c) COVERED CONTRACT.—In this section, the term "covered contract" has the meaning given such term by section 2324(k) of title 10, United States Code.

(d) EXPIRATION.—This section shall cease to be effective three years after the date of the enactment of this Act.

SEC. 834. STANDARDS FOR CONTRACTOR INVENTORY ACCOUNTING SYSTEMS

(a) IN GENERAL.—(1) Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2410b. Contractor inventory accounting systems: standards

Regulations.

"The Secretary of Defense shall prescribe in regulations—

"(1) standards for inventory accounting systems used by contractors under contract with the Department of Defense; and

"(2) appropriate certification and enforcement requirements with respect to such standards.".

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

"2410b. Contractor inventory accounting systems: standards.".

(b) REGULATIONS.—(1) The Secretary of Defense shall prescribe the regulations required by paragraph (1) of section 2410b of title 10, United States Code, as added by subsection (a), not later than 30 days after the date of the enactment of this Act.

10 USC 2410b note.

(2) The Secretary of Defense shall prescribe the regulations required by paragraph (2) of section 2410b of title 10, United States Code, as added by subsection (a), not later than 180 days after the date of the enactment of this Act.

SEC. 835. EQUAL EMPLOYMENT OPPORTUNITIES RELATING TO AN ARMY CONTRACT

No funds appropriated pursuant to any authorization in this Act or in any previous Act may be expended or obligated for the performance of contract number DA AJ09-88-C-A093 by a contractor outside the United States unless the Secretary of the Army secures a commitment from the contractor that it will support equal employment opportunities for all individuals irrespective of race, color, religion, sex, or national origin in its employment practices.

PART D—MISCELLANEOUS

SEC. 841. PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM

(a) LIMITATION.—Section 2414 of title 10, United States Code, is amended to read as follows:

"§ 2414. Limitation

State and local governments.

"(a) IN GENERAL.—The value of the assistance furnished by the Secretary to any eligible entity to carry out a procurement technical assistance program under a cooperative agreement under this chapter during any fiscal year may not exceed—

"(1) in the case of a program operating on a Statewide basis, $300,000; or

"(2) in the case of a program operating on less than a Statewide basis, $150,000.

"(b) DETERMINATIONS ON SCOPE OF OPERATIONS.—A determination of whether a procurement technical assistance program is operating on a Statewide basis or on less than a Statewide basis shall be made in accordance with regulations prescribed by the Secretary of Defense.".

Regulations.

(b) PROCUREMENT TECHNICAL ASSISTANCE FOR INDIAN TRIBAL ORGANIZATIONS.—(1) Section 807(a)(2) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1128) is amended by striking out "for fiscal year 1988," and inserting in lieu thereof "for fiscal years 1988 and 1989,".

(2) Section 2411(1)(D) of title 10, United States Code, is amended by striking out the period at the end and inserting in lieu thereof

", whether or not such economic enterprise is organized for-profit, or nonprofit purposes.".

SEC. 842. PRODUCT EVALUATION

(a) IN GENERAL.—Chapter 139 of title 10, United States Code, as amended by section 823, is further amended by adding at the end the following new section:

"§ 2369. Product evaluation activity

"(a) ESTABLISHMENT.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall establish a program for the supervision and coordination of product evaluation activities within the Department of Defense.

"(b) CONDUCT OF PRODUCT EVALUATION.—(1) The Secretary of each military department and the head of each Defense Agency may, subject to supervision and coordination by the Under Secretary of Defense for Acquisition, establish and conduct appropriate product evaluation activities.

"(2) The purpose of each product evaluation activity established under paragraph (1) is to evaluate products developed by private industry independent of any contract or other arrangement with the United States in order to determine the utility of such products to the Department of Defense.

"(c) COST SHARING.—As a condition to conducting an evaluation of any product under this section, the producer of the product shall be required to pay one half of the cost of conducting such evaluation. For product development proposed by a small business concern (within the meaning of section 3 of the Small Business Act (15 U.S.C. 632)), the Secretary of Defense may pay up to 85 percent of the cost of product evaluation if the small business concern agrees to a not-for-profit contract.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter, as amended by section 823, is further amended by adding at the end the following new item:

"2369. Product evaluation activity.".

SEC. 843. CONTRACT GOAL FOR MINORITIES IN PRINTING-RELATED SERVICES

44 USC 502 note.

(a) TEST PROGRAM.—The Public Printer shall establish and, during fiscal years 1989 and 1990, carry out a test program for increasing its award of contracts to small and disadvantaged businesses for the printing, binding, and related services needed by the Department of Defense. The program shall have a goal of procuring in each such fiscal year from such businesses printing, binding, and related services equivalent to not more than 5 percent of the value of the printing, binding, and related services which were procured in the preceding fiscal year by the Government Printing Office from non-Government sources for the Department of Defense. The Public Printer may use such procurement procedures as he considers necessary to facilitate achievement of such goal.

(b) COVERED ENTITIES.—In this section, the term "small and disadvantaged businesses" means the small business concerns, historically Black colleges and universities, and minority institutions described in section 1207(a) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3973).

(c) ENFORCEMENT.—Any person who, for the purpose of securing a contract under subsection (a), misrepresents the status of any con-

cern or person as a small business concern referred to in subsection (b), is subject to the penalties set forth in section 1207(f) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3974).

(d) SECTION 1207 GOALS.—For the purpose of determining whether the Department of Defense has attained the goals set forth in section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3973), the Secretary of Defense may count any procurements by the Public Printer in the program established under subsection (a).

SEC. 844. EXTENSION OF CONTRACT GOAL FOR SMALL AND DISADVANTAGED BUSINESSES

Section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3973) is amended in subsections (a) and (h) by striking out "and 1989" and inserting in lieu thereof "1989, and 1990".

10 USC 2301 note.

SEC. 845. DEADLINE FOR CERTAIN SMALL BUSINESS REGULATIONS

Section 3(a)(4)(C) of the Small Business Act (15 U.S.C. 632) is amended by inserting at the end the following: "Such regulations shall apply with respect to contracts entered into on or after October 1, 1988.".

SEC. 846. SAFEGUARDING OF MILITARY WHISTLEBLOWERS

(a) MILITARY WHISTLEBLOWER PROTECTION.—(1) Section 1034 of title 10, United States Code, is amended to read as follows:

"§ 1034. Communicating with a Member of Congress or Inspector General; prohibition of retaliatory personnel actions

"(a) RESTRICTING COMMUNICATIONS WITH MEMBERS OF CONGRESS AND INSPECTOR GENERAL PROHIBITED.—(1) No person may restrict a member of the armed forces in communicating with a Member of Congress or an Inspector General.

"(2) Paragraph (1) does not apply to a communication that is unlawful.

"(b) PROHIBITION OF RETALIATORY PERSONNEL ACTIONS.—No person may take (or threaten to take) an unfavorable personnel action, or withhold (or threaten to withhold) a favorable personnel action, as a reprisal against a member of the armed forces for making or preparing a communication to a Member of Congress or an Inspector General that (under subsection (a)) may not be restricted. Any action prohibited by the preceding sentence (including the threat to take any action and the withholding or threat to withhold any favorable action) shall be considered for the purposes of this section to be a personnel action prohibited by this subsection.

"(c) INSPECTOR GENERAL INVESTIGATION OF CERTAIN ALLEGATIONS.—(1) If a member of the armed forces submits to the Inspector General of the Department of Defense (or the Inspector General of the Department of Transportation, in the case of a member of the Coast Guard) an allegation that a personnel action prohibited by subsection (b) has been taken (or threatened) against the member with respect to a communication described in paragraph (2), the Inspector General shall expeditiously investigate the allegation.

"(2) A communication described in this paragraph is a communication to a Member of Congress or an Inspector General that (under subsection (a)) may not be restricted in which the member of

the armed forces makes a complaint or discloses information that the member reasonably believes constitutes evidence of—

"(A) a violation of a law or regulation; or

"(B) mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

"(3) The Inspector General is not required to make an investigation under paragraph (1) in the case of an allegation made more than 60 days after the date on which the member becomes aware of the personnel action that is the subject of the allegation.

"(4) If the Inspector General has not already done so, the Inspector General shall commence a separate investigation of the information that the member believes evidences wrongdoing as described in subparagraph (A) or (B) of paragraph (2). The Inspector General is not required to make such an investigation if the information that the member believes evidences wrongdoing relates to actions which took place during combat.

Reports.

"(5) Not later than 30 days after completion of an investigation under this subsection, the Inspector General shall submit a report on the results of the investigation to the Secretary of Defense and the member of the armed forces concerned. In the copy of the report submitted to the member, the Inspector General may exclude any information that would not otherwise be available to the member under section 552 of title 5.

"(6) If, in the course of an investigation of an allegation under this section, the Inspector General determines that it is not possible to submit the report required by paragraph (5) within 90 days after the date of receipt of the allegation being investigated, the Inspector General shall provide to the Secretary of Defense and to the member making the allegation a notice—

"(A) of that determination (including the reasons why the report may not be submitted within that time); and

"(B) of the time when the report will be submitted.

"(7) The report on the results of the investigation shall contain a thorough review of the facts and circumstances relevant to the allegation and the complaint or disclosure and shall include documents acquired during the course of the investigation, including summaries of interviews conducted. The report may include a recommendation as to the disposition of the complaint.

"(d) CORRECTION OF RECORDS WHEN PROHIBITED ACTION TAKEN.—(1) A board for the correction of military records acting under section 1552 of this title, in resolving an application for the correction of records made by a member or former member of the armed forces who has alleged a personnel action prohibited by subsection (b), on the request of the member or former member or otherwise, may review the matter.

"(2) In resolving an application described in paragraph (1), a correction board—

"(A) shall review the report of the Inspector General submitted under subsection (c)(5);

"(B) may request the Inspector General to gather further evidence; and

"(C) may receive oral argument, examine and cross-examine witnesses, take depositions, and, if appropriate, conduct an evidentiary hearing.

"(3) If the board elects to hold an administrative hearing, the member or former member who filed the application described in paragraph (1)—

"(A) may be provided with representation by a judge advocate if—

"(i) the Inspector General, in the report under subsection (c)(5), finds that there is probable cause to believe that a personnel action prohibited by subsection (b) has been taken (or threatened) against the member with respect to a communication described in subsection (c)(2);

"(ii) the Judge Advocate General concerned determines that the case is unusually complex or otherwise requires judge advocate assistance to ensure proper presentation of the legal issues in the case; and

"(iii) the member is not represented by outside counsel chosen by the member; and

"(B) may examine witnesses through deposition, serve interrogatories, and request the production of evidence, including evidence contained in the investigatory record of the Inspector General but not included in the report submitted under subsection (c)(5).

"(4) The Secretary concerned shall issue a final decision with respect to an application described in paragraph (1) within 180 days after the application is filed. If the Secretary fails to issue such a final decision within that time, the member or former member shall be deemed to have exhausted the member's or former member's administrative remedies under section 1552 of this title.

"(5) The Secretary concerned shall order such action, consistent with the limitations contained in sections 1552 and 1553 of this title, as is necessary to correct the record of a personnel action prohibited by subsection (b).

"(6) If the Board determines that a personnel action prohibited by subsection (b) has occurred, the Board may recommend to the Secretary concerned that the Secretary take appropriate disciplinary action against the individual who committed such personnel action.

"(e) REVIEW BY SECRETARY OF DEFENSE.—Upon the completion of all administrative review under subsection (d), the member or former member of the armed forces who made the allegation referred to in subsection (c)(1), if not satisfied with the disposition of the matter, may submit the matter to the Secretary of Defense. The Secretary shall make a decision to reverse or uphold the decision of the Secretary of the military department concerned in the matter within 90 days after receipt of such a submittal.

"(f) POST-DISPOSITION INTERVIEWS.—After disposition of any case under this section, the Inspector General shall, whenever possible, conduct an interview with the person making the allegation to determine the views of that person on the disposition of the matter.

"(g) REGULATIONS.—The Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to carry out this section.

"(h) DEFINITIONS.—In this section:

"(1) The term 'Member of Congress' includes any Delegate or Resident Commissioner to Congress.

"(2) The term 'Inspector General' means—

"(A) an Inspector General appointed under the Inspector General Act of 1978; and

"(B) an officer of the armed forces assigned or detailed under regulations of the Secretary concerned to serve as an Inspector General at any command level in one of the armed forces.".

(2) The item relating to such section in the table of sections at the beginning of chapter 53 of such title is amended to read as follows:

"1034. Communicating with a Member of Congress or Inspector General; prohibition of retaliatory personnel actions.".

10 USC 1034 note.

(b) DEADLINE FOR REGULATIONS.—The Secretary of Defense and the Secretary of Transportation shall prescribe the regulations required by subsection (g) of section 1034 of title 10, United States Code, as amended by subsection (a), not later than 180 days after the date of the enactment of this Act.

10 USC 1034 note.

(c) REPORT.—(1) The Inspector General of the Department of Defense (and the Inspector General of the Department of Transportation with respect to the Coast Guard) shall submit to Congress a report on the activities of the Inspector General under section 1034 of title 10, United States Code, as amended by subsection (a). The report shall include, in the case of each case handled by the Inspector General under that section, a description of—

(A) the nature of the allegation described in subsection (c) of that section;

(B) the evaluation and recommendation of the Inspector General with respect to the allegation;

(C) any action of the appropriate board for the correction of military records with respect to the allegation;

(D) if the allegation is determined to be meritorious, any corrective action taken; and

(E) the views of the member or former member of the armed forces making the allegation (determined on the basis of the interview under subsection (f) of that section) on the disposition of the case.

(2) The Inspector General shall include with the report under this subsection copies of the individual case reports for each such allegation.

(3) The report under this subsection shall be submitted not later than February 1, 1990.

10 USC 1034 note.

(d) EFFECTIVE DATE.—The amendment to section 1034 of title 10, United States Code, made by subsection (a)(1), shall apply with respect to any personnel action taken (or threatened to be taken) on or after the date of the enactment of this Act as a reprisal prohibited by subsection (b) of that section.

TITLE IX—MATTERS RELATING TO ARMS CONTROL

SEC. 901. SENSE OF CONGRESS ON EXPANDING CONFIDENCE-BUILDING MEASURES

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

(1) Approximately two years have passed since the Conference on Confidence- and Security-Building Measures and Disarmament in Europe (CDE) adjourned in Stockholm following the adoption of measures designed to increase openness and predictability of military activities in Europe.

(2) To date, there have been seven formal observations and challenge inspections which have been conducted in accordance with the Stockholm agreements.

(3) The military leaders of the North Atlantic Treaty Organization have concluded that the Stockholm observations and inspections have positively contributed to an improved understanding of Warsaw Pact forces and capabilities.

(4) The Conventional Stability Talks (CST), which may begin before the end of 1988, will likely require careful and potentially prolonged negotiation.

(5) New negotiations will also begin under the auspices of the Conference on Security and Cooperation in Europe (CSCE) as a follow-on to the Stockholm conference.

(6) The confidence-building measures established at Stockholm could, if expanded, contribute significantly to the success of the CDE follow-on conference and also to the establishment of a procedural framework for verifying a future CST agreement.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the President should give high priority to developing, in coordination with the North Atlantic Treaty Organization allies of the United States, stabilizing and verifiable proposals for expanding the regime of confidence-building measures in conjunction with the follow-on to the Conference on Confidence- and Security-Building Measures and Disarmament in Europe (CDE) and the new Conventional Stability Talks (CST).

SEC. 902. SENSE OF CONGRESS ON START TALKS

It is the sense of Congress that any agreement negotiated by the President to achieve a reduction and limitation on strategic arms (through the strategic arms reduction talks in Geneva or otherwise)—

(1) should not prevent the United States from deploying a force structure under the agreement which emphasizes survivable strategic systems and, in particular, should not in any way compromise the security of the United States ballistic-missile carrying submarine force, and

(2) should not prohibit or limit the deployment of non-nuclear cruise missiles.

SEC. 903. SENSE OF CONGRESS CONCERNING ROLE OF CONGRESS IN ARMS CONTROL AND DEFENSE POLICIES

It is the sense of Congress—

(1) that Congress, in exercising its authority under the Constitution "to raise and support Armies" and "provide and maintain Navies" and, in the case of the Senate, to advise and consent to the ratification of treaties, has a role to play in formulating arms control and defense policies of the United States, but

(2) that Congress, in exercising that authority, should not usurp, undermine, or interfere with the authority of the President under the Constitution to negotiate and implement treaties, especially in the case of treaties which affect arms control and defense policies of the United States.

SEC. 904. SENSE OF CONGRESS ON THE FIVE-YEAR ABM TREATY REVIEW

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

(1) The Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, With Associated Protocol (hereinafter in this section referred to as the "ABM Treaty" or the "Treaty") in Article XIV, Paragraph 2, reads as follows: "Five years after entry into force of this Treaty, and at five-year intervals thereafter, the Parties shall together conduct a review of this Treaty.".

(2) Such Treaty entered into force on October 3, 1972, and the third five-year anniversary date specified for the conduct of the review contemplated in the Treaty, therefore, was October 3, 1987.

(3) As a fundamental principle of the canons of legal construction, a specified number of years after a specific and determinable date means the specified anniversary of such date and therefore the third five-year review of the ABM Treaty should have begun on or about October 3, 1987.

(4) The Parties to the Treaty have not met as required by the Treaty because the United States refused to meet on the date specified in the Treaty for such meeting (October 3, 1987) and has refused since such date to propose a date for the meeting.

(b) SENSE OF CONGRESS.—In light of the findings in subsection (a), it is the sense of Congress that the President should, without any further delay, propose an early date to conduct the overdue five-year review of the ABM Treaty. The President shall inform Congress of the results of that review immediately after it takes place.

President of U.S.

President of U.S.

SEC. 905. REVISION OF ANNUAL REPORT ON SOVIET COMPLIANCE WITH ARMS CONTROL COMMITMENTS

(a) AMENDMENT TO PUBLIC LAW 99-145.—The text of section 1002 of the Department of Defense Authorization Act, 1986 (22 U.S.C. 2592a), is amended to read as follows:

"(a) ANNUAL REPORT.—Not later than December 1 of each year, the President shall submit to Congress a report containing the findings of the President with respect to the compliance of the Soviet Union with its arms control commitments and any additional information necessary to keep Congress currently informed.

"(b) MATTERS TO BE INCLUDED.—The President shall specifically include in each such report the following:

"(1) A summary of the current status of all arms control agreements in effect between the United States and the Soviet Union.

"(2) An assessment of all violations by the Soviet Union of such agreements and the risks such violations pose to the national security of the United States and its allies.

"(3) A net assessment of the aggregate military significance of all such violations.

"(4) A statement of the compliance policy of the United States with respect to violations by the Soviet Union of those agreements.

"(5) What actions, if any, the President has taken or proposes to take to bring the Soviet Union into compliance with its commitments under those agreements.

"(c) CONTINGENT ADDITIONAL INFORMATION.—If the President in any second consecutive report submitted to Congress under this section reports that the Soviet Union is not in full compliance with all arms control agreements between the United States and the

Soviet Union, the President shall include in such report an assessment of what actions are necessary to compensate for such violations.

"(d) CLASSIFICATION OF REPORTS.—Each report under this section shall be submitted in both classified and unclassified versions.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect beginning with the report to be submitted under section 1002 of the Department of Defense Authorization Act, 1986, in 1990.

22 USC 2592a note.

SEC. 906. ANNUAL REPORT ON ARMS CONTROL STRATEGY

President of U.S.
22 USC 2592b.

(a) IN GENERAL.—The President shall submit to Congress each year, not later than December 1, a report containing a comprehensive discussion and analysis of the arms control strategy of the United States. The President shall include in each such report the following:

(1) A description of the nature and sequence of the future arms control efforts of the United States.

(2) A net assessment of the current effects of arms control agreements on the status of, and trends in, the military balance between the United States and the Soviet Union and between the North Atlantic Treaty Organization (NATO) and the Warsaw Pact.

(3) A comprehensive data base on the military balance of forces of the United States and the Soviet Union, and the balance of forces of NATO and the Warsaw Pact countries, that are affected by arms control agreements in existence as of the time of the report between the United States and the Soviet Union and between NATO and the Warsaw Pact, including an explanation of the methodology used to analyze the effects on such forces.

(4) A net assessment of the effect that proposed arms control agreements between the United States and the Soviet Union and between NATO and the Warsaw Pact would likely have on United States force plans and contingency plans, including an assessment of the effect that such proposed agreements would have on the risks and costs to the United States.

(5) An assessment of the effect that proposed treaty subceilings, asymmetries, and other factors or qualifications affecting a treaty or arms control proposal would have on the military balance between the United States and the Soviet Union and between NATO and the Warsaw Pact, including an assessment of how such factors increase deterrence and reduce the risk and cost of war.

(6) A statement of the strategy the United States and NATO will use to verify and deter noncompliance with proposed arms control treaties between the United States and the Soviet Union and between NATO and the Warsaw Pact.

(7) A discussion of the extent to which and the manner in which the United States intends to consult with its allies regarding proposed arms control agreements between the United States and the Soviet Union and between NATO and the Warsaw Pact.

(8) A discussion of how the United States proposes to tailor its defense structure in order to ensure that the national security can be preserved with or without arms control agreements.

(b) EXPLANATION OF METHODOLOGY.—In reporting on the current effect of arms control agreements on the status of, and trends in, the military balance of power between the United States and the Soviet Union and between NATO and the Warsaw Pact (required under paragraphs (2) and (3) of subsection (a)), the President shall—

(1) specify the methodology used in analyzing the military balance between the United States and the Soviet Union and express the results of such analyses in terms of (A) static comparisons, and (B) comparisons that include dynamic factors; and

(2) discuss all major scenarios, assumptions, and contingencies, including political confrontation, full-scale war, and serious confrontations not involving full-scale war.

(c) FORM OF REPORT.—The President shall submit such report in both classified and unclassified form.

President of U.S.

SEC. 907. REPORT ON ANTIBALLISTIC MISSILE CAPABILITIES AND ACTIVITIES OF THE SOVIET UNION

(a) STUDY.—The President shall conduct a study regarding the antiballistic missile capability and activities of the Soviet Union. In conducting the study, the President shall assess each of the following:

(1) The military capabilities and significance of the extensive network of large-phased array radars of the Soviet Union.

(2) Whether the Soviet Union is developing or producing mobile or transportable engagement radars in violation of the 1972 Antiballistic Missile Treaty.

(3) The ability of the Soviet Union to develop an effective exoatmospheric antiballistic missile defense without using widespread deployments of traditional engagement radars.

(4) The ability of air defense interceptor missiles of the Soviet Union, now and in the future, to destroy warheads of ballistic missiles in flight.

(5) Whether silos or other hardened facilities of the Soviet Union located outside of the existing antiballistic missile site permitted near Moscow under the terms of the 1972 Antiballistic Missile Treaty are or could be associated with antiballistic missile defenses not permitted under that Treaty.

(6) Whether the Soviet Union is developing terminal antiballistic missile defenses.

(7) Whether the existing antiballistic missile site near Moscow that is permitted under the terms of that Treaty conceals or could conceal development, testing, or deployment by the Soviet Union of a widespread antiballistic missile system.

(8) Activities of the Soviet Union regarding boost-phase intercepts of ballistic missiles.

(9) The status of laser programs, particle-beam programs, and other advanced technology programs of the Soviet Union comparable to programs conducted by the United States under the Strategic Defense Initiative.

(10) The consequences for the United States of a successful effort by the Soviet Union to deploy an effective nationwide or limited antiballistic missile system.

(b) ASSESSMENT OF ABILITY OF UNITED STATES TO COUNTER A SOVIET ABM SYSTEM.—In conducting the study required by subsection (a), the President shall also assess the ability of the United States to counter effectively an effective antiballistic missile system

deployed by the Soviet Union. Such assessment shall consider both the deployment by the Soviet Union of a nationwide, and of a limited, antiballistic missile system. In assessing the ability of the United States to counter effectively such a system, the President—

(1) shall consider the ability of the United States to modify (A) existing strategic offensive forces (including modifications involving the development of additional penetration aids), and (B) current strategic doctrine and tactics; and

(2) shall consider whether the actions of the United States described in paragraph (1) could be accomplished over the same period of time that the Soviet Union would require to deploy such an antiballistic missile system.

(c) REPORT.—Not later than January 1, 1989, the President shall submit to Congress a report, in both a classified and an unclassified version, specifying the results of the study conducted pursuant to this section. The report shall include such recommendations as the President considers appropriate, including recommendations with regard to maintaining the deterrent value of the strategic forces of the United States in light of the antiballistic missile capability and activities of the Soviet Union described in the report.

Classified information. Public information.

SEC. 908. ANALYSIS OF ALTERNATIVE STRATEGIC NUCLEAR FORCE POSTURES FOR THE UNITED STATES UNDER A POTENTIAL START TREATY

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

(1) The United States and the Soviet Union are currently engaged in talks regarding the reduction of strategic nuclear arms.

(2) Such talks could result in a treaty requiring deep reductions in the strategic forces of the United States.

(3) Any such Strategic Arms Reduction Treaty (START) cannot be ratified without the advice and consent of the Senate.

(4) Any such START Treaty should result in a stable balance of strategic forces between the United States and the Soviet Union which enhances the security of the United States.

(5) Congress should provide funds for the forces permitted under such a treaty that are required to ensure the stability of the force balance under such a treaty.

(6) Congress faces critical resource choices for fiscal year 1989 and subsequent fiscal years, and the resource choices made by Congress for those years could substantially influence the strategic force posture of the United States in the period after such a treaty goes into effect.

(b) PRESIDENTIAL REPORT.—Before entering into any Strategic Arms Reduction Treaty or other agreement with the Soviet Union for the reduction of strategic arms, but not later than September 15, 1988, the President shall submit to Congress a comprehensive report on the implications such a treaty or agreement might have on the strategic force postures of the United States during the 1990s. The report shall include the following:

(1) A description of alternative force postures that might be permitted for the United States under such an arms reduction agreement, including the posture recommended by the President.

(2) The estimated costs, over at least a seven-year period, associated with each alternative force posture.

(3) The damage limitation capability, the survivability, and the retaliatory potential of such force posture, and the implications for strategic stability, assessed with regard to the likely force postures of the Soviet Union under such an agreement and the first-strike potential of such force postures.

(4) The likely effect of a breakout by the Soviet Union from such an arms control agreement on the survivability and of the force posture of the United States under such an agreement recommended by the President under paragraph (1).

President of U.S. Classified information. Public information.

(c) FORM OF REPORT.—The President shall submit the report under subsection (b) in both classified and unclassified form.

SEC. 909. ON-SITE INSPECTION AGENCY

Classified information. Public information.

(a) REPORT REQUIREMENTS.—(1) Not later than six months after the date of the enactment of this Act, the officers named in paragraph (2) shall each submit to the Committee on Armed Services, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on Armed Services, the Committee on Foreign Relations, and the Select Committee on Intelligence of the Senate an unclassified report, with classified annexes as necessary, on the responsibility of each such officer for the monitoring and verification of arms control agreements. Each such report—

(A) shall address specifically any responsibility the officer submitting the report has with respect to on-site inspections (whether inspections of facilities of the United States or inspections of facilities of another party to the agreement); and

(B) shall set forth the organizational elements of each department or agency over which the officer submitting the report has jurisdiction which have functions related to the monitoring or verification of arms control agreements.

