

108TH CONGRESS
1ST SESSION

H. R. 1588

To authorize appropriations for fiscal year 2004 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2004, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 3, 2003

Mr. HUNTER (for himself and Mr. SKELTON) (both by request) introduced the following bill; which was referred to the Committee on Armed Services

A BILL

To authorize appropriations for fiscal year 2004 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2004, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Defense Au-
5 thorization Act for Fiscal Year 2004”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

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- Sec. 313. Provision to exempt restoration advisory boards from the Federal Advisory Committee Act.
- Sec. 314. Repeal of military equipment and infrastructure: prevention and mitigation of corrosion.

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- Sec. 321. Repeal of time limitation on exclusion of expenditures on contracting for depot-level maintenance.
- Sec. 322. Exception to competition requirement for depot-level maintenance and repair.
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- Sec. 1004. Reimbursement for Reserve intelligence support.
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- Sec. 2301. Authorized Air Force construction and land acquisition projects.
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- Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
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- Sec. 2801. Streamlining military construction to reduce facility acquisition and construction cycle time.
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- Sec. 2812. Acceptance of in-kind consideration for easements.
- Sec. 2813. Modification of authority to accept funds to cover administrative expenses relating to certain real property transactions.
- Sec. 2814. Authority to convey property at military installations to persons who construct or provide military housing.
- Sec. 2815. Increase in threshold for reports to congressional committees on real property transactions.
- Sec. 2816. Contracting with local governments for municipal services.

Subtitle C—Other Matters

- Sec. 2821. Increase authority to lease military family housing in Italy.
- Sec. 2822. Conveyance of Army and Air Force Exchange Service property, Dallas, Texas.

1 **DIVISION A—DEPARTMENT OF**
2 **DEFENSE AUTHORIZATIONS**
3 **TITLE I—PROCUREMENT**

4 SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

5 **SEC. 101. ARMY.**

6 Funds are hereby authorized to be appropriated for
7 fiscal year 2004 for procurement for the Army as follows:

8 (1) For aircraft, \$2,128,485,000.

9 (2) For missiles, \$1,459,462,000.

10 (3) For weapons and tracked combat vehicles,
11 \$1,640,704,000.

12 (4) For ammunition, \$1,309,966,000.

13 (5) For other procurement, \$4,216,854,000.

14 **SEC. 102. NAVY AND MARINE CORPS.**

15 (a) NAVY.—Funds are hereby authorized to be appro-
16 priated for fiscal year 2004 for procurement for the Navy
17 as follows:

18 (1) For aircraft, \$8,788,148,000.

19 (2) For weapons, including missiles and tor-
20 pedoes, \$1,991,821,000.

21 (3) For shipbuilding and conversion,
22 \$11,438,984,000.

23 (4) For other procurement, \$4,679,443,000.

1 (b) MARINE CORPS.—Funds are hereby authorized to
2 be appropriated for fiscal year 2004 for procurement for
3 the Marine Corps in the amount of \$1,070,999,000.

4 (c) NAVY AND MARINE CORPS AMMUNITION.—Funds
5 are hereby authorized to be appropriated for fiscal year
6 2004 for procurement of ammunition for the Navy and
7 Marine Corps in the amount of \$922,355,000.

8 **SEC. 103. AIR FORCE.**

9 Funds are hereby authorized to be appropriated for
10 fiscal year 2004 for procurement for the Air Force as fol-
11 lows:

12 (1) For aircraft, \$12,079,360,000.

13 (2) For missiles, \$4,393,039,000.

14 (3) For procurement of ammunition,
15 \$1,284,725,000.

16 (4) For other procurement, \$11,583,659,000.

17 **SEC. 104. DEFENSE-WIDE ACTIVITIES.**

18 Funds are hereby authorized to be appropriated for
19 fiscal year 2004 for defense-wide procurement in the
20 amount of \$3,691,006,000.

21 **SEC. 105. DEFENSE INSPECTOR GENERAL.**

22 Funds are hereby authorized to be appropriated for
23 fiscal year 2004 for procurement for the Defense Inspec-
24 tor General in the amount of \$2,100,000.

1 **SEC. 106. DEFENSE HEALTH PROGRAM.**

2 Funds are hereby authorized to be appropriated for
3 fiscal year 2004 for the Department of Defense for pro-
4 curement for carrying out health care programs, projects,
5 and activities of the Department of Defense in the total
6 amount of \$327,826,000.

7 **SEC. 107. CHEMICAL AGENTS AND MUNITIONS DESTRUC-**
8 **TION.**

9 Funds are hereby authorized to be appropriated for
10 fiscal year 2004 for chemical agents and munitions de-
11 struction in the amount of \$1,650,076,000 for—

12 (1) the destruction of lethal chemical weapons
13 in accordance with section 1412 of the Department
14 of Defense Authorization Act, 1986 (50 U.S.C.
15 1521); and

16 (2) the destruction of chemical warfare material
17 of the United States that is not covered by section
18 1412 of such Act.

19 **Subtitle B—Multi-Year Contract**
20 **Authorizations**

21 **SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR**
22 **NAVY PROGRAMS.**

23 (a) MULTI-YEAR CONTRACT AUTHORITY.—Begin-
24 ning with the fiscal year 2004 program year, the Secretary
25 of the Navy may, in accordance with section 2306b of title

1 10, United States Code, enter into multiyear contracts for
2 procurement of the following:

3 (1) F/A–18 aircraft.

4 (2) E–2C aircraft.

5 (3) the Tactical Tomahawk missile.

6 (4) the Virginia class submarine.

7 (b) SHIPBUILDER TEAMING.—Paragraphs (2)(A),
8 (3), and (4) of section 121(b) of the National Defense Au-
9 thorization Act for Fiscal Year 1998 (Public Law 105–
10 85; 111 Stat. 1648) apply to the procurement of Virginia
11 class submarines under this section.

12 **SEC. 112. AMENDMENT TO MULTIYEAR PROCUREMENT AU-**
13 **THORITY FOR C-130J AIRCRAFT FOR THE AIR**
14 **FORCE.**

15 Section 131(a) of the Bob Stump National Defense
16 Authorization Act for Fiscal Year 2003 (Public Law 107–
17 314; 116 Stat. 2475) is amended by striking “40 C–130J
18 aircraft” and inserting “42 C–130J aircraft”.

1 **TITLE II—RESEARCH, DEVELOP-**
2 **MENT, TEST, AND EVALUA-**
3 **TION**

4 **Subtitle A—Authorization of**
5 **Appropriations**

6 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

7 Funds are hereby authorized to be appropriated for
8 fiscal year 2004 for the use of the Armed Forces for re-
9 search, development, test, and evaluation, as follows:

10 (1) For the Army, \$9,122,825,000.

11 (2) For the Navy, \$14,106,653,000.

12 (3) For the Air Force, \$20,336,258,000.

13 (4) For Defense-wide research, development,
14 test, and evaluation, \$18,260,918,000, of which
15 \$286,661,000 is authorized for the Director of Oper-
16 ational Test and Evaluation.

17 (5) For the Defense Health Program,
18 \$65,796,000.

19 (6) For the Defense Inspector General,
20 \$300,000.

1 **Subtitle B—Ballistic Missile**
2 **Defense**

3 **SEC. 211. RENEWAL OF AUTHORITY TO ASSIST LOCAL COM-**
4 **MUNITIES IMPACTED BY BALLISTIC MISSILE**
5 **DEFENSE SYSTEM TEST BED.**

6 Section 235(b)(1) of the National Defense Authoriza-
7 tion Act for Fiscal Year 2002 (Public Law 107–107; 115
8 Stat. 1041) is amended by striking “for fiscal year 2002”
9 and inserting “for fiscal years after fiscal year 2001”.

10 **Subtitle C—Other Matters**

11 **SEC. 221. RESCIND THE PROHIBITION ON RESEARCH AND**
12 **DEVELOPMENT OF LOW-YIELD NUCLEAR**
13 **WEAPONS.**

14 Section 3136 of the National Defense Authorization
15 Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat.
16 1946) is repealed.

17 **TITLE III—OPERATION AND**
18 **MAINTENANCE**

19 **Subtitle A—Authorization of**
20 **Appropriations**

21 **SEC. 301. OPERATION AND MAINTENANCE FUNDING.**

22 Funds are hereby authorized to be appropriated for
23 fiscal year 2004 for the use of the Armed Forces of the
24 United States and other activities and agencies of the De-

1 partment of Defense, for expenses, not otherwise provided
2 for, for operation and maintenance, in amounts as follows:

3 (1) For the Army, \$24,965,342,000.

4 (2) For the Navy, \$28,287,690,000.

5 (3) For the Marine Corps, \$3,406,656,000.

6 (4) For the Air Force, \$27,793,931,000.

7 (5) For the Defense-wide activities,
8 \$16,570,847,000.

9 (6) For the Army Reserve, \$1,952,009,000.

10 (7) For the Naval Reserve, \$1,171,921,000.

11 (8) For the Marine Corps Reserve,
12 \$173,952,000.

13 (9) For the Air Force Reserve, \$2,179,188,000.

14 (10) For the Army National Guard,
15 \$4,211,331,000.

16 (11) For the Air National Guard,
17 \$4,402,646,000.

18 (12) For the Defense Inspector General,
19 \$160,049,000.

20 (13) For the United States Court of Appeals
21 for the Armed Forces, \$10,333,000.

22 (14) For Environmental Restoration, Army,
23 \$396,018,000.

24 (15) For Environmental Restoration, Navy,
25 \$256,153,000.

1 (16) For Environmental Restoration, Air Force,
2 \$384,307,000.

3 (17) For Environmental Restoration, Defense-
4 wide, \$24,081,000.

5 (18) For Environmental Restoration, Formerly
6 Used Defense Sites, \$212,619,000.

7 (19) For Overseas Humanitarian, Disaster, and
8 Civic Aid programs, \$59,000,000.

9 (20) For Drug Interdiction and Counter-drug
10 Activities, Defense-wide, \$817,371,000.

11 (21) For the Defense Health Program,
12 \$14,876,887,000.

13 (22) For Cooperative Threat Reduction pro-
14 grams, \$450,800,000.

15 (23) For Overseas Contingency Operations
16 Transfer Fund, \$50,000,000.

17 **SEC. 302. WORKING CAPITAL FUNDS.**

18 Funds are hereby authorized to be appropriated for
19 fiscal year 2004 for the use of the Armed Forces of the
20 United States and other activities and agencies of the De-
21 partment of Defense for providing capital for working cap-
22 ital and revolving funds in amounts as follows:

23 (1) For the Defense Working Capital Funds,
24 \$1,721,507,000.

1 (2) For the National Defense Sealift Fund,
2 \$1,062,762,000.

3 **SEC. 303. ARMED FORCES RETIREMENT HOME.**

4 There is hereby authorized to be appropriated for fis-
5 cal year 2004 from the Armed Forces Retirement Home
6 Trust Fund the sum of \$65,279,000 for the operation of
7 the Armed Forces Retirement Home, including the United
8 States Soldiers' and Airmen's Home and the Naval Home.

9 **Subtitle B—Environmental**
10 **Provisions**

11 **SEC. 311. CLARIFY DEFINITIONS OF SALVAGE FACILITIES**
12 **AND SALVAGE SERVICES TO INCLUDE ENVI-**
13 **RONMENTAL RESPONSES AND RELATED**
14 **EQUIPMENT.**

15 (a) SALVAGE FACILITIES.—Section 7361(a) of title
16 10, United States Code, is amended by adding at the end
17 the following new sentence: “Salvage facilities include, but
18 are not limited to, equipment and gear utilized to prevent,
19 abate or minimize damage to the environment.”.

20 (b) SETTLEMENT OF CLAIMS FOR SALVAGE SERV-
21 ICES.—Section 7363 of such title is amended by adding
22 at the end the following new sentence: “Claims for such
23 salvage services include, but are not limited to, those for
24 enhanced or special compensation for services that pre-
25 vent, abate or minimize damage to the environment.”.

1 **SEC. 312. AUTHORIZATION FOR FEDERAL PARTICIPATION**
2 **IN WETLAND MITIGATION BANKS.**

3 (a) IN GENERAL.—Chapter 159 of title 10, United
4 States Code, is amended by adding at the end the fol-
5 lowing new section:

6 **“§ 2697. Authorization for Federal participation in**
7 **wetland mitigation banks**

8 “The Secretary of a military department engaged in
9 any activity resulting, or which may result, in the destruc-
10 tion of or impacts to wetlands is authorized to make pay-
11 ments to wetland mitigation banking programs and con-
12 solidated user sites (‘in-lieu-fee’ programs) that have been
13 approved in accordance with the Federal Guidance for the
14 Establishment, Use, and Operation of Mitigation Banks
15 or the Federal Guidance on the Use of In-Lieu-Fee Ar-
16 rangements for Compensatory Mitigation Under Section
17 404 of the Clean Water Act and Section 10 of the Rivers
18 and Harbors Act as an alternative to creating a wetland
19 for mitigation on Federal property for construction
20 projects. These payments may be included as eligible
21 project costs for military construction.”.

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

“2697. Authorization for Federal participation in wetland mitigation banks.”.

1 **SEC. 313. PROVISION TO EXEMPT RESTORATION ADVISORY**
 2 **BOARDS FROM THE FEDERAL ADVISORY**
 3 **COMMITTEE ACT.**

4 Section 2705 (d)(2) of chapter 160 of title 10, United
 5 States Code, is amended by adding at the end the fol-
 6 lowing new subparagraph:

7 “(C) The Federal Advisory Committee Act (5 U.S.C.
 8 App.) shall not apply to any restoration advisory board
 9 established by the Secretary pursuant to this subsection.”.

10 **SEC. 314. REPEAL OF MILITARY EQUIPMENT AND INFRA-**
 11 **STRUCTURE: PREVENTION AND MITIGATION**
 12 **OF CORROSION.**

13 (a) IN GENERAL.—Section 2228 of title 10, United
 14 States Code, is repealed.

15 (b) CLERICAL AMENDMENT.—The table of sections
 16 for chapter 131 of this title is amended by striking the
 17 item relating to section 2228.

18 **Subtitle C—Workplace and Depot**
 19 **Issues**

20 **SEC. 321. REPEAL OF TIME LIMITATION ON EXCLUSION OF**
 21 **EXPENDITURES ON CONTRACTING FOR**
 22 **DEPOT-LEVEL MAINTENANCE.**

23 Section 2474(f)(2) of title 10, United States Code,
 24 is amended by striking “for fiscal years 2002 through
 25 2005”.

1 **SEC. 322. EXCEPTION TO COMPETITION REQUIREMENT**
2 **FOR DEPOT-LEVEL MAINTENANCE AND RE-**
3 **PAIR.**

4 Section 2469 of title 10, United States Code, is
5 amended by inserting at the end the following new sub-
6 section (d):

7 “(d) EXCEPTIONS.—This section shall not apply with
8 respect to depot-level maintenance and repair workload
9 that is the subject of a public-private partnership entered
10 into pursuant to section 2474(b) of this title provided—

11 “(1) competition is sought to select the source
12 that will partner with the depot to perform the
13 workload;

14 “(2) the payment requests made by the part-
15 nership for work performed reflect the full cost to
16 the Government of resources used by the depot for
17 providing services, which shall include costs of re-
18 sources used, but not paid for, by the depot;

19 “(3) the portion of the payment received by the
20 partnership that is necessary to cover the full cost
21 of performance by the depot, as required by para-
22 graph (2), is transferred to the General fund in the
23 Treasury to the extent the payment is reimbursing
24 the depot for federal resources the depot has used,
25 but not paid for, in performing its work;

1 “(4) in accordance with applicable contracting
2 procedures, the customer agency is not charged for
3 any effort undertaken by the partnership to correct
4 performance deficiencies; and

5 “(5) the depot does not charge its partner con-
6 tractor for any effort the depot undertakes to cor-
7 rect performance deficiencies under the contract.”.

8 **SEC. 323. EXCLUDE WORKLOADS FOR SPECIAL ACCESS**
9 **PROGRAMS FROM LIMITATIONS ON THE PER-**
10 **FORMANCE OF DEPOT-LEVEL MAINTENANCE**
11 **OF MATERIEL.**

12 Section 2466(d) of title 10, United States Code, is
13 amended to read as follows:

14 “(d) EXCEPTIONS.—Subsection (a) shall not apply
15 with respect to—

16 “(1) the Sacramento Army Depot, Sacramento,
17 California; and

18 “(2) workloads for special access programs.”.

1 **SEC. 324. ESTABLISHING MINIMUM LEVEL OF PERFORM-**
2 **ANCE OF DEPOT-LEVEL MAINTENANCE OF**
3 **MATERIEL BY FEDERAL GOVERNMENT PER-**
4 **SONNEL OR AT A GOVERNMENT-OWNED FA-**
5 **CILITY.**

6 (a) ESTABLISHING MINIMUM LEVEL.—Section
7 2466(a) of title 10, United States Code, is amended to
8 read as follows:

9 “(a) ALLOCATION OF WORKLOAD PERCENTAGE.—At
10 least 50 percent of the funds made available in a fiscal
11 year to a military department or a Defense Agency for
12 depot-level maintenance and repair workload shall be used
13 for the performance of such workload for the military de-
14 partment or the Defense Agency by Federal Government
15 personnel or at a Government-owned facility.”.

16 (b) CONFORMING AMENDMENT.—Section 2474(f)(1)
17 of such title is amended by striking “percentage limita-
18 tion” and inserting “allocation of workload percentage”.

19 **SEC. 325. CENTERS OF INDUSTRIAL AND TECHNICAL EX-**
20 **CELLENCE: EXTENSION OF PARTNERSHIP EX-**
21 **EMPTION.**

22 Section 2474(f)(1) of title 10, United States Code,
23 is amended by striking “at” and inserting “for”.

1 **TITLE IV—MILITARY**
2 **PERSONNEL AUTHORIZATIONS**
3 **Subtitle A—Active Forces**

4 **SEC. 401. END STRENGTHS FOR ACTIVE FORCES.**

5 The Armed Forces are authorized strengths for active
6 duty personnel as of September 30, 2004, as follows:

- 7 (1) The Army, 480,000.
8 (2) The Navy, 373,800.
9 (3) The Marine Corps, 175,000.
10 (4) The Air Force, 359,300.

11 **Subtitle B—Reserve Forces**

12 **SEC. 411. END STRENGTHS FOR SELECTED RESERVE.**

13 (a) IN GENERAL.—The Armed Forces are authorized
14 strengths for Selected Reserve personnel of the reserve
15 components as of September 30, 2004, as follows:

- 16 (1) The Army National Guard of the United
17 States, 350,000.
18 (2) The Army Reserve, 205,000.
19 (3) The Naval Reserve, 85,900.
20 (4) The Marine Corps Reserve, 39,600.
21 (5) The Air National Guard of the United
22 States, 107,000.
23 (6) The Air Force Reserve, 75,800.
24 (7) The Coast Guard Reserve, 10,000.

1 (b) ADJUSTMENTS.—The end strengths prescribed by
2 subsection (a) for the Selected Reserve of any reserve com-
3 ponent shall be proportionately reduced by—

4 (1) the total authorized strength of units orga-
5 nized to serve as units of the Selected Reserve of
6 such component which are on active duty (other
7 than for training) at the end of the fiscal year; and

8 (2) the total number of individual members not
9 in units organized to serve as units of the Selected
10 Reserve of such component who are on active duty
11 (other than for training or for unsatisfactory partici-
12 pation in training) without their consent at the end
13 of the fiscal year.

14 Whenever such units or such individual members are re-
15 leased from active duty during any fiscal year, the end
16 strength prescribed for such fiscal year for the Selected
17 Reserve of such reserve component shall be increased pro-
18 portionately by the total authorized strengths of such
19 units and by the total number of such individual members.

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

22 Within the end strengths prescribed in section
23 411(a), the reserve components of the Armed Forces are
24 authorized, as of September 30, 2004, the following num-
25 ber of Reserves to be serving on full-time active duty or,

1 in the case of members of the National Guard, full-time
2 National Guard duty for the purpose of organizing, ad-
3 ministering, recruiting, instructing, or training the reserve
4 components:

5 (1) The Army National Guard of the United
6 States, 25,386.

7 (2) The Army Reserve, 14,374.

8 (3) The Naval Reserve, 14,384.

9 (4) The Marine Corps Reserve, 2,261.

10 (5) The Air National Guard of the United
11 States, 12,140.

12 (6) The Air Force Reserve, 1,660.

13 **SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS**
14 **(DUAL STATUS).**

15 The Reserve Components of the Army and the Air
16 Force are authorized strengths for military technicians
17 (dual status) as of September 30, 2004, as follows:

18 (1) For the Army Reserve, 6,699.

19 (2) For the Army National Guard of the United
20 States, 24,589.

21 (3) For the Air Force Reserve, 9,991.

22 (4) For the Air National Guard of the United
23 States, 22,806.

1 **SEC. 414. FISCAL YEAR 2004 LIMITATION ON NUMBER OF**
2 **NON-DUAL STATUS TECHNICIANS.**

3 The number of civilian employees who are non-dual
4 status technicians of a reserve component of the Army or
5 Air Force as of September 30, 2004, may not exceed the
6 following:

7 (1) For the Army Reserve, 895.

8 (2) For the Army National Guard of the United
9 States, 1,600.

10 (3) For the Air Force Reserve, 90.

11 (4) For the Air National Guard of the United
12 States, 350.

13 **TITLE V—MILITARY PERSONNEL**
14 **POLICY**

15 **Subtitle A—Officer Personnel**
16 **Policy**

17 **SEC. 501. REPEAL OF PROHIBITION AGAINST REGULAR**
18 **NAVY OFFICERS TRANSFERRING BETWEEN**
19 **LINE AND STAFF CORPS IN GRADES ABOVE**
20 **LIEUTENANT COMMANDER.**

21 (a) REPEAL.—Section 5582 of title 10, United States
22 Code, is repealed.

23 (b) CLERICAL AMENDMENT.—The table of sections
24 at the beginning of chapter 539 of such title is amended
25 by striking the item relating to section 5582.

1 **SEC. 502. RETENTION OF OFFICERS SERVING IN HEALTH**
2 **PROFESSIONS TO FULFILL ACTIVE DUTY**
3 **SERVICE COMMITMENTS FOLLOWING PRO-**
4 **MOTION NON-SELECTION.**

5 (a) IN GENERAL.—Subsection (a) of section 632 of
6 title 10, United States Code, is amended—

7 (1) by striking “or” at the end of paragraph
8 (2);

9 (2) by striking the period at the end of para-
10 graph (3) and inserting “; or”; and

11 (3) by adding at the end the following new
12 paragraph:

13 “(4) if on the date on which he is to be dis-
14 charged under paragraph (1) a medical officer or
15 dental officer or an officer appointed in a medical
16 skill other than as a medical officer or dental officer
17 (as defined in regulations prescribed by the Sec-
18 retary of Defense) has yet to complete a period of
19 active duty service obligation incurred under section
20 2005, 2114, 2123, or 2603 of this title, he shall be
21 retained on active duty until completion of such
22 service obligation, unless the Secretary concerned de-
23 termines that completion of the active duty obliga-
24 tion is not in the best interest of the military depart-
25 ment.”.

1 (b) TECHNICAL AMENDMENT.—Such subsection is
2 further amended by striking “clause (1)” in paragraph (3)
3 and inserting “paragraph (1)”.

4 **SEC. 503. REQUIREMENT OF EXEMPLARY CONDUCT.**

5 (a) IN GENERAL.—Chapter 3 of title 10, United
6 States Code, is amended by inserting after section 121 the
7 following new section:

8 **“§ 121a. Requirement of exemplary conduct**

9 “All commanding officers and others in authority in
10 the Department of Defense are required—

11 “(1) to show in themselves a good example of
12 virtue, honor, patriotism, and subordination;

13 “(2) to be vigilant in inspecting the conduct of
14 all persons who are placed under their command or
15 charge;

16 “(3) to guard against and to suppress all disso-
17 lute and immoral practices and to correct, according
18 to applicable laws and regulations, all persons who
19 are guilty of them; and

20 “(4) to take all necessary and proper measures,
21 under the laws, regulations, and customs applicable
22 to the armed forces, to promote and safeguard the
23 morale, the physical well-being, and the general wel-
24 fare of the officers, enlisted persons, and civilian
25 persons under their command or charge.”.

1 (b) CONFORMING AND CLERICAL AMENDMENTS.—

2 (1) The table of sections at the beginning of such chapter
3 is amended by inserting after the item relating to section
4 121 the following new item:

“121a. Requirement of exemplary conduct.”.

5 (2) Title 10 is further amended as follows:

6 (A)(i) Section 3583 is repealed.

7 (ii) The table of sections at the beginning of
8 chapter 345 is amended by striking the item relating
9 to section 3583.

10 (B)(i) Section 5947 is repealed.

11 (ii) The table of sections at the beginning of
12 chapter 551 is amended by striking the item relating
13 to section 5947.

14 (C)(i) Section 8583 is repealed.

15 (ii) The table of sections at the beginning of
16 chapter 845 is amended by striking the item relating
17 to section 8583.

18 **Subtitle B—Reserve Component** 19 **Management**

20 **SEC. 511. READY RESERVE TRAINING REQUIREMENT.**

21 Subsection (a) of section 10147 of title 10, United
22 States Code, is amended to read as follows:

23 “(a) Except as specifically provided in regulations to
24 be prescribed by the Secretary of Defense, or by the Sec-
25 retary of Homeland Security with respect to the Coast

1 Guard when it is not operating as a service in the Navy,
 2 each person who is enlisted, inducted, or appointed in an
 3 armed force, and who becomes a member of the Ready
 4 Reserve under any provision of law except section 513 or
 5 10145(b) of this title, shall be required, while in the Ready
 6 Reserve, to participate in a combination of drills, training
 7 periods or active duty equivalent to 38 days, exclusive of
 8 travel, during each year.”.

9 **SEC. 512. STREAMLINE PROCESS TO CONTINUE OFFICERS**
 10 **ON THE RESERVE ACTIVE STATUS LIST.**

11 (a) CONTINUATION.—Section 14701 of title 10,
 12 United States Code, is amended—

13 (1) in subsection (a)—

14 (A) in paragraph (1), by striking “by a se-
 15 lection board convened under section 14101(b)
 16 of this title” and inserting “under regulations
 17 prescribed by the Secretary concerned”;

18 (B) in paragraph (6), by striking “as a re-
 19 sult of the convening of a selection board under
 20 section 14101(b) of this title”;

21 (2) by striking subsections (b) and (c); and

22 (3) by redesignating subsection (d) as sub-
 23 section (b).

24 (b) CONFORMING AMENDMENT.—Subsection (b) of
 25 section 14101 of such title is amended—

1 (1) by striking paragraph (1); and
 2 (2) by redesignating paragraphs (2) and (3) as
 3 paragraphs (1) and (2), respectively.

4 **Subtitle C—Military Education and** 5 **Training**

6 **SEC. 521. AUTHORITY FOR THE MARINE CORPS UNIVER-** 7 **SITY TO AWARD THE DEGREE OF MASTER OF** 8 **OPERATIONAL STUDIES.**

9 Section 7102 of title 10, United States Code, is
 10 amended—

11 (1) by redesignating subsections (c) and (d) as
 12 subsections (d) and (e), respectively; and

13 (2) by inserting after subsection (b) the fol-
 14 lowing new subsection (c):

15 “(c) COMMAND AND STAFF COLLEGE OF THE MA-
 16 RINE CORPS UNIVERSITY.—Upon the recommendation of
 17 the Director and faculty of the Command and Staff Col-
 18 lege of the Marine Corps University, the President of the
 19 Marine Corps University may confer the degree of master
 20 of operational studies upon graduates of the Command
 21 and Staff College’s School of Advanced Warfighting who
 22 fulfill the requirements for that degree.”.

23 **SEC. 522. JOINT PROFESSIONAL MILITARY EDUCATION.**

24 Section 663(e) of title 10, United States Code, is re-
 25 pealed.

1 **Subtitle D—Administrative Matters**

2 **SEC. 531. ENHANCEMENTS TO PERSONNEL TEMPO PRO-**
3 **GRAM.**

4 (a) REVISIONS TO DEPLOYMENT LIMITS AND AU-
5 THORITY TO AUTHORIZE EXEMPTIONS.—Section 991(a)
6 of title 10, United States Code, is amended to read as
7 follows:

8 “(a) SERVICE AND GENERAL OR FLAG OFFICER RE-
9 SPONSIBILITIES.—The deployment (or potential deploy-
10 ment) of a member of the armed forces shall be managed
11 to ensure the member is not deployed, or continued in a
12 deployment, on any day on which the total number of days
13 on which the member has been deployed out of the pre-
14 ceding 730 days would exceed 400, or a lower threshold
15 as approved by the Under Secretary of Defense for Per-
16 sonnel and Readiness. The member may be deployed, or
17 continued in a deployment, without regard to the pre-
18 ceding sentence if such deployment, or continued deploy-
19 ment, is approved by a member of the Senior Executive
20 Service or the first general or flag officer (including offi-
21 cers in the grade of 0–6 in such positions already selected
22 for general or flag rank) in the member’s chain of com-
23 mand.”.

1 (b) CHANGES TO HIGH-DEPLOYMENT ALLOW-
2 ANCE.—Section 436 of title 37, United States Code, is
3 amended—

4 (1) by amending subsection (a) to read as fol-
5 lows:

6 “(a) MONTHLY ALLOWANCE REQUIRED.—The Sec-
7 retary of the military department concerned shall pay a
8 high-deployment allowance to a member of the armed
9 forces under the Secretary’s jurisdiction for each month
10 during which the member—

11 “(1) is deployed; and

12 “(2) has, as of that day, been deployed for ei-
13 ther or both of the following periods:

14 “(A) 401 or more days out of the pre-
15 ceding 730 days (or at a lower threshold as ap-
16 proved by the Under Secretary of Defense for
17 Personnel and Readiness); or

18 “(B) 191 or more consecutive days (or for
19 a lower threshold as approved by the Under
20 Secretary of Defense for Personnel and Readiness).”;

22 (2) by amending subsection (c) to read as fol-
23 lows:

1 “(c) MAXIMUM RATE.—The maximum monthly rate
2 of the allowance payable to a member under this section
3 is \$1,000.”;

4 (3) in subsection (e), by striking “per diem”
5 and inserting “allowance”;

6 (4) in subsection (f)—

7 (A) by striking “per diem” and inserting
8 “allowance”; and

9 (B) by striking “day on” and inserting
10 “month during”; and

11 (5) by adding at the end the following new sub-
12 section:

13 “(g) EXCLUDED BILLETS.—The Secretary concerned
14 may exclude selected billets from eligibility for the high-
15 deployment allowance upon approval by the Under Sec-
16 retary of Defense for Personnel and Readiness. A billet
17 may only be excluded on a prospective basis once the cur-
18 rent incumbent has vacated that billet.”.

19 (c) CHANGES TO REPORTING REQUIREMENT.—Sec-
20 tion 487(b)(5) of title 10, United States Code, is amended
21 to read as follows:

22 “(5) For each of the armed forces, the description
23 shall indicate the number of members who received the
24 high-deployment allowance, the total number of months

1 for which the allowance was paid to members, and the
2 total amount spent on the allowance.”.

3 (d) CLERICAL AMENDMENTS.—(1) The heading of
4 section 436 of title 37, United States Code, is amended
5 to read as follows:

6 **“§ 436. Monthly high-deployment allowance for**
7 **lengthy or numerous deployments”;**

8 and

9 (2) The item relating to that section in the table of
10 sections at the beginning of chapter 7 of such title is
11 amended to read as follows:

“436. Monthly high-deployment allowance for lengthy or numerous deploy-
ments.”.

12 **SEC. 532. CONSISTENT TIME IN SERVICE RETIREMENT CRI-**
13 **TERIA.**

14 (a) OFFICERS IN REGULAR NAVY OR MARINE CORPS
15 WHO COMPLETED 40 YEARS OF ACTIVE SERVICE.—Sec-
16 tion 6321(a) of title 10, United States Code, is amended
17 by striking “after completing 40 or more years” and in-
18 serting “and has at least 40 years”.

19 (b) OFFICERS IN REGULAR NAVY OR MARINE CORPS
20 WHO COMPLETED 30 YEARS OF ACTIVE SERVICE.—Sec-
21 tion 6322(a) of such is amended by striking “after com-
22 pleting 30 or more years” and inserting “and has at least
23 30 years”.

1 (c) OFFICERS IN NAVY OR MARINE CORPS WHO
2 COMPLETED 20 YEARS OF ACTIVE SERVICE.—Section
3 6323(a)(1) of such title is amended by striking “after
4 completing more than 20 years” and inserting “and has
5 at least 20 years”.

6 (d) ENLISTED MEMBERS IN REGULAR NAVY OR MA-
7 RINE CORPS WHO COMPLETED 30 YEARS OF ACTIVE
8 SERVICE.—Section 6326(a) of such title is amended by
9 striking “after completing 30 or more years” and inserting
10 “and has at least 30 years”.

11 (e) TRANSFER OF ENLISTED MEMBERS TO THE
12 FLEET RESERVE AND FLEET MARINE CORPS RE-
13 SERVE.—Section 6330(b) of such title is amended by
14 striking “who has completed 20 or more years” both
15 places it appears and inserting “and has at least 20
16 years”.

17 (f) TRANSFER OF MEMBERS OF THE FLEET RE-
18 SERVE AND FLEET MARINE CORPS RESERVE TO THE RE-
19 TIERED LIST.—Section 6331(a) of such title is amended
20 by striking “completed 30 years” and inserting “has at
21 least 30 years”.

22 (g) EFFECTIVE DATE.—The Secretary of the Navy
23 may determine the effective date of the amendments made
24 by this section.

Subtitle E—Benefits

SEC. 541. AUTHORITY TO TRANSPORT REMAINS OF RETIREES WHO DIE IN MILITARY TREATMENT FACILITIES OUTSIDE THE UNITED STATES.

(a) AUTHORIZE TRANSPORT OUTSIDE THE UNITED STATES.—Section 1490 of title 10, United States Code, is amended—

(1) in subsection (a), by striking “located in the United States”; and

(2) in subsection (b)(1), by striking “outside the United States or to a place”.

(b) CONFORMING AMENDMENT.—Subsection (c) of such section is amended to read as follows:

“(c) In this section, the term ‘dependent’ has the meaning given such term in section 1072(2) of this title.”.

SEC. 542. CHANGE FAMILY SEPARATION HOUSING ALLOWANCE FROM AN ENTITLEMENT TO A DISCRETIONARY ALLOWANCE.

Section 403(d)(1) of title 37, United States Code, is amended by striking “is entitled to” and inserting “may be paid, at the discretion of the Secretary concerned,”.

SEC. 543. PAYMENT OF DEPENDENT STUDENT BAGGAGE STORAGE.

Section 430(b)(2) of title 37, United States Code, is amended by striking “during the dependent’s annual trip

1 between the school and the member’s duty station” and
 2 inserting “one time per fiscal year”.

3 **SEC. 544. MODIFICATION OF PROHIBITION ON REQUIRE-**
 4 **MENT OF NONAVAILABILITY STATEMENT OR**
 5 **PREAUTHORIZATION.**

6 Section 721 of the Floyd D. Spence National Defense
 7 Authorization Act for Fiscal Year 2001 (Public Law 106–
 8 398; 114 Stat. 1654A–184), as enacted into law by Public
 9 Law 106–398, and as amended by Public Law 107–107,
 10 is hereby repealed.

11 **Subtitle F—Military Justice**
 12 **Matters**

13 **SEC. 551. TECHNICAL AMENDMENT TO THE UNIFORM CODE**
 14 **OF MILITARY JUSTICE CONCERNING THE OF-**
 15 **FENSE OF DRUNKEN OPERATION OF A VEHI-**
 16 **CLE, AIRCRAFT, OR VESSEL.**

17 Section 911 of title 10, United States Code, is
 18 amended to read as follows:

19 **“§911. Drunken or reckless operation of a vehicle,**
 20 **aircraft, or vessel**

21 “(a) Any person subject to this chapter who—

22 “(1) operates or physically controls any vehicle,
 23 aircraft, or vessel in a reckless or wanton manner or
 24 while impaired by a substance described in section
 25 912a(b) of this title, or

1 “(2) operates or is in actual physical control of
2 any vehicle, aircraft, or vessel while drunk or when
3 the alcohol concentration in the person’s blood or
4 breath is at or above the level prohibited under sub-
5 section (b), as shown by chemical analysis, shall be
6 punished as a court-martial may direct.

7 “(b)(1) For purposes of subsection (a), the applicable
8 limit on the alcohol concentration in a person’s blood or
9 breath is as follows:

10 “(A) In the case of the operation or control of
11 a vehicle, aircraft, or vessel in the United States, the
12 level is the blood or breath alcohol concentration
13 prohibited under the law of the State in which the
14 conduct occurred, except as may be provided under
15 paragraph (2) for conduct on a military installation
16 that is in more than one State, and subject to the
17 prohibited alcohol concentration level specified in
18 paragraph (3).

19 “(B) In the case of the operation or control of
20 a vehicle, aircraft, or vessel outside the United
21 States, the level is the blood alcohol concentration
22 specified in paragraph (3) or such lower level as the
23 Secretary of Defense may by regulation prescribe.

24 “(2) In the case of a military installation that is in
25 more than one State, if those States have different levels

1 for defining their prohibited blood alcohol concentrations
 2 under their respective State laws, the Secretary concerned
 3 for the installation may select one such level to apply uni-
 4 formly on that installation.

5 “(3) For purposes of paragraph (1), the level of alco-
 6 hol concentration prohibited in a person’s blood is 0.10
 7 grams or more of alcohol per 100 milliliters of blood and
 8 with respect to a person’s breath is 0.10 grams or more
 9 of alcohol per 210 liters of breath, as shown by chemical
 10 analysis.

11 “(4) In this subsection, the term ‘United States’ in-
 12 cluded the District of Columbia, the Commonwealth of
 13 Puerto Rico, the Virgin Islands, Guam, and American
 14 Samoa and the term ‘State’ includes each of those juris-
 15 dictions.”.

16 **Subtitle G—Other Matters**

17 **SEC. 561. BASIC TRAINING REQUIREMENT FOR CERTAIN** 18 **MEMBERS ACCESSED UNDER A DIRECT** 19 **ENTRY PROGRAM.**

20 Paragraph (1) of section 671(c) of title 10, United
 21 States Code, is amended to read as follows:

22 “(1) Under regulations prescribed under para-
 23 graph (2), a period of basic training (or equivalent
 24 training) shorter than 12 weeks may be established

1 by the Secretary concerned for members of the
2 armed forces who—

3 “(A) have been credentialed in a medical
4 profession or occupation and are serving in a
5 health-care occupational specialty; or

6 “(B) have been accessed into a direct entry
7 program established by the Secretary concerned
8 based on unique skills acquired in a civilian oc-
9 cupation.

10 Any such period shall be established under regula-
11 tions prescribed under paragraph (2) and may be es-
12 tablished notwithstanding section 4(a) of the Mili-
13 tary Selective Service Act (50 U.S.C. App.
14 454(a)).”.

15 **SEC. 562. ALTERNATE INITIAL MILITARY SERVICE OBLIGA-**
16 **TION FOR PERSONS ACCESSED UNDER DI-**
17 **RECT ENTRY PROGRAM.**

18 Subsection (a) of section 651 of title 10, United
19 States Code, is amended to read as follows:

20 “(a)(1) Each person who becomes a member of an
21 armed force, other than a person described in paragraph
22 (2), shall serve in the armed forces for a total initial period
23 of not less than six years nor more than eight years, as
24 provided in regulations prescribed by the Secretary of De-
25 fense for the armed forces under his jurisdiction and by

1 the Secretary of Homeland Security for the Coast Guard
 2 when it is not operating as a service in the Navy, unless
 3 such person is sooner discharged under such regulations
 4 because of personal hardship. Any part of such service
 5 that is not active duty or that is active duty for training
 6 shall be performed in a reserve component.

7 “(2) A person is not subject to paragraph (1) if that
 8 person—

9 “(A) deferred under the next to the last sen-
 10 tence of section 6(d)(1) of the Military Selective
 11 Service Act (50 U.S.C. App. 456(d)(1)); or

12 “(B) accessed into a direct entry program es-
 13 tablished by the Secretary concerned based on
 14 unique skills acquired in a civilian occupation.”.

15 **SEC. 563. JOINT WARFIGHTING CAPABILITIES FUNDING.**

16 Section 166a(b) of title 10, United States Code, is
 17 amended by adding at the end the following new para-
 18 graph:

19 “(10) Joint warfighting capabilities.”.

20 **SEC. 564. REAPPOINTMENT OF CHAIRMAN AND VICE-**
 21 **CHAIRMAN OF THE JOINT CHIEFS OF STAFF**
 22 **DURING NATIONAL EMERGENCY.**

23 (a) REAPPOINTMENT OF THE CHAIRMAN OF THE
 24 JOINT CHIEFS OF STAFF.—Section 152(a) of title 10,
 25 United States Code, is amended—

1 (1) in paragraph (1), by striking “in time of
2 war” and inserting “in time of war or during a na-
3 tional emergency declared by the President or Con-
4 gress”; and

5 (2) in paragraph (3), by striking “in time of
6 war” and inserting “in time of war or during a na-
7 tional emergency declared by the President or Con-
8 gress”.

9 (b) REAPPOINTMENT OF THE VICE-CHAIRMAN OF
10 THE JOINT CHIEFS OF STAFF.—Paragraph (3) of section
11 154(a) of such title is amended by striking “in time of
12 war” and inserting “in time of war or during a national
13 emergency declared by the President or Congress”.

14 **TITLE VI—COMPENSATION AND**
15 **OTHER PERSONNEL BENEFITS**
16 **Subtitle A—Pay and Allowances**

17 **SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2004.**

18 (a) WAIVER OF SECTION 1009 ADJUSTMENT.—The
19 adjustment to become effective during fiscal year 2004 re-
20 quired by section 1009 of title 37, United States Code,
21 in the rates of monthly basic pay authorized members of
22 the uniformed services shall not be made.

23 (b) INCREASE IN BASIC PAY FOR MEMBERS OF
24 ARMED FORCES.—Effective on January 1, 2004, the rates

- 1 of monthly basic pay for members of the armed forces
- 2 within each pay grade are as follows:

COMMISSIONED OFFICERS ¹

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-10 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9 ...	0.00	0.00	0.00	0.00	0.00
O-8 ...	7,751.10	8,004.90	8,173.20	8,220.60	8,430.30
O-7 ...	6,440.70	6,739.80	6,878.40	6,988.50	7,187.40
O-6 ...	4,773.60	5,244.30	5,588.40	5,588.40	5,609.70
O-5 ...	3,979.50	4,482.90	4,793.40	4,851.60	5,044.80
O-4 ...	3,433.50	3,974.70	4,239.90	4,299.00	4,545.30
O-3 ³	3,018.90	3,422.40	3,693.90	4,027.20	4,220.10
O-2 ³	2,595.60	2,956.50	3,405.00	3,519.90	3,592.50
O-1 ³	2,253.60	2,345.10	2,834.70	2,834.70	2,834.70
	Over 8	Over 10	Over 12	Over 14	Over 16
O-10 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9 ...	0.00	0.00	0.00	0.00	0.00
O-8 ...	8,781.90	8,863.50	9,197.10	9,292.80	9,579.90
O-7 ...	7,384.20	7,611.90	7,839.00	8,066.70	8,781.90
O-6 ...	5,850.00	5,882.10	5,882.10	6,216.30	6,807.30
O-5 ...	5,161.20	5,415.90	5,602.80	5,844.00	6,213.60
O-4 ...	4,809.30	5,137.80	5,394.00	5,571.60	5,673.60
O-3 ³	4,431.60	4,568.70	4,794.30	4,911.30	4,911.30
O-2 ³	3,592.50	3,592.50	3,592.50	3,592.50	3,592.50
O-1 ³	2,834.70	2,834.70	2,834.70	2,834.70	2,834.70
	Over 18	Over 20	Over 22	Over 24	Over 26
O-10 ²	\$0.00	\$12,524.70	\$12,586.20	\$12,847.80	\$13,303.80
O-9 ...	0.00	10,954.50	11,112.30	11,340.30	11,738.40
O-8 ...	9,995.70	10,379.10	10,635.30	10,635.30	10,635.30
O-7 ...	9,386.10	9,386.10	9,386.10	9,386.10	9,433.50
O-6 ...	7,154.10	7,500.90	7,698.30	7,897.80	8,285.40
O-5 ...	6,389.70	6,563.40	6,760.80	6,760.80	6,760.80
O-4 ...	5,733.00	5,733.00	5,733.00	5,733.00	5,733.00
O-3 ³	4,911.30	4,911.30	4,911.30	4,911.30	4,911.30
O-2 ³	3,592.50	3,592.50	3,592.50	3,592.50	3,592.50
O-1 ³	2,834.70	2,834.70	2,834.70	2,834.70	2,834.70

¹Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for commissioned officers in pay grades O-7 through O-10 may not exceed the rate of pay for level III of the Executive Schedule and the actual rate of basic pay for all other officers may not exceed the rate of pay for level V of the Executive Schedule.

²Subject to the preceding footnote, the rate of basic pay for an officer in this grade while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, is \$14,679.30, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³This table does not apply to commissioned officers in pay grade O-1, O-2, or O-3 who have been credited with over 4 years of active duty service as an enlisted member or warrant officer.

COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE DUTY SERVICE
AS AN ENLISTED MEMBER OR WARRANT OFFICER

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-3E	\$0.00	\$0.00	\$0.00	\$4,027.20	\$4,220.10
O-2E	0.00	0.00	0.00	3,537.00	3,609.90
O-1E	0.00	0.00	0.00	2,848.50	3,042.30
	Over 8	Over 10	Over 12	Over 14	Over 16
O-3E	\$4,431.60	\$4,568.70	\$4,794.30	\$4,984.20	\$5,092.80
O-2E	3,724.80	3,918.60	4,068.60	4,180.20	4,180.20
O-1E	3,154.50	3,269.40	3,382.20	3,537.00	3,537.00
	Over 18	Over 20	Over 22	Over 24	Over 26
O-3E	\$5,241.30	\$5,241.30	\$5,241.30	\$5,241.30	\$5,241.30
O-2E	4,180.20	4,180.20	4,180.20	4,180.20	4,180.20
O-1E	3,537.00	3,537.00	3,537.00	3,537.00	3,537.00

WARRANT OFFICERS¹

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
W-5 ..	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
W-4 ..	3,119.40	3,355.80	3,452.40	3,547.20	3,710.40
W-3 ..	2,848.80	2,967.90	3,089.40	3,129.30	3,257.10
W-2 ..	2,505.90	2,649.00	2,774.10	2,865.30	2,943.30
W-1 ..	2,212.80	2,394.00	2,515.20	2,593.50	2,802.30
	Over 8	Over 10	Over 12	Over 14	Over 16
W-5 ..	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
W-4 ..	3,871.50	4,035.00	4,194.30	4,359.00	4,617.30
W-3 ..	3,403.20	3,595.80	3,786.30	3,988.80	4,140.60
W-2 ..	3,157.80	3,321.60	3,443.40	3,562.20	3,643.80
W-1 ..	2,928.30	3,039.90	3,164.70	3,247.20	3,321.90
	Over 18	Over 20	Over 22	Over 24	Over 26
W-5 ..	\$0.00	\$5,360.70	\$5,544.30	\$5,728.80	\$5,914.20
W-4 ..	4,782.60	4,944.30	5,112.00	5,277.00	5,445.90
W-3 ..	4,291.80	4,356.90	4,424.10	4,570.20	4,716.30
W-2 ..	3,712.50	3,843.00	3,972.60	4,103.70	4,103.70
W-1 ..	3,443.70	3,535.80	3,535.80	3,535.80	3,535.80

¹ Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for warrant officers may not exceed the rate of pay for level V of the Executive Schedule.

ENLISTED MEMBERS¹

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
E-9 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E-8 ...	0.00	0.00	0.00	0.00	0.00
E-7 ...	2,145.00	2,341.20	2,430.60	2,549.70	2,642.10
E-6 ...	1,855.50	2,041.20	2,131.20	2,218.80	2,310.00
E-5 ...	1,700.10	1,813.50	1,901.10	1,991.10	2,130.60
E-4 ...	1,558.20	1,638.30	1,726.80	1,814.10	1,891.50
E-3 ...	1,407.00	1,495.50	1,585.50	1,585.50	1,585.50
E-2 ...	1,331.40	1,331.40	1,331.40	1,331.40	1,331.40
E-1 ³	1,086.00	0.00	0.00	0.00	0.00
	Over 8	Over 10	Over 12	Over 14	Over 16
E-9 ²	\$0.00	\$3,769.20	\$3,854.70	\$3,962.40	\$4,089.30
E-8 ...	3,085.50	3,222.00	3,306.30	3,407.70	3,517.50
E-7 ...	2,801.40	2,891.10	2,980.20	3,139.80	3,219.60
E-6 ...	2,516.10	2,596.20	2,685.30	2,763.30	2,790.90
E-5 ...	2,250.90	2,339.70	2,367.90	2,367.90	2,367.90
E-4 ...	1,891.50	1,891.50	1,891.50	1,891.50	1,891.50
E-3 ...	1,585.50	1,585.50	1,585.50	1,585.50	1,585.50
E-2 ...	1,331.40	1,331.40	1,331.40	1,331.40	1,331.40
E-1 ³	1,173.90	1,173.90	1,173.90	1,173.90	1,173.90
	Over 18	Over 20	Over 22	Over 24	Over 26
E-9 ²	\$4,216.50	\$4,421.10	\$4,594.20	\$4,776.60	\$5,054.70
E-8 ...	3,715.50	3,815.70	3,986.40	4,081.20	4,314.30
E-7 ...	3,295.50	3,341.70	3,498.00	3,599.10	3,855.00
E-6 ...	2,809.80	2,809.80	2,809.80	2,809.80	2,809.80
E-5 ...	2,367.90	2,367.90	2,367.90	2,367.90	2,367.90
E-4 ...	1,891.50	1,891.50	1,891.50	1,891.50	1,891.50
E-3 ...	1,585.50	1,585.50	1,585.50	1,585.50	1,585.50
E-2 ...	1,331.40	1,331.40	1,331.40	1,331.40	1,331.40
E-1 ³	1,173.90	1,173.90	1,173.90	1,173.90	1,173.90

¹ Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for enlisted members may not exceed the rate of pay for level V of the Executive Schedule.

² Subject to the preceding footnote, the rate of basic pay for an enlisted member in this grade while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, is \$6,090.90, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³ In the case of members in pay grade E-1 who have served less than 4 months on active duty, the rate of basic pay is \$1,086.00.

- 1 (c) INCREASE IN BASIC PAY FOR MEMBERS OF THE
- 2 UNIFORMED SERVICES NOT IN THE ARMED FORCES.—
- 3 Effective on January 1, 2004, the monthly basic pay for
- 4 members of the uniformed services not in the armed forces
- 5 is increased by 2.0 percent.

1 **SEC. 602. HOUSING ALLOWANCE FOR EACH MARRIED PART-**
2 **NER WHEN BOTH ARE ON SEA DUTY AND**
3 **THERE ARE NO OTHER DEPENDENTS.**

4 Subparagraph (C) of subsection 403(f)(2) of title 37,
5 United States Code, is amended to read as follows:

6 “(C) Notwithstanding section 421 of this title, two
7 members of the uniformed services in a pay grade below
8 pay grade E–6 who are married to each other, have no
9 other dependents, and are simultaneously assigned to sea
10 duty are each entitled to a basic allowance for housing
11 during the period of such simultaneous sea duty. The
12 amount of each member’s allowance shall be based on the
13 without dependents rate for the pay grade of the mem-
14 ber.”.

15 **SEC. 603. AMENDMENT TO BASIC PAY FOR CERTAIN COM-**
16 **MISSIONED OFFICERS WITH PRIOR SERVICE**
17 **AS AN ENLISTED MEMBER OR WARRANT OF-**
18 **FICER.**

19 Section 203(d)(2) of title 37, United States Code, is
20 amended to read as follows:

21 “(2) Service to be taken into account for purposes
22 of computing basic pay under paragraph (1) is as follows:

23 “(A) Active service as a warrant officer or as
24 a warrant officer and an enlisted member.

25 “(B) Service as a warrant officer, as an enlisted
26 member, or as a warrant officer and an enlisted

1 member, for which at least 1,460 points have been
 2 credited to the officer for the purposes of section
 3 12732(a)(2) of title 10.”.

4 **Subtitle B—Bonuses and Special** 5 **and Incentive Pays**

6 **SEC. 611. INCREASE MAXIMUM AMOUNT OF SELECTIVE RE-** 7 **ENLISTMENT BONUS.**

8 Section 308(a)(2)(B) of title 37, United States Code,
 9 is amended by striking “\$60,000” and inserting
 10 “\$90,000”.

11 **SEC. 612. MAKING ALL WARRANT OFFICERS ELIGIBLE FOR** 12 **ACCESSION BONUS FOR NEW OFFICERS IN** 13 **CRITICAL SKILLS.**

14 Section 324 of title 37, United States Code, is
 15 amended—

16 (1) in subsection (a), by inserting “or an ap-
 17 pointment” after “commission”; and

18 (2) in subsection (f), by inserting “or an ap-
 19 pointment” after “commission”.

20 **SEC. 613. INCENTIVE BONUS: LATERAL CONVERSION** 21 **BONUS FOR CONVERTING TO UNDERMANNED** 22 **MILITARY OCCUPATIONAL SPECIALTIES.**

23 (a) BONUS AUTHORIZED.—Chapter 5 of title 37,
 24 United States Code, is amended by adding at the end the
 25 following new section:

1 **“§ 326. Incentive bonus: lateral conversion bonus for**
2 **converting to undermanned military oc-**
3 **cupational specialties**

4 “(a) AUTHORITY AND ELIGIBILITY REQUIRE-
5 MENTS.—

6 “(1) The Secretary concerned may pay a bonus
7 to a member of the armed forces who agrees to serve
8 in a military occupational specialty, rating or other
9 military specialty defined by the member’s armed
10 force, that is designated by the Secretary concerned
11 as undermanned for purposes of this bonus.

12 “(2) A bonus may only be paid under this sec-
13 tion to a member who—

14 “(A) is entitled to basic pay;

15 “(B) is serving in pay grade E–6 (with less
16 than 10 years of service) or E–5 and below (re-
17 gardless of years of service); and

18 “(C) agrees to serve for a period of not
19 less than two years in a military occupational
20 specialty, rating or other military specialty des-
21 ignated by the Secretary concerned as under-
22 manned for the purposes of this bonus.