(2) Officers referred to in paragraph (1) are the following:

(A) The Secretary of Defense.

(B) The Secretary of State.

(C) The Director of Central Intelligence.

(D) The Director of the United States Arms Control and Disarmament Agency.

(b) MATTERS TO BE INCLUDED.—Each report under subsection (a) shall—

(1) describe in detail the monitoring and verification activities carried out with respect to the INF Treaty,

(2) evaluate the effectiveness with which these functions have been implemented, and

(3) include recommendations for any future organizational or policy changes that may be necessary in view of the experience of implementing the INF Treaty.

(c) INF TREATY DEFINED.—For purposes of subsection (b), the term "INF Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles (signed at Washington on December 9, 1987).

(d) BUDGET REQUESTS.—Any request submitted to Congress by the Executive Branch for authorization of appropriations for the On-Site Inspection Agency for any fiscal year shall, as a separate activity, provide details of all funding and of all military and civilian personnel requested for that Agency for that fiscal year, including the number of such personnel of the Department of Defense and other

agencies that will be assigned to on-site inspection activities and to support such activities during that fiscal year.

SEC. 910. COORDINATION OF VERIFICATION POLICY AND RESEARCH AND DEVELOPMENT ACTIVITIES

(a) REPORT.—Not later than June 30, 1989, the President shall submit to Congress a report reviewing the relationship of arms control objectives of the United States with research and development of improved monitoring systems for arms control verification. The review shall include the participation of the Secretaries of Defense, State, and Energy, the Director of Central Intelligence, and the Director of the United States Arms Control and Disarmament Agency. President of U.S.

(b) FINDINGS AND RECOMMENDATIONS.—The report shall include the findings of the President, and such recommendations for improvements as the President considers appropriate, with respect to the following:

(1) The status of coordination among the officers named in subsection (a) in the formulation of the policy of the United States regarding arms control verification.

(2) The status of efforts to ensure that such policy is formulated in a manner which takes into account available monitoring technology.

(3) The status of efforts to ensure that research and development on monitoring technology evolves concurrently with such policy.

TITLE X—MATTERS RELATING TO NATO COUNTRIES AND OTHER ALLIES

SEC. 1001. INCREASE IN ANNUAL DOLLAR LIMITATION ON ACQUISITION AND CROSS-SERVICING AGREEMENTS WITH ALLIED COUNTRIES

Section 2347(a)(1) of title 10, United States Code, is amended by striking out "$100,000,000" and inserting in lieu thereof "$150,000,000".

SEC. 1002. AUTHORITY TO WAIVE SURCHARGES ON CERTAIN SALES TO NORTH ATLANTIC TREATY ORGANIZATION

Section 21(e) of the Arms Export Control Act (22 U.S.C. 2761(e)) is amended by adding at the end the following:

"(3)(A) The President may waive the charges for administrative services that would otherwise be required by paragraph (1)(A) in connection with any sale to the Maintenance and Supply Agency of the North Atlantic Treaty Organization in support of—

"(i) a weapon system partnership agreement; or

"(ii) a NATO/SHAPE project.

"(B) The Secretary of Defense may reimburse the fund established to carry out section 43(b) of this Act in the amount of the charges waived under subparagraph (A) of this paragraph. Any such reimbursement may be made from any funds available to the Department of Defense.

"(C) As used in this paragraph—

"(i) the term 'weapon system partnership agreement' means an agreement between two or more member countries of the Maintenance and Supply Agency of the North Atlantic Treaty Organization that—

"(I) is entered into pursuant to the terms of the charter of that organization; and

"(II) is for the common logistic support of a specific weapon system common to the participating countries; and

"(ii) the term 'NATO/SHAPE project' means a common-funded project supported by allocated credits from North Atlantic Treaty Organization bodies or by host nations with NATO Infrastructure funds.".

SEC. 1003. AUTHORITY OF MILITARY DEPARTMENTS TO LOAN AND BORROW FROM CERTAIN ALLIES MATERIALS, SUPPLIES, AND EQUIPMENT FOR RESEARCH AND DEVELOPMENT PURPOSES

(a) IN GENERAL.—Chapter 6 of the Arms Export Control Act (22 U.S.C. 2796c) is amended by adding at the end the following new section:

22 USC 2796d.

"SEC. 65. LOAN OF MATERIALS, SUPPLIES, AND EQUIPMENT FOR RESEARCH AND DEVELOPMENT PURPOSES.—(a)(1) Except as provided in subsection (c), the Secretary of Defense may loan to a country that is a NATO or major non-NATO ally materials, supplies, or equipment for the purpose of carrying out a program of cooperative research, development, testing, or evaluation. The Secretary may accept as a loan or a gift from a country that is a NATO or major non-NATO ally materials, supplies, or equipment for such purpose.

Gifts and property.

Contracts.

"(2) Each loan or gift transaction entered into by the Secretary under this section shall be provided for under the terms of a written agreement between the Secretary and the country concerned.

"(3) A program of testing or evaluation for which the Secretary may loan materials, supplies, or equipment under this section includes a program of testing or evaluation conducted solely for the purpose of standardization, interchangeability, or technical evaluation if the country to which the materials, supplies, or equipment are loaned agrees to provide the results of the testing or evaluation to the United States without charge.

"(b) The materials, supplies, or equipment loaned to a country under this section may be expended or otherwise consumed in connection with any testing or evaluation program without a requirement for reimbursement of the United States if the Secretary—

"(1) determines that the success of the research, development, test, or evaluation depends upon expending or otherwise consuming the materials, supplies, or equipment loaned to the country; and

"(2) approves of the expenditure or consumption of such materials, supplies, or equipment.

"(c) The Secretary of Defense may not loan to a country under this section any material if the material is a strategic and critical material and if, at the time the loan is to be made, the quantity of the material in the National Defense Stockpile (provided for under section 3 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b)) is less than the quantity of such material to be stockpiled, as determined by the President under section 3(a) of such Act.

"(d) For purposes of this section, the term 'NATO or major non-NATO ally' means a member country of the North Atlantic Treaty Organization (other than the United States) or a foreign country other than a member nation of NATO designated as a major non-NATO ally under section 1105 of the National Defense Authorization Act for Fiscal Year 1987 (22 U.S.C. 2767a).".

(b) CLERICAL AMENDMENT.—The heading for such chapter is amended to read as follows:

"CHAPTER 6—LEASES OF DEFENSE ARTICLES AND LOAN AUTHORITY FOR COOPERATIVE RESEARCH AND DEVELOPMENT PURPOSES".

SEC. 1004. SENSE OF CONGRESS ON NEED FOR MODERNIZATION OF THEATER NUCLEAR CAPABILITIES OF NATO

22 USC 1928 note.

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

(1) The security of the North Atlantic Treaty Organization (NATO) alliance will continue for the foreseeable future to rely on a modern and credible nuclear deterrent.

(2) NATO should make every effort to achieve the goal of raising the threshold for the use of nuclear weapons in the event of a conflict in Europe.

(3) While recognizing that there is a critical need for improvements in conventional forces, Congress also recognizes that the United States will have to devote defense resources in the future to the continuing modernization of the theater nuclear capabilities of NATO.

(4) The modernization of the theater nuclear capabilities of NATO is a continuing process and stems from the 1983 Montebello decision by NATO to reduce the stockpile of nuclear weapons in Europe while taking steps to ensure that the remaining nuclear weapons of the alliance are responsive, survivable, and effective.

(5) Programs to modernize theater nuclear forces, which had a high priority for NATO before the ratification of the Intermediate-range Nuclear Forces (INF) Treaty, are at least as important following the ratification of that treaty in May 1988.

(6) The NATO Nuclear Planning Group recently reaffirmed its endorsement of development by the United States of a new missile for delivery of theater nuclear weapons as a follow-on to the current Lance missile, with a view toward an eventual decision on deployment of such a follow-on missile.

(b) SENSE OF CONGRESS.—In light of the findings in subsection (a), it is the sense of Congress that—

(1) modernization of the theater nuclear capabilities of the North Atlantic Treaty Organization is essential to the deterrence strategy of the NATO alliance, particularly in light of the requirements of the Intermediate-range Nuclear Forces (INF) Treaty for the destruction of intermediate-range nuclear weapons;

(2) continued modernization by the United States of theater nuclear capabilities should be undertaken in close consultation with other NATO member nations; and

(3) the United States should proceed with ongoing activities to meet the identified requirement of the NATO alliance for development of a new missile for delivery of theater nuclear weapons as a follow-on to the Lance missile.

SEC. 1005. REPORT ON NATO DEFENSE PROGRAM FOR FISCAL YEAR 1990

(a) REPORT.—The Secretary of Defense shall submit to Congress a report setting forth in detail the programs of the Department of Defense in support of the North Atlantic Treaty Organization

(referred to as the "NATO Defense Program") for fiscal year 1990. The report shall include—

(1) an identification of each such program by program element; and

(2) a description of each such program and the level of funding requested by the President for each such program in the budget for fiscal year 1990.

(b) SUBMISSION OF REPORT.—The report under subsection (a) shall be submitted in conjunction with the submission to Congress of the President's budget for fiscal year 1990 pursuant to section 1105 of title 31, United States Code.

10 USC 133 note.

SEC. 1006. IMPROVEMENT IN DEFENSE RESEARCH AND PROCUREMENT LIAISON WITH ISRAEL

The Secretary of Defense, in consultation with the Under Secretary of Defense for Acquisition, shall designate for duty in Israel an individual or individuals to serve as the primary liaison between the procurement and research and development activities of the United States Armed Forces and those of the State of Israel.

SEC. 1007. MODIFICATION OF REQUIREMENT CONCERNING DESIGNATION OF MAJOR NON-NATO ALLIES

Section 1105(f) of the National Defense Authorization Act for Fiscal Year 1987 (22 U.S.C. 2767a) is amended—

(1) by striking out "Not later than January 1 of each year, the Secretary" and inserting in lieu thereof "The Secretary";

(2) by inserting ", whenever they consider such action to be warranted," after "Secretary of State"; and

(3) by inserting "to be added to or deleted from the existing designation of countries" in paragraph (1) after "countries".

SEC. 1008. CALL FOR CONTINUED DEFENSE BURDENSHARING DISCUSSIONS WITH ALLIES

It is the sense of Congress that the President should continue the discussions (called for by Congress in section 1254(b)(1) of Public Law 100-204) with countries which participate in mutual defense alliances with the United States, especially the member nations of the North Atlantic Treaty Organization and Japan, for the purpose of reaching an agreement for a more equitable distribution of the burden of financial support for the alliances.

SEC. 1009. CONTRIBUTIONS BY JAPAN TO GLOBAL STABILITY

(a) FINDINGS.—The Congress makes the following findings:

(1) As noted by Congress in section 1012(a)(1) of Public Law 100-180 and in section 812(a)(1) of Public Law 99-93, the alliance of the United States and Japan is the foundation for the security of Japan and peace in the Far East and is a major contributing factor to the democratic freedoms and the economic prosperity enjoyed by both the United States and Japan.

(2) In keeping with the declaration made at the 1983 meeting in Williamsburg, Virginia, of the leaders of the leading industrialized democracies that "the security of our countries is indivisible and must be approached on a global basis", the Government of Japan, in actions welcomed by the United States—

(A) continues to fulfill the pledge made by the Prime Minister of Japan in May 1981 to develop the capabilities to

defend the territory of Japan and the airspace and sealanes around Japan to a distance of 1,000 nautical miles by 1990,

(B) has increased the amount of assistance provided to other countries during fiscal year 1988 by 6.5 percent over the amount of such assistance provided during fiscal year 1987, and

(C) is, according to recent reports, actively involved in increasing its contributions to the stability of the Republic of the Philippines.

(3) Japan could, because of its recent history and economic status, best fulfill a politically acceptable and significant role in maintaining the security of the leading industrialized democracies by increasing spending for its Official Development Assistance program in the manner described by Congress in section 1012(b) of Public Law 100-180.

(4) The failure of the United States and Japan to agree on the appropriate level of the contribution by Japan to maintaining the security of the leading industrialized democracies could weaken the long-term vitality, effectiveness, and cohesion of the alliance between the United States and Japan.

(b) ANNUAL REPORT.—The Secretary of Defense shall include with the annual report submitted pursuant to section 1003 of Public Law 98-525 (22 U.S.C. 1928 note) a report on the Official Development Assistance program of the Government of Japan. Such report shall be prepared each year in coordination with the Secretary of State and the Administrator of the Agency for International Development and shall include a description of the amount and nature of spending under such program by recipient, including distinguishing between grant aid, loans, and credits. 22 USC 1928 note.

(c) POLICY ON DISCUSSIONS WITH JAPAN.—It is the sense of Congress that in the discussions with Japan referred to in section 1008 for the purpose of reaching a more equitable distribution of the burden of financial support for the security of the leading industrialized democracies, the objective of such discussions should include the establishment of a schedule for increases in spending under Japan's Official Development Assistance program and its defense programs so that, by 1992, the level of spending on those programs (stated as a percentage of gross national product) will approximate the average of the levels of spending by the member nations of the North Atlantic Treaty Organization on official development assistance and defense programs (stated as a percentage of their respective gross national products).

(d) REPORT.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to Congress a report on the progress of the discussions described in subsection (c) with respect to Japan. President of U.S.

(e) FURTHER CONGRESSIONAL ACTION.—It is the sense of Congress that if, in the judgment of Congress, the report of the President under subsection (d) does not reflect substantial progress toward a more equitable distribution of the burden of maintaining the security of the leading industrialized democracies, Congress should review the extent of the distribution of the mutual security burden between the United States and Japan and should consider whether additional legislation is appropriate.

TITLE XI—DRUG INTERDICTION AND LAW ENFORCEMENT SUPPORT

SEC. 1101. ANNUAL GUIDELINES TO THE MILITARY DEPARTMENTS

Section 113 of title 10, United States Code, is amended by adding to the end the following new subsection:

"(1) The Secretary of Defense, with the advice and assistance of the Chairman of the Joint Chiefs of Staff, shall provide annually to the Secretaries of the military departments and to the commanders of the combatant commands written guidelines to direct the effective detection and monitoring of all potential aerial and maritime threats to the national security of the United States. Those guidelines shall include guidance on the specific force levels and specific supporting resources to be made available for the period of time for which the guidelines are to be in effect.".

10 USC 113 note.

SEC. 1102. LEAD AGENCY FOR DETECTION

(a) DEPARTMENT OF DEFENSE TO SERVE AS LEAD AGENCY.—The Department of Defense shall serve as the single lead agency of the Federal Government for the detection and monitoring of aerial and maritime transit of illegal drugs into the United States.

(b) PRESIDENTIAL DETERMINATION.—Not later than 15 days after the date of the enactment of this Act, the President may designate an agency other than the Department of Defense as the single lead agency for the purpose stated in subsection (a). Before making such a designation, the President shall notify the Committees on Armed Services of the Senate and House of Representatives of the proposed designation and shall submit to those committees a detailed report setting forth the reasons for such designation.

Reports.

President of U.S.
10 USC 374 note.

SEC. 1103. COMMUNICATIONS NETWORK

(a) INTEGRATION OF C3I ASSETS.—(1) The President shall direct that command, control, communications, and technical intelligence assets of the United States that are dedicated to the interdiction of illegal drugs be integrated by the Secretary of Defense into an effective communications network.

Reports.

(2) Not later than 90 days after the date of the enactment of this Act, the President shall submit to Congress a report setting forth the plan of the President for the integration of assets by the Secretary of Defense under paragraph (1).

Reports.

(b) PLAN FOR RESPONSIBILITY FOR OPERATING C3I NETWORK.—Not later than 120 days after submission of the report required by subsection (a)(2), the President shall develop a plan for the assignment of responsibility for operating the communications network described in subsection (a)(1) and shall submit to Congress a report on such plan. The plan shall ensure that assignment of the responsibility for operating the communications network referred to in subsection (a)(1) is made not later than 60 days after the date on which the report required by this subsection is submitted to Congress.

SEC. 1104. ENHANCED DRUG INTERDICTION AND LAW ENFORCEMENT SUPPORT BY THE DEPARTMENT OF DEFENSE

(a) REVISION OF SUPPORT FOR CIVILIAN LAW ENFORCEMENT AGENCIES.—Chapter 18 of title 10, United States Code, is amended to read as follows:

"CHAPTER 8—MILITARY SUPPORT FOR CIVILIAN LAW ENFORCEMENT AGENCIES

State and local governments.

"Sec.
"371. Use of information collected during military operations.
"372. Use of military equipment and facilities.
"373. Training and advising civilian law enforcement officials.
"374. Maintenance and operation of equipment.
"375. Restriction on direct participation by military personnel.
"376. Support not to affect adversely military preparedness.
"377. Reimbursement.
"378. Nonpreemption of other law.
"379. Assignment of Coast Guard personnel to naval vessels for law enforcement purposes.
"380. Enhancement of cooperation with civilian law enforcement officials.

"§ 371. Use of information collected during military operations

"(a) The Secretary of Defense may, in accordance with other applicable law, provide to Federal, State, or local civilian law enforcement officials any information collected during the normal course of military training or operations that may be relevant to a violation of any Federal or State law within the jurisdiction of such officials.

"(b) The needs of civilian law enforcement officials for information shall, to the maximum extent practicable, be taken into account in the planning and execution of military training or operations.

"(c) The Secretary of Defense shall ensure, to the extent consistent with national security, that intelligence information held by the Department of Defense and relevant to drug interdiction or other civilian law enforcement matters is provided promptly to appropriate civilian law enforcement officials.

"§ 372. Use of military equipment and facilities

"The Secretary of Defense may, in accordance with other applicable law, make available any equipment (including associated supplies or spare parts), base facility, or research facility of the Department of Defense to any Federal, State, or local civilian law enforcement official for law enforcement purposes.

"§ 373. Training and advising civilian law enforcement officials

"The Secretary of Defense may, in accordance with other applicable law, make Department of Defense personnel available—

"(1) to train Federal, State, and local civilian law enforcement officials in the operation and maintenance of equipment, including equipment made available under section 372 of this title; and

"(2) to provide such law enforcement officials with expert advice relevant to the purposes of this chapter.

"§ 374. Maintenance and operation of equipment

"(a) The Secretary of Defense may, in accordance with other applicable law, make Department of Defense personnel available for the maintenance of equipment for Federal, State, and local civilian law enforcement officials, including equipment made available under section 372 of this title.

"(b)(1) Subject to paragraph (2) and in accordance with other applicable law, the Secretary of Defense may, upon request from the head of a Federal law enforcement agency, make Department of

Defense personnel available to operate equipment (including equipment made available under section 372 of this title) with respect to—

"(A) a criminal violation of a provision of law specified in paragraph (4)(A); or

"(B) assistance that such agency is authorized to furnish to a State, local, or foreign government which is involved in the enforcement of similar laws.

Aircraft and air carriers.
Maritime affairs.

"(2) Department of Defense personnel made available to a civilian law enforcement agency under this subsection may operate equipment for the following purposes:

"(A) Detection, monitoring, and communication of the movement of air and sea traffic.

"(B) Aerial reconnaissance.

"(C) Interception of vessels or aircraft detected outside the land area of the United States for the purposes of communicating with such vessels and aircraft to direct such vessels and aircraft to go to a location designated by appropriate civilian officials.

"(D) Operation of equipment to facilitate communications in connection with law enforcement programs specified in paragraph (4)(A).

"(E) Subject to joint approval by the Secretary of Defense, the Attorney General, and the Secretary of State, in connection with a law enforcement operation outside the land area of the United States—

"(i) the transportation of civilian law enforcement personnel; and

"(ii) the operation of a base of operations for civilian law enforcement personnel.

Maritime affairs.
Aircraft and air carriers.

"(3) Department of Defense personnel made available to operate equipment for the purpose stated in paragraph (2)(C) may continue to operate such equipment into the land area of the United States in cases involving the pursuit of vessels or aircraft where the detection began outside such land area.

"(4) In this subsection:

"(A) The term 'Federal law enforcement agency' means an agency with jurisdiction to enforce any of the following:

"(i) The Controlled Substances Act (21 U.S.C. 801 et seq.) or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.).

"(ii) Any of sections 274 through 278 of the Immigration and Nationality Act (8 U.S.C. 1324-1328).

"(iii) A law relating to the arrival or departure of merchandise (as defined in section 401 of the Tariff Act of 1930 (19 U.S.C. 1401) into or out of the customs territory of the United States (as defined in general headnote 2 of the Tariff Schedules of the United States) or any other territory or possession of the United States.

"(iv) The Maritime Drug Law Enforcement Act (46 U.S.C. App. 1901 et seq.).

"(B) The term 'land area of the United States' includes the land area of any territory, commonwealth, or possession of the United States.

"(c) The Secretary of Defense may, in accordance with other applicable law, make Department of Defense personnel available to any Federal, State, or local civilian law enforcement agency to

operate equipment for purposes other than described in paragraph (2) only to the extent that such support does not involve direct participation by such personnel in a civilian law enforcement operation unless such direct participation is otherwise authorized by law.

"§ 375. Restriction on direct participation by military personnel Regulations.

"The Secretary of Defense shall prescribe such regulations as may be necessary to ensure that the provision of any support (including the provision of any equipment or facility or the assignment or detail of any personnel) to any civilian law enforcement official under this chapter does not include or permit direct participation by a member of the Army, Navy, Air Force, or Marine Corps in a search and seizure, an arrest, or other similar activity unless participation in such activity by such member is otherwise authorized by law.

"§ 376. Support not to affect adversely military preparedness

"Support (including the provision of any equipment or facility or the assignment or detail of any personnel) may not be provided to any civilian law enforcement official under this chapter if the provision of such support will adversely affect the military preparedness of the United States. The Secretary of Defense shall prescribe such regulations as may be necessary to ensure that the provision of any such support does not adversely affect the military preparedness of the United States. Regulations.

"§ 377. Reimbursement

"(a) To the extent otherwise required by section 1535 of title 31 (popularly known as the 'Economy Act') or other applicable law, the Secretary of Defense shall require a civilian law enforcement agency to which support is provided under this chapter to reimburse the Department of Defense for that support.

"(b) An agency to which support is provided under this chapter is not required to reimburse the Department of Defense for such support if such support—

"(1) is provided in the normal course of military training or operations; or

"(2) results in a benefit to the element of the Department of Defense providing the support that is substantially equivalent to that which would otherwise be obtained from military operations or training.

"§ 378. Nonpreemption of other law

"Nothing in this chapter shall be construed to limit the authority of the executive branch in the use of military personnel or equipment for civilian law enforcement purposes beyond that provided by law before December 1, 1981.

"§ 379. Assignment of Coast Guard personnel to naval vessels for law enforcement purposes

"(a) The Secretary of Defense and the Secretary of Transportation shall provide that there be assigned on board every appropriate surface naval vessel at sea in a drug-interdiction area members of the Coast Guard who are trained in law enforcement and have powers of the Coast Guard under title 14, including the power to make arrests and to carry out searches and seizures.

"(b) Members of the Coast Guard assigned to duty on board naval vessels under this section shall perform such law enforcement functions (including drug-interdiction functions)—

"(1) as may be agreed upon by the Secretary of Defense and the Secretary of Transportation; and

"(2) as are otherwise within the jurisdiction of the Coast Guard.

"(c) No fewer than 500 active duty personnel of the Coast Guard shall be assigned each fiscal year to duty under this section. However, if at any time the Secretary of Transportation, after consultation with the Secretary of Defense, determines that there are insufficient naval vessels available for purposes of this section, such personnel may be assigned other duty involving enforcement of laws listed in section 374(b)(4)(A) of this title.

"(d) In this section, the term 'drug-interdiction area' means an area outside the land area of the United States (as defined in section 374(b)(4)(B) of this title) in which the Secretary of Defense (in consultation with the Attorney General) determines that activities involving smuggling of drugs into the United States are ongoing.

"§ 380. Enhancement of cooperation with civilian law enforcement officials

"(a) The Secretary of Defense, in cooperation with the Attorney General, shall conduct an annual briefing of law enforcement personnel of each State (including law enforcement personnel of the political subdivisions of each State) regarding information, training, technical support, and equipment and facilities available to civilian law enforcement personnel from the Department of Defense.

"(b) Each briefing conducted under subsection (a) shall include the following:

"(1) An explanation of the procedures for civilian law enforcement officials—

"(A) to obtain information, equipment, training, expert advice, and other personnel support under this chapter; and

"(B) to obtain surplus military equipment.

"(2) A description of the types of information, equipment and facilities, and training and advice available to civilian law enforcement officials from the Department of Defense.

"(3) A current, comprehensive list of military equipment which is suitable for law enforcement officials from the Department of Defense or available as surplus property from the Administrator of General Services.

"(c) The Attorney General and the Administrator of General Services shall—

"(1) establish or designate an appropriate office or offices to maintain the list described in subsection (b)(3) and to furnish information to civilian law enforcement officials on the availability of surplus military equipment; and

Communications and telecommunications.

"(2) make available to civilian law enforcement personnel nationwide, tollfree telephone communication with such office or offices.".

(b) CLERICAL AMENDMENT.—The item relating to such chapter in the tables of chapters at the beginning of subtitle A, and at the beginning of part I of subtitle A, of title 10, United States Code, is amended to read as follows:

"18. Military Support for Civilian Law Enforcement Agencies ..... 371".

SEC. 1105. ENHANCED DRUG INTERDICTION AND ENFORCEMENT ROLE FOR THE NATIONAL GUARD

State and local governments.
10 USC 374 note.

(a) FUNDING ASSISTANCE.—(1) The Secretary of Defense may provide to the Governor of a State who submits a plan to the Secretary under paragraph (2) sufficient funds for the pay, allowances, clothing, subsistence, gratuities, travel, and related expenses of personnel of the National Guard of such State used—

(A) for the purpose of drug interdiction and enforcement operations; and

(B) for the operation and maintenance of the equipment and facilities of the National Guard of such State used for such purposes.

(2) The Secretary may provide funds under paragraph (1) to the Governor of a State who submits to the Secretary a plan specifying how personnel of the National Guard of that State are to be used in drug enforcement and interdiction operation by a National Guard of a State if—

(A) such operations are conducted at a time when personnel of the National Guard of the State are under the command and control of State authority and are not in Federal service; and

(B) participation by a National Guard personnel in such operations is service in addition to annual training required under section 502 of title 32, United States Code.

(3) Before funds are provided to the Governor of a State under this section, the Secretary of Defense shall consult with the Attorney General of the United States regarding the adequacy of the plan submitted by the Governor to the Secretary.

(4) Of the amounts appropriated pursuant to section 1106, the Secretary shall, for the purposes of paragraph (1), make available—

(A) not more than $30,000,000 for operations and maintenance for the National Guard, and

(B) not more than $30,000,000 for National Guard personnel.

(5) Nothing in this subsection shall be construed as a limitation on the authority of any unit of the National Guard of a State, when such unit is not in Federal service, to perform law enforcement functions authorized to be performed by the National Guard by the laws of the State concerned.

(b) TRAINING CRITERIA.—The Secretary of Defense shall prescribe and enforce training criteria for the National Guard to enhance the capability of the National Guard to assist in drug abuse control activities.