23 “(b) AMOUNT AND PAYMENT OF BONUS.—

24 “(1) A bonus under this section may not exceed
25 \$4,000.

1 “(2) Any bonus payable under this section shall
2 be disbursed in one lump sum payment when the
3 member’s conversion to the new military specialty is
4 approved by the personnel chief of the member’s
5 armed force, or his designee.

6 “(c) RELATIONSHIP TO OTHER PAY AND ALLOW-
7 ANCES.—A bonus paid to a member under this section is
8 in addition to any other pay and allowances to which the
9 member is entitled.

10 “(d) REPAYMENT OF BONUS.—

11 “(1) A member who receives a bonus payment
12 under this section and who voluntarily or through
13 misconduct, fails to serve for the required period in
14 the undermanned military occupational specialty,
15 rating or other military specialty defined by the
16 armed force for which the bonus was paid, shall re-
17 fund to the United States an amount that bears the
18 same ratio to the amount of the bonus paid to the
19 member as the period that the member failed to
20 serve bears to the total period for which the bonus
21 was paid.

22 “(2) An obligation to reimburse the United
23 States imposed under paragraph (1) is, for all pur-
24 poses, a debt owed to the United States.

1 “(3) A discharge in bankruptcy under title 11
2 that is entered less than five years after the termi-
3 nation of service for which a bonus was paid under
4 this section shall not discharge the person receiving
5 such bonus payment from the debt arising under
6 paragraph (1).

7 “(4) Under regulations prescribed pursuant to
8 subsection (e), the Secretary concerned may waive,
9 in whole or in part, an obligation to reimburse the
10 United States imposed under paragraph (1) when
11 the Secretary determines that recovery would be
12 against equity and good conscience or would be con-
13 trary to the best interests of the United States.

14 “(e) REGULATIONS.—The Secretaries concerned shall
15 prescribe regulations to carry out this section. Regulations
16 prescribed by the Secretary of a military department shall
17 be subject to the approval of the Secretary of Defense.

18 “(f) TERMINATION OF BONUS AUTHORITY.—No
19 bonus may be paid under this section with respect to any
20 lateral conversion approved after September 30 of the
21 third fiscal year that began after the date of enactment
22 of this section.”.

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

“326. Incentive bonus: lateral conversion bonus for converting to undermanned military occupational specialties.”.

1 SEC. 614. EXTENDING HOSTILE FIRE AND IMMINENT DAN-
2 GER PAY TO RESERVE COMPONENT MEM-
3 BERS ON INACTIVE DUTY.

4 Section 310 of title 37, United States Code, is
 5 amended—

6 (1) in subsection (a), by inserting “under sec-
 7 tion 204, or to compensation under section 206 (as
 8 provided in subsection (b)(2)), of this title,” after
 9 “basic pay”; and

10 (2) in subsection (b)(2), by inserting “, includ-
 11 ing a member who is entitled to compensation under
 12 section 206 of this title if performing inactive duty
 13 in an area that has not been designated as an immi-
 14 nent danger area or has not been under hostile fire
 15 but comes under hostile fire or an explosion of hos-
 16 tile mines during such inactive duty for training pe-
 17 riod,” after “reserve component”.

18 SEC. 615. EXPANDED EDUCATIONAL ASSISTANCE AUTHOR-
19 ITY FOR CADETS AND MIDSHIPMEN RECEIV-
20 ING ROTC SCHOLARSHIPS.

21 (a) FINANCIAL ASSISTANCE PROGRAM FOR SERVICE
 22 ON ACTIVE DUTY.—Section 2107(c) of title 10, United
 23 States Code, is amended by adding at the end the fol-
 24 lowing new paragraph:

1 “(3)(A) In the case of any cadet or midshipman
2 eligible to receive financial assistance as provided
3 under paragraph (1) or (2), the Secretary of the
4 military department concerned may pay room and
5 board expenses for such cadet or midshipman, and
6 other expenses required by the educational institu-
7 tion, in lieu of all or part of the financial assistance
8 described in paragraph (1).

9 “(B) The total amount of financial assistance,
10 including the payment of room and board and other
11 educational expenses, provided to a cadet or mid-
12 shipman in an academic year under this subsection
13 may not exceed an amount equal to the amount that
14 could be provided as financial assistance for such
15 cadet or midshipman under paragraph (1) or (2), or
16 other amount determined by the Secretary con-
17 cerned, without regard to whether room and board
18 and other educational expenses for such cadet or
19 midshipman are paid under this paragraph.”.

20 (b) FINANCIAL ASSISTANCE PROGRAM FOR SERVICE
21 IN TROOP PROGRAM UNITS.—Section 2107a(c) of such
22 title is amended—

23 (1) by inserting “(1)” after “(c)”; and

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

1 “(2)(A) In the case of any cadet eligible to re-
 2 ceive financial assistance as provided under para-
 3 graph (1), the Secretary of the military department
 4 concerned may pay room and board expenses for
 5 such cadet, and other expenses required by the edu-
 6 cational institution, in lieu of all or part of the fi-
 7 nancial assistance described in paragraph (1).

8 “(B) The total amount of financial assistance,
 9 including the payment of room and board and any
 10 other educational expenses, provided to a cadet in an
 11 academic year under this subsection may not exceed
 12 an amount equal to the amount that could be pro-
 13 vided as financial assistance for such cadet under
 14 paragraph (1), or other amount determined by the
 15 Secretary of the Army, without regard to whether
 16 the room and board and other educational expenses
 17 for such cadet are paid under this paragraph.”.

18 **SEC. 616. NOTICE AND WAIT PROVISION CONCERNING**

19 **CRITICAL SKILLS RETENTION BONUS.**

20 Section 323(b) of title 37, United States Code, is
 21 amended by striking paragraph (2).

22 **SEC. 617. EXPANSION OF OVERSEAS TOUR EXTENSION IN-**
 23 **CENTIVE PROGRAM BENEFITS TO OFFICERS.**

24 (a) REST AND RECUPERATIVE ABSENCE.—

1 (1) Section 705 of title 10, United States Code,
2 is amended—

3 (A) by striking “enlisted” in the section
4 heading; and

5 (B) in subsection (a), by striking “an en-
6 listed” and inserting “a”.

7 (2) The item relating to such section in the
8 table of sections at the beginning of chapter 40 of
9 such title is amended to read as follows:

 “705. Rest and recuperative absence for qualified members extending duty at
 designated locations overseas.”.

10 (b) SPECIAL PAY OR BONUS.—

11 (1) Section 314 of title 37, United States Code,
12 is amended—

13 (A) by striking “enlisted” in the section
14 heading;

15 (B) in subsection (a), by striking “an en-
16 listed” and inserting “a”; and

17 (C) in subsection (b), by striking “an en-
18 listed” and inserting “a”.

19 (2) The item relating to such section in the
20 table of sections at the beginning of chapter 5 of
21 such title is amended to read as follows:

 “314. Special pay or bonus: qualified members extending duty at designated lo-
 cations overseas.”.

1 **SEC. 618. ONE-YEAR EXTENSION OF CERTAIN BONUS AND**
2 **SPECIAL PAY AUTHORITIES FOR RESERVE**
3 **FORCES.**

4 (a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN
5 CRITICALLY SHORT WARTIME SPECIALTIES.—Section
6 302g(f) of title 37, United States Code, is amended by
7 striking out “December 31, 2003” and inserting “Decem-
8 ber 31, 2004”.

9 (b) SELECTED RESERVE REENLISTMENT BONUS.—
10 Section 308b(f) of such title is amended by striking out
11 “December 31, 2003” and inserting “December 31,
12 2004”.

13 (c) SELECTED RESERVE ENLISTMENT BONUS.—Sec-
14 tion 308c(e) of such title is amended by striking out “De-
15 cember 31, 2003” and inserting “December 31, 2004”.

16 (d) SPECIAL PAY FOR ENLISTED MEMBERS AS-
17 SIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section
18 308d(c) of such title is amended by striking out “Decem-
19 ber 31, 2003” and inserting “December 31, 2004”.

20 (e) SELECTED RESERVE AFFILIATION BONUS.—Sec-
21 tion 308e(e) of such title is amended by striking “Decem-
22 ber 31, 2001” and inserting “December 31, 2004”.

23 (f) READY RESERVE ENLISTMENT AND REENLIST-
24 MENT BONUS.—Section 308h(g) of such title is amended
25 by striking “December 31, 2003” and inserting “Decem-
26 ber 31, 2004”.

1 (g) PRIOR SERVICE REENLISTMENT BONUS.—Sec-
2 tion 308i(f) of such title is amended by striking “Decem-
3 ber 31, 2003” and inserting “December 31, 2004”.

4 (h) REPAYMENT OF EDUCATION LOANS FOR CER-
5 TAIN HEALTH PROFESSIONALS WHO SERVE IN THE SE-
6 LECTED RESERVE.—Section 16302(d) of title 10, United
7 States Code, is amended by striking “January 1, 2004”
8 and inserting “January 1, 2005”.

9 **SEC. 619. ONE-YEAR EXTENSION OF SPECIAL PAY AND**
10 **BONUS AUTHORITIES FOR NUCLEAR OFFI-**
11 **CERS.**

12 (a) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFI-
13 CERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section
14 312(e) of title 37, United States Code, is amended by
15 striking “December 31, 2003” and inserting “December
16 31, 2004”.

17 (b) NUCLEAR CAREER ACCESSION BONUS.—Section
18 312b(c) of such title is amended by striking “December
19 31, 2003” and inserting “December 31, 2004”.

20 (c) NUCLEAR CAREER ANNUAL INCENTIVE
21 BONUS.—Section 312c(d) of such title is amended by
22 striking “December 31, 2003” and inserting “December
23 31, 2004”.

1 **SEC. 620. ONE-YEAR EXTENSION OF AUTHORITIES RELAT-**
2 **ING TO PAYMENT OF OTHER BONUSES.**

3 (a) AVIATION OFFICER RETENTION BONUS.—Sec-
4 tion 301b(a) of title 37, United States Code, is amended
5 by striking “December 31, 2003” and inserting “Decem-
6 ber 31, 2004”.

7 (b) REENLISTMENT BONUS FOR ACTIVE MEM-
8 BERS.—Section 308(g) of such title is amended by strik-
9 ing “December 31, 2003” and inserting “December 31,
10 2004”.

11 (c) ENLISTMENT BONUS.—Section 309(e) of such
12 title is amended by striking “December 31, 2003” and in-
13 serting “December 31, 2004”.

14 (d) RETENTION BONUS FOR MEMBERS QUALIFIED
15 IN A CRITICAL MILITARY SKILL.—Section 323(i) of such
16 title is amended by striking “December 31, 2003” and in-
17 serting “December 31, 2004”.

18 (e) ACCESSION BONUS FOR NEW OFFICERS IN CRIT-
19 ICAL SKILLS.—Section 324(g) of such title is amended by
20 striking “December 31, 2003” and inserting “December
21 31, 2004”.

Subtitle C—Travel and Transportation Allowances

SEC. 621. SHIPMENT OF A PRIVATELY OWNED MOTOR VEHICLE WITHIN THE CONTINENTAL UNITED STATES.

(a) AUTHORITY TO PROCURE CONTRACT FOR TRANSPORTATION OF MOTOR VEHICLE.—Section 2634 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(i) In the case of a change of permanent station described in clause (A) or (B) of subsection (h)(1) of this section, the Secretary concerned may authorize the member to arrange shipment of the motor vehicle in lieu of transportation at the expense of the United States. The member may be paid a monetary allowance in lieu of transportation as established under section 404(d)(1) of title 37 and the member is responsible for any transportation costs in excess of such allowance.”.

(b) ALLOWANCE FOR SELF-PROCUREMENT OF TRANSPORTATION OF MOTOR VEHICLE.—Subparagraph (B) of section 406(b)(1) of title 37, United States Code, is amended by adding at the end the following new sentence: “In the case of the transportation of a motor vehicle arranged by the member under subsection (i) of section 2634 of title 10, the member, who has proof of shipment,

1 may be paid a monetary allowance in lieu of transpor-
 2 tation as established under section 404(d)(1) of this
 3 title.”.

4 **Subtitle D—Other Matters**

5 **SEC. 631. PERMIT NON-SCHOLARSHIP SENIOR ROTC SOPH-** 6 **OMORES TO VOLUNTARILY CONTRACT AND** 7 **RECEIVE SUBSISTENCE ALLOWANCE.**

8 Section 209 of title 37, United States Code, is
 9 amended—

10 (1) by redesignating subsections (c) and (d) as
 11 subsections (d) and (e), respectively; and

12 (2) by inserting after subsection (b) the fol-
 13 lowing new subsection (c):

14 “(c) PILOT PROGRAM FOR CONTRACT OF NON-
 15 SCHOLARSHIP SENIOR ROTC MEMBERS.—(1) An eligible
 16 member of the Selected Reserve Officers’ Training Corps
 17 is entitled to a monthly subsistence allowance at a rate
 18 prescribed under subsection (a) for a maximum of twenty
 19 months.

20 “(2) To be eligible to receive a subsistence al-
 21 lowance under this subsection, a person must—

22 “(A) be a citizen of the United States;

23 “(B) enlist in an armed force under the ju-
 24 risdiction of the Secretary of the military de-

1 partment concerned for the period prescribed by
2 the Secretary;

3 “(C) contract, with the consent of his par-
4 ent or guardian if he is a minor, with the Sec-
5 retary of the military department concerned, or
6 his designated representative, to serve for the
7 period required by the program;

8 “(D) agree in writing that he will accept
9 an appointment, if offered, as a commissioned
10 officer in the Army, Navy, Air Force, or Marine
11 Corps, as the case may be, and that he will
12 serve in the armed forces for the period pre-
13 scribed by the Secretary;

14 “(E) complete successfully the first year of
15 a four-year Senior Reserve Officers’ Training
16 Corps course;

17 “(F) not be eligible for advanced training
18 under section 2104 of title 10;

19 “(G) not be appointed under section 2107
20 of title 10; and

21 “(H) execute a certificate of loyalty in
22 such form as the Secretary of Defense pre-
23 scribes or take a loyalty oath as prescribed by
24 the Secretary.

1 “(3) This program will run as a pilot program
 2 for the period of three years beginning in January
 3 2004. The Secretary of Defense will report to the
 4 Office of Management and Budget annually on the
 5 participation rates for the program with a cost eval-
 6 uation of the program’s effectiveness. Such annual
 7 reports will be due by December 31 for each of the
 8 three years.”.

9 **TITLE VII—HEALTH CARE** 10 **PROVISIONS**

11 **SEC. 701. REVISION OF DEPARTMENT OF DEFENSE MEDI-** 12 **CARE ELIGIBLE RETIREE HEALTH CARE** 13 **FUND TO PERMIT MORE ACCURATE ACTU-** 14 **ARIAL VALUATIONS.**

15 Section 1115(c) of title 10, United States Code, is
 16 amended by adding at the end the following new para-
 17 graph:

18 “(6) In determining single level dollar amounts in
 19 subparagraphs (1)(A) and (1)(B), the Secretary of De-
 20 fense may, if the Secretary determines that it would
 21 produce a more accurate and appropriate actuarial valu-
 22 ation, determine a separate single level dollar amount
 23 under either or both subparagraphs for any individual par-
 24 ticipating uniformed service. If the Secretary makes any
 25 such determination, the Secretary (or in the case of a par-

1 participating uniformed service under the jurisdiction of an-
 2 other administering Secretary, the administering Sec-
 3 retary concerned) shall make corresponding calculations
 4 under section 1116(a) of this title for the contributions
 5 applicable to the affected uniformed services.”.

6 **SEC. 702. APPLICABILITY OF THE FEDERAL ADVISORY**
 7 **COMMITTEE ACT TO THE PHARMACY AND**
 8 **THERAPEUTICS COMMITTEE.**

9 Section 1074g(b)(1) of title 10, United States Code,
 10 is amended by adding at the end the following new sen-
 11 tence: “The Federal Advisory Committee Act (5 U.S.C.
 12 App.) shall not apply to the Pharmacy and Therapeutics
 13 Committee.”.

14 **TITLE VIII—ACQUISITION POL-**
 15 **ICY, ACQUISITION MANAGE-**
 16 **MENT, AND RELATED MAT-**
 17 **TERS**

18 **Subtitle A—Acquisition Policy and**
 19 **Management**

20 **SEC. 801. MILESTONE AUTHORIZATION OF SELECTED DE-**
 21 **FENSE ACQUISITION PROGRAMS.**

22 (a) IN GENERAL.—(1) Chapter 144 of title 10,
 23 United States Code is amended by adding after section
 24 2435 the following new section:

1 **“§ 2436. Milestone authorization**

2 “(a) DESIGNATION OF PARTICIPATING PROGRAMS.—

3 (1) The Secretary of Defense may designate defense ac-
4 quisition programs in each military department to be con-
5 sidered for milestone authorization of appropriations
6 under subsection (c).

7 “(2) The Secretary may designate a defense acquisi-
8 tion program under paragraph (1) only if the program—

9 “(A) is ready to proceed into system develop-
10 ment and demonstration or production and deploy-
11 ment, or

12 “(B) is in either system development and dem-
13 onstration or production and deployment.

14 “(b) SUBMISSION OF BASELINE DESCRIPTIONS.—

15 Not later than the end of the 90-day period beginning on
16 the date that a defense acquisition program is designated
17 under subsection (a), the Secretary of Defense shall re-
18 quest from Congress that funds be authorized to be appro-
19 priated in a single amount sufficient to carry out the ac-
20 quisition phase for which the baseline description is sub-
21 mitted.

22 “(c) MILESTONE AUTHORIZATION.—Congress shall
23 authorize the appropriation of funds for the system devel-
24 opment and demonstration, or the production and deploy-
25 ment of a program designated by the Secretary of Defense
26 under subsection (a) in a single amount sufficient to carry

1 out that phase, provided that such period for which funds
2 may be obligated may not exceed six years.

3 “(d) NO EFFECT ON STATUTORY AND REGULATORY
4 REQUIREMENTS.—Granting milestone authorization does
5 not change any other statutory or regulatory requirements
6 relating to defense acquisition programs.”.

7 (b) CLERICAL AMENDMENT.—The table of sections
8 at the beginning of such chapter is amended by adding
9 after the item relating to section 2435 the following new
10 item:

“2436. Milestone authorization.”.

11 **SEC. 802. CONTRACT CLOSEOUT.**

12 (a) IN GENERAL.—The Secretary of Defense shall
13 have the authority to promulgate regulations to settle the
14 financial accounts for contracts executed prior to Sep-
15 tember 30, 1996 that are administratively complete and
16 for which any unreconciled balance, either positive or neg-
17 ative, is less than \$100,000.

18 (b) FINALITY OF DECISION.—Decisions carried out
19 in accordance with these regulations shall be final and
20 conclusive upon the accounting officers of the United
21 States.

1 **SEC. 803. CLARIFICATION OF REQUIREMENT TO BUY CER-**
2 **TAIN ARTICLES FROM AMERICAN SOURCES;**
3 **EXCEPTIONS.**

4 Section 2533a of title 10, United States Code, is
5 amended—

6 (1) in subsection (a)—

7 (A) by striking “subsections (c) through
8 (h)” and inserting “subsections (b) through
9 (i)”; and

10 (B) by striking “if the item is not grown,
11 reprocessed, reused, or produced in the United
12 States”;

13 (2) in subsection (b), by amending paragraphs
14 (1) through (3) to read as follows:

15 “(1) An article or item of—

16 “(A) meals ready-to-eat listed in Federal
17 Supply Class 8970 unless the item is produced
18 or manufactured in the United States;

19 “(B) clothing unless the item is grown, re-
20 processed, reused, or produced in the United
21 States;

22 “(C) tents, tarpaulins, or covers unless the
23 item is grown, reprocessed, reused, or produced
24 in the United States;

25 “(D) cotton and other natural fiber prod-
26 ucts, woven silk or woven silk blends, spun silk

1 yarn for cartridge cloth, synthetic fabric or
2 coated synthetic fabric (including all textile fi-
3 bers and yarns that are for use in such fabrics),
4 canvas products, or wool (whether in the form
5 of fiber or yarn or contained in fabrics, mate-
6 rials, or manufactured articles) unless the item
7 is grown, reprocessed, reused, or produced in
8 the United States; or

9 “(E) any item of individual equipment
10 manufactured from or containing such fibers,
11 yarns, fabrics, or materials unless the item is
12 grown, reprocessed, reused, or produced in the
13 United States;

14 “(2) Equipment of the following Federal supply
15 classifications that contain a specialty metal unless
16 the specialty metal used to produce or manufacture
17 the item, or an equivalent amount that is acquired
18 by the contractor or a subcontractor, was smelted in
19 the United States:

20 “(A) Weapons listed in Federal Supply
21 Group 10.

22 “(B) Nuclear ordnance listed in Federal
23 Supply Group 11.

24 “(C) Fire control equipment listed in Fed-
25 eral Supply Group 12.

1 “(D) Ammunition and explosives listed in
2 Federal Supply Group 13.

3 “(E) Guided missiles listed in Federal
4 Supply Group 14.

5 “(F) Aircraft and related components, ac-
6 cessories, and equipment listed in Federal Sup-
7 ply Groups 15, 16, and 17.

8 “(G) Space vehicles listed in Federal Sup-
9 ply Group 18.

10 “(H) Ships, small craft, pontoons, and
11 floating docks listed in Federal Supply Group
12 19.

13 “(I) Ship and marine equipment listed in
14 Federal Supply Group 20.

15 “(J) Passenger motor vehicles listed in
16 Federal Supply Class 2310.

17 “(K) Tracked combat vehicles listed in
18 Federal Supply Class 2350.

19 “(L) Engines, turbines, and components
20 listed in Federal Supply Group 28.

21 For the purposes of this paragraph, ‘specialty metal’
22 means:

23 “(A) steel—

24 “(i) where the maximum alloy content
25 exceeds one or more of the following limits:

1 manganese, 1.65 percent; silicon, 0.60 per-
2 cent; or copper, 0.60 percent; or

3 “(ii) that contains more than 0.25
4 percent of any of the following elements:
5 aluminum, chromium, cobalt, columbium,
6 molybdenum, nickel, titanium, tungsten, or
7 vanadium;

8 “(B) metal alloys consisting of nickel, iron-
9 nickel, and cobalt base alloys containing a total
10 of other alloying metals (except iron) in excess
11 of 10 percent;

12 “(C) titanium and titanium alloys; or

13 “(D) zirconium and zirconium base alloys;
14 and

15 “(3) Hand tools listed in Federal Supply Group
16 51 and measuring tools listed in Federal Supply
17 Group 52 unless the item is produced or manufac-
18 tured in the United States.”;

19 (3) in subsection (c)—

20 (A) by striking “Subsection (a)” and in-
21 serting “This section”; and

22 (B) by striking “(1) or specialty metals
23 (including stainless steel flatware)”;

24 (4) in subsection (d)—

1 (A) in the catch line for such subsection,
2 by striking “OUTSIDE THE UNITED STATES”
3 and inserting “IN EXIGENT CIRCUMSTANCES”;

4 (B) by striking “Subsection (a) does not
5 apply” and inserting “This section does not
6 apply”;

7 (C) by revising paragraph (1) to read as
8 follows:

9 “(1) Procurements of items listed in sub-
10 sections (b)(1)(A), (b)(2), and(b)(3) in support of
11 contingency operations as defined in section
12 101(a)(13) of this title, and procurements outside
13 the United States of items listed in subsections
14 (b)(1)(B) through (b)(1)(E) in support of combat
15 operations.”;

16 (D) by revising paragraph (3) to read as
17 follows:

18 “(3) Procurements of items listed in sub-
19 sections (b)(1)(A), (b)(2), and (b)(3) of unusual and
20 compelling urgency under the authority of section
21 2304(c)(2) of this title, and emergency procurements
22 by an establishment located outside the United
23 States of items listed in subsections (b)(1)(B)
24 through (b)(1)(E) for the personnel attached to such
25 establishment.”;

1 (5) by revising subsection (e) to read as follows:

2 “(e) EXCEPTION FOR SPECIALTY METALS AND
3 CHEMICAL WARFARE PROTECTIVE CLOTHING.—(1) This
4 section does not apply to the procurement of end items
5 or components of equipment listed in subsection (b)(2) if
6 the specialty metal used to produce or manufacture the
7 item, or an equivalent amount that is acquired by the con-
8 tractor or a subcontractor, was smelted in a foreign coun-
9 try that has a memorandum of understanding providing
10 for reciprocal procurement of defense items that is entered
11 into with the Department of Defense in accordance with
12 section 2531 of this title.

13 “(2) This section does not apply to the procurement
14 of chemical warfare protective clothing produced outside
15 the United States if—

16 “(A) such procurement is necessary—

17 “(i) to comply with agreements with for-
18 eign governments requiring the United States
19 to purchase supplies from foreign sources for
20 the purposes of offsetting sales made by the
21 United States Government or United States
22 firms under approved programs serving defense
23 requirements; or

24 “(ii) in furtherance of agreements with for-
25 eign governments in which both such govern-

1 ments agree to remove barriers to purchases of
2 supplies produced in the other country or serv-
3 ices performed by sources of the other country;
4 and

5 “(B) any such agreement with a foreign govern-
6 ment complies, where applicable, with the require-
7 ments of section 36 of the Arms Export Control Act
8 (22 U.S.C. 2776) and with section 2457 of this
9 title.”;

10 (6) in subsection (f), by striking “Subsection
11 (a) does not preclude” and inserting “This section
12 does not preclude”;

13 (7) in subsection (g), by striking “Subsection
14 (a) does not apply” and inserting “This section does
15 not apply”;

16 (8) in subsection (h), by striking “Subsection
17 (a) does not apply” and inserting “This section does
18 not apply”; and

19 (9) in subsection (i)—

20 (A) by striking “This section” and insert-
21 ing “(1) Except as provided in paragraph (2),
22 this section”; and

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

1 “(2) This section does not apply to commercial
 2 items, or components thereof, that are listed in sec-
 3 tions (b)(1)(A), (b)(2), and (b)(3), except if the end
 4 item is specialty metal.”.

5 **Subtitle B—Amendments to Gen-**
 6 **eral Contracting Authorities,**
 7 **Procedures, and Limitations**

8 **SEC. 811. EXTEND USE OF THE DEFENSE MODERNIZATION**
 9 **ACCOUNT FOR LIFE CYCLE COST REDUCTION**
 10 **INITIATIVES.**

11 (a) TITLE 10 AMENDMENTS.—Section 2216 of title
 12 10, United States Code, is amended—

13 (1) by striking the catch line in subsection (c);

14 (2) by redesignating subsection (c) as para-
 15 graph (b)(5);

16 (3) by inserting after subsection (b) the fol-
 17 lowing new subsection (c):

18 “(c) APPROPRIATIONS FOR LIFE CYCLE COST RE-
 19 DUCTION.—(1) Funds are authorized to be appropriated
 20 for fiscal years 2004–2006 in the amount of \$25,000,000
 21 annually to the Defense Modernization Account for the
 22 purpose of providing startup funds for projects under-
 23 taken by a military department, Defense Agency, or other
 24 element of the Department of Defense to reduce the life

1 cycle cost of new or existing systems in accordance with
2 criteria established by the Secretary of Defense.

3 “(2) A military department, Defense agency, or other
4 element of the Department of Defense that receives funds
5 appropriated pursuant to paragraph (1) shall, upon
6 achieving savings from such a project, reimburse the Ac-
7 count for the funds previously received. Funds transferred
8 back to the Account pursuant to this paragraph shall be
9 available for funding new projects under paragraph (1).”.

10 (4) in subsection (d), by striking “Authorized
11 Use of Funds.—Funds available from the Defense
12 Modernization Account pursuant to subsection (f) or
13 (g) may be used for the following purposes:” and in-
14 serting “Authorized Use of Transferred Funds.—
15 Funds transferred to the Defense Modernization Ac-
16 count pursuant to subsection (b) may be used for
17 the following purposes:”; and

18 (5) in paragraph (f)(1), by striking the sentence
19 beginning with “The Secretary” and inserting “The
20 Secretary of Defense may transfer funds in the De-
21 fense Modernization Account to appropriations avail-
22 able to the Department of Defense for the purposes
23 set forth in subsections (c) and (d).”.

24 (b) EXTENSION OF AUTHORITY.—Subsection (c) of
25 section 912 of the National Defense Authorization Act for

1 Fiscal Year 1996 (Public Law 104–106; 110 Stat. 410)

2 is amended to read as follows:

3 “(c) EXPIRATION OF AUTHORITY AND ACCOUNT.—

4 (1) The authority under section 2216(b) of title 10,

5 United States Code, to transfer funds into the Defense

6 Modernization Account and the authorization under sec-

7 tion 2216(c) of such title to appropriate funds to the De-

8 fense Modernization Account shall terminate on Sep-

9 tember 30, 2006.

10 “(2) The Defense Modernization Account shall be

11 closed on September 30, 2011, and any remaining balance

12 in the Account shall be cancelled and thereafter shall not

13 be available for any purpose.”.

14 **SEC. 812. EXTENSION AND CLARIFICATION OF AUTHORITY**

15 **TO CARRY OUT CERTAIN PROTOTYPE**

16 **PROJECTS.**

17 Section 845 of the National Defense Authorization

18 Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat.

19 1547) is amended in subsection (g), by striking “Sep-

20 tember 30, 2004” and inserting “September 30, 2008”.

21 **SEC. 813. OTHER TRANSACTION AUTHORITY FOR MODERN-**

22 **IZING LEGACY SYSTEMS.**

23 Section 845(a) of National Defense Authorization

24 Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat.

25 1547) is amended by inserting “, or are improvements to

1 weapons or weapon systems currently fielded by the De-
2 partment of Defense” after “Department of Defense”.

3 **SEC. 814. AUTHORITY FOR CERTAIN DOD COMPONENTS TO**
4 **AWARD PERSONAL SERVICES CONTRACTS.**

5 (a) Notwithstanding any other provision of law, sums
6 made available by appropriation or otherwise to a covered
7 component, as defined in subsection (b), may be expended
8 for personal services contracts necessary to carry out the
9 covered component’s missions, including personal services
10 without regard to limitations on types of persons to be
11 employed.

12 (b) The term “covered component” includes—

13 (1) any Department of Defense component that
14 is an element of the Intelligence Community, as de-
15 fined in Section 3(4) of the National Security Act of
16 1947 (50 U.S.C. 401a);

17 (2) any element of the Office of the Secretary
18 of Defense designated by the Secretary of Defense
19 for purposes of this section; and

20 (3) the United States Special Operations Com-
21 mand when engaged in special operations activities
22 delineated in 10 U.S.C. 167(j)(1)–(4).

1 **SEC. 815. ELIMINATION OF SUBCONTRACT NOTIFICATION**
2 **REQUIREMENTS.**

3 Section 2306(e) of title 10, United States Code, is
4 amended to read as follows:

5 “(e) Except for contracts with a contractor that
6 maintains a purchasing system approved by the cognizant
7 contracting officer, each cost contract and each cost-plus-
8 a-fixed-fee contract shall require the contractor to provide
9 notice to the agency, prior to the award under a prime
10 contract, of—

11 “(1) a cost-plus-a-fixed-fee subcontract; or

12 “(2) a fixed-price subcontract or purchase order
13 involving more than the greater of—

14 “(A) the simplified acquisition threshold;

15 or

16 “(B) five percent of the estimated cost of
17 the prime contract.”.

18 **SEC. 816 . EXCEPTION FOR REPLACEMENT BALL BEARINGS**
19 **AND ROLLER BEARINGS TO BE USED IN A**
20 **COMPONENT OF NON-DOMESTIC ORIGIN.**

21 Section 2534(a)(5) of title 10, United States Code,
22 is amended by inserting before the period at the end the
23 following: “, other than ball bearings and roller bearings
24 to be used in an end product or a component of non-do-
25 mestic origin”.

1 **SEC. 817. INDUSTRY ASSIGNMENT PROGRAM.**

2 (a) IN GENERAL.—Chapter 81 of title 10, United
3 States Code, is amended by inserting after section 1599c
4 the following new section:

5 **“§ 1599d. Government industry assignment program**

6 “(a) AUTHORITY.—The Secretary of Defense may es-
7 tablish a pilot program for the temporary assignment of
8 non-governmental personnel who are employed in the pri-
9 vate sector to the Department of Defense. The Secretary
10 may promulgate regulations for such purpose.

11 “(b) PURPOSE.—This program is designed to im-
12 prove the Department’s acquisition-related processes and
13 procedures. It would accomplish this through an infusion
14 of new and modern ideas by the temporary assignment
15 in the Department of non-governmental personnel who are
16 employed by private industry. The private sector employ-
17 ees would be compensated by their private employer yet
18 would be subject generally to governmental requirements
19 that are in force for Federal employees. The Department
20 would provide the private employer the benefit of a career
21 enhancement for its private sector employees who partici-
22 pate in the program.

23 “(c) LIMITATIONS.—(1) This program is limited to
24 those individuals in private sector positions whose duties,
25 as determined by the Secretary, are comparable to defense
26 acquisition positions.

1 “(2) Each such assignment shall be based on a writ-
2 ten agreement between the Department of Defense, the
3 private sector employer, and the employee concerned,
4 which shall include nondisclosure provisions addressing
5 the use and disclosure of classified and unclassified infor-
6 mation in the possession or under the control of the De-
7 partment of Defense that has not been released to the
8 public and which shall also include the Federal laws and
9 penalties applicable to the disclosure of classified informa-
10 tion, including, but not limited to section 798 of title 18,
11 United States Code.

12 “(3) During the period of an assignment made pursu-
13 ant to this section, a private sector employee—

14 “(A) is not entitled to pay from the Depart-
15 ment of Defense, except, as determined by the Sec-
16 retary on a case by case basis, to the extent that the
17 pay received from the private sector employer is less
18 than the appropriate rate of pay which the duties
19 would warrant under the applicable pay provisions of
20 this title, title 5, United States Code, or other appli-
21 cable authority;

22 “(B) is deemed an employee of the Department
23 of Defense, subject to section 7353 of title 5, United
24 States Code; sections 201, 203, 205, 207, 208, 209,
25 219, 602, 603, 606, 607, 610, 643, 654, 1905, 1913

1 and other provisions of title 18, United States Code,
2 not specifically exempted herein; sections 1343,
3 1344, and 1349(b) of title 31, United States Code;
4 the Federal Tort Claims Act (28 U.S.C. 2671 et
5 seq.); any other Federal tort liability statute; section
6 27 of the Office of Federal Procurement Policy Act,
7 as amended (41 U.S.C. 423) and regulations imple-
8 menting that Act; the Ethics in Government Act of
9 1978 (5 U.S.C. App.) and regulations implementing
10 that Act; and any other provisions of Federal law
11 not specifically exempted herein. Notwithstanding
12 section 209 of title 18, United States Code, the pri-
13 vate sector employer may pay, contribute to, or sup-
14 plement the salary or other benefits of such private
15 sector employee (who may accept such pay, contribu-
16 tions, and benefits), subject to the terms of the writ-
17 ten private sector employee assignment agreement
18 required in paragraph (c)(2) above;

19 “(C) is also deemed an employee of his or her
20 private sector employer for purposes of section 208
21 of title 18, United States Code;

22 “(D) is subject to such regulations that the
23 Secretary may prescribe, which shall incorporate by
24 reference executive branch standards of ethical con-
25 duct and any authorized agency supplemental stand-

1 ards of conduct and which shall include as a min-
2 imum—

3 “(i) limitations on the number of partici-
4 pants (no more than 400);

5 “(ii) length of temporary assignments (up
6 to two years);

7 “(iii) protection of government informa-
8 tion;

9 “(iv) procedures for avoidance of conflicts
10 of interest, including selection of program prior-
11 ities and funding decisions that may involve the
12 assignee’s employer or its competitors, and
13 avoidance of the appearance of conflicts of in-
14 terest; and

15 “(v) exclusions from the performance of in-
16 herently governmental functions, such as policy-
17 making and supervision of government employ-
18 ees; and

19 “(vi) methodology and criteria for evalua-
20 tion of the pilot; and

21 “(E) is not deemed to be an employee for pur-
22 poses of federal employee pay and benefits under
23 title 5, United States Code, except as provided for
24 under this subsection.

25 “(d) WORKERS COMPENSATION COVERAGE.—

1 “(1) A private sector employee assigned to the
2 Department of Defense pursuant to this section
3 shall not be deemed an employee of the United
4 States for the purposes of Chapter 81 of title 5,
5 United States Code, (relating to compensation for
6 injury).

7 “(2) Notwithstanding any other law, the United
8 States, any instrumentality of the United States; or
9 an employee, agent, or assign of the United States
10 shall not be liable to:

11 “(A) a private sector employee assigned to
12 the Department of Defense pursuant to this
13 section;

14 “(B) such employee’s legal representative,
15 spouse, dependents, survivors and next of kin;
16 and

17 “(C) any other person, including any third
18 party as to whom such employee, or his or her
19 legal representative, spouse, dependents, sur-
20 vivors, or next of kin, has a cause of action
21 arising out of an injury or death sustained in
22 the performance of duty pursuant to an assign-
23 ment under this section, otherwise entitled to
24 recover damages from the United States, any
25 instrumentality of the United States, or any

1 employee, agent, or assign of the United
2 States—

3 with respect to any injury or death suffered by a pri-
4 vate sector employee sustained in the performance of
5 duty pursuant to an assignment under this section.

6 “(e) DEFINITIONS.—In this section:

7 “(1) The term ‘private sector employer’ means
8 a corporation, partnership, sole proprietorship, or
9 other entity operated on a for-profit basis. It may,
10 at the option of the Secretary, also include ‘other or-
11 ganizations’ as defined in section 3371 of title 5.

12 “(2) The term ‘acquisition position’ has the
13 same meaning as in section 1721(b) of this title.

14 “(3) The term ‘assignment’ means an assign-
15 ment under an arrangement made pursuant to the
16 section under which a private sector employee is as-
17 signed to the Department of Defense by being ap-
18 pointed without regard to the provisions of title 5,
19 United States Code, governing appointments in the
20 competitive service or being deemed to be detailed to
21 the Department of Defense.

22 “(4) The term ‘government employee’ means an
23 ‘employee’ as defined in section 2105 of title 5.

24 “(f) EXPIRATION.—The Secretary may not assign
25 non-governmental personnel who are employed in the pri-

1 vate sector to the Department of Defense under the provi-
 2 sions of this section after the last day of the fifth year
 3 beginning with the effective date of this Act.”.

4 (b) REPORTING REQUIREMENT.—During the fourth
 5 year after the enactment of this Act, the Secretary of De-
 6 fense, with input from the Inspector General of the De-
 7 partment of Defense, and in consultation with the Direc-
 8 tor of the Office of Personnel Management, shall evaluate
 9 the program authorized under this section and prepare a
 10 report for the President that includes an analysis of the
 11 use of the authorities of this section, including conflict of
 12 interest standards, and the costs and benefits of assign-
 13 ments made pursuant to this section.

14 (c) CLERICAL AMENDMENT.—The table of sections
 15 at the beginning of such chapter 81 is amended by insert-
 16 ing after the item relating to section 2331 the following
 17 new item:

“1599d. Government industry assignment program.”.

18 **Subtitle C—Acquisition-Related** 19 **Reports and Other Matters**

20 **SEC. 821. ELIMINATION OF THE REQUIREMENT TO FUR-** 21 **NISH WRITTEN ASSURANCES OF TECHNICAL** 22 **DATA CONFORMITY.**

23 Section 2320(b) of title 10, United States Code, is
 24 amended—

25 (1) by striking paragraph (7); and

1 (2) by redesignating paragraphs (8) and (9) as
2 paragraphs (7) and (8), respectively.

3 **SEC. 822. CONVERSIONS OF COMMERCIAL ACTIVITIES.**

4 (a) CHANGES TO ELEMENTS OF ANALYSIS.—Para-
5 graph (3)(A) of section 2461(b) of title 10, United States
6 Code, is amended—

7 (1) by striking “of the cost”;

8 (2) by striking “savings” and inserting “the
9 best value”;

10 (3) by redesignating subsection (iii) as sub-
11 section (iv); and

12 (4) by inserting after clause (ii) the following
13 new clause (iii):

14 “(iii) Benefits in addition to price that warrant
15 performance of the function by a source at a cost
16 higher than that of performance by Department of
17 Defense civilian employees.”.

18 (b) CONTRACTING IF BEST VALUE.—Section
19 2462(a) of such title is amended by striking “such a
20 source can provide such supply or service to the Depart-
21 ment at a cost that is lower (after including any cost dif-
22 ferential required by law, Executive order, or regulation)
23 than the cost at which the Department can provide the
24 same supply or service” and inserting “performance by
25 that source represents the best value to the Government,

1 determined in accordance with the competition require-
 2 ments of OMB Circular A-76.”.

3 **SEC. 823. MAKE PERMANENT THE AUTHORITY TO ENTER**
 4 **INTO CERTAIN PERSONAL SERVICES CON-**
 5 **TRACTS.**

6 Section 1091(a)(2) of title 10, United States Code,
 7 is amended by striking “The Secretary may not enter into
 8 a contract under this paragraph after December 31,
 9 2003.”.

10 **TITLE IX—DEPARTMENT OF DE-**
 11 **FENSE ORGANIZATION AND**
 12 **MANAGEMENT**

13 **Subtitle A—Duties and Functions**
 14 **of Department of Defense Officers**

15 **SEC. 901. ALTERNATIVE AUTHORITY FOR ACQUISITION**
 16 **AND IMPROVEMENT OF MILITARY HOUSING.**

17 (a) UNIT SIZE AND TYPE.—Section 2880(b)(2) of
 18 title 10, United States Code, is amended by striking “un-
 19 less the unit is located on a military installation”; and

20 (b) DEPARTMENT OF DEFENSE HOUSING FUND.—

21 (1) Section 2883 of title 10, United States Code is amend-
 22 ed—

23 (A) by striking subsections (a), (b), and (c);

24 (B) by inserting the following new subsections

25 (a) and (b):

1 “(a) ESTABLISHMENT.—There is hereby established
2 on the books of the Treasury the Department of Defense
3 Housing Improvement Fund.

4 “(b) CREDITS TO FUNDS.—There shall be credited
5 to the Department of Defense Housing Improvement
6 Fund the following:

7 “(1) Amounts authorized for and appropriated
8 to that Fund.

9 “(2) Subject to subsection (e), any amounts
10 that the Secretary of Defense transfers, in such
11 amounts as provided in appropriation Acts to that
12 Fund from amounts authorized and appropriated to
13 the Department of Defense for the acquisition or
14 construction of military family housing or military
15 unaccompanied housing.

16 “(3) Proceeds from the conveyance or lease of
17 property or facilities under section 2878 of this title
18 for the purpose of carrying out activities under this
19 subchapter with respect to military family housing
20 or military unaccompanied housing.

21 “(4) Income derived from any activities under
22 this subchapter with respect to military family hous-
23 ing or military unaccompanied housing, including in-
24 come and gains realized from investments under sec-

1 tion 2875 of this title and any return of capital in-
 2 vested as part of such investments.

3 “(5) Any amounts that the Secretary of the
 4 Navy transfers to that Fund pursuant to section
 5 2814(i)(3) of this title, subject to the restrictions on
 6 the use of the transferred amounts specified in that
 7 section.”;

8 (C) by redesignating subsections (d), (e), (f),
 9 and (g) as (c), (d), (e), and (f) respectively;

10 (D) in the newly redesignated subsection (c)—

11 (i) by striking “Family in paragraph (1);

12 (ii) by striking paragraph (2); and

13 (iii) by redesignating paragraph (3) as (2);

14 (E) in the newly redesignated subsection (e) by
 15 striking “a Fund under paragraph (1)(B) or (2)(B)
 16 of subsection (c)” and inserting “the Fund under
 17 paragraph (2) of subsection (b)”;

18 (F) in subsection (f) as relettered by subpara-
 19 graph (C) of this paragraph—

20 (i) by striking “\$850,000,000” in para-
 21 graph (1) and inserting “\$1,700,000,000”; and

22 (ii) by striking “\$150,000,000” in para-
 23 graph (2) and inserting “\$300,000,000”;

24 (2) Section 2871(6) of title 10, United States Code,
 25 is amended by striking “Family Housing Improvement

1 Fund or the Department of Defense Military Unaccom-
 2 panied Housing Improvement Fund” and inserting
 3 “Housing Improvement Fund”; and

4 (3) Section 2875(e) of title 10, United States Code,
 5 is amended by striking “Family Housing Improvement
 6 Fund or the Department of Defense Military Unaccom-
 7 panied Housing Improvement Fund” and inserting
 8 “Housing Improvement Fund”.

9 **Subtitle B—Space Activities**

10 **SEC. 911. AUTHORIZE PROVISION OF SPACE SURVEIL-** 11 **LANCE NETWORK SERVICES TO NON-UNITED** 12 **STATES GOVERNMENTAL ENTITIES.**

13 (a) IN GENERAL.—Chapter 136 of title 10, United
 14 States Code, is amended by adding at the end the fol-
 15 lowing new section:

16 **“§ 2283. Space surveillance network**

17 “(a) SATELLITE TRACKING SERVICES.—To support
 18 the establishment of an experimental pilot program, The
 19 Secretary of Defense is authorized to establish procedures
 20 under which non-United States Federal governmental en-
 21 tities, including but not limited to U.S. and non-U.S. com-
 22 mercial entities, state and local government entities and
 23 foreign governments, may purchase, directly or through
 24 a contractor, satellite tracking services from assets owned
 25 or controlled by the Department of Defense. The Sec-

1 retary may include in such transactions the provision and
2 analysis of satellite data if he determines it is in the na-
3 tional security interests of the United States. Any pro-
4 posed sale to a foreign government or foreign commercial
5 entity shall be subject to the concurrence of the Secretary
6 of State to ensure its consistency with United States for-
7 eign policy interests. The pilot program shall be conducted
8 during a three-year period beginning not later than 180
9 days after the date of the enactment of this Act.

10 “(b) REIMBURSEMENT OF COSTS.—In the case of
11 any purchase made by a non-United States Federal gov-
12 ernmental entity under the procedures established under
13 subsection (a), the Secretary of Defense may require the
14 non-United States Federal governmental entity to reim-
15 burse the Department of Defense for the costs to the De-
16 partment of such purchase.

17 “(c) DEPOSIT OF FUNDS RECEIVED.—Funds re-
18 ceived pursuant to the sales authorized in subsection (a)
19 shall be credited to accounts of the Department of Defense
20 that are current when the proceeds are received and that
21 are available for the same purposes as the accounts origi-
22 nally charged to perform the services. Funds so credited
23 are to merge with and become available for obligation for
24 the same period as the accounts to which they are cred-
25 ited.

1 “(d) NON-TRANSFERABILITY AGREEMENT.—The
 2 Department will require all non-United States Federal
 3 governmental entities to execute a binding commitment
 4 not to transfer any data or technical information, includ-
 5 ing the analysis of the tracking data, to any other entity
 6 without the Department’s expressed approval. In the case
 7 of foreign governments and foreign commercial entities,
 8 the Department’s approval will be subject to the concur-
 9 rence of the Department of State.

10 “(e) PROHIBITION CONCERNING INTELLIGENCE AS-
 11 SETS OR DATA.—Nothing in this section shall be deemed
 12 to authorize the provision of services or information con-
 13 cerning, or derived from, United States intelligence assets
 14 or data.”.

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

“2283. Space surveillance network.”.

18 **Subtitle C—Reports**

19 **SEC. 921. REPEAL OF VARIOUS REPORTS REQUIRED OF** 20 **THE DEPARTMENT OF DEFENSE.**

21 (a) PROVISIONS OF TITLE 10.—Title 10, United
 22 States Code, is amended—

23 (1) in section 113—

24 (A) by striking subsection (j);

25 (B) by striking subsection (m); and

1 (C) by redesignating subsections (k) and
2 (l) as (j) and (k), respectively;
3 (2) in section 116—
4 (A) by repealing this entire section in
5 chapter 2; and
6 (B) by amending the table of sections at
7 the beginning of such chapter 2 by striking the
8 item relating to section 116;
9 (3) in section 117—
10 (A) by striking subsection (e); and
11 (B) by redesignating subsection (f) as sub-
12 section (e);
13 (4) in section 127, by striking subsection (d);
14 (5) in section 127a—
15 (A) by striking subparagraph (a)(3);
16 (B) by redesignating subparagraph (a)(4)
17 as subparagraph (a)(3);
18 (C) by striking subsection (d); and
19 (D) by redesignating subsections (e)
20 through (i) as subsections (d) through (h), re-
21 spectively;
22 (6) in section 129, by striking subsection (f);
23 (7) in section 153, by striking subsection (d);
24 (8) in section 184—

1 (A) by amending subsection (a) to read as
2 follows:

3 “(a) AUTHORITY TO ESTABLISH REGIONAL CENTER
4 FOR SECURITY STUDIES.—The Secretary of Defense may
5 establish such regional centers for security studies as he
6 deems necessary and appropriate.”;

7 (B) by striking subsection (b); and

8 (C) by redesignating subsection (c) as sub-
9 section (b);

10 (9) for section 228—

11 (A) by repealing this entire section in
12 chapter 9; and

13 (B) by amending the table of sections at
14 the beginning of such chapter by striking the
15 item relating to section 228;

16 (10) in section 401—

17 (A) by striking subsection (d); and

18 (B) by redesignating subsection (e) as sub-
19 section (d);

20 (11) in section 437—

21 (A) by striking subsections (b) and (c);

22 (B) by redesignating subsection (d) as sub-
23 section (b);

24 (12) in section 482—

1 (A) by repealing this entire section in
2 chapter 23; and

3 (B) by amending the table of sections for
4 such chapter by striking the item relating to
5 section 482;

6 (13) in section 483—

7 (A) by repealing this entire section in
8 chapter 23; and

9 (B) by amending the table of sections for
10 such chapter by striking the item relating to
11 section 483;

12 (14) in section 484—

13 (A) by repealing this entire section in
14 chapter 23; and

15 (B) by amending the table of sections for
16 such chapter by striking the item relating to
17 section 484;

18 (15) in section 487—

19 (A) by repealing this entire section in
20 chapter 23; and

21 (B) by amending the table of sections for
22 such chapter by striking the item relating to
23 section 487;

24 (16) in section 520c—

1 (A) by striking subsections (b) and (c);
 2 and

3 (B) by striking the designator and the
 4 catch line in the preceding matter;

5 (C) by amending the section title to read:
 6 “§ 520c. Provision of meals and refreshments
 7 for recruiting purposes”; and

8 (D) by amending the table of sections at
 9 the beginning of chapter 31 by replacing the
 10 item relating to section 520c with the following
 11 new item:

“520c. Provision of meals and refreshments for recruiting purposes.”;

12 (17) in section 664(i), (4)(F)(ii), by striking
 13 “and notifies Congress upon each approval, pro-
 14 viding the criteria that led to that approval”;

15 (18) in section 983(e)(1), by striking “and to
 16 Congress”;

17 (19) in section 986, by striking subsection (e);

18 (20) in section 1060—

19 (A) by striking subsection (d); and

20 (B) by redesignating subsections (e),
 21 through (g) as subsections (d) through (f) re-
 22 spectively;

23 (21) in section 1130—

24 (A) by striking subsection (b); and

1 (B) by redesignating subsections (c) and
2 (d) as subsections (b) and (c), respectively;
3 (22) in section 1557—

4 (A) by striking subsection (e); and
5 (B) by redesignating subsection (f) as sub-
6 section (e);

7 (23) in section 1563—

8 (A) by repealing this entire section in
9 chapter 80; and

10 (B) by amending the table of sections for
11 such chapter by striking the item relating to
12 section 1563;

13 (24) in section 1597, by striking subsections (c)
14 through (e);

15 (25) in section 2010—

16 (A) by striking subsection (b); and

17 (B) by redesignating subsections (c) and
18 (d) as subsections (b) and (c), respectively;

19 (26) in section 2011, by striking subsection (e).