(c) PRESIDENTIAL REPORT.—Not later than 120 days after the date of the enactment of this Act, the President shall submit to Congress a report on the past effectiveness of using members of the National Guard for drug interdiction efforts, consistent with applicable law, along the borders and at the ports of entry of the United States and on the potential for the effective use of such members for such purpose in the future.

SEC. 1106. FUNDING OF ACTIVITIES RELATED TO DRUG INTERDICTION

(a) AUTHORIZATION OF APPROPRIATIONS.—(1) In addition to the amounts otherwise authorized to be appropriated by this Act, there is hereby authorized to be appropriated to the Department of Defense for fiscal year 1989 the sum of $210,000,000. Amounts appropriated pursuant to the preceding sentence shall be available only for transfer to other appropriations available to the Department of

Defense and may be used only for the purposes stated in paragraph (2).

(2) Funds transferred under paragraph (1) may be used only for the mission of the Department of Defense set forth in section 113(1) of title 10, United States Code, as added by section 1101, for the activities of the Department of Defense under section 1103, and for National Guard drug interdiction activities described in section 1105. Such funds shall be available for obligation for the same period, and for the same purpose, as the appropriation to which transferred.

(b) TRANSFER OF FISCAL YEAR 1987 FUNDS.—Of the amounts appropriated for the Navy for procurement of aircraft for fiscal year 1987, and which remain unobligated on the date of the enactment of this Act, the sum of $90,000,000 shall be available only for the purposes set forth in subsection (a)(2). Such amount may be transferred to any appropriation made for the Department of Defense for fiscal year 1989 and shall be merged with, and be available for the same purpose as, the appropriation to which transferred. The period of the availability for obligation of any amount so transferred shall not be extended as a result of such transfer.

Reports.

(c) NOTICE TO CONGRESS.—(1) The Secretary of Defense may not transfer any funds appropriated pursuant to subsection (a) to another appropriation for obligation pursuant to this section and may not transfer or obligate any funds made available under subsection (b) until—

(A) the Secretary submits to the Committees on Armed Services of the Senate and the House of Representatives a report with respect to that transfer described in paragraph (2); and

(B) a period of 60 days elapses after the report is received by those committees.

(2) A report under paragraph (1) with respect to a transfer of funds shall set forth in detail the Secretary's proposal for the obligation of such funds, including a statement of the following:

(A) The appropriation account or accounts to which the funds are proposed to be transferred.

(B) The activities proposed to be undertaken using those funds.

(C) The relationship between those activities and the drug interdiction strategy of the United States.

SEC. 1107. REPORTS

President of U.S.

(a) PROPOSALS.—Not later than December 1, 1988, the President shall submit to Congress a report containing—

(1) legislative proposals to enhance the capability of the Department of Defense to perform the functions provided for in this title and in the amendments made by this title; and

(2) estimates of the amounts necessary to carry out such proposals.

President of U.S. Drugs and drug abuse.

(b) RADAR COVERAGE AND SOUTHERN BORDER.—(1) The President shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report assessing the potential effect on drug interdiction and on the drug abuse problem in the United States of—

(A) carrying out radar coverage along the southern border of the United States; and

(B) pursuing drug smugglers detected by such radar coverage with rotor-wing and fixed-wing aircraft of the Department of Defense and of civilian law enforcement agencies.

(2) The President shall include in such report an assessment of the relative effectiveness—

(A) of carrying out the operations described in clauses (A) and (B) of paragraph (1) on a full-time basis;

(B) of carrying out such operations only during the hours of darkness; and

(C) the feasibility and cost of carrying out such operations under each of the conditions specified in clauses (A) and (B).

(3) The report under paragraph (1) shall be submitted not later than 30 days after the date of the enactment of this Act.

(c) PURSUIT BY AIRCRAFT.—(1) Not later than 15 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing the following information:

(A) The total number of times suspected drug smugglers flying aircraft into the United States have been pursued by aircraft operated by or with the support of personnel of the Department of Defense under the authority of section 374(c)(2)(B) of title 10, United States Code, as in effect on the day before the date of the enactment of this Act.

(B) The number of times civilian law enforcement officials were present at the location and at the time the suspected drug smugglers were forced to land their aircraft in the United States as a result of the pursuit of the aircraft operated by or with the support of Department of Defense personnel.

(C) The number of times such officials were not present at the location and at the time such suspected smugglers were forced to land their aircraft in the United States.

(2) Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to such committees a report containing the following information:

(A) The total number of times suspected drug smugglers described in paragraph (1) have been pursued into the United States by aircraft operated by or with the support of Department of Defense personnel under the authority of section 374(b)(2)(C) of title 10, as amended by section 1104.

(B) The number of times civilian law enforcement officials were present at the location and at the time the suspected drug smugglers were forced to land their aircraft in the United States as a result of the pursuit of the aircraft operated by or with the support of Department of Defense personnel.

(C) The number of times such officials were not present at the location and at the time such suspected smugglers were forced to land their aircraft in the United States as a result of the pursuit of the aircraft operated by or with the support of Department of Defense personnel.

(D) Such other information and such recommendations as the Secretary considers appropriate regarding the use of Department of Defense personnel for purposes authorized in section 374(b) of title 10, United States Code, as amended by section 1104.

TITLE XII—GENERAL PROVISIONS

PART A—FINANCIAL AND BUDGET MATTERS

SEC. 1201. 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 title I, II, or III for any fiscal year 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 for any fiscal year that the Secretary of Defense may transfer under the authority of this section may not exceed $3,000,000,000.

(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) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1202. INCREASE IN FISCAL YEAR 1988 DEFENSE FUNDS TRANSFER AUTHORIZATION

Section 1201 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1153) is amended—

(1) in subsection (a)—

(A) by inserting "of this Act or any prior defense authorization Act" in paragraph (1) before "for any fiscal year"; and

(B) by striking out "$2,000,000,000" in paragraph (2) and inserting in lieu thereof "$4,000,000,000"; and

(2) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) SPECIFIED PURPOSES.—In determining the purposes for which the authority provided by subsection (a) will be used, the Secretary of Defense shall ensure that to the extent that the total dollar amount of transfers under such authority exceeds $2,000,000,000, an appropriate portion of that authority is used to transfer to military personnel accounts and operation and maintenance accounts of the Department of Defense for fiscal year 1988 (1) funds for depot maintenance activities in amounts sufficient to reduce service backlogs which would otherwise occur, (2) funds for pay of civilian personnel in amounts sufficient to reduce furloughs, reductions-in-force, or release of on-call employees into a nonpay status which would otherwise be required due to insufficient funding for civilian personnel of the Department of Defense for fiscal year 1988, and (3) funds for pay of military personnel.

"(e) NOTICE TO CONGRESS.—The Secretary of Defense shall submit to Congress notice of each transfer made under the authority of this section. After the total dollar amount of such transfers equals or

exceeds $2,000,000,000, the notice required by the preceding sentence with respect to any transfer shall be submitted not less than 15 days before the transfer is made, and any such notice shall then include identification of specific actions that the Secretary is taking in order to ensure that the transfer is made in compliance with subsection (f).

"(f) CONTROL OF OUTLAYS.—In the case of any transfer under the authority of this section after the total dollar amount of such transfers equals or exceeds $2,000,000,000, the Secretary of Defense may carry out such transfer only to the extent that such transfer, and the expenditure of funds so transferred, do not result in an increase in outlays by the Department of Defense during fiscal year 1988.".

PART B—FISCAL YEAR 1988 UNAUTHORIZED APPROPRIATIONS

SEC. 1211. AUTHORITY FOR OBLIGATION OF CERTAIN UNAUTHORIZED FISCAL YEAR 1988 DEFENSE APPROPRIATIONS

(a) AUTHORITY.—The amounts described in subsection (b), totaling $10,624,600,000, may be obligated and expended for programs, projects, and activities of the Department of Defense in accordance with fiscal year 1988 defense appropriations except as otherwise provided in section 1212.

(b) COVERED AMOUNTS.—The amounts referred to in subsection (a) are the amounts provided for programs, projects, and activities of the Department of Defense in fiscal year 1988 defense appropriations that are in excess of the amounts provided for such programs, projects, and activities in fiscal year 1988 defense authorizations.

(c) DEFINITIONS.—For the purposes of this part:

(1) FISCAL YEAR 1988 DEFENSE APPROPRIATIONS.—The term "fiscal year 1988 defense appropriations" means amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1988 in the Department of Defense Appropriations Act, 1988 (as contained in section 101(b) of Public Law 100-202).

(2) FISCAL YEAR 1988 DEFENSE AUTHORIZATIONS.—The term "fiscal year 1988 defense authorizations" means amounts authorized to be appropriated for the Department of Defense for fiscal year 1988 in the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180).

SEC. 1212. LIMITATION ON OBLIGATION FOR CERTAIN UNAUTHORIZED APPROPRIATIONS

(a) PROGRAMS NOT AVAILABLE FOR OBLIGATION.—Amounts described in section 1211(b) may not be obligated or expended for the following programs, projects, and activities of the Department of Defense (for which amounts were provided in fiscal year 1988 defense appropriations):

(1) Satellite Systems Survivability program under research, development, test, and evaluation for the Air Force in the amount of $5,300,000.

(2) Maxicube Cargo System under research, development, test, and evaluation for the Army in the amount of $10,000,000.

(3) Coastal Defense Augmentation in the amount of $20,000,000.

(4) Defense Meteorological Satellite program under research, development, test, and evaluation for the Navy in the amount of $40,000,000.

(5) P-3C aircraft under procurement of National Guard and Reserve equipment in the amount of $193,800,000.

(6) AN/SQR-17 Acoustic Processors for the Mobile Inshore Undersea Warfare group under procurement of National Guard and Reserve equipment in the amount of $10,000,000.

(b) LIMITATION ON CERTAIN PROGRAMS.—

(1) FORWARD AREA AIR DEFENSE HEAVY SYSTEM.—Funds appropriated or otherwise made available for the Army for procurement of missiles for fiscal year 1988 may not be obligated for advance procurement for the Forward Area Air Defense Line-of-Sight Forward-Heavy (LOS-F-H) system until—

(A) the Secretary of Defense certifies to the Committees on Armed Services of the Senate and House of Representatives that it is responsible to obligate funds for such purpose before operational testing of such system; and

(B) the Director of Operational Test and Evaluation of the Department of Defense certifies to those committees that he has approved the issues and criteria associated with the operational testing of such system.

(2) A-6 AIRCRAFT CONFIGURATION.—None of the funds appropriated for the procurement of aircraft for the Navy for fiscal year 1988 or 1989 may be obligated or expended for procurement of any A-6 aircraft configured in the F model configuration (as described in connection with the A-6E/A-6F aircraft program in the Selected Acquisition report submitted to Congress for the quarter ending December 31, 1986).

(3) TANK PROCUREMENT.—Funds appropriated for procurement of weapons and tracked combat vehicles for the Army for modification of M60 tanks in the amount of $90,000,000 may be used only for procurement or modification of M1 Abrams tanks, of which $30,000,000 shall be used for facilitization of Anniston Army Depot and initiation of the retrograde and modification programs for M1 tanks.

(c) PROGRAM LIMITATIONS.—All limitations and requirements set forth in division A of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180) shall apply to the obligation of funds authorized by section 1211(a) in the same manner as if the funds made available for obligation by such section had been authorized in that Act.

(d) TRANSFER AUTHORITY.—For the purposes of section 1201 of the National Defense Authorization Act for Fiscal Years 1988 and 1989, authorizations in section 1211(a) shall be deemed to have been made available to the Department of Defense in such Act.

(e) For purposes of section 1201 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1153), the amount of $279,100,000 (the sum of the amounts described in subsection (a) of this section) shall be deemed to have been authorized by such Act in equal amounts for the Army, Navy, and Air Force for the following purposes:

(1) Depot maintenance activities in amounts sufficient to reduce service backlogs which would otherwise occur.

(2) Pay of civilian personnel in amounts sufficient to reduce furloughs, reductions-in-force, or release of on-call employees into a nonpay status which would otherwise be required due to

insufficient funding for civilian personnel of the Department of Defense for fiscal year 1988.

(3) Pay of military personnel in amounts sufficient to provide necessary costs of maintaining authorized end strengths.

SEC. 1213. REPEAL OF CERTAIN APPROPRIATIONS GENERAL PROVISIONS

Sections 8040, 8098, and 8122 of the Department of Defense Appropriations Act, 1988 (as contained in section 101(b) of Public Law 100-202), are repealed.

101 Stat. 1329-69, 1329-80; 10 USC 194 note.

PART C—NAVAL VESSELS AND SHIPYARDS

SEC. 1221. NAMING OF TRIDENT SUBMARINE THE U.S.S. MELVIN PRICE

(a) FINDINGS.—The Congress finds that—

(1) the late Honorable Melvin Price served the people of the United States and the 21st Congressional District of Illinois as a Member of the House of Representatives for 44 consecutive years with loyalty, dedication, and warm personal friendship until his death on April 22, 1988;

(2) Melvin Price served as a member of the Committee on Armed Services of the House of Representatives for 40 years and did so with total dedication to the goal of maintaining a strong national defense;

(3) in 1964, Melvin Price became the first chairman of the Research and Development Subcommittee of the Committee on Armed Services of the House of Representatives, and in 1975 became the first military veteran to serve as chairman of that committee, a position he held for 10 years;

(4) Melvin Price was a member of the Joint Committee on Atomic Energy from its establishment in 1946 until 1977 and served as the first chairman of that committee;

(5) Melvin Price played a major role in successfully advocating the peaceful use of nuclear energy and the military application of nuclear power for Navy ships and submarines; and

(6) Melvin Price has left an indelible mark on the history of the Nation as a result of his 44 years of unselfish efforts to maintain the strength and readiness of the Armed Forces.

(b) SENSE OF CONGRESS.—In light of the findings expressed in subsection (a), it is the sense of Congress that the Secretary of the Navy should name the next Trident ballistic missile submarine to be named after the enactment of this Act the U.S.S. Melvin Price.

SEC. 1222. NAMING A NAVY SHIP THE U.S.S. BOB HOPE

(a) FINDINGS.—The Congress finds that—

(1) Bob Hope has unselfishly dedicated his time and efforts for over 50 years to the morale and welfare of the men and women of the Armed Forces;

(2) Bob Hope has served his Nation in three wars by entertaining members of the Armed Forces aboard ships at sea and in combat zones ashore;

(3) Bob Hope has during peacetime entertained the men and women of the Armed Forces in all regions of the world and at every season of the year;

(4) Bob Hope has placed his own safety and convenience second to that of improving the morale of the members of the Armed Forces; and

(5) Bob Hope has earned the undying respect and fond esteem of all of his countrymen for his dedicated and patriotic endeavors.

(b) SENSE OF CONGRESS.—In light of the findings expressed in subsection (a), it is the sense of Congress that the Secretary of the Navy should name an appropriate ship of the United States Navy the U.S.S. Bob Hope.

SEC. 1223. RATE OF PROGRESS PAYMENTS ON NAVAL SHIP REPAIR CONTRACTS

Section 7312(a) of title 10, United States Code, is amended by inserting "not less than" after "shall be".

SEC. 1224. LIMITATION ON REPAIR OF NAVAL VESSELS IN FOREIGN SHIPYARDS

(a) IN GENERAL.—Section 7309 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c)(1) A naval vessel (or any other vessel under the jurisdiction of the Secretary of the Navy) the homeport of which is in the United States may not be overhauled, repaired, or maintained in a shipyard outside the United States.

"(2) Paragraph (1) does not apply in the case of voyage repairs.".

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

"§ 7309. Restrictions on construction or repair of vessels in foreign shipyards".

(2) The item relating to such section in the table of sections at the beginning of chapter 633 of such title is amended to read as follows:

"7309. Restrictions on construction or repair of vessels in foreign shipyards.".

Contracts.
10 USC 7309 note.

(c) EFFECTIVE DATE.—Subsection (c) of section 7309 of title 10, United States Code, as added by subsection (a), shall apply with respect to any contract for overhaul, repair, or maintenance of a vessel that is entered into after the end of the 30-day period beginning on the date of the enactment of this Act.

SEC. 1225. COMPETITION BETWEEN PUBLIC AND PRIVATE SHIPYARDS FOR OVERHAUL OF NAVAL VESSELS

(a) IN GENERAL.—(1) Chapter 633 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 7313. Overhaul of naval vessels: competition between public and private shipyards

"The Secretary of the Navy should ensure, in any case in which the Secretary awards a project for repair, alteration, overhaul, or conversion of a naval vessel following competition between public and private shipyards, that each of the following criteria is met:

"(1) The bid of any public shipyard for the award includes—

"(A) the full costs to the United States associated with future retirement benefits of civilian employees of that shipyard consistent with computation methodology established by Office of Management and Budget Circular A-76; and

"(B) in a case in which equal access to the Navy supply system is not allowed to public and private shipyards, a pro rata share of the costs of the Navy supply system.

"(2) Costs applicable to oversight of the contract by the appropriate Navy supervisor of shipbuilding, conversion, and repair are added to the bid of any private shipyard for the purpose of comparability analysis.

"(3) The award is made using the results of the comparability analysis.".

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

"7313. Overhaul of naval vessels: competition between public and private shipyards.".

(b) EFFECTIVE DATE.—Section 7313 of title 10, United States Code, as added by subsection (a), applies to any award by the Secretary of the Navy made after the end of the 30-day period beginning on the date of the enactment of this Act for repair, alteration, overhaul, or conversion of a naval vessel following competition between public and private shipyards. 10 USC 7313 note.

SEC. 1226. DEPOT-LEVEL MAINTENANCE OF SHIPS 10 USC 7291 note.

(a) REQUIREMENT THAT CERTAIN WORK BE CARRIED OUT IN THE UNITED STATES.—The Secretary of the Navy shall require that, to the extent feasible and consistent with policies of the Navy regarding family separations, not less than one-half of the depot-level maintenance work described in subsection (b) (measured in cost) shall be carried out in the United States.

(b) WORK COVERED.—Depot-level maintenance work referred to in subsection (a) is depot-level maintenance work for naval vessels that is scheduled as of October 1, 1988, to be carried out in Japan during fiscal years 1989, 1990, and 1991.

SEC. 1227. REPORTS ON EFFECTS OF NAVAL SHIPBUILDING PLANS ON MARITIME INDUSTRIES 10 USC 7291 note.

(a) ANNUAL REPORT.—The Secretary of Defense shall submit to Congress in 1989, 1990, and 1991 a report on how, under the current Five-Year Defense Program of the Department of Defense, programs for naval shipbuilding and conversion, for naval vessel repair, and for procurement of support equipment for naval vessels could be expected to affect the private-sector shipbuilding and ship repair industries of the United States in terms of the effectiveness and preparedness of those industries for mobilization in their role in the sealift component of the conventional deterrent of the United States.

(b) TIME FOR SUBMISSION.—The report under subsection (a) for any year shall be submitted to Congress at the same time that the Secretary submits his annual report to Congress for that year under section 113(c) of title 10, United States Code.

SEC. 1228. REPORT ON ENCOURAGEMENT OF CONSTRUCTION IN UNITED STATES SHIPYARDS OF COMBATANT VESSELS FOR ALLIES

(a) REPORT REQUIREMENT.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on—

(1) the manner in which the Secretary has complied, as of the date of the report, with the provisions of section 1455 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 761); and

(2) plans of the Secretary for such compliance in the future.

(b) MATTERS TO BE INCLUDED.—The report shall include information regarding the following:

(1) Instances in which the Secretary has encouraged United States shipyards to construct combatant vessels for nations friendly to the United States.

(2) Steps taken by the Secretary to ensure that no effort has been made by any element of the Department of the Navy to inhibit, delay, or halt the provision of any United States naval system which has been approved for export to an allied nation.

(3) Instances in which the Secretary has encouraged United States firms to participate in construction programs outside of the United States in shipyards of allied nations.

(4) Future plans of the Secretary for complying with the requirements of each of subsections (a)(1) through (a)(3) of that section.

(c) SUBMISSION OF REPORT.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

SEC. 1229. REPORT ON SMALL PATROL BOATS OF NAVY

(a) REPORT REQUIREMENT.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report regarding the capability of the Navy to carry out missions requiring the use of small patrol boats. The Secretary shall include in the report—

(1) a discussion of the contingencies that would require the use of small patrol boats rather than larger warships;

(2) an evaluation of the existing capability of the Navy to carry out missions requiring the use of small patrol boats;

(3) a discussion of any plans the Navy has for eliminating the Navy's shortage of such boats; and

(4) such recommendations as the Secretary considers appropriate to strengthen the capabilities of the Navy to carry out effectively missions that would require the use of such boats.

(b) SMALL PATROL BOAT DEFINED.—For purposes of this section, a small patrol boat is a patrol boat that is less than 150 feet in length.

(c) DEADLINE FOR SUBMISSION OF REPORT.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

PART D—MISCELLANEOUS

SEC. 1231. REPORT ON SUSCEPTIBILITY OF DEFENSE COMPUTER ASSETS TO COMPUTER VIRUSES

The Secretary of Defense shall submit to Congress a report on the susceptibility of vital Department of Defense computer systems to so-called computer viruses and shall describe the steps which have been taken and are planned to be taken to protect the Department of Defense computer systems and records against computer viruses. Such report shall be submitted not later than March 1, 1989, in classified and unclassified form.

District of Columbia.

SEC. 1232. REASSESSMENT OF SOVIET ELECTRONIC ESPIONAGE CAPABILITY FROM MOUNT ALTO EMBASSY SITE

(a) FINDING.—The Congress finds that the report submitted by the Secretary of Defense pursuant to section 1122 of the National

Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180)—

(1) contains insufficient detail (even in the classified portion) for a review and assessment of the present and potential capabilities of the Government of the Soviet Union to intercept United States communications involving diplomatic, military, and intelligence matters from facilities on Mount Alto in the District of Columbia, as required by subsection (a) of that section; and

(2) does not contain a determination of the Secretary of Defense as to whether or not the present and proposed occupation of facilities on Mount Alto by the Soviet Union is consistent with the national security of the United States, as required by subsection (b) of that section.

(b) SUBMISSION OF NEW REPORT.—Not later than 60 days after the date of the enactment of this Act, the President shall submit a report to Congress which meets the requirements of section 1122 of the National Defense Authorization Act for Fiscal Years 1988 and 1989. President of U.S.

SEC. 1233. TECHNICAL AND CLERICAL AMENDMENTS

(a) REPEAL OF OBSOLETE REFERENCE.—Section 1552 of title 10, United States Code, is amended—

(1) in subsection (b), by striking out "therefor before October 26, 1961, or within three years after he discovers the error or injustice, whichever is later" and inserting in lieu thereof "for the correction within three years after he discovers the error or injustice"; and

(2) in subsection (c), by striking out "The department concerned" and inserting in lieu thereof "The Secretary concerned".

(b) DATE OF ENACTMENT REFERENCES.—(1) Section 305a(d)(2) of title 37, United States Code, is amended by striking out "on or after the effective date specified in section 621(e)(1) of the National Defense Authorziation Act for Fiscal Year 1988" and inserting in lieu thererof "after December 31, 1988,".

(2) Section 3(c)(1) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(c)(1)) is amended by striking out "the date of the enactment of the National Defense Stockpile Amendments of 1987" and inserting in lieu thereof "December 4, 1987".

(c) CORRECTION OF MISSPELLED WORD.—The table in section 1406(b) of title 10, United States Code, is amended by striking out "satisfactory" in the matter in the second column relating to section 1331 and inserting in lieu thereof "satisfactorily".

(d) REPEAL OF SURPLUS WORD.—Section 2343(b) of title 10, United States Code, is amended by striking out "section" before "2306a".

(e) PUNCTUATION CORRECTIONS.—(1) Section 1101(c) of title 10, United States Code, is amended by striking out "(1)" after "REGULATIONS.—".

(2) Paragraph (3) of section 7430(b) of such title is amended—

(A) by aligning the paragraph flush to the margin; and

(B) by striking out the comma at the end and inserting in lieu thereof a period.

(f) CAPITALIZATION CORRECTIONS.—(1) Section 801(1) of title 10, United States Code, is amended by striking out "judge" and inserting in lieu thereof "Judge".

(2) Section 101(5) of title 37, United States Code, is amended by striking out "secretary" and inserting in lieu thereof "Secretary".

(g) CROSS-REFERENCE AMENDMENTS.—(1) Section 401(c)(2) of title 10, United States Code, is amended by striking out "subsection (a)" and inserting in lieu thereof "paragraph (1)".

(2) Section 2133(b)(1) of title 10, United States Code, is amended by striking out "section 1431(e)" and inserting in lieu thereof "section 1431(f)".

(3) Section 7427 of title 10, United States Code, is amended by striking out "section 17(j)" and "30 U.S.C. 226(j)" and inserting in lieu thereof "section 17(m)" and "30 U.S.C. 226(m)", respectively.

(4) Section 1013 of title 37, United States Code, is amended by striking out "section 1051" and inserting in lieu thereof "section 1032".

(h) REPEAL OF EXPIRED REPORTING REQUIREMENT.—Section 179 of title 10, United States Code, is amended by striking out subsection (e).

(i) SECTION HEADINGS.—(1)(A) The heading of section 3965 of title 10, United States Code, is amended to read as follows:

"§ 3965. Restoration to former grade: retired warrant officers and enlisted members".

(B) The item relating to that section in the table of sections at the beginning of chapter 369 of such title is amended to read as follows:

"3965. Restoration to former grade: retired warrant officers and enlisted members.".

(2)(A) The heading of section 8965 of title 10, United States Code, is amended to read as follows:

"§ 8965. Restoration to former grade: retired warrant officers and enlisted members".

(B) The item relating to that section in the table of sections at the beginning of chapter 869 of such title is amended to read as follows:

"8965. Restoration to former grade: retired warrant officers and enlisted members.".

(j) SUBSECTION HEADING.—Section 2329(d) of title 10, United States Code, is amended by inserting after "(d)" the following: "TREATMENT OF CERTAIN COSTS AS DIRECT COSTS.—".

(k) DEFINITIONS.—(1) Section 2141(c) of title 10, United States Code, is amended by inserting "the term" after "In this chapter,".

(2) Section 9511(1) of such title is amended by striking out "The term" and inserting in lieu thereof "The terms".

(l) AMENDMENTS TO PUBLIC LAW 100-180.—(1) Section 623(a) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1101) is amended by inserting "in paragraphs (1) and (2)" before "and inserting".

37 USC 301c.

(2) Section 717(c) of such Act (101 Stat. 1114) is amended by striking out "on" in the quoted matter in paragraph (2) and inserting in lieu thereof "upon".

10 USC 8855.

(3) Paragraph (1) of section 802(a) of such Act (101 Stat. 1123) is amended by inserting end quotation marks and a period after "section." at the end.

10 USC 2366.

(4) Section 803(a) of such Act (101 Stat. 1125) is amended by inserting "the first place it appears" before "and inserting".

10 USC 2435.

(5) The amendments made by this subsection shall apply as if included in the enactment of Public Law 100-180.