20 (27) in section 2166, by striking subsection (h);

21 (28) in section 2208, in subsection (j)(2), by
22 striking “and notifies Congress regarding the rea-
23 sons for the waiver”;

24 (29) in section 2212—

1 (A) by striking subsections (d) and (e);
2 and
3 (B) by redesignating subsection (f) as sub-
4 section (d);
5 (30) in section 2214—
6 (A) by striking subsection (c); and
7 (B) by redesignating subsection (d) as sub-
8 section (e);
9 (31) in section 2216—
10 (A) by striking subsection (i); and
11 (B) by redesignating subsection (j) as sub-
12 section (i);
13 (32) in section 2222—
14 (A) by repealing this entire section in
15 chapter 131; and
16 (B) by amending the table of sections for
17 such chapter by striking the item relating to
18 section 2222;
19 (33) in section 2255(b)—
20 (A) by striking paragraph (2); and
21 (B) by striking the designator “(1)” after
22 the catch line;
23 (34) in section 2281—
24 (A) by striking subsection (d); and

1 (B) by redesignating subsection (e) as sub-
2 section (d);

3 (35) in section 2282—

4 (A) by repealing this entire section in
5 chapter 136; and

6 (B) by amending the table of sections for
7 such chapter by striking the item relating to
8 section 2282;

9 (36) in section 2306b—

10 (A) by striking subsection (i);

11 (B) in subsection (l)—

12 (i) by striking paragraphs (1) and (6);

13 (ii) by redesignating paragraphs (2)
14 through (10) of subsection (l) as para-
15 graphs (1) through (8), respectively; and

16 (C) by redesignating subsections (j)
17 through (l) as subsections (i) through (k), re-
18 spectively;

19 (37) in section 2327(c)(1)—

20 (A) in subparagraph (A), by striking
21 “after the date on which such head of an agen-
22 cy submits to Congress a report on the con-
23 tract” and inserting “if in the best interests of
24 the government”;

25 (B) by striking subparagraph (B); and

1 (C) by redesignating subparagraph (C) as
2 subparagraph (B);

3 (38) in section 2350a—

4 (A) by striking subsection (f); and

5 (B) in subsection (g), by striking para-
6 graph (3);

7 (39) in section 2350b—

8 (A) by striking subsection (d);

9 (B) by redesignating subsections (e), (f),
10 and (g) as subsections (d), (e), and (f), respec-
11 tively;

12 (40) in section 2350j—

13 (A) by striking subsection (e); and

14 (B) by redesignating subsections (f) and
15 (g) as subsections (e) and (f), respectively;

16 (41) in section 2367, by striking subsections (c)
17 and (d);

18 (42) in section 2374a—

19 (A) by striking subsection (e); and

20 (B) by redesignating subsection (f) as sub-
21 section (e);

22 (43) in section 2401—

23 (A) in subsection (a), by striking “only as
24 provided in subsection (b)” both times such
25 phrase appears in the subsection;

1 (B) by striking subsection (b); and

2 (C) by redesignating subsections (c)
3 through (f) as subsections (b) through (e), re-
4 spectively;

5 (44) in section 2410i, in subsection (c), by
6 striking the last sentence;

7 (45) in section 2410m, by striking subsection
8 (c);

9 (46) in section 2457—

10 (A) by striking subsection (d); and

11 (B) by redesignating subsections (e) and
12 (f) as subsections (d) and (e), respectively;

13 (47) in section 2461a—

14 (A) by striking subsection (d); and

15 (B) by redesignating subsection (e) as sub-
16 section (d);

17 (48) in section 2464, by striking paragraph (3)
18 in subsection (b);

19 (49) in section 2467, by striking subsection (c);

20 (50) in section 2472, by striking subsection (b);

21 (51) in section 2493, by striking subsection (g);

22 (52) for section 2504—

23 (A) by repealing the entire section in chap-
24 ter 148; and

1 (B) by amending the section of tables for
2 such chapter by striking all references to sec-
3 tion 2504;

4 (53) in section 2515, by striking subsection (d);
5 (54) in section 2521, by striking subsection (e);
6 (55) in section 2536—

7 (A) by striking paragraph (2) in subsection
8 (b), and by striking designator (1) after the
9 catch line; and

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

13 (C) by redesignating subparagraphs (i) and
14 (ii) as subparagraphs (A) and (B), respectively;
15 (56) in section 2537—

16 (A) by striking subsection (b); and

17 (B) by redesignating subsection (c) as sub-
18 section (b);

19 (57) in section 2541d—

20 (A) by striking subsection (b); and

21 (B) by striking the “(a)” and the catch
22 line in the remaining matter;

23 (58) in section 2561—

24 (A) by striking subsections (c), (d) and (f);
25 and

1 (B) by redesignating subsection (e) as sub-
2 section (c);

3 (59) in section 2563, by striking “and notifies
4 Congress regarding the reasons for the waiver” in
5 subsection (c)(2);

6 (60) in section 2631, by striking the last sen-
7 tence in subsection (b)(3);

8 (61) in section 2645—

9 (A) by striking subsection (d);

10 (B) by striking subsection (g); and

11 (C) by redesignating subsections (e), (f),
12 and (h) as subsections (d), (e), and (f), respec-
13 tively;

14 (62) in section 2662—

15 (A) by striking subsection (e);

16 (B) by redesignating subsections (f) and
17 (g) as subsections (e) and (f), respectively; and

18 (C) in subsection (f), as redesignated by
19 subparagraph (B), by striking “, and the re-
20 porting requirement set forth in subsection (e)
21 must not apply with respect to a real property
22 transaction otherwise covered by that sub-
23 section,”;

24 (63) in section 2667a (c)—

25 (A) by striking paragraph (2);

1 (B) by striking designator (1) after the
2 catch line;

3 (64) in section 2676, in subsection (d), by strik-
4 ing all after “is approved by the Secretary con-
5 cerned” and inserting a period;

6 (65) in section 2680, by striking subsection (e);

7 (66) in section 2688—

8 (A) by striking subsection (e);

9 (B) by redesignating subsections (f)
10 through (i) as subsections (e) through (h), re-
11 spectively; and

12 (C) in subsection (f), as redesignated by
13 subparagraph (B), by striking the last sentence;

14 (67) in section 2696—

15 (A) by striking subsections (c) and (d);

16 and

17 (B) by redesignating subsection (e) as sub-
18 section (c);

19 (68) in section 2703(b)(2)—

20 (A) by striking subparagraph (B);

21 (B) by striking the designator “(A)” which
22 precedes “determines that permanent reloca-
23 tion—”;

1 (C) by striking the dash that follows “such
2 paragraph unless the Secretary” in paragraph
3 (2);

4 (D) by realigning the previously designated
5 subparagraph (A) to follow at the end of para-
6 graph (2); and

7 (E) by redesignating clauses (i) through
8 (iii) as subparagraphs (A) through (C), respec-
9 tively;
10 (69) in section 2805—

11 (A) in subsection (b), by striking para-
12 graph (2); and

13 (B) by striking the designator “(1)” that
14 precedes the remaining matter;
15 (70) in section 2807—

16 (A) by striking subsections (b) and (c);
17 and

18 (B) by redesignating subsection (d) as sub-
19 section (b);

20 (71) in section 2809, by striking subsection (f);
21 (72) in section 2811—

22 (A) by striking subsection (d); and

23 (B) by redesignating subsection (e) as sub-
24 section (d);

25 (73) in section 2812—

1 (A) in subsection (c), by striking para-
2 graph (1);

3 (B) by striking the designator “(2)” that
4 precedes the remaining matter;
5 (74) in section 2813, by striking subsection (c);
6 (75) in section 2815—

7 (A) by repealing this entire section in
8 chapter 169; and

9 (B) by amending the table of section at the
10 beginning of such chapter by striking the item
11 relating to section 2815;
12 (76) in section 2825—

13 (A) in subparagraph (b)(1)(B)—

14 (i) by striking clause (ii);

15 (ii) by striking “, and” at the end of
16 clause (i); and

17 (iii) by striking the designator “(i)” in
18 the remaining text following “in the pre-
19 ceding sentence if”;

20 (B) in subsection (c)(1)—

21 (i) by striking subparagraphs (C) and
22 (D);

23 (ii) by inserting “and” at the end of
24 subparagraph (A); and

1 (iii) by striking the semicolon at the
2 end of subparagraph (B) and inserting a
3 period;

4 (77) in section 2826—

5 (A) by striking subsection (b); and

6 (B) by redesignating subsections (c)
7 through (i) as subsections (b) through (h), re-
8 spectively;

9 (78) in section 2827—

10 (A) by striking subsection (b); and

11 (B) by striking “(a) Subject to subsection
12 (b), the Secretary” and inserting “The Sec-
13 retary”;

14 (79) in section 2828—

15 (A) by striking subsection (f); and

16 (B) by redesignating subsection (g) as sub-
17 section (f);

18 (80) in section 2835—

19 (A) by striking subsections (b) and (g);

20 (B) by redesignating subsections (c)
21 through (h) as subsections (b) through (f), re-
22 spectively; and

23 (C) in subsection (a), by striking “Subject
24 to subsection (b), the Secretary” and inserting
25 “The Secretary”;

1 (81) in section 2836—

2 (A) in subsection (a), by striking “Subject
3 to subsection (b), the Secretary” and inserting
4 “The Secretary”;

5 (B) by striking subsection (b);

6 (C) by striking subsection (f); and

7 (D) by redesignating subsections (c)
8 through (g) as subsections (b) through (e), re-
9 spectively;

10 (82) in section 2837—

11 (A) in subsection (c)—

12 (i) by striking paragraph (2); and

13 (ii) by striking the designator “(1)”
14 after the catch line and preceding the re-
15 maining matter;

16 (B) by striking subsection (f); and

17 (C) by redesignating subsections (g) and
18 (h) as subsections (f) and (g), respectively;

19 (83) in section 2853—

20 (A) in subsection (c), by striking para-
21 graphs (2) and (3);

22 (B) in the remaining matter, by striking
23 the designator “(1)” and the dash and realign-
24 ing the paragraph to read as a subsection; and

1 (C) by striking the semicolon at the end of
2 the remaining matter and inserting a period;
3 (84) in section 2854—

4 (A) by striking subsection (b); and

5 (B) by striking “(a) Subject to subsection
6 (b), the” in the preceding matter and inserting
7 “The”;

8 (85) in section 2854a—

9 (A) by striking subsection (c); and

10 (B) by redesignating subsections (d)
11 through (g) as subsections (c) through (f), re-
12 spectively;

13 (86) in section 2865—

14 (A) in subsection (e), by striking para-
15 graph (2); and

16 (B) by striking subsection (f); and

17 (C) by striking designator (1) after the
18 catch line;

19 (87) in section 2866—

20 (A) in subsection (e), by striking para-
21 graph (2); and

22 (B) by striking designator (1) after the
23 catch line;

24 (88) in section 2867, by striking subsection (c);

25 (89) in section 2875, by striking subsection (e);

1 (90) in section 2884—

2 (A) by striking subsection (b);

3 (B) by striking the designator “(1)” that
4 follows the catch line in the remaining matter;

5 (C) by striking the designator before sub-
6 paragraph (2) and inserting “(b) CONTENT OF
7 REPORTS.—” to redesignate that subparagraph
8 as a subsection;

9 (D) by amending the section title to read:
10 “§ 2884. Project reports”; and

11 (E) by amending the table of sections at
12 the beginning of such chapter 169 by replacing
13 the item relating to section 2884 with the fol-
14 lowing new item:

“2884. Project reports.”;

15 (91) in section 2902—

16 (A) in subsection (g), by striking para-
17 graph (2); and

18 (B) by striking designator (1) after the
19 catch line;

20 (92) in section 5143, by striking subsection (e);

21 (93) in section 6954—

22 (A) by striking subsection (f); and

23 (B) by redesignating subsection (g) as sub-
24 section (f);

25 (94) in section 7049—

1 (A) by striking subsection (c); and
2 (B) by redesignating subsections (d)
3 through (g) as subsections (c) through (f), re-
4 spectively;
5 (95) in section 9356—

6 (A) by striking subsection (c);
7 (B) by redesignating subsections (d) and
8 (e) as subsections (c) and (d), respectively; and
9 (C) in subsection (a), by striking “Subject
10 to subsection (c), the Secretary” and inserting
11 “The Secretary”;
12 (96) in section 9514—

13 (A) by striking subsection (c);
14 (B) by striking subsection (f); and
15 (C) by redesignating subsection (g) as sub-
16 section (f);
17 (97) in section 12302—

18 (A) in subsection (b), by striking the last
19 sentence; and

20 (B) by striking subsection (d); and
21 (98) in section 16137—

22 (A) by repealing this entire section in
23 chapter 1606; and

1 (B) by amending the table of sections at
2 the beginning of such chapter by striking the
3 item relating to section 16137.

4 (b) FOREIGN ASSISTANCE ACT OF 1961.—Section
5 656 of the Foreign Assistance Act of 1961 (Public Law
6 87–195) is repealed.

7 (c) DEFENSE ACQUISITION IMPROVEMENT ACT OF
8 1986.—Section 908 of the Defense Acquisition Improve-
9 ment Act of 1986 (as contained in section 101(c) of Public
10 Law 99–500 and identically enacted in section 101(c)
11 [title X] of Public Law 99–591 and title IX of division
12 A of Public Law 99–661) (10 U.S.C. 2326 note) is amend-
13 ed by striking subsection (b).

14 (d) NATIONAL DEFENSE AUTHORIZATION ACT FOR
15 FISCAL YEARS 1988 AND 1989.—Section 1121 of the Na-
16 tional Defense Authorization Act for Fiscal Years 1988
17 and 1989 (Public Law 100–180; 101 Stat. 1147) (10
18 U.S.C. 113 note) is amended—

19 (1) by striking subsection (f); and

20 (2) by redesignating subsections (g) and (h) as
21 subsections (f) and (g), respectively.

22 (e) DEFENSE AUTHORIZATION AMENDMENTS AND
23 BASE CLOSURE AND REALIGNMENT ACT OF 1990.—Sec-
24 tion 206 of the Defense Authorization Amendments and

1 Base Closure and Realignment Act of 1990 (Public Law
2 100–526; 102 Stat. 2631) (10 U.S.C. 2687) is repealed.

3 (f) NATIONAL DEFENSE AUTHORIZATION ACT FOR
4 FISCAL YEAR 1991.—The National Defense Authoriza-
5 tion Act for Fiscal Year 1991 (Public Law 101–510; 104
6 Stat. 1607, 1819, and 1822, respectively) is amended—

7 (1) in section 831, by striking subsection (l);

8 (2) in section 2921, by striking subsections (e),

9 (f), (g)(1), and (g)(2); and

10 (3) in section 2926, by striking subsection (g).

11 (g) DEFENSE ECONOMIC ADJUSTMENT, DIVER-
12 SIFICATION, CONVERSION, AND STABILIZATION ACT OF
13 1990.—Section 4004 of the Defense Economic Adjust-
14 ment, Diversification, Conversion, and Stabilization Act of
15 1990 (Public Law 101–510; 104 Stat. 1849) is amended
16 by striking paragraph (c)(3).

17 (h) NATIONAL DEFENSE AUTHORIZATION ACT FOR
18 FISCAL YEARS 1992 AND 1993.—The National Defense
19 Authorization Act for Fiscal Years 1992 and 1993 (Public
20 Law 102–190; 105 Stat. 1411 and 1562, respectively) is
21 amended—

22 (1) in section 734—

23 (A) by striking subsection (c); and

1 (B) by redesignating subsections (d)
2 through (f) as subsections (c) through (e), re-
3 spectively; and

4 (2) by repealing section 2868.

5 (i) NATIONAL DEFENSE AUTHORIZATION ACT FOR
6 FISCAL YEAR 1993.—The National Defense Authoriza-
7 tion Act for Fiscal Year 1993 (Public Law 102–484; 106
8 Stat. 2367, 2439, 2516, and 2609 respectively) is amend-
9 ed—

10 (1) in section 324, by striking subsection (b),
11 and by striking the designator “(a)” prior to “Sense
12 of Congress” in the remaining matter;

13 (2) in section 722, by striking subsection (d);

14 (3) in section 1082(b)—

15 (A) by striking subparagraph (1)(B);

16 (B) by striking the dash in subsection (b)
17 of section 1082; and

18 (C) by striking the designator “(A)” pre-
19 ceding the remaining matter, and realigning it
20 to read as a paragraph; and

21 (4) in section 2827—

22 (A) by striking subsection (b); and

23 (B) by redesignating subsection (c) as sub-
24 section (b).

1 (j) NATIONAL DEFENSE AUTHORIZATION ACT FOR
2 FISCAL YEAR 1994.—The National Defense Authoriza-
3 tion Act for Fiscal Year 1994 (Public Law 103–160; 107
4 Stat. 1659 and 1931 respectively) is amended—

5 (1) by repealing section 542; and

6 (2) in section 2924, by striking subsection (b).

7 (k) NATIONAL DEFENSE AUTHORIZATION ACT FOR
8 FISCAL YEAR 1995.—The National Defense Authoriza-
9 tion Act for Fiscal Year 1995 (Public Law 103–337; 108
10 Stat. 2804 and 2890, respectively) is amended—

11 (1) in section 721—

12 (A) by striking subsection (h); and

13 (B) by redesignating subsection (i) as sub-
14 section (h); and

15 (2) in section 1305, by striking subsection (h).

16 (l) NATIONAL DEFENSE AUTHORIZATION ACT FOR
17 FISCAL YEAR 1996.—Section 2840 of the National De-
18 fense Authorization Act for Fiscal Year 1996 (Public Law
19 104–106; 110 Stat. 564) is amended—

20 (1) in subsection (a)—

21 (A) by striking paragraph (4); and

22 (B) by redesignating paragraph (5) as
23 paragraph (4); and

24 (2) in subsection (b)—

25 (A) by striking paragraph (4); and

1 (B) by redesignating paragraph (5) as
2 paragraph (4).

3 (m) NATIONAL DEFENSE AUTHORIZATION ACT FOR
4 FISCAL YEAR 1997.—The National Defense Authoriza-
5 tion Act for Fiscal Year 1997 (Public Law 104–201; 110
6 Stat. 2480 and 2653, respectively) is amended—

7 (1) in section 324, by striking subsection (c);
8 and

9 (2) in section 1065, by striking subsection (b).

10 (n) OMNIBUS CONSOLIDATED APPROPRIATIONS ACT,
11 1997.—Section 8009 of the Omnibus Consolidated Appro-
12 priations Act, 1997 (Public Law 104–208; 110 Stat.
13 3009–89) is amended—

14 (1) by striking “unless the congressional de-
15 fense committees have been notified at least thirty
16 days in advance of the proposed contract award”;

17 (2) by striking the comma after “year”; and

18 (3) by striking the colon before “*Provided*”.

19 (o) NATIONAL DEFENSE AUTHORIZATION ACT FOR
20 FISCAL YEAR 1998.—Section 349 of the National Defense
21 Authorization Act for Fiscal Year 1998 (Public Law 105–
22 85; 111 Stat. 1690) is amended by striking subsection (e).

23 (p) STROM THURMOND NATIONAL DEFENSE AU-
24 THORIZATION ACT FOR FISCAL YEAR 1999.—The Strom
25 Thurmond National Defense Authorization Act for Fiscal

1 Year 1999 (Public Law 105–261; 112 Stat. 2075 and
2 2155, respectively) is amended—

3 (1) in section 745(e)—

4 (A) by striking paragraph (2); and

5 (B) by striking the designator “(1)” fol-
6 lowing the catch line in the preceding matter;
7 and

8 (2) by repealing section 1223.

9 (q) DEPARTMENT OF DEFENSE APPROPRIATIONS
10 ACT, 1999.—Section 8005 of the Department of Defense
11 Appropriations Act, 1999 (Public Law 105–262; 112 Stat.
12 2297) is amended by striking “*Provided further*, That the
13 Secretary of Defense shall notify the Congress promptly
14 of all transfers made pursuant to this authority or any
15 other authority in this Act:”.

16 (r) NATIONAL DEFENSE AUTHORIZATION ACT FOR
17 FISCAL YEAR 2000.—The National Defense Authoriza-
18 tion Act for Fiscal Year 2000 (Public Law 106–65; 113
19 Stat. 542, 697, 706, 748, 756, 779, and 798, respectively)
20 is amended—

21 (1) in section 212, by striking subsection (c);

22 (2) in section 724, by striking subsection (e);

23 (3) by repealing section 811;

24 (4) by repealing section 1025;

25 (5) in section 1039, by striking subsection (b);

1 (6) in section 1201—

2 (A) by striking subsections (d) and (e);

3 and

4 (B) by redesignating subsection (f) as sub-
5 section (d); and

6 (7) in section 1402, by striking subsection
7 (b)(2).

8 (s) MILITARY CONSTRUCTION APPROPRIATIONS ACT,
9 2001.—The Military Construction Appropriations Act,
10 2001 (Public Law 106–246; 114 Stat. 517 and 518, re-
11 spectively) is amended—

12 (1) by repealing section 125; and

13 (2) in section 127, by striking all that follows
14 after “including flag and general officer quarters”
15 and inserting a period.

16 (t) DEPARTMENT OF DEFENSE APPROPRIATIONS
17 ACT, 2001.—Section 8019 of the Department of Defense
18 Appropriations Act, 2001 (Public Law 106–259; 114 Stat.
19 678;) is amended by striking the last sentence.

20 (u) FLOYD D. SPENCE NATIONAL DEFENSE AU-
21 THORIZATION ACT FOR FISCAL YEAR 2001.—The Floyd
22 D. Spence National Defense Authorization Act for Fiscal
23 Year 2001 (Public Law 106–398 Appendix; 114 Stat.
24 1654A–28 and 1654A–247, respectively) is amended—

25 (1) by repealing section 131;

1 (2) in section 1006, by striking subsection (c);

2 and

3 (3) by repealing section 1233.

4 (v) NATIONAL DEFENSE AUTHORIZATION ACT FOR
5 FISCAL YEAR 2002.—The National Defense Authoriza-
6 tion Act for Fiscal Year 2002 (Public Law 107–107; 115
7 Stat. 1180 and 1204, respectively) is amended in section
8 804(a), by striking “of each of years 2003 through 2006”
9 and inserting “2003,”.

10 (w) DEPARTMENT OF DEFENSE AND EMERGENCY
11 SUPPLEMENTAL APPROPRIATIONS FOR RECOVERY FROM
12 AND RESPONSE TO TERRORIST ATTACKS ON THE UNITED
13 STATES ACT, 2002.—Section 8009 of the Department of
14 Defense and Emergency Supplemental Appropriations for
15 Recovery From and Response To Terrorist Attacks on the
16 United States Act, 2002 (Public Law 107–117; 115 Stat.
17 2249; 10 U.S.C. 401 note) is amended by striking “, and
18 these obligations shall be reported to the Congress as of
19 September 30 of each year”.

20 (x) SENATE EXECUTIVE RESOLUTION 75 (105TH
21 CONGRESS, 1ST SESSION, AGREED TO BY THE SENATE
22 ON APRIL 24, 1997).—Section 2, Condition 11, paragraph
23 (F), of Senate Executive Resolution 75, a provision of the
24 Senate’s advice and consent to the ratification of the

1 Chemical Weapons Convention (Treaty Doc. 103–21), is
2 repealed.

3 **Subtitle D—Other Matters**

4 **SEC. 931. COMBATANT COMMANDS INITIATIVES FUND.**

5 (a) SUBSTITUTION OF THE TERM “CINC”.—Section
6 166a of title 10, United States Code, is amended by strik-
7 ing “CINC” wherever it appears and inserting “Combat-
8 ant Commander”.

9 (b) FUNDS AUTHORIZED.—Subsection (e)(1) of such
10 title is amended—

11 (1) in subparagraph (A), by striking
12 “\$7,000,000” and inserting “\$15,000,000”;

13 (2) in subparagraph (B), by striking
14 “\$1,000,000” and inserting “\$10,000,000”; and

15 (3) in subparagraph (C), by striking
16 “\$2,000,000” and inserting “\$10,000,000”.

17 **SEC. 932. CONSOLIDATING THE FINANCIAL MANAGEMENT** 18 **OF FACILITIES IN THE NATIONAL CAPITAL** 19 **REGION AND DESIGNATED ALTERNATE** 20 **SITES.**

21 Section 2674 of title 10, United States Code, is
22 amended—

23 (1) in subsection (b)(1), by striking “of the De-
24 partment of Defense, and located” and inserting “of

1 the Department of Defense that is either on the
2 Pentagon Reservation or”;

3 (2) in subsection (d), by inserting before the pe-
4 riod at the end the following: “or at facilities occu-
5 pied by the Department of Defense in the National
6 Capital Region”;

7 (3) in subsection (e)—

8 (A) in paragraph (1), by striking “pursu-
9 ant to subsection (d)” and inserting “or at fa-
10 cilities occupied by the Department of Defense
11 in the National Capital Region pursuant to sub-
12 section (d). Any residual balance in the Build-
13 ings Maintenance Fund shall be transferred to
14 the Pentagon Reservation Maintenance Revolv-
15 ing Fund”; and

16 (B) in paragraph (2), by inserting before
17 the period at the end the following: “and at fa-
18 cilities occupied by the Department of Defense
19 in the National Capital Region.”;

20 (4) in subsection (f)(1)—

21 (A) by inserting “—(A)” after the “The
22 Pentagon Reservation means”;

23 (B) by striking the period at the end and
24 inserting “; and”; and

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

3 “(B) notwithstanding section 2682 of this
4 title, such other areas of land, locations, or
5 physical facilities of the Department of Defense
6 as the Secretary of Defense may determine are
7 necessary to designate as part of the Pentagon
8 Reservation in order to meet continuity of oper-
9 ations or other related national security needs
10 of the Department.”.

11 **TITLE X—GENERAL PROVISIONS**

12 **Subtitle A—Financial Matters**

13 **SEC. 1001. PAYMENT OF FULL REPLACEMENT VALUE FOR** 14 **PERSONAL PROPERTY CLAIMS.**

15 Section 2636 of title 10, United States Code, is
16 amended by adding at the end the following new sub-
17 section:

18 “(c) The Secretary of Defense or the Secretary of a
19 military department may procure from commercial trans-
20 portation service providers full replacement value coverage
21 for household goods shipments provided at government ex-
22 pense without regard to the dollar limitations contained
23 in title 37, United States Code, Section 3721, relative to
24 claims for loss or damages. Under such contracts,
25 servicemembers will be reimbursed full replacement value,

1 if warranted, and such amounts may be deducted from
2 the amounts due the carriers if settlement is not reached
3 between the servicemember and the carrier.”.

4 **SEC. 1002. RESTORATION OF AUTHORITY TO ENTER INTO**
5 **12-MONTH LEASES AT ANY TIME DURING THE**
6 **FISCAL YEAR.**

7 Section 2410a(a) of title 10, United States Code, is
8 amended by inserting after “severable services” the fol-
9 lowing: “and the lease of real or personal property, includ-
10 ing the maintenance of such property when contracted for
11 as part of the lease agreement,”.

12 **SEC. 1003. AUTHORITY TO PROVIDE REIMBURSEMENT FOR**
13 **CELLULAR TELEPHONE USE.**

14 (a) GENERAL AUTHORITY.—The Secretary of De-
15 fense is authorized to reimburse employees on a flat-rate
16 basis for cellular telephone used on privately-owned cel-
17 lular phones when on official government business.

18 (b) REIMBURSEMENT RATE.—The Secretary of De-
19 fense may prescribe the cellular phone flat reimbursement
20 rate. This reimbursement rate shall not exceed the equiva-
21 lent Government costs of providing a cellular telephone to
22 employees on official Government business.

1 **SEC. 1004. REIMBURSEMENT FOR RESERVE INTELLIGENCE**

2 **SUPPORT.**

3 (a) IN GENERAL.—Chapter 1003 of title 10, United
4 States Code, is amended by adding at the end the fol-
5 lowing new section:

6 **“§ 10115. Reimbursement for reserve intelligence sup-**
7 **port**

8 “The Secretary of Defense or the Secretary con-
9 cerned shall reimburse a Reserve or National Guard unit
10 or organization for the pay, allowances, or other expenses
11 incurred by the Reserve or National Guard unit or organi-
12 zation when a member of the Reserve or National Guard
13 unit or organization provides intelligence support, counter-
14 intelligence support, or intelligence and counterintelligence
15 support to Combatant Commands, Defense Agencies, and
16 Joint Intelligence Activities, including but not limited to
17 the activities and programs within the National Foreign
18 Intelligence Program, the Joint Military Intelligence Pro-
19 gram, and the Tactical Intelligence and Related Activities.
20 Reimbursement shall be paid out of funds available for
21 operations and maintenance of the military departments,
22 combatant commands, or Defense Agencies.”.

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

“10115. Reimbursement for reserve intelligence support.”.

1 **SEC. 1005. INCREASED USE OF ENERGY COST SAVINGS.**

2 Section 2865(b)(1) of title 10, United States Code,
3 is amended by striking “Two-thirds of the portion of the
4 funds appropriated to Department of Defense for a fiscal
5 year that is” and inserting “Funds appropriated to the
6 Department of Defense for a fiscal year that are”.

7 **SEC. 1006. ALLOW THE DEPARTMENT OF DEFENSE TO CAP-**
8 **TURE ALL EXPIRED FUNDS FROM THE MILI-**
9 **TARY PERSONNEL AND OPERATION AND**
10 **MAINTENANCE APPROPRIATIONS ACCOUNTS**
11 **FOR USE IN THE FOREIGN CURRENCY FLUC-**
12 **TUATIONS ACCOUNT.**

13 Section 2779 of title 10, United States Code, is
14 amended—

15 (1) in subsection (a)(2), by striking “second fis-
16 cal year” and inserting “fifth fiscal year”; and

17 (2) in subsection (d)(2), by striking “second fis-
18 cal year” and inserting “fifth fiscal year”.