10 USC 2366 note.

SEC. 1234. REFERENCES TO THE CANAL ZONE

(a) TITLE 10.—Title 10, United States Code, is amended as follows:

(1) Sections 101(3), 101(10), 101(12), 269(g), 281, 594(b), 672(d), 771a(c), 802(a)(11), 802(a)(12), 936(a), 1002(c), 3040(a), 3218, 3225, 3259, 3352(a), 3363(b), 3390(a), 3392, 3500 (first sentence), 3501(a), 3501(b), 3845, 3848(c)(1), 3851(a), 3851(d)(1), 3852(a), 4301(c), 8218, 8225, 8259, 8352(a), 8360(b), 8363(a), 8381(a), 8392, 8500 (first sentence), 8501(a), 8501(b), 8845, 8851(a), 8852(a), and 9301(c) are each amended by striking out "the Canal Zone," each place it appears.

(2) Sections 270(c) and 672(b) are each amended by striking out ", Puerto Rico, or the Canal Zone," and inserting in lieu thereof "or Puerto Rico".

(3) Sections 312(a)(2), 3500, and 8500 are each amended by striking out "Puerto Rico, and the Canal Zone" and inserting in lieu thereof "and Puerto Rico".

(4) Sections 3364(g) and 3364(j) are each amended by striking out ", Puerto Rico, the Canal Zone," and inserting in lieu thereof "or Puerto Rico".

(5) Section 3370(d) is amended by striking out "Puerto Rico, the Canal Zone" and inserting in lieu thereof "or Puerto Rico".

(6) Section 7308(a)(2) is amended by striking out "or the Canal Zone".

(b) TITLE 32.—Title 32, United States Code, is amended as follows:

(1) Sections 101(4), 101(6), 103, 104(c), 104(d), 107(b), 109, 304, 314(a), 314(d), 315(a), 315(b), 333, 501(b), 503(b), 504(b), 702(b), 702(c), 702(d), 703, 704, 708(d), 710, 711, and 712 are each amended by striking out "the Canal Zone,".

(2) Section 104(a) is amended by striking out "Each State and Territory, Puerto Rico, and the Canal Zone" and inserting in lieu thereof "Each State or Territory and Puerto Rico".

(3) Section 331 is amended by striking out "the governor of the State or Territory, Puerto Rico, or the Canal Zone," and inserting in lieu thereof "the Governor of the State or territory or Puerto Rico,".

(4) Sections 327(a), 505(a), and 702(a) are each amended by striking out "Territory, Puerto Rico, or the Canal Zone," and inserting in lieu thereof "Territory or Puerto Rico".

(5) Section 314(b) is amended—

(A) by striking out ", the Canal Zone," in the first sentence; and

(B) by striking out "or the Canal Zone" in the second sentence.

(6) Sections 324(b) and 325(a) are each amended by striking out ", the Canal Zone,".

TITLE XIII—FOREIGN RELATIONS MATTERS

SEC. 1301. SENSE OF CONGRESS CONCERNING THE PANAMA CANAL AND THE UNITED STATES SOUTHERN COMMAND

(a) FINDINGS.—The Congress finds that—

(1) the security of, and the free flow of shipping through, the Panama Canal are vital interests of the United States; and

(2) the continued ability of the United States Southern Command (which currently has its headquarters in the Republic of Panama) to carry out assigned missions, especially the mission

of defense of the Panama Canal, is essential to protecting and promoting the interests of the United States.

(b) SENSE OF CONGRESS.—In light of the findings in subsection (a), it is the sense of Congress that the President should take all steps necessary to ensure the continued ability of the United States Southern Command (or any successor command) to carry out assigned missions, especially the mission of defense of the Panama Canal.

President of U.S.
22 USC 2151
note.

SEC. 1302. LIMITATION ON ASSISTANCE TO PANAMANIAN DEFENSE FORCE

(a) LIMITATION.—The President may not use any funds appropriated to or for the use of any department, agency, or other entity of the United States for the purpose of providing assistance to the Panamanian Defense Force. The limitation in the preceding sentence shall cease to apply upon the submission by the President to Congress of a certification by the President—

(1) that no armed forces of the Soviet Union, the Republic of Cuba, or the Republic of Nicaragua are present in the Republic of Panama (other than military attachés accredited to the Republic of Panama); and

Manuel Noriega.

(2) that General Manuel Noriega has relinquished command of the Panamanian Defense Force and no longer holds any official position of leadership (either military or civilian) in the Republic of Panama.

(b) CLARIFICATION.—Subsection (a) does not prohibit the President from obligating or expending any funds necessary for—

(1) the defense of the Panama Canal,

(2) the collection of intelligence,

(3) the maintenance of United States Armed Forces in the Republic of Panama, or

(4) the protection of United States interests in the Republic of Panama.

(c) REPORT.—Not later than 30 days after the date of the enactment of this Act, the President shall submit to Congress a detailed report, in both classified and unclassified form, indicating—

(1) whether (and to what extent) military, paramilitary, or intelligence personnel of the Soviet Union, Cuba, or Nicaragua are present in the Republic of Panama; and

(2) whether (and to what extent) the Panamanian Defense Force has coordinated with, cooperated with, supported, or received support from, any such personnel.

SEC. 1303. SENSE OF CONGRESS CONCERNING INDICTMENT OF GENERAL NORIEGA OF PANAMA ON DRUG-RELATED CHARGES

(a) FINDINGS.—The Congress finds that—

(1) General Manuel Noriega, the commander of the Panamanian Defense Force, was indicted on February 5, 1988, in the United States District Courts for the Southern District and for the Middle District of Florida on a number of serious drug-related charges against the laws of the United States, including charges involving trafficking in illegal drugs, protecting and supporting drug traffickers, and laundering of drug-related money; and

(2) there have been reports in the news media and from other sources that discussions between officials of the United States and General Noriega may have occurred concerning arrange-

ments under which General Noriega would give up political power and leave the Republic of Panama in exchange for which the United States would file a motion to dismiss the indictments referred to in paragraph (1).

(b) SENSE OF CONGRESS.—It is the sense of Congress—

(1) that the United States should not conduct or authorize any negotiations or discussions, and should not make any arrangements, with General Manuel Noriega which would involve any effort by the United States to dismiss the indictments referred to in subsection (a)(1); and

(2) that any such negotiation, discussion, or arrangement—

(A) would be incompatible with the high priority that the United States places on the war on drugs;

(B) would not further the prospects for restoring noncorrupt, democratic government to the Republic of Panama; and

(C) would not serve the interests of the United States.

SEC. 1304. SENSE OF CONGRESS ON INTRODUCTION OF ARMED FORCES INTO NICARAGUA FOR COMBAT

Congress hereby reaffirms the sense of Congress expressed in the first session of the 99th Congress (in section 1451 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 760)), that United States Armed Forces should not be introduced into or over Nicaragua for combat. However, nothing in this section shall be construed as affecting the authority and responsibility of the President or Congress under the Constitution, statutes, or treaties of the United States in force.

SEC. 1305. HUMAN RIGHTS VIOLATIONS BY THE GOVERNMENT OF POLAND

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

(1) The government of Poland, headed by General Wojciech Jaruzelski, has violated internationally recognized human rights of the people of Poland, including the right to peaceably assemble, the right to strike, the right to freely associate, and the right to due process.

Wojciech Jaruzelski.

(2) The Jaruzelski government has retaliated against the justified, peaceful protests of workers at Nowa Huta, Poland, through the use of violence and force.

(3) The Jaruzelski government has prosecuted and imprisoned a number of persons for politically related offenses.

(4) The Jaruzelski government has to date refused to take steps which would guarantee the right of the people of Poland to participate in the management of the economy of Poland and has refused to accept the principle of pluralism in the national life of Poland.

(b) SENSE OF CONGRESS.—It is, therefore, the sense of Congress—

(1) that the use of force against the workers of Nowa Huta and intimidation against other strikers in Poland should be condemned; and

(2) that improvement in relations between the United States and Poland must be predicated on an improvement in internationally recognized human rights in Poland, including the release of political prisoners, steps toward trade union pluralism and the rights of independent trade unions to organize, and steps toward genuine national reconciliation and dialogue.

SEC. 1306. CONDITIONS FOR SALE OR OTHER TRANSFER OF F-15 AIRCRAFT TO SAUDI ARABIA

(a) Notwithstanding any other provision of law, any sale or other transfer to Saudi Arabia by the United States of F-15 aircraft shall be subject to the following conditions:

(1) Any such F-15 aircraft sold or otherwise transferred to Saudi Arabia shall be limited to models A, B, C, and D.

(2) The United States shall not sell or otherwise transfer to Saudi Arabia the F-15-E with a ground attack capability and shall not upgrade existing Saudi aircraft to that capability.

(3) Saudi Arabia shall not possess more than 60 F-15 aircraft at any time, except that additional replacement F-15 aircraft may be held in the United States, at the expense of Saudi Arabia, for shipment to Saudi Arabia only after the President notifies Congress that the existing inventory of F-15 aircraft held by Saudi Arabia is less than 60 and, then, only on a one-for-one replacement basis as each F-15 aircraft is totally removed from the inventory of Saudi Arabia.

(b) The President may waive subsection (a) if the President certifies to Congress that such action is in the national interest.

SEC. 1307. RESTRICTION ON SALE OF DEFENSE ARTICLES TO CERTAIN NATIONS

People's Republic of China.

(a) RESTRICTION.—During fiscal year 1989, the United States may not make any sale of defense articles subject to section 36(b) of the Arms Export Control Act (22 U.S.C. 2776(b)) to any nation which has acquired intermediate-range ballistic missiles made by the People's Republic of China.

(b) PRESIDENTIAL CERTIFICATION.—(1) The restriction in subsection (a) shall cease to apply with respect to any nation which has acquired such missiles upon certification by the President to Congress that that nation does not have chemical, biological, or nuclear warheads for those missiles.

(2) If the President makes a certification under paragraph (1) in the case of any nation, the President shall notify Congress promptly of any evidence that, after the date of such certification, such nation has acquired chemical, biological, or nuclear warheads for those missiles.

SEC. 1308. UNITED STATES BASES IN THE REPUBLIC OF THE PHILIPPINES

(a) CONGRESSIONAL FINDINGS.—Congress makes the following findings:

(1) The United States has maintained military bases in the Philippines since 1947 pursuant to the United States-Philippine Military Bases Agreement and maintained military bases in the Philippines for many years before that under other arrangements.

(2) Clark Air Force Base, Subic Bay Naval Base, and the other United States military installations in the Philippines significantly promote the mutual interests of the United States and the Philippines and contribute to regional and global security.

(3) These installations are also important to the development of democratic institutions and to economic progress in the Western Pacific and Southeast Asia.

(4) The United States military installations in the Philippines employ a loyal and highly skilled cadre of Filipinos and make a substantial contribution to the Philippine economy.

(5) The Military Bases Agreement as currently in effect has a fixed term lasting until September 16, 1991, after which it continues in effect subject to termination by either party on one year's notice.

(6) Pursuant to a 1979 amendment to that agreement, the President of the United States pledged to the Government of the Republic of the Philippines to undertake "best efforts" to obtain security assistance for the Philippines, and such pledge was reiterated by the President of the United States in 1983 as part of a five-year review of the agreement.

(7) The United States and the Republic of the Philippines are currently engaged in a second five-year review of the Military Bases Agreement.

(8) Officials of the Government of the Republic of the Philippines have indicated to officials of the United States that the United States should significantly increase compensation for the use by the United States of military bases in the Philippines.

(9) The provision of multilateral economic assistance to the Republic of the Philippines should be considered separately from the provision of security assistance by the United States to the Republic of the Philippines in return for United States basing rights in the Philippines.

(b) REPORT ON FACILITIES.—(1) The Secretary of Defense shall submit to Congress a report on the existing United States military facilities in the Republic of the Philippines. The report shall include analysis of the following:

(A) The costs and benefits of maintaining those facilities, including the costs to the United States of the operation and maintenance of those facilities and any other costs associated with those facilities and the economic and social benefits and other benefits of those facilities to the Republic of the Philippines.

(B) Potential alternative locations for those facilities.

(C) The strategic value to the United States of having military facilities located in the Philippines and of having such facilities at the potential alternative locations considered.

(D) The costs and benefits of relocating those facilities to the potential alternative locations, including—

(i) the cost to the United States of operation and maintenance and other costs,

(ii) the economic, social, and other costs to the Philippines, and

(iii) the economic, social, and other benefits to the government and community at each alternative location.

(E) The availability of skilled indigenous personnel at the potential alternative locations and the cost of training such personnel to work at such installations.

(2) The report shall be prepared in consultation with the Secretary of State and shall be submitted to Congress not later than six months after the date of the enactment of this Act.

SEC. 1309. ANNUAL ASSESSMENT OF SECURITY AT UNITED STATES BASES IN THE PHILIPPINES 10 USC 113 note.

The Secretary of Defense shall submit to Congress an annual report assessing security at United States military facilities in the Republic of the Philippines. Each such report shall include an Reports.

assessment of the cooperation provided by the Philippine Government, at both the national and local level, in improving such security. The report required by this subsection shall be submitted to Congress not later than May 1 each year.

Human rights.

SEC. 1310. ECONOMIC SANCTIONS AGAINST ETHIOPIA

(a) STATEMENTS OF POLICY.—The Congress—

(1) condemns the Government of Ethiopia for its blatant disregard for human life as demonstrated by its use of food as a weapon, its forced resettlement program, and its human rights record;

(2) in the strongest terms possible, urges the Government of Ethiopia to allow foreign relief personnel to return to the north and to allow the international relief campaign to resume operations at its own risk, while retaining full control over its assets and having access to adequate aircraft and fuel;

(3) in the strongest terms possible, urges rebel groups to cease attacks upon relief vehicles and relief distribution points and to respect the impartiality of the international relief campaign;

(4) urges the President and the Secretary of State (through direct representations to the Government of Ethiopia and certain rebel groups and through sustained multilateral initiatives involving other Western donors, the United Nations, and the Organization of African Unity) to focus world pressure and opinion upon the combatants in northern Ethiopia, to press for an "open roads/own risk" policy that will facilitate the resumption of international relief efforts in the north, to press the Government of Ethiopia and the rebel groups to reach a pragmatic, enduring political settlement, and to press the Government of Ethiopia to implement genuine and effective reform of its failed agricultural policies; and

(5) urges the President and the Secretary of State to engage in direct discussion with the Soviet Union in order that the peaceful resolution of the crisis in northern Ethiopia becomes a high priority of the Soviet Union and that the approach of the Soviet Union is consistent with that of the West.

President of U.S.

(b) SANCTIONS.—(1) Notwithstanding any other provision of law, the President is authorized to, and is hereby strongly urged to, impose such economic sanctions upon Ethiopia as the President determines to be appropriate (subject to paragraphs (2) and (3)) if, at any time after the date of the enactment of this Act, the Government of Ethiopia engages in any of the following outrages:

(A) Forced resettlement.

(B) Forced confinement in any resettlement camp.

(C) Diversion of international relief to the military.

(D) Denial of international relief to any persons at risk because of famine.

(E) Seizure of international relief assets provided by the United States.

(F) Prohibition of end-use monitoring of food distribution by international relief personnel.

(2) In imposing sanctions pursuant to paragraph (1) on imports from Ethiopia, the President shall give priority consideration to those products which constitute major imports from Ethiopia, unless the President determines that sanctions against such products would have an adverse effect on economic interests of the United States.

(3) If a sanction imposed pursuant to paragraph (1) involves the prohibition or curtailment of exports to Ethiopia, that sanction may only be imposed under the authority and subject to the requirements of section 6 of the Export Administration Act of 1979.

(c) REPORTS TO CONGRESS.—Not more than 15 days after the date of the enactment of this Act and at the end of each 90-day period thereafter, the President shall submit to Congress a report stating whether or not, during the 90-day period preceding the date of the report, the Government of Ethiopia engaged in any conduct described in subsection (b). Each such report shall describe the response of the United States to any such conduct. President of U.S.

(d) REGULATION AUTHORITY.—The President shall issue such regulations, licenses, and orders as are necessary to implement any sanction imposed under this section. President of U.S.

(e) EXPIRATION.—The authority provided by subsection (b) shall expire on June 1, 1990.

TITLE XIV—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

SEC. 1401. OPERATING EXPENSES

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1989 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For weapons activities, $3,567,629,000, to be allocated as follows:

(A) For research and development, $1,052,546,000.

(B) For weapons testing, $524,238,000.

(C) For production and surveillance, $1,909,445,000.

(D) For program direction, $81,400,000.

(2) For defense nuclear materials production, $1,556,772,000 to be allocated as follows:

(A) For uranium enrichment for naval reactors, $169,000,000.

(B) For production reactor operations, $587,976,000.

(C) For processing of defense nuclear materials, including naval reactors fuel, $511,717,000, of which $72,300,000 shall be used for special isotope separation.

(D) For supporting services, $259,679,000.

(E) For program direction, $28,400,000.

(3) For environmental restoration and management of defense waste and transportation, $739,624,000, to be allocated as follows:

(A) For environmental restoration, $170,925,000. Such funds may also be used for plant and capital equipment.

(B) For waste operation and projects, $532,042,000.

(C) For waste research and development, $58,460,000.

(D) For hazardous waste process planning, $8,377,000.

(E) For transportation management, $9,720,000.

(F) For program direction, $3,100,000.

(4) For verification and control technology, $146,200,000.

(5) For nuclear materials safeguards and security technology development program, $75,400,000.

(6) For security investigations, $40,000,000.

(7) For naval reactors development, $555,400,000.

SEC. 1402. PLANT AND CAPITAL EQUIPMENT

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1989 for plant and capital equipment (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project 89-D-101, general plant projects, various locations, $26,500,000.

Project 89-D-121, general plant projects, various locations, $29,194,000.

Project 89-D-122, production waste storage facilities, Y-12 Plant, Oak Ridge, Tennessee, $2,000,000.

Project 89-D-125, plutonium recovery modification project, Rocky Flats Plant, Golden, Colorado, $4,000,000.

Project 89-D-126, environmental, safety, and health upgrade, Phase II, Mound Plant, Miamisburg, Ohio, $800,000.

Project 88-D-102, sanitary wastewater systems consolidation, Los Alamos National Laboratory, Los Alamos, New Mexico, $7,600,000.

Project 88-D-103, seismic upgrade, Building 111, Lawrence Livermore National Laboratory, Livermore, California, $5,400,000.

Project 88-D-104, safeguards and security upgrade, Phase II, Los Alamos National Laboratory, Los Alamos, New Mexico, $7,300,000.

Project 88-D-105, special nuclear materials research and development laboratory replacement, Los Alamos National Laboratory, Los Alamos, New Mexico, $22,000,000.

Project 88-D-106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $72,352,000.

Project 88-D-122, facilities capability assurance program, various locations, $79,341,000.

Project 88-D-123, security enhancements, Pantex Plant, Amarillo, Texas, $7,500,000.

Project 88-D-124, fire protection upgrade, various locations, $6,500,000.

Project 88-D-125, high explosive machining facility, Pantex Plant, Amarillo, Texas, $13,000,000.

Project 88-D-126, personnel radiological monitoring laboratories, various locations, $5,000,000.

Project 87-D-104, safeguards and security enhancement, Phase II, Lawrence Livermore National Laboratory, Livermore, California, $8,500,000.

Project 87-D-122, short-range attack missile II (SRAM II) warhead production facilities, various locations, $26,000,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $12,000,000.

Project 86-D-104, strategic defenses facility, Sandia National Laboratories, Albuquerque, New Mexico, $3,237,000.

Project 86-D-123, environmental hazards elimination, various locations, $5,203,000.

Project 86-D-130, tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina, $31,800,000.

Project 85-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase I, various locations, $6,800,000.

Project 85-D-105, combined device assembly facility, Nevada Test Site, Nevada, $12,200,000.

Project 85-D-112, enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, Tennessee, $1,281,000.

Project 84-D-124, environmental improvements, Y-12 Plant, Oak Ridge, Tennessee, $4,775,000.

Project 84-D-211, safeguards and site security upgrading, Y-12 Plant, Oak Ridge, Tennessee, $2,775,000.

(2) For materials production:

Project 89-D-140, additional separations safeguards, Savannah River, South Carolina, $5,300,000.

Project 89-D-141, M-area waste disposal, Savannah River, South Carolina, $3,600,000.

Project 89-D-142, reactor effluent cooling water thermal mitigation, Savannah River, South Carolina, $1,000,000.

Project 89-D-146, general plant projects, various locations, $35,260,000.

Project 89-D-148, improved reactor confinement system, design only, Savannah River, South Carolina, $2,000,000.

Project 88-D-153, additional reactor safeguards, Savannah River, South Carolina, $5,700,000.

Project 88-D-154, new production reactor, design only, site to be determined, $35,000,000.

Project 87-D-152, environmental protection plantwide, Savannah River, South Carolina, $2,224,000.

Project 87-D-159, environmental, health, and safety improvements, Phases I, II, and III, Feed Materials Production Center, Fernald, Ohio, $50,000,000.

Project 86-D-148, special isotope separation project, Idaho Falls, Idaho, $28,000,000.

Project 86-D-149, productivity retention program, Phases I, II, III, and IV, various locations, $72,140,000.

Project 86-D-152, reactor electrical distribution system, Savannah River, South Carolina, $6,000,000.

Project 86-D-156, plantwide safeguards systems, Savannah River, South Carolina, $12,800,000.

Project 85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $65,000,000.

Project 84-D-134, safeguards and security improvements, plantwide, Savannah River, South Carolina, $11,584,000.

Project 82-D-124, restoration of production capabilities, Phases II, III, IV, and V, various locations, $5,879,000.

(3) For defense waste and environmental restoration:

Project 89-D-170, general plant projects, waste operations and projects, and waste research and development, various locations, $28,000,000.

Project 89-D-171, Idaho National Engineering Laboratory road renovation, Idaho, $4,000,000.

Project 89-D-172, Hanford environmental compliance, Richland, Washington, $12,000,000.

Project 89-D-173, tank farm ventilation upgrade, Richland, Washington, $1,800,000.

Project 89-D-174, replacement high level waste evaporator, Savannah River, South Carolina, $3,520,000.

Project 89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina, $3,500,000.

Project 88-D-173, Hanford waste vitrification plant, Richland, Washington, $22,500,000.

Project 87-D-173, 242-A evaporator crystallizer upgrade, Richland, Washington, $1,944,000.

Project 87-D-177, test reactor area liquid radioactive waste cleanup system, Phase III, Idaho National Engineering Laboratory, Idaho, $911,000.

Project 87-D-180, burial ground expansion, Savannah River, South Carolina, $2,068,000.

Project 87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina, $6,371,000.

Project 86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho, $2,084,000.

Project 83-D-148, nonradioactive hazardous waste management, Savannah River, South Carolina, $13,000,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $92,462,000.

(4) For naval reactors development:

Project 89-N-101, general plant projects, various locations, $7,000,000.

Project 89-N-102, heat transfer test facility, Knolls Atomic Power Laboratory, Niskayuna, New York, $2,800,000.

Project 89-N-103, advanced test reactor modifications, Test Reactor Area, Idaho National Engineering Laboratory, Idaho, $1,600,000.

Project 89-N-104, power system upgrade, Naval Reactors Facility, Idaho, $600,000.

Project 88-N-102, expended core facility receiving station, Naval Reactors Facility, Idaho, $5,900,000.

Project 88-N-103, material handling and storage modifications, Knolls Atomic Power Laboratory, Niskayuna, New York, $2,700,000.

Project 88-N-104, prototype availability facilities, Knolls Atomic Power Laboratory, Kesselring Site, West Milton, New York, $6,000,000.

(5) For capital equipment not related to construction:

(A) For weapons activities, $272,254,000, including $8,240,000 for the defense inertial confinement fusion program.

(B) For materials production, $102,500,000.

(C) For defense waste and environmental restoration, $52,716,000.

(D) For verification and control technology, $8,400,000.
(E) For nuclear safeguards and security, $4,800,000.
(F) For naval reactors development, $48,000,000.

SEC. 1403. FUNDING LIMITATIONS

(a) PROGRAMS, PROJECTS, AND ACTIVITIES OF THE DEPARTMENT OF ENERGY RELATING TO THE STRATEGIC DEFENSE INITIATIVE.—Of the funds appropriated to the Department of Energy for fiscal year 1989 for operating expenses and plant and capital equipment, not more than $262,000,000 may be obligated or expended for programs, projects, and activities of the Department of Energy relating to the Strategic Defense Initiative.

(b) INERTIAL CONFINEMENT FUSION.—Of the funds appropriated to the Department of Energy for fiscal year 1989 for operating expenses and plant and capital equipment, $163,770,000 shall be obligated or expended for the defense inertial confinement fusion program.

(c) SRAM II.—Funds appropriated to the Department of Energy for fiscal year 1989 for facilities for production of the warhead for the short-range attack missile II (SRAM II) (project 87-D-122) may be obligated only—

(1) for facilities which are suitable for production of a warhead compatible with both the SRAM-A and the SRAM II; and

(2) after the Nuclear Weapons Council certifies that the design of the warhead is compatible with both the SRAM-A and the SRAM II.

(d) SPECIAL ISOTOPE SEPARATION PROJECT.—Funds appropriated or otherwise made available to the Department of Energy for the special isotope separation project, Idaho Falls, Idaho, may not be obligated or expended for site preparation for such project before March 1, 1989.

(e) PLUTONIUM RECOVERY MODIFICATION PROJECT.—Funds appropriated or otherwise made available for the plutonium recovery modification project (project 89-D-125), Rocky Flats Plant, Golden, Colorado, may not be obligated or expended until the later of—

(1) 60 days after the President submits the report (relating to modernization of the nuclear weapons complex) required by section 3132 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1988 (title I of division C of Public Law 100-180; 101 Stat. 1239); or

President of U.S. Reports.

(2) February 15, 1989.

PART B—RECURRING GENERAL PROVISIONS

SEC. 1421. REPROGRAMMING

(a) NOTICE TO CONGRESS.—(1) Except as otherwise provided in this part—

(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 be taken after a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the Committees on Armed Services and on Appropriations of the Senate and House of Representatives of notice from the Secretary of Energy containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(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. 1422. LIMITS ON GENERAL PLANT PROJECTS

(a) IN GENERAL.—The Secretary may carry out any construction project under the general plant projects provisions authorized by this title if the total estimated cost of the construction project does not exceed $1,200,000.

(b) REPORT TO CONGRESS.—If at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,200,000, the Secretary shall immediately furnish a complete report to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives explaining the reasons for the cost variation.

SEC. 1423. 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 1402 of this title, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken after a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the Committees on Armed Services and on Appropriations of the Senate and House of Representatives of notice from the Secretary of Energy containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 1424. FUND TRANSFER AUTHORITY

(a) IN GENERAL.—Funds appropriated pursuant to this title may be transferred to other agencies of the 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.

(b) SPECIFIC TRANSFER.—The Secretary of Defense may transfer to the Secretary of Energy not more than $100,000,000 of the funds appropriated for fiscal year 1989 to the Department of Defense for research, development, test, and evaluation for the Defense Agencies for the performance of work on the Strategic Defense Initiative. Funds so transferred—

(1) may be used only for research, development, and testing for nuclear directed energy weapons, including plant and capital equipment related thereto;

(2) shall be merged with the appropriations of the Department of Energy; and

(3) may not be included in calculating the amount of funds obligated or expended for purposes of the funding limitation in section 1403(a).

SEC. 1425. AUTHORITY FOR CONSTRUCTION DESIGN

(a) IN GENERAL.—(1) Within the amounts authorized by this title for plant engineering and design, the Secretary may carry out advance planning and construction designs (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In any case in which the total estimated cost for such planning and design exceeds $300,000, the Secretary shall notify the Committees on Armed Services and on Appropriations of the Senate and House of Representatives in writing of the details of such project at least 30 days before any funds are obligated for design services for such project.

(b) SPECIFIC AUTHORITY REQUIRED.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such design must be specifically authorized by law.

SEC. 1426. AUTHORITY FOR EMERGENCY CONSTRUCTION DESIGN

In addition to the advance planning and construction design authorized by section 1402, the Secretary may perform planning and design utilizing available funds for any Department of Energy defense activity construction project whenever the Secretary determines that the design must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

SEC. 1427. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY

Subject to the provisions of appropriation Acts and section 1421, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 1428. AVAILABILITY OF FUNDS

When so specified in an appropriation Act, amounts appropriated for operating expenses or for plant and capital equipment may remain available until expended.

PART C—MISCELLANEOUS PROVISIONS

SEC. 1431. REVIEW OF THE INERTIAL CONFINEMENT FUSION PROGRAM

(a) ESTABLISHMENT.—(1) Within 30 days after the date of the enactment of this Act, the Secretary of Energy shall establish a review body to be known as the Program Review Group on Inertial Confinement Fusion (hereafter in this section referred to as the "Review Group").

(2) It shall be the function of the Review Group to review thoroughly the accomplishments, management, goals, and anticipated contributions of the defense inertial confinement fusion program, for both the civilian and military sectors. Such review shall include—

(A) an assessment of the most promising technologies for continuation of the program; and

(B) an assessment of the potential contributions of the program under a prohibition of underground nuclear testing and under a limitation of underground nuclear testing to levels of 1 kiloton, 5 kilotons, and 10 kilotons.

(3) The Secretary of Energy shall appoint to serve on the Review Group only persons who, because of experience in the scientific disciplines associated with the development and testing of nuclear weapons, are most qualified to make findings of fact and recommendations to Congress and the Secretary concerning that program.

(b) REPORTS.—The Review Group shall submit to the Secretary and the Committees on Armed Services and on Appropriations of the Senate and House of Representatives an interim report and a final report containing the results of its review, together with such recommendations regarding priorities for future work in the inertial confinement fusion program as it determines appropriate. The interim report shall be submitted before January 15, 1990, and the final report shall be submitted before September 15, 1990.

(c) REVIEW AND COMMENT BY THE SECRETARY.—(1) The Secretary of Energy shall review both the interim and final reports of the Review Group and submit to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives the following:

(A) An assessment of the budgetary priority, under current and anticipated budget restraints, that should be given to the inertial confinement fusion program of the Department of Energy in relation to the budgetary priority that should be given to core defense research and development programs of the Department to carry out the defense missions of the Department.

(B) Such additional comments regarding such reports as the Secretary considers appropriate.

(2) The Secretary shall submit his assessment and comments on each report referred to in subsection (b) not later than 30 days after receiving such report.

(d) TERMINATION.—Upon the submission of its final report, the Review Group shall cease to exist.

SEC. 1432. ASSISTANCE TO COMMUNITIES AFFECTED BY CLOSING OF N REACTOR

Grants.
Washington.

The Secretary of Defense may make grants, conclude cooperative agreements, and supplement funds made available under Federal

programs administered by agencies other than the Department of Defense in order to assist the State of Washington and local communities near Hanford Reservation, Washington, in planning community adjustments required by the closure of the N Reactor.

SEC. 1433. REVIEW OF WASTE ISOLATION PILOT PLANT IN NEW MEXICO

(a) CONTRACT REQUIREMENT.—The Secretary of Energy shall enter into a contract with the New Mexico Institute of Mining and Technology (hereafter in this section referred to as the "Institute") to conduct independent reviews and evaluations of the design, construction, and operations of the Waste Isolation Pilot Plant in New Mexico (hereafter in this section referred to as the "WIPP") as they relate to the protection of the public health and safety and the environment. The contract shall be for a period of one year, beginning on March 31, 1989, and shall be renewable for four additional one-year periods with the consent of the Institute and subject to the authorization and appropriation of funds for such purpose.

Energy.
Safety.
Environmental protection.

(b) CONTENT OF CONTRACT.—A contract entered into under subsection (a) shall require the following:

Science and technology.

(1) The President of the Institute shall appoint a Director and Deputy Director, who shall be scientists of national eminence in the field of nuclear waste disposal, shall be free from any biases related to the activities of the WIPP, and shall be widely known for their integrity and scientific expertise. The Director shall carry out the work under the contract through a group known as the Environmental Evaluation Group and shall report directly to the President of the Institute.

Reports.

(2) The Director shall appoint staff. The professional staff shall consist of scientists and engineers of recognized integrity and scientific expertise who represent scientific and engineering disciplines needed for a thorough review of the WIPP, including such disciplines as geology, hydrology, health physics, environmental engineering, probability risk analysis, mining engineering, and radiation chemistry. The disciplines represented in the staff shall change as may be necessary to meet changed needs in carrying out the contract for expertise in any certain scientific or engineering discipline. Scientists employed under the contract shall have qualifications and experience equivalent to the qualifications and experience required for scientists employed by the Federal Government in grades GS-13 through GS-16.

(3) Scientists employed under the contract shall have an appropriate support staff.

(4) The Director and Deputy Director shall each be appointed for a term of 5 years, subject to contract renewal, and may be removed only for misconduct or incompetence. The staff shall be appointed for such terms as the Director considers appropriate.

(5) The rates of pay of professional staff and the procedures for increasing the rates of pay of professional staff shall be equivalent to those rates and procedures provided for the General Schedule pay system under chapter 53 of title 5, United States Code. The fringe benefits available to the professional staff of the Institute shall also be available to professional staff under the contract.

(6) To the maximum extent practicable, preference in the hiring of staff for the Environmental Evaluation Group shall be given to persons involved in the scientific evaluation group for WIPP immediately before the date of the enactment of this Act.

(7) Offices of the Environmental Evaluation Group shall be established in Carlsbad, New Mexico, and in Albuquerque, New Mexico, for carrying out the contract. The Director shall designate one of the offices as the administrative headquarters for carrying out the contract.

Public information.

(8) The results of reviews and evaluations carried out under the contract shall be published.

(c) ADMINISTRATION.—The contract entered into under subsection (a) shall be administered under the direction of the President of the Institute. Such President shall establish general policies and guidelines to be used by the Director in carrying out the work under the contract. The Director shall be solely responsible for determining reviews and evaluations to be conducted by the Environmental Evaluation Group.

(d) FUNDING.—Funding for the contract shall be from amounts appropriated under section 1401. The amount of the initial one-year contract shall be not less than $1,060,000.

(e) CONSTRUCTION.—Nothing in this section shall be construed as affecting actions undertaken before the date of the enactment of this Act in furtherance of the requirements of this section.

SEC. 1434. AUTHORITY TO LOAN PERSONNEL AND FACILITIES TO COMMUNITY DEVELOPMENT ORGANIZATIONS NEAR HANFORD RESERVATION

Contracts. Energy. Washington.

(a) AUTHORITY TO LOAN PERSONNEL.—(1) The Secretary of Energy shall allow each contractor and subcontractor of the Department of Energy carrying out operating, engineering, research and development, or construction management at the Hanford Reservation, Washington, to loan personnel in accordance with this section to the community development organization known as the Tri City Industrial Development Council serving Benton and Franklin counties, Washington. Any such loan shall be for the purpose of assisting in the diversification of the local economy by reducing reliance by local communities on national security programs at Hanford Reservation.

(2) A contractor shall continue to compensate any personnel loaned by the contractor under paragraph (1). Any such compensation shall be allowed as a cost for which the Department of Energy may reimburse the contractor under the contract.

(3) The Secretary of Energy may not obligate or expend more than $500,000 in each of fiscal years 1989 and 1990 for loans of personnel under this section. The amount of such obligations or expenditures shall be measured by the cost of compensation paid to such personnel by the contractor and reimbursed by the Department of Energy.

(b) AUTHORITY TO LOAN FACILITIES.—The Secretary of Energy may loan facilities of the Federal Government being used by contractors of the Department of Energy at Hanford Reservation, Washington, to any community-based organization. However, any loan of a facility under this subsection may be made only if use of the facility by such an organization would not adversely affect Department of Energy programs, as determined by the Secretary.

(c) DURATION OF PROGRAM.—The authority to loan personnel and facilities under this section, and the loan of any personnel or facilities pursuant to such authority, shall terminate on September 30, 1990.

SEC. 1435. NEW PRODUCTION REACTOR

Reports.

(a) RECOMMENDATIONS REGARDING NEW PRODUCTION REACTOR.—Not later than July 31, 1988, the Secretary of Energy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report containing the Secretary's recommendation for the site for construction of a new production reactor and the Secretary's recommendation for the preferred technology for a new production reactor.

(b) REPORT CONTAINING INFORMATION PERTAINING TO NEW PRODUCTION REACTOR.—At the same time the budget for fiscal year 1990 is submitted to Congress pursuant to section 1105 of title 31, United States Code, the Secretary of Energy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report containing—

(1) a discussion of the administrative and legislative changes that would be necessary to shorten the time period necessary to attain the initial operational date of a new production reactor; and

(2) any recommendations for such additional action that the Secretary considers appropriate.

SEC. 1436. NUCLEAR TEST BAN READINESS PROGRAM

42 USC 2121 note.

(a) FINDINGS.—The Congress makes the following findings:

(1) On September 17, 1987, the United States and the Soviet Union announced that they would resume full-scale, stage-by-stage negotiations on issues relating to nuclear testing, including further intermediate limitations on nuclear testing leading to the ultimate objective of a comprehensive nuclear test ban.

(2) It was agreed that the first step in these negotiations would be to reach agreement on verification measures that will make possible the ratification of the Threshold Test Ban Treaty of 1974 and the Peaceful Nuclear Explosions Treaty of 1976.

(3) To achieve the agreement on verification measures, the United States and the Soviet Union have agreed to design and conduct a Joint Verification Experiment at the test sites of each country during the summer of 1988.

(4) At the Moscow summit in May 1988, President Reagan and General Secretary Gorbachev reaffirmed their commitment to negotiations on "effective verification measures which will make it possible to ratify the Threshold Test Ban Treaty of 1974 and Peaceful Nuclear Explosions Treaty of 1976, and proceed to negotiating further intermediate limitations on nuclear testing leading to the ultimate objective of the complete cessation of nuclear testing as part of an effective disarmament process".

Safety.

(b) ESTABLISHMENT OF PROGRAM.—The Secretary of Energy shall establish and support a program to assure that the United States is in a position to maintain the reliability, safety, and continued deterrent effect of its stockpile of existing nuclear weapons designs in the event that a low-threshold or comprehensive ban on nuclear explosives testing is negotiated and ratified within the framework agreed to by the United States and the Soviet Union.

Safety.

(c) PURPOSES OF PROGRAM.—The purposes of the program under subsection (b) shall be the following:

(1) To assure that the United States maintains a vigorous program of stockpile inspection and non-explosive testing so that, if a low-threshold or comprehensive test ban is entered into, the United States remains able to detect and identify

potential problems in stockpile reliability and safety in existing designs of nuclear weapons.

(2) To assure that the specific materials, components, processes, and personnel needed for the remanufacture of existing nuclear weapons or the substitution of alternative nuclear warheads are available to support such remanufacture or substitution if such action becomes necessary in order to satisfy reliability and safety requirements under a low-threshold or comprehensive test ban agreement.

Research and development.

(3) To assure that a vigorous program of research in areas related to nuclear weapons science and engineering is supported so that, if a low-threshold or comprehensive test ban agreement is entered into, the United States is able to maintain a base of technical knowledge about nuclear weapons design and nuclear weapons effects.

(d) CONDUCT OF PROGRAM.—The Secretary of Energy shall carry out the program provided for in subsection (b). The program shall be carried out with the participation of representatives of the Department of Defense, the nuclear weapons production facilities, and the national nuclear weapons laboratories.

Public information. Classified information.

(e) ANNUAL REPORT.—The Secretary of Energy shall submit to Congress each year an unclassified report (with a classified annex as necessary) that describes the progress made to the date of the report in achieving the purposes of the program required to be established under subsection (b).

PART D—DOE DEFENSE NUCLEAR FACILITIES SAFETY OVERSIGHT BOARD

SEC. 1441. ESTABLISHMENT OF DEFENSE NUCLEAR FACILITIES SAFETY BOARD

(a) ESTABLISHMENT.—(1) The Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) is amended by adding at the end the following new chapter:

"CHAPTER 21. DEFENSE NUCLEAR FACILITIES SAFETY BOARD

42 USC 2286.

"SEC. 311. ESTABLISHMENT.

"(a) ESTABLISHMENT.—There is hereby established an independent establishment in the executive branch, to be known as the 'Defense Nuclear Facilities Safety Board' (hereafter in this chapter referred to as the 'Board').

President of U.S.

"(b) MEMBERSHIP.—(1) The Board shall be composed of five members appointed from civilian life by the President, by and with the advice and consent of the Senate, from among United States citizens who are respected experts in the field of nuclear safety with a demonstrated competence and knowledge relevant to the independent investigative and oversight functions of the Board. Not more than three members of the Board shall be of the same political party.

"(2) Any vacancy in the membership of the Board shall be filled in the same manner in which the original appointment was made.

"(3) No member of the Board may be an employee of, or have any significant financial relationship with, the Department of Energy or any contractor of the Department of Energy.

"(4) Not later than 180 days after the date of the enactment of this chapter, the President shall submit to the Senate nominations for appointment to the Board. In the event that the President is unable to submit the nominations within such 180-day period, the President shall submit to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives a report describing the reasons for such inability and a plan for submitting the nominations within the next 90 days. If the President is unable to submit the nominations within that 90-day period, the President shall again submit to such committees and the Speaker such a report and plan. The President shall continue to submit to such committees and the Speaker such a report and plan every 90 days until the nominations are submitted.

President of U.S. Reports. 42 USC 2286.

"(c) CHAIRMAN AND VICE CHAIRMAN.—(1) The President shall designate a Chairman and Vice Chairman of the Board from among members of the Board.

President of U.S.

"(2) The Chairman shall be the chief executive officer of the Board and, subject to such policies as the Board may establish, shall exercise the functions of the Board with respect to—

"(A) the appointment and supervision of employees of the Board;

"(B) the organization of any administrative units established by the Board; and

"(C) the use and expenditure of funds.

"(3) The Chairman may delegate any of the functions under this paragraph to any other member or to any appropriate officer of the Board.

"(4) The Vice Chairman shall act as Chairman in the event of the absence or incapacity of the Chairman or in case of a vacancy in the office of Chairman.

"(d) TERMS.—(1) Except as provided under paragraph (2), the members of the Board shall serve for terms of five years. Members of the Board may be reappointed.

"(2) Of the members first appointed—

"(A) one shall be appointed for a term of one year;

"(B) one shall be appointed for a term of two years;

"(C) one shall be appointed for a term of three years;

"(D) one shall be appointed for a term of four years; and

"(E) one shall be appointed for a term of five years,

as designated by the President at the time of appointment.

"(3) Any member appointed to fill a vacancy occurring before the expiration of the term of office for which such member's predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of that member's term until a successor has taken office.

"(e) QUORUM.—Three members of the Board shall constitute a quorum, but a lesser number may hold hearings.

"SEC. 312. FUNCTIONS OF THE BOARD.

42 USC 2286a.

"The Board shall perform the following functions:

"(1) REVIEW AND EVALUATION OF STANDARDS.—The Board shall review and evaluate the content and implementation of the standards relating to the design, construction, operation, and decommissioning of defense nuclear facilities of the Department of Energy (including all applicable Department of Energy orders, regulations, and requirements) at each Department of Energy defense nuclear facility. The Board shall recommend to

the Secretary of Energy those specific measures that should be adopted to ensure that public health and safety are adequately protected. The Board shall include in its recommendations necessary changes in the content and implementation of such standards, as well as matters on which additional data or additional research is needed.

"(2) INVESTIGATIONS.—(A) The Board shall investigate any event or practice at a Department of Energy defense nuclear facility which the Board determines has adversely affected, or may adversely affect, public health and safety.

"(B) The purpose of any Board investigation under subparagraph (A) shall be—

"(i) to determine whether the Secretary of Energy is adequately implementing the standards described in paragraph (1) of the Department of Energy (including all applicable Department of Energy orders, regulations, and requirements) at the facility;

"(ii) to ascertain information concerning the circumstances of such event or practice and its implications for such standards;

"(iii) to determine whether such event or practice is related to other events or practices at other Department of Energy defense nuclear facilities; and

"(iv) to provide to the Secretary of Energy such recommendations for changes in such standards or the implementation of such standards (including Department of Energy orders, regulations, and requirements) and such recommendations relating to data or research needs as may be prudent or necessary.

"(3) ANALYSIS OF DESIGN AND OPERATIONAL DATA.—The Board shall have access to and may systematically analyze design and operational data, including safety analysis reports, from any Department of Energy defense nuclear facility.

"(4) REVIEW OF FACILITY DESIGN AND CONSTRUCTION.—The Board shall review the design of a new Department of Energy defense nuclear facility before construction of such facility begins and shall recommend to the Secretary, within a reasonable time, such modifications of the design as the Board considers necessary to ensure adequate protection of public health and safety. During the construction of any such facility, the Board shall periodically review and monitor the construction and shall submit to the Secretary, within a reasonable time, such recommendations relating to the construction of that facility as the Board considers necessary to ensure adequate protection of public health and safety. An action of the Board, or a failure to act, under this paragraph may not delay or prevent the Secretary of Energy from carrying out the construction of such a facility.

"(5) RECOMMENDATIONS.—The Board shall make such recommendations to the Secretary of Energy with respect to Department of Energy defense nuclear facilities, including operations of such facilities, standards, and research needs, as the Board determines are necessary to ensure adequate protection of public health and safety. In making its recommendations the Board shall consider the technical and economic feasibility of implementing the recommended measures.

"SEC. 313. POWERS OF BOARD. 42 USC 2286b.

"(a) HEARINGS.—(1) The Board or a member authorized by the Board may, for the purpose of carrying out this chapter, hold such hearings and sit and act at such times and places, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such evidence as the Board or an authorized member may find advisable.

"(2)(A) Subpoenas may be issued only under the signature of the Chairman or any member of the Board designated by him and shall be served by any person designated by the Chairman, any member, or any person as otherwise provided by law. The attendance of witnesses and the production of evidence may be required from any place in the United States at any designated place of hearing in the United States.

"(B) Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board.

"(C) If a person issued a subpoena under paragraph (1) refuses to obey such subpoena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may (upon application by the Board) order such person to appear before the Board to produce evidence or to give testimony relating to the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt of the court.

"(D) The subpoenas of the Board shall be served in the manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

"(E) All process of any court to which application may be made under this section may be served in the judicial district in which the person required to be served resides or may be found.

"(b) STAFF.—The Board may, for the purpose of performing its responsibilities under this chapter—

"(1) hire such staff as it considers necessary to perform the functions of the Board, but not more than the equivalent of 100 full-time employees; and

"(2) procure the temporary and intermittent services of experts and consultants to the extent authorized by section 3109(b) of title 5, United States Code, at rates the Board determines to be reasonable.

"(c) REGULATIONS.—The Board may prescribe regulations to carry out the responsibilities of the Board under this chapter.

"(d) REPORTING REQUIREMENTS.—The Board may establish reporting requirements for the Secretary of Energy which shall be binding upon the Secretary. The information which the Board may require the Secretary of Energy to report under this subsection may include any information designated as classified information, or any information designated as safeguards information and protected from disclosure under section 147 or 148 of this Act. Classified information.

"(e) USE OF GOVERNMENT FACILITIES, ETC.—The Board may, for the purpose of carrying out its responsibilities under this chapter, use any facility, contractor, or employee of any other department or agency of the Federal Government with the consent of and under appropriate support arrangements with the head of such depart-

42 USC 2286b.

ment or agency and, in the case of a contractor, with the consent of the contractor.

"(f) ASSISTANCE FROM CERTAIN AGENCIES OF THE FEDERAL GOVERNMENT.—With the consent of and under appropriate support arrangements with the Nuclear Regulatory Commission, the Board may obtain the advice and recommendations of the staff of the Commission on matters relating to the Board's responsibilities and may obtain the advice and recommendations of the Advisory Committee on Reactor Safeguards on such matters.

"(g) ASSISTANCE FROM ORGANIZATIONS OUTSIDE THE FEDERAL GOVERNMENT.—The Board may enter into an agreement with the National Research Council of the National Academy of Sciences or any other appropriate group or organization of experts outside the Federal Government chosen by the Board to assist the Board in carrying out its responsibilities under this chapter.

"(h) RESIDENT INSPECTORS.—The Board may assign staff to be stationed at any Department of Energy defense nuclear facility to carry out the functions of the Board.

"(i) SPECIAL STUDIES.—The Board may conduct special studies pertaining to adequate protection of public health and safety at any Department of Energy defense nuclear facility.

"(j) EVALUATION OF INFORMATION.—The Board may evaluate information received from the scientific and industrial communities, and from the interested public, with respect to—

"(1) events or practices at any Department of Energy defense nuclear facility; or

"(2) suggestions for specific measures to improve the content of standards described in section 312(1), the implementation of such standards, or research relating to such standards at Department of Energy defense nuclear facilities.

42 USC 2286c.

"SEC. 314. RESPONSIBILITIES OF THE SECRETARY OF ENERGY.

Contracts.

"(a) COOPERATION.—The Secretary of Energy shall fully cooperate with the Board and provide the Board with ready access to such facilities, personnel, and information as the Board considers necessary to carry out its responsibilities under this chapter. Each contractor operating a Department of Energy defense nuclear facility under a contract awarded by the Secretary shall, to the extent provided in such contract or otherwise with the contractor's consent, fully cooperate with the Board and provide the Board with ready access to such facilities, personnel, and information of the contractor as the Board considers necessary to carry out its responsibilities under this chapter.

"(b) ACCESS TO INFORMATION.—The Secretary of Energy may deny access to information provided to the Board to any person who—

"(1) has not been granted an appropriate security clearance or access authorization by the Secretary of Energy; or

"(2) does not need such access in connection with the duties of such person.

42 USC 2286d.

"SEC. 315. BOARD RECOMMENDATIONS.

Federal Register, publication.

"(a) PUBLIC AVAILABILITY AND COMMENT.—Subject to subsections (g) and (h) and after receipt by the Secretary of Energy of any recommendations from the Board under section 312, the Board promptly shall make such recommendations available to the public in the Department of Energy's regional public reading rooms and shall publish in the Federal Register such recommendations and a

request for the submission to the Board of public comments on such recommendations. Interested persons shall have 30 days after the date of the publication of such notice in which to submit comments, data, views, or arguments to the Board concerning the recommendations.

"(b) RESPONSE BY SECRETARY.—(1) The Secretary of Energy shall transmit to the Board, in writing, a statement on whether the Secretary accepts or rejects, in whole or in part, the recommendations submitted to him by the Board under section 312, a description of the actions to be taken in response to the recommendations, and his views on such recommendations. The Secretary of Energy shall transmit his response to the Board within 45 days after the date of the publication, under subsection (a), of the notice with respect to such recommendations or within such additional period, not to exceed 45 days, as the Board may grant.

"(2) At the same time as the Secretary of Energy transmits his response to the Board under paragraph (1), the Secretary, subject to subsection (h), shall publish such response, together with a request for public comment on his response, in the Federal Register.

Federal Register, publication.

"(3) Interested persons shall have 30 days after the date of the publication of the Secretary of Energy's response in which to submit comments, data, views, or arguments to the Board concerning the Secretary's response.

"(4) The Board may hold hearings for the purpose of obtaining public comments on its recommendations and the Secretary of Energy's response.

"(c) PROVISION OF INFORMATION TO SECRETARY.—The Board shall furnish the Secretary of Energy with copies of all comments, data, views, and arguments submitted to it under subsection (a) or (b).

"(d) FINAL DECISION.—If the Secretary of Energy, in a response under subsection (b)(1), rejects (in whole or part) any recommendation made by the Board under section 312, the Board shall either reaffirm its original recommendation or make a revised recommendation and shall notify the Secretary of its action. Within 30 days after receiving the notice of the Board's action under this subsection, the Secretary shall consider the Board's action and make a final decision on whether to implement all or part of the Board's recommendations. Subject to subsection (h), the Secretary shall publish the final decision and the reasoning for such decision in the Federal Register and shall transmit to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives a written report containing that decision and reasoning.

Federal Register, publication. Reports.

"(e) IMPLEMENTATION PLAN.—The Secretary of Energy shall prepare a plan for the implementation of each Board recommendation, or part of a recommendation, that is accepted by the Secretary in his final decision. The Secretary shall transmit the implementation plan to the Board within 90 days after the date of the publication of the Secretary's final decision on such recommendation in the Federal Register. The Secretary may have an additional 45 days to transmit the plan if the Secretary submits to the Board and to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives a notification setting forth the reasons for the delay and describing the actions the Secretary is taking to prepare an implementation plan under this subsection. The Secretary may implement any such recommendation (or part of any such recommendation) before, on, or after the

date on which the Secretary transmits the implementation plan to the Board under this subsection.

"(f) IMPLEMENTATION.—(1) Subject to paragraph (2), not later than one year after the date on which the Secretary of Energy transmits an implementation plan with respect to a recommendation (or part thereof) under subsection (e), the Secretary shall carry out and complete the implementation plan. If complete implementation of the plan takes more than 1 year, the Secretary of Energy shall submit a report to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives setting forth the reasons for the delay and when implementation will be completed.

Reports.

"(2) If the Secretary of Energy determines that the implementation of a Board recommendation (or part thereof) is impracticable because of budgetary considerations, or that the implementation would affect the Secretary's ability to meet the annual nuclear weapons stockpile requirements established pursuant to section 91 of this Act, the Secretary shall submit to the President, to the Committees on Armed Services and on Appropriations of the Senate, and to the Speaker of the House of Representatives a report containing the recommendation and the Secretary's determination.

Reports.

"(g) IMMINENT OR SEVERE THREAT.—(1) In any case in which the Board determines that a recommendation submitted to the Secretary of Energy under section 312 relates to an imminent or severe threat to public health and safety, the Board and the Secretary of Energy shall proceed under this subsection in lieu of subsections (a) through (d).

Safety.

"(2) At the same time that the Board transmits a recommendation relating to an imminent or severe threat to the Secretary of Energy, the Board shall also transmit the recommendation to the President and for information purposes to the Secretary of Defense. The Secretary of Energy shall submit his recommendation to the President. The President shall review the Secretary of Energy's recommendation and shall make the decision concerning acceptance or rejection of the Board's recommendation.

President of U.S.

"(3) After receipt by the President of the recommendation from the Board under this subsection, the Board promptly shall make such recommendation available to the public and shall transmit such recommendation to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives. The President shall promptly notify such committees and the Speaker of his decision and the reasons for that decision.

Public information.

President of U.S.

"(h) LIMITATION.—Notwithstanding any other provision of this section, the requirements to make information available to the public under this section—

"(1) shall not apply in the case of information that is classified; and

"(2) shall be subject to the orders and regulations issued by the Secretary of Energy under sections 147 and 148 of this Act to prohibit dissemination of certain information.