19 **SEC. 1007. FUNDING FOR SPECIAL OPERATIONS RESERVE**
20 **COMPONENT PERSONNEL ENGAGED IN AC-**
21 **TIVITIES RELATING TO CLEARANCE OF**
22 **LANDMINES.**

23 Funds authorized in this Act for the Overseas Hu-
24 manitarian, Disaster and Civic Aid programs of the De-
25 partment of Defense shall be available, in a total amount
26 not to exceed \$5,000,000 in any fiscal year, for reimburse-

1 ment of pay and allowances of Special Operations Reserve
2 Component personnel performing duty in connection with
3 training and activities related to the clearing of landmines
4 for humanitarian purposes.

5 **Subtitle B—Naval Vessels and**
6 **Shipyards**

7 **SEC. 1011. REIMBURSEMENT TO THE NAVY FOR ASSIST-**
8 **ANCE PROVIDED IN SUPPORT OF CERTAIN**
9 **SHIP AND SHIPBOARD EQUIPMENT TRANS-**
10 **FERS.**

11 (a) IN GENERAL.—Chapter 633 of title 10, United
12 States Code, is amended by adding at the end the fol-
13 lowing new section:

14 **“§ 7316. Reimbursement for assistance provided in**
15 **support of certain ship and shipboard**
16 **equipment transfers**

17 “(a) AUTHORITY TO PERFORM WORK.—The Sec-
18 retary of the Navy may provide assistance in support of
19 any ship or shipboard equipment transfer under sections
20 2572, 7306, 7307, and 7545 of this title, or under any
21 other authority, in connection with inactive decommis-
22 sioned Navy-owned vessels maintained and located at
23 Navy facilities.

24 “(b) REIMBURSEMENT.—The Secretary may require
25 the entities receiving assistance under subsection (a) to

1 reimburse the Navy for amounts expended in providing
2 such assistance.

3 “(c) DEPOSIT OF FUNDS RECEIVED.—Funds re-
4 ceived under subsection (b) shall be credited to the appro-
5 priations supporting the maintenance and operation of the
6 Navy Inactive Ships Management Office for the fiscal year
7 in which the funds are received, to merge with and become
8 available for the same purposes and period as the accounts
9 to which they are credited.”.

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

“7316. Reimbursement for assistance provided in support of certain ship and
shipboard equipment transfers.”.

13 **SEC. 1012. VESSELS STRICKEN FROM NAVAL VESSEL REG-**
14 **ISTER: USE FOR EXPERIMENTAL PURPOSES.**

15 Section 7306a of title 10, United States Code, is
16 amended—

17 (1) in subsection (b)—

18 (A) in paragraph (1), by adding at the end
19 the following new sentence: “Material and
20 equipment stripped from the vessel may be sold
21 by a contractor or a designated sales agent on
22 behalf of the Navy.”; and

23 (B) in paragraph (2), by striking “scrap-
24 ping services” and all that follows through the

1 end of the paragraph and inserting “services
2 needed for such stripping and for environmental
3 remediation required for the use of a vessel for
4 experimental purposes. Amounts received which
5 are in excess of amounts needed for reimburse-
6 ment of those costs shall be deposited into the
7 account from which the stripping and environ-
8 mental remediation expenses were incurred and
9 shall be available for stripping and environ-
10 mental remediation of other vessels used for ex-
11 perimental purposes.”; and

12 (2) by adding at the end the following new sub-
13 section:

14 “(c) EXPERIMENTAL PURPOSES DEFINED.—For
15 purposes of this section, the term ‘experimental purposes’
16 includes vessels used in Navy sink exercises and for target
17 use.”.

18 **SEC. 1013. AUTHORIZE TRANSFER OF VESSELS STRICKEN**
19 **FROM THE NAVAL VESSEL REGISTER FOR**
20 **USE AS ARTIFICIAL REEFS.**

21 Chapter 633 of title 10, United States Code, is
22 amended by inserting after section 7306a the following
23 new section:

1 **“§ 7306b. Vessels stricken from Naval Vessel Register;**
2 **transfer by gift or otherwise for use as**
3 **artificial reefs**

4 “(a) AUTHORITY TO MAKE TRANSFER.—Subject to
5 subsections (c) and (d) of section 602 of the Federal Prop-
6 erty and Administrative Services Act of 1949 (40 U.S.C.
7 474), the Secretary of the Navy may transfer, by gift or
8 otherwise, any vessel stricken from the Naval Vessel Reg-
9 ister to any State, Commonwealth, or possession of the
10 United States or any municipal corporation or political
11 subdivision thereof.

12 “(b) VESSEL TO BE USED AS ARTIFICIAL REEF.—
13 An agreement for the transfer of a vessel under subsection
14 (a) shall require that—

15 “(1) the transferee use, site, construct, monitor
16 and manage the vessel only as an artificial reef in
17 accordance with the requirements of chapter 35 of
18 title 33, except that the transferee also may use the
19 artificial reef to enhance diving opportunities if that
20 use does not have an adverse effect on fishery re-
21 sources, as defined in section 1802(14) of the Mag-
22 nuson-Stevens Fishery Conservation and Manage-
23 ment Act of 1976, as amended (Public Law 100–
24 627; 16 U.S.C. 1802); and

25 “(2) the transferee shall obtain and bear all of
26 the responsibility for complying with all of the appli-

1 cable federal, state, interstate, and local permits for
 2 siting, constructing, monitoring and managing a ves-
 3 sel as an artificial reef.

4 “(c) ADDITIONAL TERMS.—The Secretary may re-
 5 quire such additional terms in connection with the convey-
 6 ance authorized by this section as the Secretary considers
 7 appropriate.

8 “(d) COST SHARING ON TRANSFERS.—The Depart-
 9 ment of the Navy may share with the recipient any of the
 10 costs associated with transferring the vessel under this
 11 section.

12 “(e) APPLICATION FOR MORE THAN ONE VESSEL.—
 13 A State, Commonwealth, or possession of the United
 14 States, or any municipal corporation or political subdivi-
 15 sion thereof, may apply for more than one vessel under
 16 this section.”.

17 (b) CLERICAL AMENDMENT.—The table of sections
 18 at the beginning of such chapter is amended by inserting
 19 after the item relating to section 7306a the following new
 20 item:

“7306b. Vessels stricken from Naval Vessel Register; transfer by gift or other-
 wise for use as artificial reefs.”.

21 **SEC. 1014. REPEAL OF THE SHIPBUILDING CAPABILITY**
 22 **PRESERVATION AGREEMENT.**

23 (a) IN GENERAL.—Section 7315 of title 10, United
 24 States Code, is repealed.

1 (b) SAVINGS PROVISION.—Agreements entered into
2 under the authority of section 7315 prior to the date of
3 enactment of this Act shall continue to remain in full force
4 and effect.

5 (c) CLERICAL AMENDMENT.—The table of sections
6 at the beginning of chapter 633 of such title is amended
7 by striking the item relating to section 7315.

8 **Subtitle C—Counter-Drug**
9 **Activities**

10 **SEC. 1021. EXTEND AUTHORITY FOR USE OF COUNTER-**
11 **DRUG ACTIVITIES.**

12 (a)(1) AUTHORITY.—In fiscal years 2004 and 2005,
13 the Secretary of Defense may use funds available for drug
14 interdiction and counter-drug activities to provide assist-
15 ance to the Government of Colombia to support a unified
16 campaign against narcotics trafficking, to support a uni-
17 fied campaign against activities by organizations des-
18 ignated as terrorist organizations such as the Revolu-
19 tionary Armed Forces of Colombia, the National Libera-
20 tion Army, and the United Self-Defense Forces of Colom-
21 bia, and to take actions to protect human health and wel-
22 fare in emergency circumstances, including undertaking
23 rescue operations.

1 (2) The authority in this section is in addition to au-
2 thorities currently available to provide assistance to Co-
3 lombia.

4 (b) APPLICATION TO FUNDS.—Sections 556, 567,
5 and 568 of the Foreign Operations, Export Financing,
6 and Related Programs Appropriations Act, 2002 (Public
7 Law 107–115; 115 Stat. 2160, 2165 and 2166, respec-
8 tively), section 8093 of the Department of Defense Appro-
9 priations Act, 2002 (Public Law 107–248; 116 Stat.
10 1558), and the numerical limitations on the number of
11 United States military personnel and United States indi-
12 vidual civilian contractors in section 3204(b)(1) of the
13 Military Construction Appropriations Act, 2001 (Public
14 Law 106–246; 114 Stat. 575), as amended, shall be appli-
15 cable to funds made available pursuant to the authority
16 contained in subsection (a).

17 (c) PROHIBITION.—No United States Armed Forces
18 personnel or United States civilian contractor employed by
19 the United States will participate in any combat operation
20 in connection with assistance made available under this
21 chapter, except for the purpose of acting in self-defense
22 or rescuing any United States citizen to include United
23 States Armed Forces personnel, United States civilian em-
24 ployees, and civilian contractors employed by the United
25 States.

1 **SEC. 1022. DEPARTMENT OF DEFENSE SUPPORT FOR**
2 **COUNTER-TERRORISM ACTIVITIES IN THE**
3 **AMERICAS.**

4 In fiscal year 2004, funds made available to the De-
5 partment of Defense to support counter-drug activities are
6 hereby authorized to support a unified campaign against
7 illicit narcotics-trafficking and related activities by identi-
8 fied organizations engaged in such narcotics-trafficking, to
9 support a unified campaign against activities by organiza-
10 tions in the Americas hemisphere actively engaged in, or
11 designated as, terrorist organizations, and to take suffi-
12 cient action to protect human health and welfare in exi-
13 gent circumstances, including the undertaking of rescue
14 operations throughout Central and South America and the
15 waters south of the Continental United States, such as
16 the Pacific Ocean east of 120 degrees West, the Gulf of
17 Mexico, and the Caribbean Sea. The exercise of this au-
18 thority by the Secretary of Defense is subject to the con-
19 currence of the Secretary of State.

20 **SEC. 1023. EXPANSION AND EXTENSION OF AUTHORITY TO**
21 **PROVIDE ADDITIONAL SUPPORT FOR**
22 **COUNTER-DRUG ACTIVITIES.**

23 Section 1033 of the National Defense Authorization
24 Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat.
25 1881), as amended by the National Defense Authorization

1 Act for Fiscal Year 2001 (Public Law 106–398; 114 Stat.
2 1654A–255), is amended—

3 (1) in the section title by striking “Peru and
4 Colombia” and inserting “other countries”;

5 (2) in subsection (a)—

6 (A) by striking “2002” and inserting
7 “2006”; and

8 (B) by striking “either or both” and in-
9 serting “any”;

10 (3) by amending subsection (b) to read as fol-
11 lows:

12 “(b) GOVERNMENTS ELIGIBLE TO RECEIVE SUP-
13 PORT.—The foreign governments eligible to receive
14 counter-drug support under this section are as follows:

15 “(1) Afghanistan.

16 “(2) Ecuador.

17 “(3) Pakistan.

18 “(4) Tajikistan.

19 “(5) Turkmenistan.

20 “(6) Uzbekistan

21 “(7) Peru; and

22 “(8) Colombia.”;

23 (4) in subsection (c)—

24 (A) in paragraph (2) by striking
25 “riverine”;

1 (B) by amending paragraph (3) to read as
2 follows:

3 “(3) The maintenance, repair, or upgrade of
4 equipment of the government that is used for
5 counter-drug activities.”; and

6 (C) by adding at the end the following new
7 paragraph (4):

8 “(4) The sustainment, including ammunition, of
9 counter-drug security forces.”;

10 (5) in subsection (e)(2)—

11 (A) by striking “\$20,000,000” and insert-
12 ing “\$40,000,000”; and

13 (B) by striking “1999” and inserting
14 “2004”; and

15 (6) in subsection (h)—

16 (A) by amending subsection (h) to read as
17 follows:

18 “(h) COUNTER-DRUG PLAN.—The Secretary of De-
19 fense, in consultation with the Secretary of State, shall
20 prepare for fiscal year 2004 (and revise as necessary for
21 subsequent fiscal years) a counter-drug plan involving the
22 governments named in subsection (b) to which support will
23 be provided under this section.”;

24 (B) in paragraph (2), by striking
25 “riverine”;

1 (C) in paragraph (7), by striking
2 “riverine”;

3 (D) in paragraph (8), by striking
4 “riverine”; and

5 (E) by amending paragraph (9) to read as
6 follows:

7 “(9) A detailed discussion of how the counter-
8 drug program supports the national drug control
9 strategy and the national security cooperation goals
10 of the United States.”.

11 **Subtitle D—Other Department of**
12 **Defense Provisions**

13 **SEC. 1031. PROVISION OF LIVING QUARTERS FOR CERTAIN**
14 **STUDENTS.**

15 Section 2195 of title 10, United States Code, is
16 amended by adding at the end the following new sub-
17 section:

18 “(d) Notwithstanding the provisions of section
19 5911(c), title 5, United States Code, the Director of the
20 National Security Agency may provide living quarters
21 without charge, or at rates or charges fixed by regulation,
22 to a student in the Student Educational Employment Pro-
23 gram or similar program, as prescribed by the Office of
24 Personnel Management, while the student is employed at
25 the Agency’s laboratory.”.

1 **SEC. 1032. REPEAL OF REQUIRED GRADE FOR DEFENSE**
2 **ATTACHÉ IN FRANCE.**

3 (a) IN GENERAL.—Section 714 of title 10, United
4 States Code, is repealed.

5 (b) CONFORMING AMENDMENT.—The table of sec-
6 tions at the beginning of chapter 41 of that title is amend-
7 ed by striking the item relating to section 714.

8 **SEC. 1033. NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY.**

9 (a) DEFINITION OF GEOSPATIAL INTELLIGENCE.—
10 Section 467 of title 10, United States Code, is amended
11 by adding at the end the following new paragraph:

12 “(5) The term ‘geospatial intelligence’ means
13 the exploitation and analysis of imagery and
14 geospatial information to describe, assess, and vis-
15 ually depict physical features and geographically ref-
16 erenced activities on the Earth. This term consists
17 of imagery, imagery intelligence, and geospatial in-
18 formation.”.

19 (b) MISSIONS.—Section 442(a) of such title is
20 amended to read as follows:

21 “(a) NATIONAL SECURITY MISSIONS.—

22 (1) The National Geospatial-Intelligence Agency
23 shall, in support of the national security objectives
24 of the United States, provide geospatial intelligence
25 consisting of the following:

26 “(A) Imagery.

1 “(B) Imagery intelligence.

2 “(C) Geospatial information.

3 “(2) Geospatial intelligence provided in carrying
4 out paragraph (1) shall be timely, relevant, and ac-
5 curate.”.

6 (c) NATIONAL SECURITY ACT CHANGE.—Section 110
7 of the National Security Act of 1947 (50 U.S.C. 404(e))
8 is amended by striking “imagery” and inserting
9 “geospatial intelligence”.

10 (d) TECHNICAL CHANGES TO TITLE 10.—

11 (1) The title of chapter 22 of such title is
12 amended by striking “National Imagery and Map-
13 ping Agency” and inserting “National Geospatial-In-
14 telligence Agency”.

15 (2) Paragraphs (a) and (b) of section 441 of
16 such title are amended by striking “National Im-
17 agery and Mapping Agency” and inserting “National
18 Geospatial-Intelligence Agency”.

19 (3) Section 442 of such title is amended by
20 striking “National Imagery and Mapping Agency”
21 wherever it appears and inserting “National
22 Geospatial-Intelligence Agency”.

23 (4) Paragraphs (a) and (b) of section 443 of
24 such title are amended by striking “National Im-

1 agery and Mapping Agency” and inserting “National
2 Geospatial-Intelligence Agency”.

3 (5) Paragraphs (a), (b), (c), and (e) of section
4 444 of such title are amended by striking “National
5 Imagery and Mapping Agency” and inserting “Na-
6 tional Geospatial-Intelligence Agency”.

7 (6) Section 451 of such title is amended by
8 striking “National Imagery and Mapping Agency”
9 and inserting “National Geospatial-Intelligence
10 Agency”.

11 (7) Paragraphs (a) and (b) of section 452 of
12 such title are amended by striking “National Im-
13 agery and Mapping Agency” and inserting “National
14 Geospatial-Intelligence Agency”.

15 (8) Paragraphs (a) and (b) of section 453 of
16 such title are amended—

17 (A) by striking “National Imagery and
18 Mapping Agency” and inserting “National
19 Geospatial-Intelligence Agency”; and

20 (B) by striking “NIMA” and inserting
21 “NGA”.

22 (9) Section 454 of such title is amended by
23 striking “National Imagery and Mapping Agency”
24 and inserting “National Geospatial-Intelligence
25 Agency”.

1 (10) Paragraphs (a) and (b) of section 455 of
2 such title are amended by striking “National Im-
3 agery and Mapping Agency” and inserting “National
4 Geospatial-Intelligence Agency”.

5 (11) Paragraphs (a) and (b) of section 456 of
6 such title are amended by striking “National Im-
7 agery and Mapping Agency” and inserting “National
8 Geospatial-Intelligence Agency”.

9 (12) Paragraph (b) of section 457 of such title
10 is amended by striking “National Imagery and Map-
11 ping Agency” and inserting “National Geospatial-In-
12 telligence Agency”.

13 (13) Paragraphs (a), (b), (c), and (d) of section
14 461 of such title are amended by striking “National
15 Imagery and Mapping Agency” and inserting “Na-
16 tional Geospatial-Intelligence Agency”.

17 (14) Section 1614 of such title is amended by
18 striking “National Imagery and Mapping Agency”
19 and inserting “National Geospatial-Intelligence
20 Agency”.

21 (e) TECHNICAL CHANGES TO THE NATIONAL SECU-
22 RITY ACT OF 1947.—

23 (1) Section 3 of the National Security Act of
24 1947 (50 U.S.C. 401a) is amended by striking “Na-

1 tional Imagery and Mapping Agency” and inserting
2 “National Geospatial-Intelligence Agency”.

3 (2) Paragraphs (b) and (d) of section 105 of
4 such Act (50 U.S.C. 403–5) are amended by strik-
5 ing “National Imagery and Mapping Agency” and
6 inserting “National Geospatial-Intelligence Agency”.

7 (3) Paragraph (b) of section 105A of such Act
8 (50 U.S.C. 403–5a) is amended by striking “Na-
9 tional Imagery and Mapping Agency” and inserting
10 “National Geospatial-Intelligence Agency”.

11 (4) Section 105C of such Act (50 U.S.C. 403–
12 5c) is amended—

13 (A) by striking “National Imagery and
14 Mapping Agency” wherever it appears and in-
15 serting “National Geospatial-Intelligence Agen-
16 cy”; and

17 (B) and by striking “NIMA” wherever it
18 appears and inserting “NGA”.

19 (5) Paragraph (a) of section 106 of such Act
20 (50 U.S.C. 403–6) is amended by striking “National
21 Imagery and Mapping Agency” and inserting “Na-
22 tional Geospatial-Intelligence Agency”.

23 (6) Paragraphs (a), (b), and (c) of section 110
24 of such Act (50 U.S.C. 404e) are amended by strik-

1 ing “National Imagery and Mapping Agency” and
2 inserting “National Geospatial-Intelligence Agency”.

3 (f) SEAL.—Section 425 (a) of title 10, United States
4 Code, is amended by adding at the end the following new
5 paragraph:

6 “(5) The words ‘National Geospatial-Intel-
7 ligence Agency’, the initials ‘NGA,’ or the seal of the
8 National Geospatial-Intelligence Agency.’”.

9 **Subtitle E—Other Matters**

10 **SEC. 1041. UPDATING DEFINITIONS IN TITLE 10, UNITED** 11 **STATES CODE.**

12 (a) GENERAL DEFINITIONS.—Subsection (a) of sec-
13 tion 101 of title 10, United States Code, is amended by
14 adding at the end the following new paragraphs:

15 “(16) The term ‘appropriate committees of
16 Congress’ means the Committee on Armed Services
17 and the Committee on Appropriations of the Senate
18 and the Committee on Armed Services and the Com-
19 mittee on Appropriations of the House of Represent-
20 atives and, with respect to any project to be carried
21 out by, or for the use of, an intelligence component
22 of the Department of Defense, the Permanent Select
23 Committee on Intelligence of the House of Rep-
24 resentatives and the Select Committee on Intel-
25 ligence of the Senate.

1 “(17) The term ‘base closure law’ means—

2 “(A) section 2687 of this title;

3 “(B) title II of the Defense Authorization
4 Amendments and Base Closure and Realignment
5 Act of 1988 (Public Law 100–526; 10
6 U.S.C. 2687 note);

7 “(C) the Defense Base Closure and Re-
8 alignment Act of 1990 (part A of title XXIX of
9 Public Law 101–510; 10 U.S.C. 2687 note);
10 and

11 “(D) any other similar authority for the
12 closure or realignment of military installations
13 that is enacted after the date of the enactment
14 of the Bob Stump National Defense Authoriza-
15 tion Act for Fiscal Year 2003.

16 “(18) The term ‘Indian tribe’ has the meaning
17 given such term in section 102(2) of the Federally
18 Recognized Indian Tribe List Act of 1994 (25
19 U.S.C. 479a(2)).”.

20 (b) FACILITIES DEFINITIONS.—Section 101 is fur-
21 ther amended—

22 (1) by redesignating subsections (e) and (f) as
23 subsections (f) and (g), respectively; and

24 (2) by inserting after subsection (d) the fol-
25 lowing new subsection (e):

1 “(e) FACILITIES AND OPERATIONS.—Unless the con-
2 text indicates otherwise, the following definitions relating
3 to facilities and operations apply to this title:

4 “(1) The term ‘military munitions’—

5 “(A) means all ammunition products and
6 components produced for or used by the armed
7 forces for national defense and security, includ-
8 ing ammunition products or components under
9 the control of the Department of Defense, the
10 Coast Guard, the Department of Energy, and
11 the National Guard. The term includes confined
12 gaseous, liquid, and solid propellants, explo-
13 sives, pyrotechnics, chemical and riot control
14 agents, smokes, incendiaries, bulk explosives
15 and chemical warfare agents, chemical muni-
16 tions, rockets, guided and ballistic missiles,
17 bombs, warheads, mortar rounds, artillery am-
18 munition, small arms ammunition, grenades,
19 mines, torpedoes, depth charges, cluster muni-
20 tions and dispensers, demolition charges, and
21 devices and components thereof, and

22 “(B) does not include wholly inert items,
23 improvised explosive devices, and nuclear weap-
24 ons, nuclear devices, and nuclear components,
25 except that the term does include non-nuclear

1 components of nuclear devices that are man-
2 aged under the nuclear weapons program of the
3 Department of Energy after all required saniti-
4 zation operations under the Atomic Energy Act
5 of 1954 (42 U.S.C. 2011, et seq.) have been
6 completed.

7 “(2) The term ‘operational range’ means—

8 “(A) a range that is used for range activi-
9 ties, or

10 “(B) a range that is not currently being
11 used for range activities, but that is still consid-
12 ered by the Secretary concerned to be a range,
13 is under the jurisdiction, custody, or control of
14 the Secretary concerned, and has not been put
15 to a new use that is incompatible with range ac-
16 tivities.

17 “(3) The term ‘range’ means a designated land
18 or water area set aside, managed, and used to con-
19 duct research, development, testing, and evaluation
20 of military munitions, other ordnance, or weapon
21 systems, or to train military personnel in their use
22 and handling. Ranges include firing lines and posi-
23 tions, maneuver areas, firing lanes, test pads, deto-
24 nation pads, impact areas, electronic scoring sites,
25 buffer zones with restricted access and exclusionary

1 areas, and airspace areas designated for military use
2 according to regulations and procedures established
3 by the Federal Aviation Administration such as spe-
4 cial use airspace areas, military training routes, or
5 other associated airspace.

6 “(4) The term ‘unexploded ordnance’ means
7 military munitions that—

8 “(A) have been primed, fused, armed, or
9 otherwise prepared for action;

10 “(B) have been fired, dropped, launched,
11 projected, or placed in such a manner as to con-
12 stitute a hazard to operations, installations,
13 personnel, or material; and

14 “(C) remain unexploded either by malfunc-
15 tion, design, or any other cause.”.

16 (c) CONFORMING AMENDMENTS.—

17 (1) Subsection (e) of section 2710 of title 10,
18 United States Code, is amended—

19 (A) by striking paragraphs (3), (5), and
20 (9); and

21 (B) by redesignating paragraphs (4), (6),
22 (7), (8), and (10) as paragraphs (3), (4), (5),
23 (6), and (7), respectively.

24 (2) Subsection (d) of section 313 of the Na-
25 tional Defense Authorization Act for Fiscal Year

1 2002 (Public Law 107–107; 115 Stat. 1053), is
2 amended by inserting after “311” the following: “,
3 or in section 101 of title 10, United States Code”.

4 (3) Title 10, United States Code, is further
5 amended as follows:

6 (A) Subsection (c) of section 2801 is
7 amended by striking paragraph (4).

8 (B) Sections 181, 229, 1107, 2216, 2218,
9 2306b, 2366, 2399, 2534, 2667, and 10216 are
10 amended by striking “congressional defense
11 committees” each place it appears and inserting
12 “appropriate committees of Congress”.

13 (C) Subsection (d)(2) of section 181 is
14 amended—

15 (i) by striking “subsection: (A) The”
16 and inserting “subsection, the”; and

17 (ii) by striking paragraph (B).

18 (D) Subsection (f) of section 229 is re-
19 pealed.

20 (E) Subsection (f)(4) of section 1107 is
21 amended by striking subparagraph (C).

22 (F) Subsection (j) of section 2216 is
23 amended by striking paragraph (3).

24 (G) Subsection (l) of section 2218 is
25 amended—

1 (i) by striking paragraph (4); and

2 (ii) by redesignating paragraph (5) as
3 paragraph (4).

4 (H) Subsection (l) of section 2306b is
5 amended—

6 (i) by striking paragraph (9); and

7 (ii) by redesignating paragraph (10)
8 as paragraph (9).

9 (I) Subsection (e) of section 2366 is
10 amended by striking paragraph (7).

11 (J) Subsection (h) of section 2399 is
12 amended—

13 (i) in paragraph (1), by striking “sec-
14 tion: (1) The” and inserting “section, the”;
15 and

16 (ii) by striking paragraph (2).

17 (K) Subsection (h) of section 2667 is
18 amended—

19 (i) by striking paragraphs (1) and (2);
20 and

21 (ii) by striking “section: (3) The” and
22 inserting “section, the”.

23 (4) Title 10, United States Code, is further
24 amended as follows:

1 (A) Subsection (f) of section 2490a is
2 amended—

3 (i) by striking “section: (1) The” and
4 inserting “section, the”; and

5 (ii) by striking paragraph (2).

6 (B) Section 2705 is amended by striking
7 subsection (h).

8 (C) Section 2871 is amended—

9 (i) by striking paragraph (2); and

10 (ii) by redesignating paragraphs (3),
11 (4), (5), (6), (7), and (8) as paragraphs
12 (2), (3), (4), (5), (6), and (7), respectively.

13 **SEC. 1042. IMPROVING READINESS IN PROVIDING FIRE-**
14 **FIGHTING SERVICES.**

15 Section 2465(b) of title 10, United States Code, is
16 amended by adding at the end the following new para-
17 graph:

18 “(4) to a contract for the performance of a fire-
19 fighting function for a period of one year or less to
20 fill vacant positions created by deployed military fire
21 fighters.”.