42 USC 2286e.

"SEC. 316. REPORTS.

"(a) BOARD REPORT.—(1) The Board shall submit to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives each year, at the same time that the President submits the budget to Congress pursuant to

section 1105(a) of title 31, United States Code, a written report concerning its activities under this chapter, including all recommendations made by the Board, during the year preceding the year in which the report is submitted. The Board may also issue periodic unclassified reports on matters within the Board's responsibilities. 42 USC 2286e.

"(2) The annual report under paragraph (1) shall include an assessment of—

"(A) the improvements in the safety of Department of Energy defense nuclear facilities during the period covered by the report;

"(B) the improvements in the safety of Department of Energy defense nuclear facilities resulting from actions taken by the Board or taken on the basis of the activities of the Board; and

"(C) the outstanding safety problems, if any, of Department of Energy defense nuclear facilities.

"(b) DOE REPORT.—The Secretary of Energy shall submit to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives each year, at the same time that the President submits the budget to Congress pursuant to section 1105(a) of title 31, United States Code, a written report concerning the activities of the Department of Energy under this chapter during the year preceding the year in which the report is submitted.

"SEC. 317. JUDICIAL REVIEW. 42 USC 2286f.

"Chapter 7 of title 5, United States Code, shall apply to the activities of the Board under this chapter.

"SEC. 318. DEFINITION. 42 USC 2286g.

"As used in this chapter, the term 'Department of Energy defense nuclear facility' means any of the following:

"(1) A production facility or utilization facility (as defined in section 11 of this Act) that is under the control or jurisdiction of the Secretary of Energy and that is operated for national security purposes, but the term does not include—

"(A) any facility or activity covered by Executive Order No. 12344, dated February 1, 1982, pertaining to the Naval nuclear propulsion program;

"(B) any facility or activity involved with the assembly or testing of nuclear explosives or with the transportation of nuclear explosives or nuclear material; or

"(C) any facility that does not conduct atomic energy defense activities.

"(2) A nuclear waste storage facility under the control or jurisdiction of the Secretary of Energy, but the term does not include a facility developed pursuant to the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et seq.) and licensed by the Nuclear Regulatory Commission.

"SEC. 319. CONTRACT AUTHORITY SUBJECT TO APPROPRIATIONS. 42 USC 2286h.

"The authority of the Board to enter into contracts under this chapter is effective only to the extent that appropriations (including transfers of appropriations) are provided in advance for such purpose.

42 USC 2286i.

"SEC. 320. ANNUAL AUTHORIZATION OF APPROPRIATIONS.

"Authorizations of appropriations for the Board for fiscal years beginning after fiscal year 1989 shall be provided annually in authorization Acts.".

(2) The table of contents at the beginning of the Atomic Energy Act of 1954 is amended by adding at the end the following:

"CHAPTER 21. DEFENSE NUCLEAR FACILITIES SAFETY BOARD

"Sec. 311. Establishment.
"Sec. 312. Functions of the Board.
"Sec. 313. Powers of Board.
"Sec. 314. Responsibilities of the Secretary of Energy.
"Sec. 315. Board recommendations.
"Sec. 316. Reports.
"Sec. 317. Judicial review.
"Sec. 318. Definition.
"Sec. 319. Contract authority subject to appropriations.
"Sec. 320. Annual authorization of appropriations.".

(b) SALARY FOR BOARD MEMBERS AT EXECUTIVE SCHEDULE LEVEL III.—Section 5314 of title 5, United States Code, is amended by inserting after "Members, Nuclear Regulatory Commission." the following:

"Members, Defense Nuclear Facilities Safety Board.".

42 USC 2286e note.

(c) REQUIREMENTS FOR FIRST ANNUAL REPORT.—(1) Before submission of the first annual report by the Defense Nuclear Facilities Safety Board under section 316(a) of the Atomic Energy Act of 1954 (as added by subsection (a)), the Board shall conduct a study on whether nuclear facilities of the Department of Energy that are excluded from the definition of "Department of Energy defense nuclear facility" in section 318(1)(C) of such Act (hereafter in this subsection referred to as "non-defense nuclear facilities") should be subject to independent external oversight. The Board shall include in such first annual report the results of such study and the recommendation of the Board on whether non-defense nuclear facilities should be subject to independent external oversight.

(2) If the Board recommends in the report that non-defense nuclear facilities should be subject to such oversight, the report shall include a discussion of alternative mechanisms for implementing such oversight, including mechanisms such as a separate executive agency and oversight as a part of the Board's responsibilities. The discussion of alternative mechanisms of oversight also shall include considerations of budgetary costs, protection of the security of sensitive nuclear weapons information, and the similarities and differences in the design, construction, operation, and decommissioning of defense and non-defense nuclear facilities of the Department of Energy.

(d) REQUIREMENTS FOR FIFTH ANNUAL REPORT.—The fifth annual report submitted by the Defense Nuclear Facilities Safety Board under section 316(a) of the Atomic Energy Act of 1954 (as added by subsection (a)) shall include—

(1) an assessment of the degree to which the overall administration of the Board's activities are believed to meet the objectives of Congress in establishing the Board;

(2) recommendations for continuation, termination, or modification of the Board's functions and programs, including recommendations for transition to some other independent oversight arrangement if it is advisable; and

(3) recommendations for appropriate transition requirements in the event that modifications are recommended.

SEC. 1442. TRANSFER

The Secretary of Energy, to the extent provided in appropriations Acts, shall transfer to the Defense Nuclear Facilities Safety Board established by section 311 of the Atomic Energy Act of 1954 (as added by section 1441) from sums available for obligation for national security programs such sums as may be necessary, as determined by such Board, for the operation of the Board during fiscal year 1989, but in no case may more than $7,000,000 be transferred for such purpose. Sums transferred shall be available to such Board to carry out its responsibilities under chapter 21 of the Atomic Energy Act of 1954 (as added by section 1441) and shall remain available until expended.

TITLE XV—NATIONAL DEFENSE STOCKPILE

SEC. 1501. AUTHORIZED DISPOSALS 50 USC 98d note.

(a) AUTHORITY.—Notwithstanding section 5(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98d(b)) but subject to subsection (c), the President may during fiscal year 1989 dispose of materials in the National Defense Stockpile in accordance with this section. The value of the materials disposed of may not exceed $180,000,000 and may only be made as specified in subsection (b).

(b) MATERIALS AUTHORIZED TO BE DISPOSED.—Any disposal pursuant to the authority in subsection (a) shall be made from materials in the National Defense Stockpile previously authorized for disposal by law and from the following materials in the National Defense Stockpile, such materials having been determined to be excess to stockpile requirements:

Material	Quantities
Asbestos, chrysotile	2,100 short tons
Asbestos, crocidolite	36 short tons
Celestite	13,500 short dry tons
Iodine	772,000 pounds
Kyanite	1,200 short dry tons
Manganese dioxide, battery grade, natural ore	65,000 short dry tons
Mercury	7,500 flasks
Mica, muscovite block (S&L)	181,000 pounds
Mica, muscovite splittings	750,000 pounds
Mica, phlogopite splittings	589,000 pounds
Quartz	1,249,000 pounds
Silicon Carbide	44,000 short tons
Talc, block and lump	990 short tons
Talc, ground	1,100 short tons
Thorium nitrate	6,520,000 pounds
Tin	5,000 metric tons
Tungsten ores and concentrates	1,000,000 pounds
Vegetable tannin chestnut	3,500 long tons
Vegetable tannin quebracho	77,000 long tons.

(c) DISPOSALS DURING FISCAL YEAR 1989.—The President may dispose of materials under this section during fiscal year 1989 only to the extent that the total amount received (or to be received) from such disposals does not exceed the amount expended from the National Defense Stockpile Transaction Fund during fiscal year 1989 for purposes authorized under section 9(b)(2) of such Act.

SEC. 1502. AUTHORIZATION OF ACQUISITIONS

President of U.S.

(a) ACQUISITIONS.—During fiscal year 1989, the President shall obligate $180,000,000 out of the funds of the National Defense Stockpile Transaction Fund (subject to such limitations as may be provided in appropriations Acts) for the following purposes:

(1) The acquisition of strategic and critical materials under section 6(a)(1) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e(a)(1)).

(2) Transportation, storage, and other incidental expenses related to such acquisition.

(3) The upgrading of stockpile materials under section 6(a)(3) of such Act (50 U.S.C. 98e(a)(3)) and evaluations, tests, and other incidental expenses related to such upgrades.

(4) Other authorized uses of such funds under section 9(b)(2) of such Act (50 U.S.C. 98h(b)(2)).

(b) NEW UPGRADE PROGRAMS.—Of the amount specified in subsection (a), at least $20,000,000 shall be obligated to initiate new programs for upgrading stockpile materials. The Stockpile Manager shall submit to Congress by October 1, 1988, a report containing a plan for the use of such $20,000,000 for upgrading stockpile materials.

Reports.

SEC. 1503. TECHNICAL AND CLARIFYING AMENDMENTS

(a) SEMI-ANNUAL REPORT.—Section 11(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-2(a)) 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 paragraphs:

"(3) information with respect to the activities by the Stockpile Manager to encourage the conservation, substitution, and development of strategic and critical materials within the United States;

"(4) information with respect to the research and development activities conducted under sections 2 and 8;".

(b) ANNUAL MATERIALS PLAN.—Section 11(b) of such Act (50 U.S.C. 98h-2(b)) is amended—

(1) in the first sentence, by striking out "such fiscal year" and inserting in lieu thereof "the next fiscal year";

(2) in the second sentence, by striking out "planned" and all that follows through "critical materials" and inserting in lieu thereof "all planned expenditures from the National Defense Stockpile Transaction Fund"; and

(3) by adding at the end the following new sentence: "Any proposed expenditure or disposal detailed in the annual materials plan for any such fiscal year, and any expenditure or disposal proposed in connection with any transaction submitted for such fiscal year to the appropriate committees of Congress pursuant to section 5(a)(2), that is not obligated or executed in that fiscal year may not be obligated or executed until such proposed expenditure or disposal is resubmitted in a subsequent annual materials plan or is resubmitted to the appropriate committees of Congress in accordance with section 5(a)(2), as appropriate.".

TITLE XVI—CIVIL DEFENSE

SEC. 1601. AUTHORIZATION OF APPROPRIATION

There is hereby authorized to be appropriated $147,893,000 for fiscal year 1989 for the purpose of carrying out the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251 et seq.).

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Military Construction Authorization Act, 1989.

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act, 1989".

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALABAMA

Anniston Army Depot, $6,000,000.
Fort McClellan, $7,900,000.
Redstone Arsenal, $14,800,000.
Fort Rucker, $2,110,000.

ALASKA

Fort Wainwright, $29,740,000.
Fort Richardson, $6,250,000.

ARIZONA

Fort Huachuca, $1,200,000.

ARKANSAS

Pine Bluff Arsenal, $7,500,000.

CALIFORNIA

Fort Ord, $13,050,000.
Sierra Army Depot, $380,000.

COLORADO

Pueblo Army Depot, $3,200,000.

DISTRICT OF COLUMBIA

Walter Reed Army Medical Center, $1,600,000.

GEORGIA

Fort Benning, $24,350,000.

HAWAII

Fort Shafter, $7,200,000.
Schofield Barracks, $8,500,000.

ILLINOIS

Rock Island Arsenal, $10,980,000.
Savanna Army Depot, $2,270,000.
Fort Sheridan, $3,280,000.

KENTUCKY

Fort Campbell, $20,500,000.
Lexington-Bluegrass Depot, $770,000.

MARYLAND

Aberdeen Proving Ground, $17,000,000.
Fort Detrick, $6,500,000.
Fort Ritchie, $9,100,000.

NEW JERSEY

Fort Dix, $6,200,000.

NEW YORK

United States Military Academy, West Point, $11,150,000.

NORTH CAROLINA

Fort Bragg, $36,602,000.

OKLAHOMA

Fort Sill, $3,700,000.

OREGON

Umatilla Army Depot, $3,600,000.

PENNSYLVANIA

Letterkenny Army Depot, $1,900,000.

TEXAS

Fort Bliss, $3,800,000.
Corpus Christi Army Depot, $7,400,000.
Fort Hood, $15,900,000.
Red River Army Depot, $88,400,000.
Fort Sam Houston, $3,250,000.

UTAH

Dugway Proving Ground, $12,800,000.
Tooele Army Depot, $92,300,000.

VIRGINIA

Fort A.P. Hill, $9,900,000.

Fort Eustis, $5,000,000.
Fort Lee, $4,800,000.
Fort Pickett, $4,000,000.
Vint Hill Farms Station, $800,000.

WASHINGTON

Fort Lewis, $19,800,000.

WISCONSIN

Fort McCoy, $2,100,000.

VARIOUS LOCATIONS

Classified Locations, $3,600,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

GERMANY

Ansbach, $15,000,000.
Friedberg, $1,300,000.
Giessen, $6,300,000.
Grafenwoehr Training Area, $7,000,000.
Hohenfels Training Area, $36,960,000.
Karlsruhe, $2,550,000.
Mainz, $19,550,000.
Mannheim, $14,400,000.
Rheinberg, $12,400,000.
Schweinfurt, $9,700,000.
Stuttgart, $3,350,000.
Vilseck, $44,600,000.
Wiesbaden, $13,900,000.
Worms, $1,300,000.
Wuerzburg, $33,650,000.
Various Locations, $18,000,000.

HONDURAS

Site 5, $3,050,000.

ITALY

Various Locations, $1,250,000.

JAPAN

Various Locations, $7,900,000.
Various Locations, $5,300,000.

KOREA

Camp Casey, $3,700,000.
Camp Gary Owen, $1,150,000.
Camp Greaves, $1,540,000.
Camp Hovey, $3,200,000.
Camp Kittyhawk, $1,350,000.
Camp Libby, $1,150,000.

Camp Page, $670,000.
Camp Sears, $1,100,000.
Camp Stanley, $1,200,000.
Camp Stanton, $1,400,000.
K-16 Army Airfield, $670,000.
Taegu, $990,000.
Yongsan, $1,400,000.
Various Locations, $6,200,000.
Various Locations, $9,200,000.

KWAJALEIN

Kwajalein, $15,490,000.

VARIOUS LOCATIONS

Various Locations, $9,750,000.

SEC. 2102. FAMILY HOUSING

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(6)(A), construct or acquire family housing units (including land acquisition) at the following installations in the number of units shown, and in the amount shown, for each installation:

Fort Wainwright, Alaska, one hundred and fifty units, $27,000,000.

Fort Irwin, California, two hundred and sixty-three units, $24,000,000.

Helemano, Hawaii, one hundred units, $11,400,000.

Schofield Barracks, Hawaii, forty units, $4,450,000.

Fort Leavenworth, Kansas, two hundred and seventy-two units, $20,000,000.

Fort Drum, New York, one hundred units, $10,000,000.

Fort Bliss, Texas, one hundred and eight units, $9,100,000.

Augsburg, Germany, thirty-four units, as described in section 2103(b).

Hohenfels, Germany, eighty-eight units, $8,400,000.

(b) PLANNING AND DESIGN.—The Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(6)(A), 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 $10,628,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

(a) IN GENERAL.—Subject to section 2825 of title 10, United States Code, the Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(6)(A), improve existing military family housing units in an amount not to exceed $72,300,000.

(b) WAIVER OF MAXIMUM PER COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Army may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown, for each installation:

Pearl Harbor, Hawaii, eight units, $550,000.

Augsburg, Germany, convert unused attic space and upgrade fourteen units into forty-eight adequate units, as authorized in section 2102(a), $3,360,000.

Taegu, Korea, ninety-six units, $4,450,000.

SEC. 2104. DEFENSE ACCESS ROADS

The Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(4), make advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23, United States Code, at Fort Belvoir, Virginia, in the amount of $1,000,000.

SEC. 2105. AUTHORIZATION OF APPROPRIATIONS, ARMY

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,417,701,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $463,182,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $299,620,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,200,000.

(4) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $1,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $98,328,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing facilities, $197,278,000;

(B) for support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,340,093,000, of which not more than $52,190,000 may be obligated or expended for the leasing of military family housing in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $183,600,000 may be obligated or expended for the leasing of military family housing units in foreign countries; and

(C) for the Homeowners Assistance Program as authorized by section 2832 of title 10, United States Code, $2,000,000, to remain in effect until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $78,000,000 (the balance of the amount authorized for the construction of the Central Distribution Center, Red River Army Depot, Texas).

SEC. 2106. EXTENSION OF CERTAIN PRIOR YEAR AUTHORIZATIONS

(a) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1985 PROJECTS.—Notwithstanding the provisions of section 607(a) of the Military Construction Authorization Act, 1985 (Public Law 98-407, 98 Stat. 1515), authorizations for the following projects authorized in section 101 of that Act, as extended by section 2107(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661) and section 2105(a) of the Military Construction Authorization Act, 1988 and 1989 (division B of Public Law 100-180) shall remain in effect until October 1, 1989, or the date of enactment of an Act authorizing funds for military construction for fiscal year 1990, whichever is later:

(1) Barracks modernization in the amount of $660,000 at Argyroupolis, Greece.

(2) Barracks modernization in the amount of $660,000 at Perivolaki, Greece.

(3) Barracks with dining facility in the amount of $11,400,000 at Presidio of San Francisco, California.

(b) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1986 PROJECTS.—Notwithstanding the provisions of section 603(a) of the Military Construction Authorization Act, 1986 (Public Law 99-167), authorizations for the following projects authorized in sections 101 and 102 of that Act as extended by section 2105(b) of the Military Construction Authorization Act, 1988 and 1989 (division B of Public Law 99-180), shall remain in effect until October 1, 1989, or the date of enactment of an Act authorizing funds for military construction for fiscal year 1990, whichever is later:

(1) Child care center in the amount of $470,000 at Karlsruhe, Germany.

(2) Modified record fire range in the amount of $2,850,000 at Nuernberg, Germany.

(3) Flight simulator building in the amount of $2,900,000 at Wiesbaden, Germany.

(4) Air conditioning upgrade in the amount of $5,900,000 at Schofield Barracks, Hawaii.

(5) Child care center in the amount of $1,350,000 at Camp Darby, Italy.

(6) Dining facility modernization in the amount of $4,350,000 at Fort Leavenworth, Kansas.

(7) Family housing, new construction, 6 units, in the amount of $596,000 at Fort Myer, Virginia.

(c) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1987 PROJECTS.—Notwithstanding the provisions of section 2701(a) of the Military Construction Authorization Act, 1987, (division B of Public Law 99-661), authorizations for the following projects authorized in sections 2101, 2102, and 2103 of that Act shall remain in effect until October 1, 1989, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1990, whichever is later:

(1) Primary water supply connection in the amount of $2,150,000 at Fort Riley, Kansas.

(2) Material test facility in the amount of $9,700,000 at Dugway Proving Ground, Utah.

(3) Barracks modernization in the amount of $3,700,000 at foreign various location 276.

(4) Dining facility in the amount of $2,100,000 at Giessen, Germany.

(5) Aircraft maintenance hangar in the amount of $7,100,000 at Hanau, Germany.

(6) Seventy manufactured home spaces in the amount of $1,100,000 at Aberdeen Proving Ground, Maryland.

(7) Family housing, new construction, 40 units in the amount of $4,100,000 at Crailsheim, Germany.

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALABAMA

Naval Station, Mobile, $19,700,000.

ALASKA

David Taylor Research Center Detachment, Ketchikan, $12,000,000.

Naval Air Station, Adak, $29,000,000.

ARIZONA

Marine Corps Air Station, Yuma, $11,770,000.

CALIFORNIA

Marine Corps Air-Ground Combat Center, Twentynine Palms, $26,630,000.

Marine Corps Air Station, Camp Pendleton, $9,450,000.

Marine Corps Air Station, El Toro, $3,970,000.

Marine Corps Air Station, Tustin, $10,990,000.

Marine Corps Base, Camp Pendleton, $64,460,000.

Marine Corps Logistics Base, Barstow, $1,190,000.

Mountain Warfare Training Center, Bridgeport, $3,200,000.

Naval Air Station, Moffett Field, $650,000.

Naval Air Station, North Island, $6,150,000.

Naval Amphibious Base, Coronado, $870,000.

Naval Amphibious School, San Diego, $10,100,000.

Naval Aviation Depot, Alameda, $8,290,000.

Naval Aviation Depot, North Island, $2,110,000.

Naval Construction Battalion Center, Port Hueneme, $7,000,000.

Naval Construction Training Center, Port Hueneme, $10,080,000.

Naval Hospital, Lemoore, $2,160,000.

Naval Ocean Systems Center, San Diego, $8,660,000.

Naval Post Graduate School, Monterey, $3,140,000.

Naval Civil Engineer Corps Officers School, Port Hueneme, $7,420,000.

Naval Security Group Detachment, San Diego, $1,950,000.

Naval Shipyard, Mare Island, $6,450,000.

Naval Space Surveillance Field Station, San Diego, $3,760,000.

Naval Station, Treasure Island, San Francisco, $5,000,000.
Naval Submarine Base, San Diego, $3,150,000.
Naval Supply Center, Oakland, $1,550,000.
Naval Supply Center, San Diego Annex, North Island, $1,695,000.
Naval Training Center, San Diego, $7,980,000.
Naval Weapons Center, China Lake, $12,260,000.
Naval Weapons Station, Seal Beach, $13,890,000.
Navy Public Works Center, San Diego, $500,000.
Navy Public Works Center, San Francisco, $15,810,000.
Pacific Missile Test Center, Point Mugu, $20,470,000.
Personnel Support Activity, San Diego, $1,180,000.
Shore Intermediate Maintenance Activity, San Diego, $10,720,000.
Submarine Training Facility, San Diego, $10,301,000.

CONNECTICUT

Naval Security Group Activity, Groton, $1,170,000.
Naval Submarine Base, New London, $6,660,000.

DISTRICT OF COLUMBIA

Commandant, Naval District Washington, $38,100,000.
Naval Research Laboratory, Washington, $19,800,000.

FLORIDA

Naval Air Station, Cecil Field, $340,000.
Naval Air Station, Jacksonville, $8,810,000.
Naval Air Station, Key West, $850,000.
Naval Air Station, Pensacola, $25,600,000.
Naval Aviation Depot, Jacksonville, $14,180,000.
Naval Hospital, Pensacola, $2,250,000.
Naval Legal Service Office, Mayport, $1,450,000.
Naval Station, Mayport, $3,060,000.
Naval Supply Center, Pensacola, $2,640,000.
Naval Technical Training Center, Pensacola, $2,840,000.
Naval Training Center, Orlando, $23,810,000.

GEORGIA

Marine Corps Logistics Base, Albany, $5,740,000.
Naval Submarine Base, Kings Bay, $56,330,000.

HAWAII

Marine Corps Air Station, Kaneohe Bay, $24,270,000.
Naval Legal Service Office, Pearl Harbor, $2,380,000.
Naval Station, Pearl Harbor, $8,370,000.
Naval Submarine Base, Pearl Harbor, $11,250,000.
Naval Submarine Training Center, Pacific, Pearl Harbor, $1,780,000.
Naval Supply Center, Pearl Harbor, $8,350,000.
Navy Public Works Center, Pearl Harbor, $3,760,000.

ILLINOIS

Naval Training Center, Great Lakes, $3,440,000.
Naval Public Works Center, Great Lakes, $1,930,000.

KENTUCKY

Naval Ordnance Station, Louisville, $19,000,000.

LOUISIANA

Naval Station, Lake Charles, $3,700,000.

MAINE

Naval Air Station, Brunswick, $530,000.

MARYLAND

David Taylor Naval Ship Research Development Center, Annapolis, $1,860,000.
Naval Academy, Annapolis, $540,000.
Naval Air Test Center, Patuxent River, $1,250,000.
Naval Explosive Ordnance Disposal Technology Center, Indian Head, $7,380,000.
Naval Intelligence Command Headquarters, Suitland, $114,000,000.
Naval Medical Data Services Center, Bethesda, $5,930,000.
Naval Ordnance Station, Indian Head, $1,270,000.
Naval Surface Warfare Center Detachment, White Oak, $2,540,000.

MISSISSIPPI

Naval Air Station, Meridian, $3,100,000.
Naval Construction Training Center, Gulfport, $4,070,000.
Naval Station, Pascagoula, $25,700,000.
Supervisor of Shipbuilding, Pascagoula, $6,000,000.

NEVADA

Naval Air Station, Fallon, $9,470,000.

NEW JERSEY

Naval Weapons Station, Earle, $30,400,000.

NEW MEXICO

Naval Ordnance Missile Test Station, White Sands, $8,090,000.

NEW YORK

Naval Station, New York, $23,395,000.

NORTH CAROLINA

Marine Corps Air Station, Cherry Point, $32,380,000.
Marine Corps Air Station, New River, $8,400,000.
Marine Corps Base, Camp Lejeune, $23,450,000.

OKLAHOMA

Naval Air Detachment, Tinker Air Force Base, $38,080,000.

PENNSYLVANIA

Naval Air Development Center, Warminster, $1,270,000.
Naval Shipyard, Philadelphia, $10,300,000.
Navy Aviation Supply Office, Philadelphia, $1,400,000.
Navy Ships Parts Control Center, Mechanicsburg, $2,050,000.

RHODE ISLAND

Naval Education and Training Center, Newport, $11,560,000.
Naval Justice School, Newport, $2,060,000.
Surface Warfare Officers School Command, Newport, $4,750,000.

SOUTH CAROLINA

Naval Hospital, Beaufort, $2,260,000.
Naval Shipyard, Charleston, $640,000.
Naval Supply Center, Charleston, $1,090,000.
Naval Weapons Station, Charleston, $22,250,000.

TENNESSEE

Naval Air Station, Memphis, $10,090,000.

TEXAS

Naval Station, Galveston, $8,110,000.
Naval Station, Ingleside, $31,850,000.

VIRGINIA

Atlantic Fleet Headquarters Support Activity, Norfolk, $1,700,000.
Fleet Combat Training Center, Atlantic, Dam Neck, $4,700,000.
Marine Corps Combat Development Command, Quantico, $14,290,000.
Marine Corps Detachment, Camp Elmore, $1,690,000.
Marine Environmental Systems Facility, Dam Neck, $5,000,000.
Naval Air Station, Oceana, $2,690,000.
Naval Amphibious Base, Little Creek, $8,270,000.
Naval Amphibious School, Little Creek, $640,000.
Naval Aviation Depot, Norfolk, $8,950,000.
Naval Guided Missiles School, Dam Neck, $4,450,000.
Naval Legal Service Office, Norfolk, $1,080,000.
Naval Medical Clinic, Norfolk, $2,470,000.
Naval Ophthalmic Support and Training Activity, Yorktown, $1,970,000.
Naval Security Group Activity, Northwest, Chesapeake, $5,400,000.
Naval Supply Center, Norfolk, $6,660,000.
Naval Supply Center, Williamsburg, $3,300,000.
Naval Surface Warfare Center, Dahlgren, $25,442,000.
Naval Weapons Station, Yorktown, $12,360,000.
Navy Public Works Center, Norfolk, $4,410,000.

WASHINGTON

Naval Air Station, Whidbey Island, $11,010,000.
Naval Station, Everett, $38,400,000.
Naval Supply Center, Bremerton, $5,740,000.

Strategic Weapons Facility, Pacific, Silverdale, $15,060,000.
Trident Refit Facility, Bangor, $990,000.

VARIOUS LOCATIONS

Land Acquisition, $36,895,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

ANTIGUA

Naval Support Facility, $6,470,000.

GUAM

Fleet Surveillance Support Group, $20,972,000.
Naval Security Group Detachment, $400,000.
Naval Supply Depot, $7,660,000.
Navy Public Works Center, $6,720,000.

ICELAND

Naval Air Station, Keflavik, $12,000,000.

ITALY

Naval Air Station, Sigonella, $7,950,000.
Naval Support Activity, Naples, $4,750,000.

JAPAN

Marine Corps Air Station, Futenma, Okinawa, $3,280,000.
Marine Corps Base, Camp Butler, Okinawa, $2,840,000.

PHILIPPINES

Navy Public Works Center, Subic Bay, $28,340,000.

SPAIN

Naval Communication Station, Rota, $400,000.

VARIOUS LOCATIONS

Classified Location, $4,990,000.
Host Nation Infrastructure Support, $500,000.

SEC. 2202. FAMILY HOUSING

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(6)(A), construct or acquire family housing units (including land acquisition), at the following installations in the number of units shown, and in the amount shown, for each installation:

Marine Corps Air-Ground Combat Center, Twentynine Palms, California, one hundred units, $9,470,000.

Marine Corps Air Station, El Toro, California, one hundred units and eighty mobile home spaces, $10,120,000.

Marine Corps Base, Camp Pendleton, California, three hundred and thirty-two units and access roads, $28,510,000.

Naval Station, Long Beach, California, three hundred units, $26,110,000.

Naval Public Works Center, San Diego, California, three hundred and fifty-six units, $31,830,000.

Navy Public Works Center, San Francisco, California, three hundred units, $35,736,000.

Naval Submarine Base, Kings Bay, Georgia, two hundred and fifty units, $19,860,000.

Naval Air Station, Glenview, Illinois, two hundred and sixty units, $23,000,000.

Naval Station, New York, New York, one hundred and fifty units, $14,900,000.

Naval District Washington, District of Columbia, two units at 2,100 square feet each, $330,000.

(b) PLANNING AND DESIGN.—The Secretary of the Navy may carry out architectural and engineering services and construction design activities, using amounts appropriated pursuant to section 2205(a)(6)(A), with respect to the construction or improvement of military family housing units in an amount not to exceed $2,315,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

(a) IN GENERAL.—Subject to section 2825 of title 10, United States Code, the Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(6)(A), improve existing military family housing units in an amount not to exceed $61,589,000.

(b) WAIVER OF MAXIMUM PER UNIT COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Navy may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown, for each installation:

Navy Public Works Center, San Diego, California, six units, $284,400.

Navy Public Works Center, Pensacola, Florida, one unit, $34,900.

Navy Public Works Center, Great Lakes, Illinois, three hundred and fifty-six units, $17,214,000.

Navy Public Works Center, Great Lakes, Illinois, one hundred and two units, $6,181,200.

Naval Security Group Activity, Winter Harbor, Maine, thirty units, $2,920,600.

Naval Security Group Activity, Winter Harbor, Maine, twenty units, $920,000.

Naval Air Station, Fallon, Nevada, one hundred and six units, $8,129,300.

Marine Corps Air Station, Cherry Point, North Carolina, two units, $94,300.

Marine Corps Air Station, Cherry Point, North Carolina, two hundred and eighty-two units, $11,957,200.

Navy Ships Parts Control Center, Mechanicsburg, Pennsylvania, seventy-five units, $5,415,500.

Naval Air Station, Whidbey Island, Washington, eleven units, $632,600.

Navy Public Works Center, Guam, two hundred and twelve units, $18,473,800.

SEC. 2204. DEFENSE ACCESS ROADS

The Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(5), make advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23, United States Code, at the following locations and in the following amounts:

Marine Corps Air Ground Center, Twentynine Palms, California, $2,900,000.

Navy Public Works Center, San Diego, California, $719,000.

Navy Public Works Center, San Francisco, California, $800,000.

Naval Station, Everett, Washington, $4,400,000.

Naval Submarine Base, Kings Bay, Georgia, $3,000,000.

SEC. 2205. AUTHORIZATION OF APPROPRIATIONS, NAVY

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,369,875,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $1,296,450,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $101,272,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,300,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $138,276,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $11,819,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $250,770,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $554,988,000 of which not more than $18,434,000 may be obligated or expended for the leasing of military family housing in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $23,982,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $55,048,000 (the balance of the amount authorized for the construction of the Headquarters Building, Naval Intelligence Command Headquarters, Suitland, Maryland).

(c) RESTRICTION ON CERTAIN FUNDING.—None of the funds appropriated pursuant to subsection (a)(1) may be obligated for use or expended at Hunters Point Annex, Naval Station, Treasure Island, San Francisco, California, until the Secretary of the Navy has transmitted to the Committees on Armed Services of the Senate and the House of Representatives a report containing (1) a description of the activities planned by the Department of the Navy at such location during fiscal years 1989 through 1993, and (2) a statement explaining the environmental impact of such activities, especially with respect to the planned porting of ships and the development of the land at such location during such fiscal years.

SEC. 2206. ACQUISITION OF HOUSING AT CERTAIN NAVAL AIR STATIONS

(a) AUTHORITY TO ACQUIRE.—(1) The Secretary of the Navy may, using funds appropriated pursuant to section 2205(a)(6)(A), acquire all right, title, and interest in and to 264 family housing units situated on the Naval Air Station at Glenview, Illinois, and constructed in 1956 with financing provided under title VIII of the National Housing Act.

Reports.

(2) The Secretary of the Navy may, using funds that remain available from savings realized in carrying out military family housing projects of the Department of the Navy during any fiscal year before fiscal year 1990, acquire all right, title, and interest in and to 72 family housing units at Sunnyvale, California, near the Naval Air Station, Moffett Field, which were constructed in 1952 with financing provided under title VIII of the National Housing Act, except that no such funds may be obligated for such purpose until the expiration of 30 days after the date on which the Secretary transmits to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives a report on the proposed obligation of such funds.

(3) The Secretary may also acquire the leasehold interests in the housing units referred to in paragraphs (1) and (2) which are held in private ownership.

(4) The amount paid by the Secretary for such units and leasehold interests may not exceed an amount equal to the fair market value of such units and interests.

(5) The authority to acquire the housing units referred to in paragraphs (1) and (2) shall include the authority to acquire other real property improvements related to such units.

(b) OCCUPANCY CHARGES.—(1) Notwithstanding any other provision of law and except as provided in paragraph (2), a charge may be made against the basic allowances for quarters of any member of the Armed Forces to whom a housing unit referred to in subsection (a) is leased after the acquisition of the privately held leasehold interest in such unit by the Secretary. Such a charge may not exceed an amount equal to 75 percent of the amount of the basic allowances for quarters to which the member is entitled.

(2) A member of the Armed Forces who, on the date on which the privately held leasehold interest referred to in subsection (a) is acquired by the Secretary, has in effect an unexpired lease on one of the housing units described in subsection (a) shall be charged rent on such unit (after such acquisition) in accordance with the terms of the lease until the lease expires.

(c) EXPIRATION OF ACQUISITION AUTHORITY.—The authority under this section for the Secretary to acquire the leasehold interests referred to in subsection (a) shall expire on October 1, 1994.

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the installations and locations inside the United States:

ALABAMA

Gunter Air Force Base, $8,150,000.
Maxwell Air Force Base, $17,800,000.

ALASKA

Eielson Air Force Base, $7,650,000.
Elmendorf Air Force Base, $20,540,000.
King Salmon Airport, $2,850,000.
Shemya Air Force Base, $14,860,000.

ARIZONA

Davis-Monthan Air Force Base, $980,000.
Luke Air Force Base, $4,550,000.
Williams Air Force Base, $11,130,000.

ARKANSAS

Blytheville Air Force Base, $2,150,000.
Little Rock Air Force Base, $4,550,000.

CALIFORNIA

Beale Air Force Base, $8,900,000.
Castle Air Force Base, $20,400,000.
Edwards Air Force Base, $5,200,000.
George Air Force Base, $23,550,000.
March Air Force Base, $4,900,000.
Mather Air Force Base, $2,740,000.
McClellan Air Force Base, $3,080,000.
Onizuka Air Force Base, $4,300,000.
Travis Air Force Base, $10,400,000.
Vandenberg Air Force Base, $8,550,000.

COLORADO

Buckley Air National Guard Base, $25,800,000.
Cheyenne Mountain Complex, $6,500,000.
Lowry Air Force Base, $12,000,000.
Peterson Air Force Base, $13,300,000.
United States Air Force Academy, $10,240,000.

DELAWARE

Dover Air Force Base, $1,000,000.

FLORIDA

Avon Park, $3,700,000.

Cape Canaveral Air Force Station, $19,380,000.
Eglin Air Force Base, $11,020,000.
Eglin Air Force Base, Auxiliary Field 9, $27,400,000.
Homestead Air Force Base, $6,200,000.
MacDill Air Force Base, $4,580,000.
Patrick Air Force Base, $1,126,000.
Tyndall Air Force Base, $6,000,000.

GEORGIA

Moody Air Force Base, $800,000.
Robins Air Force Base, $31,500,000.

HAWAII

Hickam Air Force Base, $4,250,000.

IDAHO

Mountain Home Air Force Base, $1,400,000.

ILLINOIS

Chanute Air Force Base, $6,500,000.
Scott Air Force Base, $14,500,000.

INDIANA

Grissom Air Force Base, $1,850,000.

KANSAS

McConnell Air Force Base, $680,000.

LOUISIANA

Barksdale Air Force Base, $7,300,000.
England Air Force Base, $3,100,000.

MAINE

Loring Air Force Base, $3,000,000.

MARYLAND

Andrews Air Force Base, $2,550,000.

MASSACHUSETTS

Hanscom Air Force Base, $12,400,000.

MICHIGAN

Wurtsmith Air Force Base, $10,690,000.

MISSISSIPPI

Columbus Air Force Base, $2,950,000.
Keesler Air Force Base, $4,550,000.

MISSOURI

Whiteman Air Force Base, $64,300,000.

MONTANA

Malmstrom Air Force Base, $19,470,000.

NEBRASKA

Offutt Air Force Base, $2,450,000.

NEVADA

Indian Springs, $3,150,000.
Nellis Air Force Base, $6,700,000.

NEW HAMPSHIRE

New Boston Air Force Station, $4,500,000.
Pease Air Force Base, $10,950,000.

NEW JERSEY

McGuire Air Force Base, $3,550,000.

NEW MEXICO

Cannon Air Force Base, $4,100,000.
Holloman Air Force Base, $2,900,000.
Kirtland Air Force Base, $13,000,000.

NEW YORK

Griffiss Air Force Base, $700,000.

NORTH CAROLINA

Seymour Johnson Air Force Base, $3,050,000.

NORTH DAKOTA

Grand Forks Air Force Base, $13,290,000.
Minot Air Force Base, $6,250,000.

OHIO

Wright-Patterson Air Force Base, $11,455,000.

OKLAHOMA

Altus Air Force Base, $2,300,000.
Tinker Air Force Base, $12,650,000.

SOUTH CAROLINA

Charleston Air Force Base, $5,000,000.

SOUTH DAKOTA

Ellsworth Air Force Base, $8,650,000.

TENNESSEE

Arnold Engineering Development Center, $213,800,000.

TEXAS

Bergstrom Air Force Base, $2,800,000.
Brooks Air Force Base, $2,750,000.
Carswell Air Force Base, $3,500,000.
Dyess Air Force Base, $3,470,000.
Goodfellow Air Force Base, $2,350,000.
Kelly Air Force Base, $29,300,000.
Lackland Air Force Base, $14,039,000.
Laughlin Air Force Base, $1,910,000.
Randolph Air Force Base, $6,150,000.
Reese Air Force Base, $990,000.
Sheppard Air Force Base, $10,700,000.

UTAH

Hill Air Force Base, $10,740,000.

WASHINGTON

Fairchild Air Force Base, $17,580,000.
McChord Air Force Base, $13,100,000.

WYOMING

F.E. Warren Air Force Base, $6,000,000.

VARIOUS LOCATIONS

Base 80, $987,000.
Base 81, $2,800,000.
Classified, $4,000,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

BELGIUM

Kleine Brogel, $1,900,000.

CANADA

Forward Operation Locations, $600,000.

GERMANY

Bitburg Air Base, $1,060,000.
Einsiedlerhof Air Base, $1,500,000.
Hahn Air Base, $16,650,000.
Hessich-Oldendorf Air Station, $740,000.
Norvenich Air Base, $2,300,000.
Pruem Air Station, $620,000.
Ramstein Air Base, $6,000,000.
Rhein-Main Air Base, $5,000,000.
Sembach Air Base, $3,550,000.
Spangdahlem Air Base, $10,270,000.

Wenigerath Air Base, $1,700,000.
Zweibrucken Air Base, $1,300,000.

GREENLAND

Sondrestrom Air Base, $5,950,000.
Thule Air Base, $1,830,000.

GUAM

Anderson Air Force Base, $900,000.

ICELAND

Naval Air Station, Keflavik, $1,100,000.

ITALY

Aviano Air Base, $7,600,000.

JAPAN

Kadena Air Base, $1,850,000.
Misawa Air Base, $4,550,000.
Yokota Air Base, $500,000.

KOREA

Camp Humphreys, $3,350,000.
Kunsan Air Base, $17,330,000.
Osan Air Base, $10,750,000.

NETHERLANDS

Camp New Amsterdam, $10,300,000.
Volkel Air Base, $2,300,000.

OMAN

Masirah Air Base, $2,800,000.
Seeb Air Base, $7,100,000.

PANAMA

Howard Air Force Base, $2,600,000.

PHILIPPINES

Clark Air Base, $28,940,000.

PORTUGAL

Lajes Field, $4,850,000.

TURKEY

Incirlik Air Base, $9,590,000.
Pirinclik Air Station, $1,500,000.

UNITED KINGDOM

RAF Alconbury, $2,650,000.
RAF Bentwaters, $5,430,000.
RAF Feltwell, $500,000.
RAF Lakenheath, $10,170,000.

RAF Mildenhall, $7,150,000.
RAF Upper Heyford, $3,830,000.
RAF Welford, $3,720,000.

VARIOUS LOCATIONS

Base 30, $3,850,000.
Base 79, $1,900,000.
Base 82, $2,800,000.
Classified Locations, $16,473,000.

SEC. 2302. FAMILY HOUSING

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Air Force may, using amounts appropriated pursuant to section 2304(a)(5)(A), construct or acquire two hundred sixty family housing units (including land acquisition) at Clark Air Base, Philippines, in the amount of $19,920,000.

(b) PLANNING AND DESIGN.—The Secretary of the Air Force may, using amounts appropriated pursuant to section 2304(a)(5)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $7,000,000.

SEC. 2303. IMPROVEMENT TO MILITARY FAMILY HOUSING UNITS

(a) IN GENERAL.—Subject to section 2825 of title 10, United States Code, the Secretary of the Air Force may, using amounts appropriated pursuant to section 2304(a)(5)(A), improve existing military family housing units in an amount not to exceed $153,765,000.

(b) WAIVER OF MAXIMUM PER UNIT COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Air Force may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown, for each installation:

Gunter Air Force Station, Alabama, twenty-three units, $1,136,000.

Maxwell Air Force Base, Alabama, fifty units, $2,722,000.

Eielson Air Force Base, Alaska, ninety-six units, $7,943,000.

Elmendorf Air Force Base, Alaska, forty-eight units, $3,818,000.

Davis-Monthan Air Force Base, Arizona, one unit, $60,000.

Luke Air Force Base, Arizona, one hundred and fifty-two units, $5,975,000.

McClellan Air Force Base, California, thirty units, $3,207,000.

Peterson Air Force Base, Colorado, one unit, $74,000; eighty units, $3,527,000.

Bolling Air Force Base, District of Columbia, one hundred and ten units, $4,018,000.

Eglin Air Force Base, Florida, fifty units, $2,138,000.

MacDill Air Force Base, Florida, four units, $279,000.

Robins Air Force Base, Georgia, one hundred and sixty units, $6,861,000.

Scott Air Force Base, Illinois, four units, $184,000.

Grissom Air Force Base, Indiana, one hundred and eighty-six units, $6,788,000.

Barksdale Air Force Base, Louisiana, two units, $185,000; one hundred and fourteen units, $6,200,000.

England Air Force Base, Louisiana, one hundred and six units, $5,830,000.

Andrews Air Force Base, Maryland, five units, $338,000.

Pease Air Force Base, New Hampshire, one unit, $121,000.

McGuire Air Force Base, New Jersey, one hundred units, $4,921,000.

Kirtland Air Force Base, New Mexico, four units, $240,000; one hundred and fifteen units, $4,894,000.

Plattsburgh Air Force Base, New York, one hundred and seventy-four units, $10,600,000.

Minot Air Force Base, North Dakota, one unit, $65,000.

Shaw Air Force Base, South Carolina, one hundred and thirty units, $4,703,000.

Carswell Air Force Base, Texas, one hundred and eighty-one units, $7,869,000; sixteen units, $600,000.

Dyess Air Force Base, Texas, one unit, $64,000.

Kelly Air Force Base, Texas, one hundred and one units, $3,381,000.

Randolph Air Force Base, Texas, two units, $199,000.

Reese Air Force Base, Texas, one hundred and eighty-eight units, $6,816,000.

Ramstein Air Base, Germany, two hundred and forty units, $16,000,000; eight units, $706,000; nine units, $1,039,000.

Andersen Air Force Base, Guam, one unit, $167,000; one hundred and twenty units, $8,000,000.

Misawa Air Base, Japan, one hundred and eighty units, $8,707,000.

Yokota Air Base, Japan, eighty-one units, $5,629,000.

Osan Air Base, Korea, ten units, $447,000.

Clark Air Base, Philippines, eighty-two units, $4,203,000.

RAF Alconbury, United Kingdom, twenty-five units, $1,119,000.

RAF Greenham Common, United Kingdom, one hundred and nineteen units, $5,588,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,143,981,000, as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $855,877,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $229,353,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,500,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $119,800,000.

(5) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $180,685,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code),

$741,766,000 of which not more than $16,612,500 may be obligated or expended for leasing of military family housing units in the United States, the Commonwealth of Puerto Rico, and Guam; and not more than $74,268,500 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $133,000,000 (the balance of the amount authorized for the construction of the J-6 facility, Arnold Engineering Development Center, Tennessee).

(c) RESTRICTION ON CERTAIN FUNDING.—None of the funds appropriated pursuant to subsection (a)(2) may be obligated for use or expended in Panama until the Secretary of Defense transmits to the Committees on Armed Services of the Senate and the House of Representatives a copy of the plans of the activities to be carried out by the Department of Defense in Panama during the five-year period beginning on the date of the enactment of this Act.

SEC. 2305. EXTENSION OF CERTAIN PREVIOUS AUTHORIZATIONS

Notwithstanding the provisions of section 2301(a) of the Military Construction Authorization Act, 1987, (division B of Public Law 99-661), authorizations for the following projects authorized in sections 2301 and 2302 of that Act shall remain in effect until October 1, 1989, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1990, whichever is later:

(1) KC-135 CPT Simulator facility, in the amount of $890,000 at Minot Air Force Base, North Dakota.

(2) Add to and alter Avionics Maintenance Shop, in the amount of $1,150,000 at Pease Air Force Base, New Hampshire.

(3) KC-135 CPT Simulator facilities in the amount of $660,000 at Robins Air Force Base, Georgia.

(4) Land acquisition in the amount of $230,000 at the United States Air Force Academy, Colorado Springs, Colorado.

(5) Land acquisition Auxiliary Field in the amount of $3,700,000, at Laughlin Air Force Base, Texas.

(6) KC-135 CPT Simulator facility in the amount of $3,500,000, at Beale Air Force Base, California.

(7) KC-135 CPT Simulator facility in the amount of $3,000,000 at Plattsburgh Air Force Base, New York.

(8) Bitburg, Germany, three hundred and thirty-two units of family housing, $26,414,000.

(9) La Junta, Colorado, forty units of family housing $4,000,000.

(10) GEODSS Site 5, Portugal, Composite Support Facility in the amount of $2,250,000 and Spacetrack Observation Facility in the amount of $12,400,000.

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

DEFENSE COMMUNICATIONS AGENCY

Arlington Service Center, Virginia, $742,000.

DEFENSE LOGISTICS AGENCY

Defense Fuel Support Point, Adak, Alaska, $19,000,000.
Defense Depot, Tracy, California, $590,000.
Defense Fuel Support, Pearl City, Hawaii, $1,900,000.
Defense Reutilization and Marketing Office, Fort Campbell, Kentucky, $1,600,000.
Defense Reutilization and Marketing Office, Offutt Air Force Base, Nebraska, $430,000.
Defense Depot, Mechanicsburg, Pennsylvania, $460,000.
Defense Reutilization and Marketing Office, Carswell Air Force Base, Texas, $350,000.
Defense Depot, Ogden, Utah, $6,000,000
Cheatham Annex, Virginia, $450,000.

DEFENSE MAPPING AGENCY

Hydrographic/Topographic Center, Brookmont, Maryland, $5,209,000.

DEFENSE MEDICAL FACILITIES OFFICE

Marine Corps Base, Camp Pendleton, California, $5,000,000.
March Air Force Base, California, $3,000,000.
Naval Station, North Island, California, $7,200,000.
Naval Station, Treasure Island, California, $11,000,000.
Tyndall Air Force Base, Florida, $800,000.
Fort Benning, Georgia, $700,000.
Robins Air Force Base, Georgia, $3,600,000.
Fort Leonard Wood, Missouri, $1,450,000.
Kirtland Air Force Base, New Mexico, $2,550,000.
Seymour Johnson Air Force Base, North Carolina, $3,700,000.
Fort Sill, Oklahoma, $54,000,000.
Marine Corps Recruit Depot, Parris Island, South Carolina, $4,100,000.
Corpus Christi, Texas, $6,100,000.
Dyess Air Force Base, Texas, $950,000.

NATIONAL DEFENSE UNIVERSITY

Fort McNair, District of Columbia, $28,000,000.

NATIONAL SECURITY AGENCY

Fort Meade, Maryland, $2,230,000.
Classified Locations, $20,000,000.

OFFICE OF THE SECRETARY OF DEFENSE

Fort Belvoir, Virginia, $3,000,000.
Classified Location, $4,200,000.

STRATEGIC DEFENSE INITIATIVE ORGANIZATION

Falcon Air Force Station, Colorado, $65,000,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

DEFENSE COMMUNICATIONS AGENCY

Yokota Air Base, Japan, $785,000.

DEFENSE LOGISTICS AGENCY

Defense Reutilization and Marketing Office, Bitburg, Germany, $800,000.

Defense Reutilization and Marketing Office, Kaiserslautern, Germany, $500,000.

DEFENSE MEDICAL FACILITIES OFFICE

Downs Barracks, Germany, $4,200,000.
Geilenkirchen Air Base, Germany, $450,000.
Hahn Air Base, Germany, $18,500,000.
Patch Barracks, Germany, $4,700,000.
Rhein-Main Air Base, Germany, $14,200,000.
Smith Barracks, Germany, $5,100,000.
Spangdahlem Air Base, Germany, $1,250,000.
Wildflecken, Germany, $4,800,000.
Camp Howze 2nd Infantry Division, Korea, $780,000.
Seoul, Korea, $55,000,000.
Taegu Air Base, Korea, $4,400,000.
Royal Air Force, High Wycombe, United Kingdom, $720,000.
Royal Air Force, Lakenheath, United Kingdom, $41,000,000.
Base 54, $12,800,000.
Classified Locations, $19,500,000.

DEFENSE NUCLEAR AGENCY

Headquarters, Field Command, Johnston Island, $2,644,000.

DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

Aschaffenburg, Germany, $8,151,000.
Bad Kissingen, Germany, $1,620,000.
Baumholder, Germany, $1,940,000.
Erlangen, Germany, $3,890,000.
Gelnhausen, Germany, $1,482,000.
Giessen, Germany, $7,627,000.
Wildflecken, Germany, $2,752,000.
Keflavik, Iceland, $5,434,000.
Aviano, Italy, $9,450,000.
Pusan, Korea, $1,980,000.
Seoul, Korea, $7,332,000.

Brunssum, the Netherlands, $8,863,000.

DEPARTMENT OF DEFENSE SECTION VI SCHOOLS

Fort Buchanan, Puerto Rico, $9,110,000.

NATIONAL SECURITY AGENCY

Classified Locations, $11,250,000.

STRATEGIC DEFENSE INITIATIVE ORGANIZATION

Pacific Missile Range, Kwajalein, $16,000,000.

SEC. 2402. FAMILY HOUSING

The Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(10)(A), construct or acquire three family housing units (including land acquisition) at classified locations in the total amount not to exceed $400,000.

Classified information.

SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

Subject to section 2825 of title 10, United States Code, the Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(10)(A), improve existing military family housing units in an amount not to exceed $113,000.

SEC. 2404. AFCENT SCHOOL

The Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(2), contribute funds in the amount of $8,863,000 to the Government of the Netherlands (in its capacity as construction agent) for the United States share of the cost of the International Elementary and High School project in Brunssum, the Netherlands.

SEC. 2405. CONFORMING STORAGE FACILITIES

Section 2404(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661), is amended to read as follows:

"(a) AUTHORITY TO CONSTRUCT.—The Secretary of Defense may, using not more than $10,000,000 appropriated for fiscal year 1987, not more than $5,000,000 appropriated for fiscal year 1988, and not more than $9,300,000 appropriated for fiscal year 1989, carry out military construction projects not otherwise authorized by law for conforming storage facilities.".

SEC. 2406. DEFENSE ACCESS ROADS

The Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(5), make advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23, United States Code, at Fort Meade, Maryland, in the amount of $12,000,000.

SEC. 2407. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, 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 $711,550,000, as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $236,311,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $262,010,000.

(3) For military construction projects at Fort Sam Houston, Texas, authorized by section 2401(a) of the Military Construction Authorization Act, 1987, $23,000,000.

(4) For military construction projects at Fort Lewis, Washington, authorized by section 101(a) of the Military Construction Authorization Act, 1985, $72,000,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $12,000,000.

(6) For unspecified minor construction projects under section 2805 of title 10, United States Code, $6,000,000.

(7) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $8,000,000.

(8) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $62,229,000.

(9) For conforming storage facilities constructed under the authority of section 2404 of the Military Construction Authorization Act, 1987, $9,300,000.

(10) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $513,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $20,187,000, of which not more than $17,179,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

(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 may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $27,000,000 (the balance of the amount authorized under section 2401(a) for the construction of a medical facility at Fort Sill, Oklahoma); and

(3) $27,500,000 (the balance of the amount authorized under section 2401(b) for the construction of a medical facility at Seoul, Korea).

(c) RESTRICTION ON CERTAIN FUNDING.—Of the amounts appropriated pursuant to this section or otherwise made available to the Department of Defense for fiscal year 1989, not more than $65,000,000 may be obligated or expended for use in planning and construction of a National Test Facility for the Strategic Defense Initiative at Falcon Air Force Base, Colorado.