1 **SEC. 1043. DOCUMENTS, HISTORICAL ARTIFACTS, AND OB-**
2 **SOLETE OR SURPLUS MATERIEL: LOAN, DO-**
3 **NATION, OR EXCHANGE.**

4 (a) IN GENERAL.—Section 2572 of title 10, United
5 States Code, is amended—

6 (1) in the heading, by striking “condemned or
7 obsolete combat” and inserting “obsolete or sur-
8 plus”;

9 (2) in subsection (a), by striking “subsection
10 (c)” and inserting “subsection (c)(1)”;

11 (3) in subsection (b), by striking “subsection
12 (c)” and inserting “subsection (c)(2)”;

13 (4) in subsection (c)—

14 (A) by striking “(c) This section” and
15 “(c)(1) Subsection (a)”;

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

18 “(2) Subsection (b) applies to the following
19 types of property held by a military department or
20 the Coast Guard: books, manuscripts, works of art,
21 historical artifacts, drawings, plans, models, and ob-
22 solete or surplus materiel.”.

23 (b) CONFORMING AMENDMENT.—The table of sec-
24 tions at the beginning of chapter 153 of such title is
25 amended by amending the item relating to section 2572

1 to read as follows:

“2572. Documents, historical artifacts, and obsolete or surplus combat materiel:
loan, gift, or exchange.”.

2 **SEC. 1044. AUTHORITY TO ENSURE DEMILITARIZATION OF**
3 **SIGNIFICANT MILITARY EQUIPMENT FOR-**
4 **MERLY OWNED BY THE DEPARTMENT OF DE-**
5 **FENSE.**

6 (a) IN GENERAL.—Chapter 153 of title 10, United
7 States Code, is amended by inserting after section 2582
8 the following new section:

9 **“§ 2583. Continued authority to require demilitariza-**
10 **tion of significant military equipment**
11 **after disposal**

12 “(a) AUTHORITY TO REQUIRE DEMILITARIZATON.—
13 The Secretary of Defense may require any person in pos-
14 session of significant military equipment formerly owned
15 by the Department of Defense—

16 “(1) to demilitarize the equipment;

17 “(2) to have the equipment demilitarized by a
18 third party; or

19 “(3) to return the equipment to the United
20 States Government for demilitarization.

21 “(b) COST AND VALIDATION OF DEMILITARIZA-
22 TION.—When the demilitarization of significant military
23 equipment is carried out by the person in possession of
24 the equipment pursuant to paragraph (1) or (2) of sub-

1 section (a), the person shall be solely responsible for all
2 demilitarization costs, and the United States shall have
3 the right to validate that the equipment has been demili-
4 tarized.

5 “(c) RETURN OF EQUIPMENT TO THE U.S. GOVERN-
6 MENT.—When the Secretary of Defense requires the re-
7 turn of significant military equipment for demilitarization
8 by the United States Government, the Secretary shall bear
9 all costs to transport and demilitarize the equipment. If
10 the person in possession of the significant military equip-
11 ment obtained the property in the manner authorized by
12 law or regulation and the Secretary determines that the
13 cost to demilitarize and return the property to the person
14 is prohibitive, the Secretary shall reimburse the person for
15 the fair market value of the property or, if the fair market
16 value is not readily ascertainable, the purchase cost of the
17 property and for the reasonable transportation costs in-
18 curred by the person to purchase the equipment.

19 “(d) ESTABLISHMENT OF DEMILITARIZATION STAND-
20 ARDS.—The Secretary of Defense may prescribe by regu-
21 lation what constitutes demilitarization for each type of
22 significant military equipment.

23 “(e) EXCEPTIONS.—This section does not apply—

24 “(1) when a person is in possession of signifi-
25 cant equipment formerly owned by the Department

1 of Defense for the purpose of demilitarizing the
2 equipment pursuant to a U.S. Government contract;

3 “(2) to small arms weapons issued under the
4 Defense Civilian Marksmanship Program established
5 in title 36, United States Code;

6 “(3) to issues by the Department of Defense to
7 museums where demilitarization has been performed
8 in accordance with departmental regulations; and

9 “(4) to other issues and undemilitarized signifi-
10 cant military equipment under the provisions of de-
11 partmental regulations.

12 “(f) DEFINITION OF SIGNIFICANT MILITARY EQUIP-
13 MENT.—In this section, the term ‘significant military
14 equipment’ means—

15 “(1) an article for which special export controls
16 are warranted under the Arms Export Control Act
17 (22 U.S.C. 2751 et seq.) because of its capacity for
18 substantial military utility or capability, as identified
19 on the United States Munitions List maintained
20 under sect 121.1 of title 22, Code of Federal Regu-
21 lations; and

22 “(2) any other article designated by the Depart-
23 ment of Defense as requiring demilitarization before
24 its disposal.”.

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

“2583. Continued authority to require demilitarization of significant military equipment after disposal.”.

4 **TITLE XI—DEPARTMENT OF**
 5 **DEFENSE CIVILIAN PERSONNEL**

6 **SEC. 1101. POSITION VACANCY PROMOTION CONSIDER-**
 7 **ATION IN TIME OF WAR OR NATIONAL EMER-**
 8 **GENCY.**

9 (a) VACANCY PROMOTION CONSIDERATION.—Section
 10 14317 of title 10, United States Code, is amended—

11 (1) in subsection (d), by striking “If a reserve
 12 officer” and inserting “Except as provided in sub-
 13 section (e), if a reserve officer”; and

14 (2) in subsection (e), by inserting “or, in the
 15 case of an officer who has been ordered to or is serv-
 16 ing on active duty in support of a contingency oper-
 17 ation as defined in section 101(a)(13) of this title,
 18 a vacancy promotion board” after “mandatory pro-
 19 motion board”.

20 (b) CONFORMING AMENDMENT.—Paragraph (1) of
 21 section 14315(a) of such title is amended by striking “or,
 22 as determined by the Secretary concerned, is available to
 23 occupy a position” and inserting “or, under regulations

1 prescribed by the Secretary concerned, is recommended to
 2 occupy a position”.

3 **TITLE XII—MATTERS RELATING**
 4 **TO OTHER NATIONS**
 5 **Subtitle A—Matters Related to Al-**
 6 **lies and Friendly Foreign Na-**
 7 **tions**

8 **SEC. 1201. EXPANSION OF AUTHORITY TO CONDUCT THE**
 9 **ARCTIC MILITARY ENVIRONMENTAL CO-**
 10 **OPERATION PROGRAM.**

11 Section 327 of the Strom Thurmond National De-
 12 fense Authorization Act for Fiscal Year 1999 (Public Law
 13 No. 105–261; 112 Stat. 1965), is amended—

14 (1) in the title, by inserting “AND WESTERN
 15 PACIFIC” after “ARCTIC”;

16 (2) by striking subsections (b) and (c);

17 (3) by redesignating subsection (a) as sub-
 18 section (b);

19 (4) by inserting after the title the following new
 20 subsection (a):

21 “(a) **AUTHORITY TO CONDUCT PROGRAM.**—Subject
 22 to subsection (b), the Secretary of Defense, with the con-
 23 currence of the Secretary of State, may conduct the Arctic
 24 and Western Pacific Military Environmental Cooperation
 25 Program.”; and

1 (5) in subsection (b), as redesignated by para-
 2 graph (3)—

3 (A) in paragraph (1)—

4 (i) by inserting “and Western Pacific”
 5 after “Subject to paragraph (2), activities
 6 under the Arctic”;

7 (ii) by inserting “and assistance”
 8 after “shall include cooperative”; and

9 (iii) by striking “in the Arctic Re-
 10 gion”; and

11 (B) in paragraph (2)—

12 (i) by inserting “Western Pacific”
 13 after “Activities under the Arctic”; and

14 (ii) by striking “for purposes for
 15 which funds for Cooperative Threat Reduc-
 16 tion programs have been denied or are pro-
 17 hibited, including the purposes”.

18 **SEC. 1202. AUTHORITY TO WAIVE DOMESTIC SOURCE OR**
 19 **CONTENT REQUIREMENTS.**

20 (a) IN GENERAL.—Subchapter V of chapter 148 of
 21 title 10, United States Code, is amended by adding at the
 22 end the following new section:

1 **“§ 2539c. Waiver of domestic source or content re-**
2 **quirements**

3 “(a) AUTHORITY.—Except as provided in subsection
4 (f), the Secretary of Defense may waive the application
5 of any domestic source requirement or domestic content
6 requirement referred to in subsection (b) and thereby au-
7 thorize the procurement of items that are grown, reproc-
8 essed, reused, produced, or manufactured—

9 “(1) in a foreign country that has a reciprocal
10 defense procurement memorandum of understanding
11 or agreement with the United States;

12 “(2) in a foreign country that has a reciprocal
13 defense procurement memorandum of understanding
14 or agreement with the United States substantially
15 from components and materials grown, reprocessed,
16 reused, produced, or manufactured in the United
17 States or any foreign country that has a reciprocal
18 defense procurement memorandum of understanding
19 or agreement with the United States; or

20 “(3) in the United States substantially from
21 components and materials grown, reprocessed, re-
22 used, produced, or manufactured in the United
23 States or any foreign country that has a reciprocal
24 defense procurement memorandum of understanding
25 or agreement with the United States.

1 “(b) COVERED REQUIREMENTS.—For purposes of
2 this section:

3 “(1) A domestic source requirement is any re-
4 quirement under law that the Department of De-
5 fense satisfy its requirements for an item by pro-
6 curing an item that is grown, reprocessed, reused,
7 produced, or manufactured in the United States or
8 by a manufacturer that is a part of the national
9 technology and industrial base (as defined in section
10 2500(1) of this title).

11 “(2) A domestic content requirement is any re-
12 quirement under law that the Department of De-
13 fense satisfy its requirements for an item by pro-
14 curing an item produced or manufactured partly or
15 wholly from components and materials grown, re-
16 processed, reused, produced, or manufactured in the
17 United States.

18 “(c) APPLICABILITY.—The authority of the Secretary
19 to waive the application of a domestic source or content
20 requirements under subsection (a) applies to the procure-
21 ment of items for which the Secretary of Defense deter-
22 mines that—

23 “(1) application of the requirement would im-
24 pede the reciprocal procurement of defense items
25 under a memorandum of understanding providing

1 for reciprocal procurement of defense items between
2 a foreign country and the United States in accord-
3 ance with section 2531 of this title; and

4 “(2) such country does not discriminate against
5 defense items produced in the United States to a
6 greater degree than the United States discriminates
7 against defense items produced in that country.

8 “(d) LAWS NOT WAIVABLE.—The Secretary of De-
9 fense may not exercise the authority under subsection (a)
10 to waive any domestic source or content requirement con-
11 tained in any of the following laws:

12 “(1) The Small Business Act (15 U.S.C. 631 et
13 seq.).

14 “(2) The Javits-Wagner-O’Day Act (41 U.S.C.
15 et seq.).

16 “(3) Sections 2533a, 7309 and 7310 of this
17 title.

18 “(e) RELATIONSHIP TO OTHER WAIVER AUTHOR-
19 ITY.—The authority under subsection (a) to waive a do-
20 mestic source requirement or domestic content require-
21 ment is in addition to any other authority to waive such
22 requirement.

23 “(f) CONSTRUCTION WITH RESPECT TO LATER EN-
24 ACTED LAWS.—This section may not be construed as
25 being inapplicable to a domestic source requirement or do-

1 mestic content requirement that is set forth in a law en-
 2 acted after the enactment of this section solely on the
 3 basis of the later enactment.”.

4 (b) CLERICAL AMENDMENT.—The table of sections
 5 at the beginning of such subchapter is amended by insert-
 6 ing after the item relating to section 2539b the following
 7 new item:

“2539c. Waiver of domestic source or content requirements.”.

8 **SEC. 1203. AUTHORITY TO EXPEND FUNDS TO RECOGNIZE**
 9 **SUPERIOR NONCOMBAT ACHIEVEMENTS OR**
 10 **PERFORMANCE BY MEMBERS OF FRIENDLY**
 11 **FOREIGN FORCES AND OTHER FOREIGN NA-**
 12 **TIONALS.**

13 (a) IN GENERAL—Chapter 53 of title 10, United
 14 States Code, is amended by inserting after section 1051
 15 the following new section:

16 **“§ 1051a. Bilateral or regional cooperation programs:**
 17 **expenditure of funds to recognize supe-**
 18 **rior noncombat achievements or perform-**
 19 **ance**

20 “(a) GENERAL AUTHORITY.—The Secretary of De-
 21 fense may expend operations and maintenance funds to
 22 recognize superior noncombat achievements or perform-
 23 ance, by members of friendly foreign forces and other for-
 24 eign nationals, that significantly enhance or support the
 25 National Security Strategy of the United States. Activities

1 that may be recognized include superior achievement or
2 performance that—

3 “(1) plays a crucial role in shaping the inter-
4 national security environment in ways that protect
5 and promote United States interests;

6 “(2) supports or enhances United States over-
7 seas presence and peacetime engagement activities
8 such as defense cooperation initiatives, security as-
9 sistance training and programs, and training and ex-
10 ercises with United States Armed Forces;

11 “(3) helps to deter aggression and coercion,
12 build coalitions, promote regional stability; and

13 “(4) serves as role models for appropriate con-
14 duct by militaries in emerging democracies.

15 “(b) LIMITATIONS.—Expenditures for the purchase
16 or production of suitable mementos under this section
17 shall not exceed the “minimal value” established in ac-
18 cordance with section 7342(a)(5) of title 5.”.

19 (b) CLERICAL AMENDMENT.—The table of sections
20 at the beginning of such chapter is amended by inserting
21 after the item relating to section 1051 the following new
22 item:

“1051a. Bilateral or regional cooperation programs: expenditure of funds to recognize superior noncombat achievements or performance.”.

1 **SEC. 1204. ADMINISTRATIVE SUPPORT AND SERVICES FOR**
2 **FOREIGN LIAISON OFFICERS.**

3 (a) **AUTHORITY.**—Section 1051a of title 10, United
4 States Code, is amended to read as follows:

5 **“§ 1051a. Administrative support and services for for-**
6 **eign liaison officers**

7 “(a) **AUTHORITY.**—The Secretary of Defense may
8 provide administrative services and support for the per-
9 formance of duties by any liaison officer of another nation
10 while the liaison officer is assigned to the headquarters
11 of combatant command, component command, or subordi-
12 nate operational command of the United States.

13 “(b) **TRAVEL, SUBSISTENCE, AND OTHER EX-**
14 **PENSES.**—The Secretary may pay the travel, subsistence,
15 and similar personal expenses of a liaison officer of a de-
16 veloping nation involved in a coalition while the liaison of-
17 ficer is assigned temporarily to the headquarters of a com-
18 batant command, component command, or subordinate
19 operational command of the United States, in connection
20 with the planning for, or conduct of, a coalition operation,
21 if the assignment is requested by the commander of the
22 combatant command.

23 “(c) **REIMBURSEMENT.**—To the extent that the Sec-
24 retary determines appropriate, the Secretary may provide
25 the services and support authorized under subsection (a)
26 and the expenses authorized by subsection (b) with or

1 without reimbursement from (or on behalf of) the recipi-
2 ents.

3 “(d) DEFINITIONS.—In this section:

4 “(1) The term ‘administrative services and sup-
5 port’ includes base or installation support services,
6 office space, utilities, copying services, fire and po-
7 lice protection, and computer support.

8 “(2) The term ‘coalition’ means an ad hoc ar-
9 rangement between or among the United States and
10 one or more other nations for common action.”.

11 **SEC. 1205. GEORGE C. MARSHALL EUROPEAN CENTER FOR**
12 **SECURITY STUDIES.**

13 Section 1306 (b)(1) of the National Defense Author-
14 ization Act for Fiscal Year 1995 (Public Law 103–337;
15 108 Stat. 2892) is amended by striking “military officers
16 and civilian officials of cooperation partner states of the
17 North Atlantic Council or the Partnership for Peace” and
18 inserting “foreign participants”.

19 **SEC. 1206. RESTRICTIONS ON PERMANENT TRANSFER OF**
20 **SIGNIFICANT MILITARY EQUIPMENT.**

21 (a) IN GENERAL.—Chapter 138 of title 10, United
22 States Code, is amended by adding at the end the fol-
23 lowing new section:

1 **“§ 2350l. Restrictions on permanent transfer of sig-**
 2 **nificant military equipment**

3 “(a) TRANSFER OF SIGNIFICANT MILITARY EQUIP-
 4 MENT.—Lethal and non-lethal military equipment des-
 5 ignated as significant military equipment (SME), may be
 6 permanently transferred, with the concurrence of the Sec-
 7 retary of State, only when the transaction is conducted
 8 as replacement in kind, where the equipment is identical,
 9 and in situations where the recipient country has an exist-
 10 ing inventory for the SME in question.

11 “(b) EXPORT AND TRANSFER LAWS.—The authority
 12 to transfer SME in accordance with subsection (a) is sub-
 13 ject to all other applicable laws and regulations pertaining
 14 to export and transfers.”.

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

“2350l. Restrictions on permanent transfer of significant military equipment.”.

18 **SEC. 1207. AMENDMENT TO AUTHORITY FOR ACCEPTANCE**
 19 **BY ASIA-PACIFIC CENTER FOR SECURITY**
 20 **STUDIES OF FOREIGN GIFTS AND DONA-**
 21 **TIONS.**

22 Section 2611 of title 10, United States Code, is
 23 amended—

- 24 (1) by striking “foreign” from—
 25 (A) the title;

1 (B) subsection (a) in both places it ap-
 2 pears;

3 (C) subsection (c);

4 (D) subsection (f)—

5 (i) in the heading; and

6 (ii) the first place it appears; and

7 (E) from the section title in the table of
 8 sections in the beginning of the chapter;

9 (2) in subsection (a)(1), by adding at the end
 10 the following sentence: “Such donations may be ac-
 11 cepted from any agency of the Federal Government,
 12 any State or local government, any foreign govern-
 13 ment, any foundation or other charitable organiza-
 14 tion (including any that is organized or operates
 15 under the laws of a foreign country), or any other
 16 private source in the United States or a foreign
 17 country.”; and

18 (3) in subsection (f), by striking all after “serv-
 19 ices” and inserting a period.

20 **SEC. 1208. ADDITION OF INDIVIDUALS AUTHORIZED TO RE-**
 21 **CEIVE CHECK CASHING AND EXCHANGES OF**
 22 **FOREIGN CURRENCY.**

23 Section 3342(b) of title 31, United States Code, is
 24 amended—

1 (1) by striking “or” at the end of paragraph
2 (6);

3 (2) by striking the period at the end of para-
4 graph (7) and inserting “; or”; and

5 (3) by adding at the end the following new
6 paragraph:

7 “(8) a military member of an allied or coalition
8 nation who is part of a joint operation, joint exer-
9 cise, humanitarian or peacekeeping mission with the
10 military forces of the United States, provided that
11 such accommodation has been approved by the sen-
12 ior United States military commander assigned to
13 the joint operation or mission, that the allied or coa-
14 lition nation has guaranteed payment for any defi-
15 ciency resulting from such accommodation, and that
16 accommodations of negotiable instruments are lim-
17 ited to negotiable instruments drawn on financial in-
18 stitutions located in the United States or on foreign
19 branches of such institutions.”.

20 **SEC. 1209. CONTINUATION OF THE REGIONAL DEFENSE**
21 **COUNTERTERRORISM FELLOWSHIP PRO-**
22 **GRAM.**

23 The Secretary of Defense may pay for all costs asso-
24 ciated with the attendance of foreign military officers,
25 ministry of defense officials, and security officials at

1 United States military educational institutions, regional
2 centers, conferences, seminars, or other training programs
3 conducted under the Regional Defense Counterterrorism
4 Fellowship Program, including transportation, travel, and
5 subsistence costs.

6 **SEC. 1210. LOGISTICS SUPPORT FOR FRIENDLY NATIONS.**

7 Section 2342 of title 10, United States Code, is
8 amended by adding at the end the following new sub-
9 section:

10 “(e) Notwithstanding any other provision of law or
11 regulation, the Secretary of Defense, when in the best in-
12 terests of the United States and subject to the availability
13 of appropriations, may provide logistics support, supplies
14 and services, on a reimbursable or non–reimbursable basis,
15 without a completed cross-servicing or foreign military
16 sales agreement, to the following countries participating,
17 with or on behalf of the United States, in an exercise, a
18 contingency operation, as defined by section 101 of this
19 title, or war—

20 “(1) North Atlantic Treaty Organization bodies
21 and member countries;

22 “(2) Countries permitting stationing of United
23 States Armed Forces, importation of United States
24 military equipment and materials and porting of
25 ships;

1 “(3) Counties holding a defense alliance with
2 the United States; and

3 “(4) Countries hosting military exercises involv-
4 ing the United States.”.

5 **Subtitle B—Other Matters**

6 **SEC. 1221. REPEAL OF THE AUTHORIZATION FOR THE ES-** 7 **TABLISHMENT OF THE CENTER FOR THE** 8 **STUDY OF CHINESE MILITARY AFFAIRS.**

9 Section 914 of the National Defense Authorization
10 Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat.
11 721), is repealed.

12 **TITLE XIII—HOMELAND** 13 **SECURITY**

Sec. 1301. Sales of chemical and biological defense articles and services to state
and local governments.

14 **SEC. 1301. SALES OF CHEMICAL AND BIOLOGICAL DEFENSE** 15 **ARTICLES AND SERVICES TO STATE AND** 16 **LOCAL GOVERNMENTS.**

17 (a) AUTHORITY FOR PROCUREMENT AND SALES.—
18 Chapter 18 of title 10, United States Code, is amended
19 by adding at the end the following new section:

20 **“§ 383. Sales of chemical and biological defense arti-** 21 **cles and services to State and local gov-** 22 **ernments**

23 “(a) PROCUREMENT THROUGH THE DEPARTMENT
24 OF DEFENSE.—The Secretary of Defense shall establish

1 procedures in accordance with this subsection under which
2 States and units of local government may purchase arti-
3 cles suitable for chemical and biological defense and oper-
4 ator training, repair and maintenance, and similar services
5 in connection with such articles, through the Department
6 of Defense.

7 “(b) SALES FROM INVENTORIES.—The Secretary of
8 Defense may sell articles suitable for chemical and biologi-
9 cal defense in Department of Defense inventories to States
10 and units of local government at a price based upon the
11 estimated or actual costs incurred by the Department in
12 providing the articles.

13 “(c) PROVISION OF SERVICES.—The Secretary may
14 provide, within any State or unit of local government, op-
15 erator training, repair and maintenance, and similar serv-
16 ices in connection with articles suitable for chemical and
17 biological defense at a price based upon the estimated or
18 actual costs incurred by the Department in providing the
19 services.

20 “(d) PAYMENT FOR ARTICLES AND SERVICES.—Pay-
21 ment for articles and services under this section may be
22 in advance or on providing the articles or services.

23 “(e) REIMBURSEMENT OF ADMINISTRATIVE
24 COSTS.—In the case of any purchase made by a State or
25 unit of local government under this section, the Secretary

1 may require the State or unit of local government to reim-
2 burse the Department of Defense for administrative costs
3 to the Department of such purchase.

4 “(f) CREDIT OF FUNDS FROM SALES.—Funds re-
5 ceived by the Department of Defense from sales of articles
6 under subsection (b) shall be credited to the military de-
7 partment, Defense Agency, or Department of Defense
8 Field Activity that sold the articles so as to merge with
9 and become available for the same purposes and period
10 as the accounts to which they are credited, and shall be
11 available until expended only for the acquisition of articles
12 suitable for chemical and biological defense.

13 “(g) CREDIT OF FUNDS FOR SERVICES.—Funds re-
14 ceived for the provision of services under subsection (c)
15 shall be credited to the military department, Defense
16 Agency, or Department of Defense Field Activity that pro-
17 vided the services and shall be available until expended
18 only for the provision of such services.

19 “(h) DEFINITIONS.—In this section:

20 “(1) The terms ‘articles suitable for chemical
21 and biological defense’ and ‘services’ have the mean-
22 ing given those terms in regulations as prescribed by
23 the Secretary of Defense.

24 “(2) The term ‘State’ has the meaning given the
25 term in section 381(d)(1) of this title.

1 “(3) The term ‘unit of local government’ has the
 2 meaning given the term in section 381(d)(2) of this
 3 title.”.

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

“383. Sales of chemical and biological defense articles and services to State and
 local governments.”.

7 **DIVISION B—MILITARY CON-**
 8 **STRUCTION AUTHORIZA-**
 9 **TIONS**

10 **SEC. 2001. SHORT TITLE.**

11 This division may be cited as the “Military Construc-
 12 tion Authorization Act for Fiscal Year 2004”.

13 **TITLE XXI—ARMY**

14 **SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND**
 15 **ACQUISITION PROJECTS.**

16 (a) INSIDE THE UNITED STATES.—Using amounts
 17 appropriated pursuant to the authorization of appropria-
 18 tions in section 2104(a)(1), the Secretary of the Army
 19 may acquire real property and carry out military construc-
 20 tion projects for the installations or locations inside the
 21 United States, and in the amounts, set forth in the fol-
 22 lowing table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Redstone Arsenal	\$5,500,000
Alaska	Fort Wainwright	\$138,800,000

Army: Inside the United States—Continued

State	Installation or location	Amount
Georgia	Fort Benning	\$30,000,000
	Fort Stewart/Hunter Army Air Field	\$64,500,000
Hawaii	Helemano Military Reservation ...	\$1,400,000
	Schofield Barracks	\$119,400,000
Kansas	Fort Riley	\$40,000,000
Kentucky	Fort Knox	\$3,500,000
Louisiana	Fort Polk	\$72,000,000
Maryland	Fort Meade	\$9,600,000
New York	Fort Drum	\$114,500,000
North Carolina	Fort Bragg	\$152,000,000
Oklahoma	Fort Sill	\$3,500,000
Texas	Fort Hood	\$47,000,000
Virginia	Fort Myer	\$9,000,000
Washington	Fort Lewis	\$3,900,000
	Total	\$814,600,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2104(a)(2), the Secretary of the Army
4 may acquire real property and carry out military construc-
5 tion projects for the installations or locations outside the
6 United States, and in the amounts, set forth in the fol-
7 lowing table:

Army: Outside the United States

Country	Installation or location	Amount
Germany	Area Support Group, Bamberg	\$17,900,000
	Darmstadt	\$7,700,000
	Grafenwoehr	\$76,000,000
	Heidelberg	\$17,000,000
	Hohenfels	\$13,200,000
	Mannheim	\$4,300,000
	Schweinfurt	\$7,500,000
	Wuerzburg	\$18,500,000
Italy	Aviano Air Base	\$15,500,000
	Livorno	\$22,000,000
Korea	Camp Casey	\$86,000,000
	Camp Hovey	\$29,000,000
Kwajalein Atoll	Kwajalein Atoll	9,400,000
	Total	\$324,000,000

8 (c) UNSPECIFIED WORLDWIDE.—(1) Using amounts
9 appropriated pursuant to the authorization of appropria-

tions in section 2104(a)(3) and amounts, not to exceed \$150,000,000 provided under Public Law 107–38, the Secretary of the Army may acquire personal services and real property, and may provide for the operation and construction of critical infrastructure and allied systems to ensure essential governmental functions for the installation or location, and in the amount, set forth in the following table:

Army: Unspecified Worldwide

Location	Installation	Amount
Worldwide Unspecified	Unspecified Worldwide	\$663,900,000
	Total	\$663,900,000

(2) Military Construction projects, and those funded in whole or in part under Public Law 107–38, containing national security classified information and for the purposes of preventing, responding to, or countering the effects of terrorist attacks shall comply, to the extent practical, with applicable Federal, State, and local laws and other orders regarding regulatory compliance, consultation, coordination and inspection; provided that in carrying out such projects—

(A) no such compliance, consultation, coordination or inspection may expose, endanger, or otherwise compromise national security; and

(B) any anticipated exception to such compliance, consultation, coordination or inspection shall

1 be addressed in project documentation submitted to
 2 Congress under paragraph (3).