SEC. 2408. RESITING OF OVERSEAS CONTINGENCY MEDICAL FACILITY

Section 2141(b) of the Military Construction Authorization Act, 1988 and 1989 (division B of Public Law 100-180; 101 Stat. 1201) is amended by striking out "RAF Wethersfield, United Kingdom, $740,000." under the heading "DEFENSE MEDICAL FACILITIES OFFICE" and inserting in lieu thereof "Boscombe Downs, United Kingdom, $740,000.".

SEC. 2409. EXTENSION OF CERTAIN PREVIOUS AUTHORIZATIONS

Notwithstanding the provisions of section 2401(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661), authorizations for the following project authorized in section 2401 of that Act shall remain in effect until October 1, 1989, or the date of the enactment of an Act authorizing appropriations for military construction for fiscal year 1990, whichever is later:

DECCO Computer Center and Administrative Facility in the amount of $7,600,000 at Scott Air Force Base, Illinois.

SEC. 2410. REYNOLDS ARMY COMMUNITY HOSPITAL, FORT SILL, OKLAHOMA, AND SEOUL ARMY COMMUNITY HOSPITAL, SEOUL, KOREA

Subject to section 2401, the Secretary of Defense may enter into one or more contracts, in advance of appropriations therefor, for the construction of the military construction projects authorized by section 2401 at Reynolds Army Community Hospital, Fort Sill, Oklahoma, and the Seoul Army Community Hospital, Seoul, Korea, if each such contract limits the amount of payments that the Federal Government is obligated to make under such contracts to the amount of appropriations available, at the time such contract is entered into, for obligation under such contract. Contracts.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

SEC. 2501. AUTHORIZED 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, 1988, 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 $492,000,000.

TITLE XXVI—GUARD AND RESERVE 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, 1988, 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, $203,859,000; and

(B) for the Army Reserve, $84,411,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserves, $54,900,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $154,758,000; and

(B) for the Air Force Reserve, $63,600,000.

SEC. 2602. AIRCRAFT PARKING RAMP/HOLDING PAD AT YEAGER AIRPORT, CHARLESTON, WEST VIRGINIA

There is authorized to be constructed, with funds remaining available as the result of savings on construction projects of the Air National Guard of the United States for which funds were appropriated for fiscal year 1987, an aircraft parking ramp/holding pad for the Air National Guard of the United States at Yeager Airport at Charleston, West Virginia, in the amount of $3,300,000, except that no such funds may be obligated for such purpose until the expiration of 30 days after the date on which the Secretary of the Air Force transmits to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives a report on the proposed obligation of such funds.

Reports.

SEC. 2603. CONSTRUCTION OF REPLACEMENT FACILITIES AT O'HARE AIR RESERVE FORCES FACILITY, ILLINOIS

(a) GENERAL RULE.—(1) The Secretary of the Air Force may use funds received from the transaction described in paragraph (3) for the construction of reserve component facilities on land under the jurisdiction of the Department of Defense at O'Hare International Airport, Chicago, Illinois.

(2) The Secretary may provide for the construction of such reserve component facilities with funds received from the transaction referred to in paragraph (1) or may permit the City of Chicago to construct such facilities and, upon completion of the construction, have the ownership of such facilities transferred to the United States.

Real property. Public buildings and grounds.

(3) The transaction referred to in paragraph (1) is an exchange of lands and facilities owned by the United States and under the jurisdiction of the Department of Defense at O'Hare International Airport, Chicago, Illinois, for interests in lands owned by the City of Chicago, Illinois, at such airport. The market value of the interest in lands and the amount of funds received by the United States in such transaction shall be at least equal to the market value of the lands and facilities conveyed by the United States in such transaction.

(b) ADDITIONAL USE OF FUNDS.—The Secretary may also use the funds from the transaction referred to in subsection (a)(1) to meet expenses, other than construction expenses, incurred by the Secretary in connection with the construction of the facilities referred to in such subsection.

(c) EXCESS FUNDS.—Funds received from the transaction described in subsection (a)(3) and not expended for purposes specified in this section shall be paid into the miscellaneous receipts of the Treasury.

(d) REPORTING REQUIREMENT.—The Secretary shall transmit a report to the Committees on Armed Services of the Senate and the House of Representatives at least 21 days before taking any action under paragraph (1) or (2) of subsection (a) or under subsection (b).

Such report shall contain a description of the action which the Secretary plans to take under such paragraph or subsection.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions as the Secretary considers appropriate to protect the interest of the United States with respect to any action carried out under this section.

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS; EFFECTIVE DATE

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW

(a) EXPIRATION OF AUTHORIZATIONS AFTER TWO YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI, XXII, XXIII, XXIV, and XXV for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor) shall expire on October 1, 1990, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1991, whichever is later.

(b) EXCEPTION.—The provisions of subsection (a) do not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before October 1, 1990, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1991, whichever is later, for construction contracts, land acquisition, family housing projects and facilities, or contributions to the NATO Infrastructure Program.

SEC. 2702. EFFECTIVE DATE

10 USC 2391 note.

Except as otherwise specifically provided, this division shall take effect on October 1, 1988, or the date of enactment of this Act, whichever is later.

TITLE XXVIII—GENERAL PROVISIONS

PART A—PROGRAM CHANGES

SEC. 2801. LONG-TERM FACILITIES CONTRACTS

Section 2809(a)(3) of title 10, United States Code, is amended by striking out "20 years" and inserting in lieu thereof "32 years".

SEC. 2802. INCREASE IN FOREIGN HOUSING LEASING AUTHORITY

Section 2828(e)(2) of title 10, United States Code, is amended by striking out "36,000" and inserting in lieu thereof "38,000".

SEC. 2803. REPORTS ON REAL PROPERTY TRANSACTIONS

Subsections (a), (b), and (e) of section 2662 of title 10, United States Code, are amended by striking out "$100,000" each place it appears and inserting in lieu thereof "$200,000".

SEC. 2804. NOTIFICATION REQUIREMENT RELATING TO ACQUISITION OF INTEREST IN LAND

Section 2672 of title 10, United States Code, is amended—

(1) in subsection (a)(1), by striking out "Subject to subsection (b), the" and inserting in lieu thereof "The";

(2) by striking out subsection (b); and

(3) by redesignating subsection (c) as subsection (b).

SEC. 2805. PLANNING ASSISTANCE FOR IMPACTED COMMUNITIES

(a) MODIFICATION OF AUTHORITY.—Paragraph (1) of section 2391(b) of title 10, United States Code, is amended to read as follows:

Grants. Contracts. State and local governments. Public information.

"(1) The Secretary of Defense may make grants, conclude cooperative agreements, and supplement funds available under Federal programs administered by agencies other than the Department of Defense in order to assist State and local governments in planning community adjustments and economic diversification required (A) by the proposed or actual establishment, realignment, or closure of a military installation, (B) by the cancellation or termination of a Department of Defense contract or the failure to proceed with an approved major weapon system program, (C) by a publicly-announced planned major reduction in Department of Defense spending that would directly and adversely affect a community, or (D) by the encroachment of a civilian community on a military installation, if the Secretary determines that an action described in clause (A), (B), or (C) is likely to have a direct and significantly adverse consequence on the affected community or, in the case of an action described in clause (D), if the Secretary determines that the encroachment of the civilian community is likely to impair the continued operational utility of the military installation.".

(b) CONDITION ON ASSISTANCE.—Section 2391(b) of such title is further amended—

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

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

Public information. Contracts. Employment and unemployment.

"(4) In the case of a publicly-announced planned major reduction in Department of Defense spending that will directly and adversely affect a community, assistance may be made under paragraph (1) only if the publicly-announced planned major reduction will result in the loss of 1,000 or more full-time Department of Defense and contractor employee positions over a five-year period in the locality of the affected community.".

PART B—MISCELLANEOUS

SEC. 2811. PROHIBITION OF FUNDING FOR CERTAIN MILITARY CONSTRUCTION CONTRACTS ON GUAM

(a) IN GENERAL.—Except as provided in subsection (b), no funds appropriated pursuant to authorizations made by this division may be obligated or expended with respect to any contract for a military construction project on Guam if any work is carried out on such project by any person who is a nonimmigrant alien described in section 101(a)(15)(H)(ii) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)).

Reports.

(b) EXCEPTION.—In any case in which there is no acceptable bid made in response to a solicitation by the Secretary of a military department for bids on a contract for a military construction project on Guam and the Secretary concerned makes a determination that the prohibition contained in subsection (a) is a significant deterrent to obtaining bids on such contract, the Secretary concerned may

make another solicitation for bids on such contract and the prohibition contained in subsection (a) shall not apply to such contract after the 21-day period beginning with the date on which the Secretary concerned transmits a report concerning such contract to the Committees on Armed Services of the Senate and the House of Representatives.

(c) EFFECTIVE DATE.—The provisions of this section shall apply to contracts entered into, amended, or otherwise modified on or after the date of the enactment of this Act.

SEC. 2812. BROOKE ARMY MEDICAL CENTER

(a) INCREASE IN PROJECT AUTHORITY.—(1) Section 2401(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661; 100 Stat. 4034), is amended by striking out "$241,000,000" in the item relating to Fort Sam Houston, Texas, under the heading relating to Defense Medical Facilities Office and inserting in lieu thereof "$275,000,000".

(2) The limitation on the total cost of projects carried out under section 2401 of such Act is hereby increased by $34,000,000.

(b) CONFORMING AMENDMENT.—Section 2403(a)(2) of such Act is amended by striking out ", but the" and all that follows through "beds".

SEC. 2813. COMMUNITY PLANNING ASSISTANCE

(a) ADDITIONAL AUTHORITY.—In addition to the authority under any other provision of law, the Secretary of Defense may provide community planning assistance under section 2391(b) of title 10, United States Code, in the following amounts:

(1) Not to exceed $350,000 for communities located near newly established light infantry division posts.

(2) Not to exceed $250,000 for communities located near newly established Navy strategic dispersal program homeports.

(3) Not to exceed $150,000 for communities located near Whiteman Air Force Base, Knob Noster, Missouri.

(b) EXPIRATION OF AUTHORITY.—The authority to provide community planning assistance under subsection (a) expires on September 30, 1991.

SEC. 2814. FORT DERUSSY, HAWAII

(a) USE.—The Secretary of the Army shall administer Fort DeRussy, Hawaii, as the primary rest and recreation area for members of the Armed Forces in the Pacific. Recreation.

(b) PROHIBITION.—Notwithstanding any other provision of law, funds appropriated or otherwise available to the Department of Defense may not be used in any way, directly or indirectly, for the purpose of selling, leasing, renting, excessing, or otherwise disposing of any portion of the land constituting Fort DeRussy, Hawaii (as constituted on the date of the enactment of this Act).

(c) IMPLEMENTATION OF PLAN.—(1) Section 2740(d) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661; 100 Stat. 4051), is amended—

(A) by striking out "PAYMENT OF EXCESS INTO TREASURY" in the subsection heading and inserting in lieu thereof "EXCESS AMOUNT"; and

(B) by striking out "shall deposit" and all that follows through the period and inserting in lieu thereof "may use such amount for the implementation of the plan established by the Secretary

of the Army on March 1, 1988, for the future use and development of Fort DeRussy, Hawaii, except that such amount may not be used to pay for the construction of nonappropriated-fund projects identified in such plan. The Secretary shall deposit any part of such amount not used for such purpose at the end of the ten-year period beginning on the date of the enactment of the Military Construction Authorization Act, 1989, into the Treasury as miscellaneous receipts.".

(2) Section 2332(d) of the Military Construction Authorization Act, 1988 and 1989 (division B of Public Law 100-180; 100 Stat. 1223), is amended—

(A) by striking out "PAYMENT OF EXCESS INTO TREASURY" in the subsection heading and inserting in lieu thereof "EXCESS AMOUNT"; and

(B) by striking out "shall deposit" and all that follows through the period and inserting in lieu thereof "may use such amount for the implementation of the plan established by the Secretary of the Army on March 1, 1988, for the future use and development of Fort DeRussy, Hawaii, except that such amount may not be used to pay for the construction of nonappropriated-fund projects identified in such plan. The Secretary shall deposit any amount not used for such purpose at the end of the ten-year period beginning on the date of the enactment of the Military Construction Authorization Act, 1989, into the Treasury as miscellaneous receipts.".

Public buildings and grounds.

SEC. 2815. WURTSMITH AIR FORCE BASE, MICHIGAN

The library building located on the Wurtsmith Air Force Base, Michigan, is hereby designated as the "General Earl T. O'Loughlin Library". Any reference to such building in a law, rule, map, document, record, or other paper of the United States shall be considered to be a reference to the "General Earl T. O'Loughlin Library".

SEC. 2816. LOCATION OF HAZARDOUS WASTE STORAGE FACILITY AT PEARL HARBOR NAVAL SHIPYARD

The Secretary of the Navy may not construct a hazardous waste storage facility for the Pearl Harbor Naval Shipyard at a location closer than 600 feet to a public school.

SEC. 2817. SOLICITATION FOR PROPOSALS FOR OFFICE SPACE FOR NAVY

(a) IN GENERAL.—The Administrator of General Services, in coordination with the Secretary of the Navy, shall issue a solicitation for proposals for the acquisition of such office and related space within the National Capital Region as the Secretary determines necessary to meet the needs of the Navy within such region.

(b) REPORT.—The Secretary, after consultation with the Administrator, shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report regarding the proposals received in response to the solicitation issued pursuant to subsection (a). Such report shall include a comparative cost analysis of meeting the office and related space needs of the Navy within the National Capital Region by means of lease, lease-purchase, and military construction, respectively. The report shall identify, and include recommendations for meeting, the current and long-term office and related space needs of the Navy within the National Capital Region.

(c) DEADLINE FOR REPORT.—The report required by subsection (b) shall be submitted not later than 90 days after the date established by the Administrator for receiving responses to the solicitation for proposals issued pursuant to subsection (a).

SEC. 2818. THIRD INFANTRY DIVISION MEMORIAL

Public buildings and grounds.

(a) IN GENERAL.—The Society of the Third Infantry Division may establish, on grounds in Arlington National Cemetery selected pursuant to subsection (b)(1), a memorial in honor and in commemoration of the members of the "Rock of the Marne" of the Third Infantry Division, United States Army, who bravely served their country in World War I, World War II, and the Korean conflict.

(b) ADMINISTRATIVE PROVISIONS.—(1) The Secretary of the Army may select a suitable site on grounds in Arlington National Cemetery upon which may be established the memorial authorized in subsection (a).

(2) The design and plans for such memorial shall be subject to the approval of the Secretary of the Army, the American Battle Monuments Commission, the National Capital Planning Commission, and the Commission of Fine Arts.

(3) The United States shall not be liable for any expense in connection with the construction of the memorial authorized by subsection (a).

(4) The maintenance and care of the memorial authorized under this section shall be the responsibility of the Secretary of the Army.

(c) EXPIRATION OF AUTHORITY.—The authority provided in this section shall expire at the end of the 5-year period beginning on the date of the enactment of this Act unless—

(1) construction of the memorial authorized in subsection (a) is commenced within such period; and

(2) before construction of the memorial begins, the Society of the Third Infantry Division certifies to the Secretary of the Army the amount available for the construction of the memorial and the Secretary determines that such amount is sufficient to complete the memorial.

SEC. 2819. COMMISSION ON ALTERNATIVE UTILIZATION OF MILITARY FACILITIES

10 USC 2391 note.

(a) ESTABLISHMENT OF COMMISSION.—Within 30 days after the date of the enactment of this Act, the President shall establish a Commission on Alternative Utilization of Military Facilities. The Commission shall be composed of representatives from the Department of Defense, the Bureau of Prisons of the Department of Justice, the National Institute on Drug Abuse of the Department of Health and Human Services, and the General Services Administration.

(b) REPORT REQUIREMENTS.—The Commission shall, on a biannual basis—

(1) prepare a report listing active and nonactive military facilities that the Secretary of Defense has identified as subjects for closure, as being underutilized in whole or part, or as being excess to the needs of the Department of Defense;

(2) identify those facilities, or parts of facilities, that could be effectively utilized or renovated to serve as minimum security facilities for nonviolent prisoners;

Drugs and drug abuse.

(3) identify those facilities, or parts of facilities, that could be effectively utilized or renovated to serve as drug treatment facilities for nonviolent drug abusers; and

(4) transmit a list of such facilities to the President and to the Congress.

(c) DEADLINE FOR REPORTS.—The first report required by subsection (b) shall be submitted to the President and Congress not later than October 1, 1988. Subsequent reports under such subsection shall be submitted not later than September 1 of every second year after submission of the first report through fiscal year 1996.

PART C—REAL PROPERTY TRANSACTIONS

SEC. 2821. LAND EXCHANGE, ALAMEDA COUNTY, CALIFORNIA

State and local governments.

(a) IN GENERAL.—(1) Subject to subsections (b) through (d), the Secretary of the Army may convey to the County of Alameda, California, and to the City of Dublin, California, the real properties referred to in paragraph (2) in exchange for conveyance to the United States of approximately 445 acres of real property, together with improvements thereon, of the property described in paragraph (3).

(2) The properties authorized to be conveyed by the Secretary are as follows:

(A) Approximately 35 acres of real property, together with improvements thereon, at the Reserve Forces Training Center, County of Alameda, California, to the County of Alameda, California.

(B) Approximately 12 acres of real property, together with improvements thereon, at such center to the City of Dublin, California.

(3) The property to be conveyed to the United States is a parcel of land consisting of approximately 445 acres, together with improvements thereon, located in the County of Alameda, California, which is under the jurisdiction of the East Bay Regional Park District, County of Alameda, California, and which was conveyed to such district by the United States by a deed dated February 2, 1973.

(4) The instrument of conveyance conveying the property referred to in paragraph (3) to the United States may, at the option of the East Bay Regional Park District—

(A) include a right of reversion on behalf of such district in the event that the property conveyed to the United States is no longer needed by the Department of the Army (as determined by the Secretary of the Army); and

(B) reserve to such district an easement consisting of not more than 25 acres along the most eastern boundary of the property for use by such district as a part of the Regional Trail System of such district.

(b) ADDITIONAL CONSIDERATION.—If the fair market value of the properties conveyed by the United States pursuant to subsection (a) exceeds the fair market value of the property conveyed to the United States pursuant to such subsection, the County of Alameda, California, the City of Dublin, California, or the East Bay Regional Park District, as appropriate, shall pay the difference to the United States. Any such payment shall be covered into the Treasury as miscellaneous receipts.

(c) LEGAL DESCRIPTION AND SURVEYS.—The exact acreage and legal description of the real property to be conveyed pursuant to this section (including the easement referred to in subsection (a)(4)) shall be determined by surveys that are satisfactory to the Secretary. The cost of such surveys shall be borne by the County of Alameda or the City of Dublin.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances made pursuant to this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2822. LAND CONVEYANCE, LOMPOC, CALIFORNIA

(a) IN GENERAL.—Subject to subsections (b) through (d), the Secretary of the Army may convey, without reimbursement, to the City of Lompoc, California, all right, title, and interest of the United States in and to a tract of real property (including improvements thereon) of approximately 100 acres located adjacent to the real property conveyed to the City pursuant to section 834 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1526).

(b) USE OF PROPERTY.—(1) The conveyance authorized by subsection (a) shall be subject to the condition that the real property conveyed shall be used only for educational purposes or the purposes provided in section 834 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1526), or both.

(2) If the property conveyed pursuant to subsection (a) is not used for the purposes described in paragraph (1), all right, title, and interest in and to such property shall revert to the United States, which shall have the right of immediate entry thereon.

(c) LEGAL DESCRIPTION AND SURVEYS.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by surveys that are satisfactory to the Secretary. The cost of any such survey shall be borne by the City.

(d) OTHER TERMS AND CONDITIONS.—The Secretary may require such other terms and conditions with respect to the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2823. LAND EASEMENT, ORANGE COUNTY, CALIFORNIA

Flood control.

(a) IN GENERAL.—Subject to subsections (b) through (e), the Secretary of the Navy may grant an easement to Orange County, California, for the construction and maintenance of flood control improvements (hereafter in this section referred to as "county improvements") on a tract of land owned by the United States, consisting of approximately 32 acres, located at the northern boundary of the Marine Corps Air Station, El Toro, California, and may grant such temporary rights to Orange County as the Secretary determines necessary for the construction of such improvements.

(b) CONSIDERATION.—(1) In consideration for the conveyance by the Secretary under subsection (a), Orange County shall convey to the United States a parcel of real property consisting of approximately one and one-half acres located adjacent to the Marine Corps Air Station, Tustin, California.

(2) The United States shall also be entitled to such flood control improvements at the Marine Corps Air Station, El Toro, California, as the Secretary and Orange County shall agree upon.

(3) The county improvements and additional flood control improvements shall be constructed at no cost to the United States.

(c) PAYMENT OF EXCESS INTO TREASURY.—If the fair market value of the easement described in subsection (a) exceeds the fair market value of the real property conveyed to the United States under subsection (b), Orange County shall pay the difference to the United States. Any such payment shall be covered into the Treasury as miscellaneous receipts.

(d) LEGAL DESCRIPTION OF PROPERTY.—The exact acreages and legal descriptions of the real property to be conveyed under this section shall be determined by surveys which are satisfactory to the Secretary. The cost of any such survey shall be borne by Orange County.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the transaction authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2824. LAND EXCHANGE, SAN DIEGO, CALIFORNIA

(a) EXCHANGE AUTHORIZED.—Subject to subsections (b) through (e), the Secretary of the Navy may convey to the San Diego Unified Port District of San Diego, California, such real property under the jurisdiction of the Navy in the City of San Diego, California, as the Secretary determines appropriate in exchange for one or more parcels of land, together with improvements thereon and consisting of approximately 32 acres, located adjacent to the San Diego Naval Station, San Diego, California, and owned by the San Diego Unified Port District.

(b) LIMITATION ON VALUE OF PROPERTY EXCHANGED.—The fair market value of the real property conveyed by the Secretary under subsection (a) may not exceed the fair market value of the real property received by the Secretary under such subsection, as determined by the Secretary.

(c) NOTICE TO COMMITTEES.—The Secretary may not enter into an exchange under this section until the Secretary has notified the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives of the details of the proposed exchange and a period of 21 days has elapsed following the day on which the committees receive the notification.

(d) LEGAL DESCRIPTION OF PROPERTY.—The exact acreages and legal descriptions of the real property to be conveyed under this section shall be determined by surveys which are satisfactory to the Secretary. The cost of any such survey shall be borne by San Diego Unified Port District.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the transaction authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2825. LAND TRANSFER, WASHINGTON, DISTRICT OF COLUMBIA

(a) IN GENERAL.—The Administrator of General Services shall transfer, without consideration, to the Secretary of the Navy approximately 6 acres of real property (including Building 197 located thereon) located at a site referred to as the Southeast Federal Center near the Washington Navy Yard, Washington, D.C., and bounded on the east by Isaac Hull Avenue, on the north by

Tingey Street, on the west by Buildings 116 and 118, and on the south by property owned by the Department of the Navy.

(b) DESIGN OF BUILDING.—The Secretary of the Navy shall use not more than $9,200,000 of the amount appropriated pursuant to section 2205(a)(4) to initiate the redesign of Building 197 referred to in subsection (a).

SEC. 2826. LAND CONVEYANCE, OKALOOSA COUNTY, FLORIDA

Section 809(c) of the Military Construction Authorization Act, 1979 (Public Law 95-356; 92 Stat. 587), is amended by inserting before the period the following: "and a third parcel containing forty-two acres".

SEC. 2827. TRANSFER OF LAND, SUITLAND FEDERAL CENTER, MARYLAND

The Administrator of General Services shall transfer, without consideration, to the Secretary of the Navy such parcel of vacant land located at the Suitland Federal Center, Suitland, Maryland, as the Administrator, after consultation with the Secretary, determines—

(1) to be excess to the present and anticipated future needs of the General Services Administration at the Suitland Federal Center; and

(2) adequate to accommodate the needs of the Navy for the construction and operation of a facility to serve as the Naval Intelligence Command Headquarters authorized by section 2201.

SEC. 2828. AIR FORCE PLANT AT COLUMBUS, OHIO

(a) IN GENERAL.—The Secretary of the Air Force may sell or lease, or issue a permit to another agency within the Department of Defense for use of, all or any portion of Air Force Plant No. 85 located in Columbus, Ohio. Any such action shall be carried out in accordance with applicable law except to the extent that such law is inconsistent with this section.

Contracts. Safety. Environmental protection.

(b) AUTHORITY OF SECRETARY.—(1) The Secretary shall provide that each deed entered into for the transfer of such property shall contain a covenant warranting that all remedial action necessary to protect human health and the environment with respect to any environmental contamination at the plant at the time of the sale, including any remedial action found to be necessary with respect to such contamination after the date of such transfer, has been or will be conducted by the United States. Such covenant shall be in lieu of any other covenant or other action required by any applicable law with respect to environmental restoration to be taken by the Federal Government at the plant before such transfer.

(2) In any case in which the Secretary provides a permit to another agency within the Department of Defense to use any portion of the plant, the Secretary may provide for the environmental restoration of such portion by such other agency with funds available to the Department of the Air Force for environmental restoration.

(3) To the extent that the Secretary decides to take remedial action with respect to environmental contamination in any portion of the plant before the sale or lease of such portion, the Secretary may use funds provided by the purchaser or lessor for such purpose.

(c) DEDUCTION OF EXPENSE FROM PROCEEDS OF SALE OR LEASE.—The Secretary may use the proceeds of any sale or lease of the

property described in subsection (a) to credit the accounts from which funds were expended by the Secretary for reasonable and necessary expenses, other than for environmental restoration, incurred in connection with the sale or lease. The Secretary may also use the proceeds of such sale or lease directly for the purpose of environmental restoration at the plant. The remaining proceeds of the sale or lease shall be credited to the general fund of the Treasury.

(d) ADDITIONAL TERMS.—The Secretary may require such additional terms and conditions in connection with any sale or lease entered into under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2829. LAND CONVEYANCE, FORT JACKSON, SOUTH CAROLINA

(a) AUTHORITY TO SELL.—Subject to subsections (b) through (e), the Secretary of the Army may sell and convey all right, title, and interest of the United States in and to a parcel of land, consisting of a total of approximately 32 acres, that comprises a portion of Fort Jackson, South Carolina, and is excess to the needs of the Army.

(b) COMPETITIVE BID REQUIREMENT; MINIMUM SALE PRICE.—(1) The Secretary shall use competitive procedures for the sale of land referred to in subsection (a).

(2) In no event may any of the land referred to in subsection (a) be sold for less than the fair market value of the land, as determined by the Secretary.

(c) USE OF PROCEEDS OF SALE.—(1) The Secretary may use the proceeds from the sale of the land referred to in subsection (a) for the rehabilitation of military family housing at Fort Jackson, South Carolina.

(2) Any proceeds of the sale not used for such purpose shall be covered into the Treasury as miscellaneous receipts.

(d) LEGAL DESCRIPTION OF LANDS.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with any transaction authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

Approved September 29, 1988.

LEGISLATIVE HISTORY—H.R. 4481:

HOUSE REPORTS: No. 101-735, Pt. 1 (Comm. on Armed Services); Pt. 2 (Comm. on Government Operations); Pt. 3 (Comm. on Merchant Marine and Fisheries); and Pt. 4 (Comm. on Rules), and No. 100-989 (Comm. of Conference).

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