3 (3) Where applicable, project documentation sub-
 4 mitted to the congressional defense committees shall sat-
 5 isfy general provisions of section 1001 of Public Law 107–
 6 117 and address any exception to compliance, consulta-
 7 tion, coordination or inspection anticipated by paragraph
 8 (2).

9 **SEC. 2102. FAMILY HOUSING.**

10 (a) CONSTRUCTION AND ACQUISITION.—Using
 11 amounts appropriated pursuant to the authorization of ap-
 12 propriations in section 2104(a)(6)(A), the Secretary of the
 13 Army may construct or acquire family housing units (in-
 14 cluding land acquisition and supporting facilities) at the
 15 installations or locations, for the purposes and in the
 16 amounts, set forth in the following table:

Army: Family Housing

State or Country	Installation or location	Purpose	Amount
Alaska	Fort Wainwright	100 Units	\$44,000,000
Arizona	Fort Huachuca	160 Units	\$27,000,000
Kentucky	Fort Knox	178 Units	\$41,000,000
New Mexico	White Sands Missile Range	58 Units	\$14,600,000
		Total: ...	\$126,600,000

17 (b) PLANNING AND DESIGN.—Using amounts appro-
 18 priated pursuant to the authorization of appropriations in
 19 section 2104(a)(6)(A), the Secretary of the Army may
 20 carry out architectural and engineering services and con-
 21 struction design activities with respect to the construction

1 or improvement of family housing units in an amount not
2 to exceed \$34,488,000.

3 **SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
4 **UNITS.**

5 Subject to section 2825 of title 10, United States
6 Code, and using amounts appropriated pursuant to the
7 authorization of appropriations in section 2104(a)(6)(A),
8 the Secretary of the Army may improve existing military
9 family housing units in an amount not to exceed
10 \$197,803,000.

11 **SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.**

12 (a) IN GENERAL.—Funds are hereby authorized to
13 be appropriated for fiscal years beginning after September
14 30, 2003, for military construction, land acquisition and
15 military family housing functions of the Department of the
16 Army in the total amount of \$2,935,927,000 as follows:

17 (1) For military construction projects inside the
18 United States authorized by section 2101(a),
19 \$721,600,000.

20 (2) For military construction projects outside
21 the United States authorized by section 2101(b),
22 \$314,000,000.

23 (3) For military construction projects at un-
24 specified worldwide locations authorized by section
25 2101(c), \$178,700,000.

1 (4) For unspecified minor construction projects
2 authorized by section 2805 of title 10, United States
3 Code, \$20,000,000.

4 (5) For architectural and engineering services
5 and construction design under section 2807 of title
6 10, United States Code, \$122,710,000.

7 (6) For military family housing functions:

8 (A) For construction and acquisition, plan-
9 ning and design, and improvement of military
10 family housing and facilities, \$356,891,000.

11 (B) For support of military family housing
12 (including the functions described in section
13 2833 of title 10, United States Code),
14 \$1,043,026,000.

15 (7) For the construction of phase 3 of a bar-
16 racks complex, D Street, at Fort Richardson, Alas-
17 ka, authorized by section 2101(a) of the Military
18 Construction Authorization Act for Fiscal Year 2002
19 (division B of Public Law 107–107; 115 Stat.
20 1281), \$33,000,000.

21 (8) For the construction of phase 2 of a bar-
22 racks complex, Capron Road, at Schofield Barracks,
23 Hawaii, authorized by section 2101(a) of the Mili-
24 tary Construction Authorization Act for Fiscal Year
25 2002 (division B of Public Law 107–107; 115 Stat.

1 1283), as amended by section 2105 of this Act,
2 \$49,000,000.

3 (9) For the construction of phase 2 of a bar-
4 racks complex, Range Road, at Fort Campbell, Ken-
5 tucky, authorized by section 2101(a) of the Bob
6 Stump National Defense Authorization Act for Fis-
7 cal Year 2003 (division B of Public Law 107–314;
8 116 Stat. 2681), \$49,000,000.

9 (10) For the construction of phase 3 of a bar-
10 racks complex, 17th & B Streets, at Fort Lewis,
11 Washington, authorized by section 2101(a) of the
12 Military Construction Authorization Act for Fiscal
13 Year 2002 (division B of Public Law 107–107; Stat.
14 1280), \$48,000,000.

15 **SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT**
16 **CERTAIN FISCAL YEAR 2002 PROJECTS.**

17 (a) MODIFICATION.—The table in section 2101(a) of
18 the Military Construction Authorization Act for Fiscal
19 Year 2002 (division B of Public Law 107-107; 115 Stat.
20 1281), is amended in the item relating to Fort Richard-
21 son, Alaska, by striking “\$115,000,000” in the amount
22 column and inserting “\$117,000,000”.

23 (b) CONFORMING AMENDMENT.—Paragraph (2) of
24 section 2104(b) of such Act (115 Stat. 1284) is amended
25 by striking “\$52,000,000” and inserting “\$54,000,000”.

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations or locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Marine Corps Air Station, Yuma	\$22,230,000
California	Marine Corps Base, Camp Pendleton	\$73,580,000
	Naval Air Station, Lemoore	\$34,510,000
	Marine Corps Air Station, Miramar	\$4,740,000
	Naval Air Station, North Island	\$49,240,000
	Naval Air Warfare Center, China Lake	\$12,890,000
	Naval Air Warfare Center, Point Mugu, San Nicholas Island	\$6,150,000
	Naval Air Facility, San Clemente Island	\$18,940,000
	Naval Postgraduate School, Monterey ...	\$35,550,000
	Naval Station, San Diego	\$49,710,000
	Marine Air Ground Task Force Training Center, Twentynine Palms	\$28,390,000
District of Columbia	Marine Corps Barracks	\$1,550,000
Florida	Naval Air Station, Jacksonville	\$3,190,000
	Naval Air Station, Whiting Field, Milton	\$4,830,000
	Naval Surface Warfare Center, Coastal Systems Station, Panama City	\$9,550,000
	Blount Island (Jacksonville)	\$115,711,000
Georgia	Strategic Weapons Facility Atlantic, Kings Bay	\$11,510,000
Hawaii	Fleet and Industrial Supply Center, Pearl Harbor	\$32,180,000
	Naval Magazine, Lualualei	\$6,320,000
	Naval Shipyard, Pearl Harbor	\$7,010,000
Illinois	Naval Training Center, Great Lakes	\$137,120,000
Maryland	Naval Air Warfare Center, Patuxent River	\$24,370,000
	Naval Surface Warfare Center, Indian Head	\$14,850,000
Mississippi	Naval Air Station, Meridian	\$4,570,000
New Jersey	Naval Air Warfare Center, Lakehurst ...	\$20,681,000
	Naval Weapons Station, Earle	\$123,720,000
North Carolina	Marine Corps Air Station, New River	\$6,240,000
	Marine Corps Base, Camp Lejeune	\$29,450,000
Rhode Island	Naval Station, Newport	\$16,140,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
Virginia	Naval Undersea Warfare Center, Newport	\$10,890,000
	Henderson Hall, Arlington	\$1,970,000
	Marine Corps Combat Development Command, Quantico	\$3,700,000
	Naval Amphibious Base, Little Creek	\$3,810,000
	Naval Station, Norfolk	\$182,240,000
Washington	Naval Space Command Center, Dahlgren	\$20,520,000
	Norfolk Naval Shipyard, Portsmouth	\$17,770,000
	Naval Magazine, Indian Island	\$2,240,000
	Naval Submarine Base, Bangor	\$33,820,000
Various Locations	Strategic Weapons Facility Pacific, Bangor	\$6,530,000
	Various Locations, CONUS	\$56,360,000
Total		\$1,244,772,000

1 (b) OUTSIDE THE UNITED STATES.—Using amounts
2 appropriated pursuant to the authorization of appropria-
3 tions in section 2204(a)(2), the Secretary of the Navy may
4 acquire real property and carry out military construction
5 projects for the installations or locations outside the
6 United States, and in the amounts, set forth in the fol-
7 lowing table:

Navy: Outside the United States

Country	Installation or location	Amount
Bahrain	Naval Support Activity, Bahrain	\$18,030,000
Italy	Naval Support Activity, La Maddalena ..	\$39,020,000
United Kingdom	Naval Air Station, Sigonella	\$34,070,000
	Joint Maritime Facility, St. Mawgan	\$7,070,000
Total		\$98,190,000

8 **SEC. 2202. FAMILY HOUSING.**

9 (a) CONSTRUCTION AND ACQUISITION.—Using
10 amounts appropriated pursuant to the authorization of ap-
11 propriations in section 2204(a)(6)(A), the Secretary of the
12 Navy may construct or acquire family housing units (in-
13 cluding land acquisition and supporting facilities) at the

1 installations or locations, for the purposes and in the
 2 amounts, set forth in the following table:

Navy: Family Housing

State or Country	Installation or location	Purpose	Amount
California	Naval Air Station, Lemoore	187 Units	\$41,585,000
Florida	Naval Air Station, Pensa- cola	25 Units	\$4,447,000
North Carolina	Marine Corps Base, Camp Lejeune	519 Units	\$68,531,000
	Marine Corps Air Station, Cherry Point	339 Units	42,803,000
		Total	\$157,366,000

3 (b) PLANNING AND DESIGN.—Using amounts appro-
 4 priated pursuant to the authorization of appropriation in
 5 section 2204(a)(5)(A), the Secretary of the Navy may
 6 carry out architectural and engineering services and con-
 7 struction design activities with respect to the construction
 8 or improvement of military family housing units in an
 9 amount not to exceed \$8,381,000.

10 **SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
 11 **UNITS.**

12 Subject to section 2825 of title 10, United States
 13 Code, and using amounts appropriated pursuant to the
 14 authorization of appropriations in section 2204(a)(5)(A),
 15 the Secretary of the Navy may improve existing military
 16 family housing units in an amount not to exceed
 17 \$20,446,000.

18 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

19 Funds are hereby authorized to be appropriated for
 20 fiscal years beginning after September 30, 2003, for mili-

1 tary construction, land acquisition and military family
2 housing functions of the Department of the Navy in the
3 total amount of \$2,169,829,000 as follows:

4 (1) For military construction projects inside the
5 United States authorized by section 2201(a),
6 \$909,992,000.

7 (2) For military construction projects outside
8 the United States authorized by section 2201(b),
9 \$98,190,000.

10 (3) For unspecified minor construction projects
11 authorized by section 2805 of title 10, United States
12 Code, \$12,334,000.

13 (4) For architectural and engineering services
14 and construction design under section 2807 of title
15 10, United States Code, \$65,612,000.

16 (5) For military family housing functions:

17 (A) For construction and acquisition, plan-
18 ning and design and improvement of military
19 family housing and facilities, \$184,193,000.

20 (B) For support of military family housing
21 (including functions described in section 2833
22 of title 10, United States Code), \$852,778,000.

23 (6) For construction of a shipboard ashore
24 BEQ at Naval Shipyard Norfolk, Virginia, author-
25 ized in section 2201(a) of the Military Construction

1 Authorization Act for Fiscal Year 2003 (division B
 2 of Public Law 107–314; 116 Stat. 2687),
 3 \$46,730,000.

4 **TITLE XXIII—AIR FORCE**

5 **SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND** 6 **LAND ACQUISITION PROJECTS.**

7 (a) INSIDE THE UNITED STATES.—Using amounts
 8 appropriated pursuant to the authorization of appropria-
 9 tions in section 2304(a)(1), the Secretary of the Air Force
 10 may acquire real property and carry out military construc-
 11 tion projects for the installations or locations inside the
 12 United States, and in the amounts, set forth in the fol-
 13 lowing table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	\$13,400,000
Alaska	Eielson Air Force Base	\$33,261,000
	Elmendorf Air Force Base	\$2,000,000
Arizona	Davis-Monthan Air Force Base	\$10,062,000
Arkansas	Little Rock Air Force Base	\$3,695,000
California	Beale Air Force Base	\$22,750,000
	Edwards Air Force Base	\$19,444,000
Colorado	Buckley Air Force Base	\$7,019,000
District of Columbia	Bolling Air Force Base	\$9,300,000
Florida	Hurlburt Field	\$7,800,000
	Tyndall Air Force Base	\$6,320,000
Georgia	Robins Air Force Base	\$29,264,000
Hawaii	Hickam Air Force Base	\$73,296,000
Idaho	Mountain Home Air Force Base	\$5,445,000
Illinois	Scott Air Force Base	\$1,900,000
New Jersey	McGuire Air Force Base	\$11,861,000
New Mexico	Tularosa	\$3,600,000
	Kirtland Air Force Base	\$7,097,000
North Carolina	Pope Air Force Base	\$24,499,000
	Seymour Johnson Air Force Base ...	\$11,222,000
North Dakota	Minot Air Force Base	\$3,190,000
Ohio	Wright-Patterson Air Force Base ...	\$10,500,000
Oklahoma	Altus Air Force Base	\$1,167,000
	Tinker Air Force Base	\$19,444,000
South Carolina	Charleston Air Force Base	\$9,042,000
Texas	Goodfellow Air Force Base	\$20,335,000
	Lackland Air Force Base	\$57,360,000
	Sheppard Air Force Base	\$29,167,000
Utah	Hill Air Force Base	\$15,848,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
Virginia	Langley Air Force Base	\$25,474,000
	Total	\$494,762,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations or locations outside the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

Country	Installation or location	Amount
Germany	Ramstein Air Base	\$35,616,000
	Spangdahlem Air Base	\$25,328,000
Italy	Aviano Air Base	\$14,025,000
Korea	Kunsan Air Base	\$7,059,000
	Osan Air Base	\$16,638,000
Portugal	Lajes Field, Azores	\$4,086,000
Turkey	Incirlik Air Base	\$3,262,000
United Kingdom	Royal Air Force, Lakenheath	\$30,587,000
	Royal Air Force, Mildenhall	\$10,558,000
Wake Island	Wake Island	\$24,000,000
	Total	\$171,159,000

(c) UNSPECIFIED WORLDWIDE.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(3), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installation or location, and in the amount, set forth in the following table:

Air Force: Unspecified Worldwide

Location	Installation or location	Amount
Unspecified Worldwide	Classified Location	\$29,501,000

Air Force: Unspecified Worldwide—Continued

Location	Installation or location	Amount
	Total	\$29,501,000

1 SEC. 2302. FAMILY HOUSING.

2 (a) CONSTRUCTION AND ACQUISITION.—Using
3 amounts appropriated pursuant to the authorization of ap-
4 propriations in section 2304(a)(6)(A), the Secretary of the
5 Air Force may construct or acquire family housing units
6 (including land acquisition and supporting facilities) at the
7 installations or locations, for the purposes and in the
8 amounts, set forth in the following table:

Air Force: Family Housing

State or Country	Installation or location	Purpose	Amount
Arizona	Davis-Monthan Air Force Base	93 Units	\$19,357,000
California	Travis Air Force Base	56 Units	\$12,723,000
Delaware	Dover Air Force Base	112 Units	\$19,601,000
Florida	Eglin Air Force Base	279 Units	\$32,166,000
Idaho	Mountain Home Air Force Base	186 Units	\$37,126,000
Maryland	Andrews Air Force Base ...	50 Units	\$20,233,000
Missouri	Whiteman Air Force Base	100 Units	\$18,221,000
Montana	Malmstrom Air Force Base	94 Units	\$19,368,000
North Carolina	Seymour Johnson Air Force Base	138 Units	\$18,336,000
North Dakota	Grand Forks Air Force Base	144 Units	\$29,550,000
	Minot Air Force Base	200 Units	\$41,117,000
South Dakota	Ellsworth Air Force Base	75 Units	\$16,240,000
Texas	Dyess Air Force Base	116 Units	\$19,973,000
	Randolph Air Force Base	96 Units	\$13,754,000
Korea	Osan Air Base	111 Units	\$44,765,000
Portugal	Lajes Field, Azores	42 Units	\$13,428,000
Turkey	Incirlik Air Base	100 Units	\$17,538,000
United Kingdom	Royal Air Force, Lakenheath	89 Units	\$23,640,000
		Total	\$417,136,000

9 (b) PLANNING AND DESIGN.—Using amounts appro-
10 priated pursuant to the authorization of appropriations in
11 section 2304(a)(6)(A), the Secretary of the Air Force may

1 carry out architectural and engineering services and con-
2 struction design activities with respect to the construction
3 or improvement of military family housing units in an
4 amount not to exceed \$33,488,000.

5 **SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
6 **UNITS.**

7 Subject to section 2825 of title 10, United States
8 Code, and using amounts appropriated pursuant to the
9 authorization of appropriations in section 2304(a)(6)(A),
10 the Secretary of the Air Force may improve existing mili-
11 tary family housing units in an amount not to exceed
12 \$248,998,000.

13 **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR**
14 **FORCE.**

15 (a) IN GENERAL.—Funds are hereby authorized to
16 be appropriated for fiscal years beginning after September
17 30, 2003, for military construction, land acquisition and
18 military family housing functions of the Department of the
19 Air Force in the total amount of \$2,302,857,000 as fol-
20 lows:

21 (1) For military construction projects inside the
22 United States authorized by section 2301(a),
23 \$486,282,000.

1 (2) For military construction projects outside
2 the United States authorized by section 2301(b),
3 \$171,159,000.

4 (3) For the military construction projects at
5 unspecified worldwide locations authorized by section
6 2301(c), \$28,981,000.

7 (4) For unspecified minor construction projects
8 authorized by section 2805 of title 10, United States
9 Code, \$12,000,000.

10 (5) For architectural and engineering services
11 and construction design under section 2807 of title
12 10, United States Code, \$74,345,000.

13 (6) For military housing functions:

14 (A) For construction and acquisition, plan-
15 ning and design, and improvement of military
16 family housing and facilities, \$695,622,000.

17 (B) For support of military family housing
18 (including functions described in section 2833
19 of title 10, United States Code), \$834,468,000.

20 **TITLE XXIV—DEFENSE**
21 **AGENCIES**

22 **SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUC-**
23 **TION AND LAND ACQUISITION PROJECTS.**

24 (a) INSIDE THE UNITED STATES.—Using amounts
25 appropriated pursuant to the authorization of appropria-

tions in section 2405(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Defense Education Activity ..	Marine Corps Base, Camp Lejeune, North Carolina	\$15,259,000
Defense Logistics Agency	Defense Distribution Depot, New Cumberland, Pennsylvania	\$27,700,000
	Eglin Air Force Base, Florida	\$4,800,000
	Eielson Air Force Base, Alaska	\$17,000,000
	Hickam Air Force Base, Hawaii	\$14,100,000
	Hurlburt Field, Florida	\$4,100,000
	Langley Air Force Base, Virginia	\$13,000,000
	Laughlin Air Force Base, Texas	\$4,688,000
	McChord Air Force Base, Washington	\$8,100,000
	Nellis Air Force Base, Nevada	\$12,800,000
	Offutt Air Force Base, Nebraska	\$13,400,000
National Security Agency	Fort Meade, Maryland	\$1,842,000
Special Operations Command	Dam Neck, Virginia	\$15,281,000
	Fort Benning, Georgia	\$2,100,000
	Fort Bragg, North Carolina	\$36,300,000
	Fort Campbell, Kentucky	\$7,800,000
	Harrisburg International Airport, Pennsylvania	\$3,000,000
	Hurlburt Field, Florida	\$6,000,000
Tri-Care Management Activity	Naval Station, Anacostia, District of Columbia	\$15,714,000
	Naval Submarine Base, New London, Connecticut	\$6,700,000
	United States Air Force Academy, Colorado	\$22,100,000
	Walter Reed Medical Center, District of Columbia	\$9,000,000
Washington Headquarters Services	Arlington, Virginia	\$38,086,000
	Total	\$298,870,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations outside the

1 United States, and in the amounts, set forth in the fol-
 2 lowing table:

Defense Agencies: Outside the United States

Agency	Installation or location	Amount
Defense Education Agency ...	Grafenwoehr, Germany	\$36,247,000
.....	Heidelberg, Germany	\$3,086,000
.....	Sigonella, Italy	\$30,234,000
.....	Vicenza, Italy	\$16,374,000
.....	Vilseck, Germany	\$1,773,000
Special Operations Command	Stuttgart, Germany	\$11,400,000
Tri-Care Management Activ-		
ity	Andersen Air Force Base, Guam	\$26,000,000
.....	Grafenwoehr, Germany	\$12,585,000
	Total	\$137,699,000

3 **SEC. 2402. FAMILY HOUSING.**

4 Using amounts appropriated pursuant to the author-
 5 ization of appropriations in section 2405(a)(8)(A), the
 6 Secretary of Defense may carry out architectural and en-
 7 gineering services and construction design activities with
 8 respect to the construction or improvement of military
 9 family housing units in an amount not to exceed
 10 \$300,000.

11 **SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING**

12 **UNITS.**

13 Subject to section 2825 of title 10, United States
 14 Code, and using amounts appropriated pursuant to the
 15 authorization of appropriations in section 2404(a)(5)(A),
 16 the Secretary of Defense may improve existing military
 17 family housing units in an amount not to exceed \$50,000.

1 **SEC. 2404. ENERGY CONSERVATION PROJECTS.**

2 Using amounts appropriated pursuant to the author-
3 ization of appropriations in section 2405(a)(6), the Sec-
4 retary of Defense may carry out energy conservation
5 projects under section 2865 of title 10, United States
6 Code, in the amount of \$69,500,000.

7 **SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DE-**
8 **FENSE AGENCIES.**

9 Funds are hereby authorized to be appropriated for
10 fiscal years beginning after September 30, 2003, for mili-
11 tary construction, land acquisition, and military family
12 housing functions of the Department of Defense (other
13 than the military departments) in the total amount of
14 \$1,017,718,000, as follows:

15 (1) For military construction projects inside the
16 United States authorized by section 2401(a),
17 \$296,670,000.

18 (2) For military construction projects outside
19 the United States authorized by section 2401(b),
20 \$120,334,000.

21 (3) For unspecified minor construction projects
22 under section 2805 of title 10, United States Code,
23 \$16,153,000.

24 (4) For contingency construction projects of the
25 Secretary of Defense under section 2804 of title 10,
26 United States Code, \$8,960,000.

1 (5) For architectural and engineering services
2 and construction design under section 2807 of title
3 10, United States Code, \$59,884,000.

4 (6) For Energy Conservation projects author-
5 ized by section 2404 of this Act, \$69,500,000.

6 (7) For base closure and realignment activities
7 as authorized by the Defense Base Closure and Re-
8 alignment Act of 1990 (part A of title XXIX of
9 Public Law 101–510; 10 U.S.C. 2687 note),
10 \$370,427,000.

11 (8) For military family housing functions:

12 (A) For planning and design and improve-
13 ment of military family housing and facilities,
14 \$350,000.

15 (B) For support of military family housing
16 (including functions described in section 2833
17 of title 10, United States Code), \$49,440,000.

18 (C) For credit to the Department of De-
19 fense Family Housing Improvement Fund es-
20 tablished by section 2883(a)(1) of title 10,
21 United States Code, \$300,000.

22 (9) For construction of the Defense Threat Re-
23 duction Center at Fort Belvoir, Virginia, authorized
24 by section 2401(a) of the Military Construction Au-

1 thorization Act for Fiscal Year 2003 (division B of
2 Public Law 107–314; 116 Stat. 2695), \$25,700,000.

3 **TITLE XXV—NORTH ATLANTIC**
4 **TREATY ORGANIZATION SE-**
5 **CURITY INVESTMENT PRO-**
6 **GRAM**

7 **SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND**
8 **ACQUISITION PROJECTS.**

9 The Secretary of Defense may make contributions for
10 the North Atlantic Treaty Organization Security Invest-
11 ment Program as provided in section 2806 of title 10,
12 United States Code, in an amount not to exceed the sum
13 of the amount authorized to be appropriated for this pur-
14 pose in section 2502 and the amount collected from the
15 North Atlantic Treaty Organization as a result of con-
16 struction previously financed by the United States.

17 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

18 Funds are hereby authorized to be appropriated for
19 fiscal years beginning after September 30, 2003, for con-
20 tributions by the Secretary of Defense under section 2806
21 of title 10, United States Code, for the share of the United
22 States of the cost of projects for the North Atlantic Treaty
23 Organization Security Investment Program authorized by
24 section 2501, in the amount of \$169,300,000.

**TITLE XXVI—GUARD AND
RESERVE FORCES FACILITIES**

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 2003, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, \$168,298,000; and

(B) for the Army Reserve, \$68,478,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, \$28,032,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, \$60,430,000; and

(B) for the Air Force Reserve, \$44,312,000.

1 **TITLE XXVII—EXPIRATION AND**
2 **EXTENSION OF AUTHORIZA-**
3 **TIONS**

4 **SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND**
5 **AMOUNTS REQUIRED TO BE SPECIFIED BY**
6 **LAW.**

7 (a) EXPIRATION OF AUTHORIZATIONS AFTER THREE
8 YEARS.—Except as provided in subsection (b), all author-
9 izations contained in titles XXI through XXVI for military
10 construction projects, land acquisition, family housing
11 projects and facilities, and contributions to the North At-
12 lantic Treaty Organization Security Investment Program
13 (and authorizations of appropriations therefor) shall ex-
14 pire on the later of—

15 (1) October 1, 2006; or

16 (2) the date of the enactment of an Act author-
17 izing funds for military construction for fiscal year
18 2007.

19 (b) EXCEPTION.—Subsection (a) shall not apply to
20 authorizations for military construction projects, land ac-
21 quisition, family housing projects, and facilities, and con-
22 tributions to the North Atlantic Treaty Organization Se-
23 curity Investment Program (and authorizations of appro-
24 priations therefor) for which appropriated funds have been
25 obligated before the later of—

1 (1) October 1, 2006; or

2 (2) the date of the enactment of an Act author-
 3 izing funds for fiscal year 2007 for military con-
 4 struction projects, land acquisition, family housing
 5 projects and facilities, and contributions to the
 6 North Atlantic Treaty Organization Security Invest-
 7 ment Program.

8 **SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
 9 **FISCAL YEAR 2001 PROJECTS.**

10 (a) EXTENSION.—Notwithstanding section 2701 of
 11 the Military Construction Authorization Act for Fiscal
 12 Year 2001 (division B of Public Law 106–398; 114 Stat.
 13 1654A–389), authorizations set forth in the tables in sub-
 14 section (b), as provided in sections 2102, 2201, and 2404
 15 of that Act, shall remain in effect until October 1, 2004,
 16 or the date of the enactment of an Act authorizing funds
 17 for military construction for fiscal year 2005, whichever
 18 is later.

19 (b) TABLES.—The tables referred to in subsection (a)
 20 are as follows:

Army: Extension of 2001 Project Authorization

State	Installation or loca- tion	Project	Amount
South Carolina	Fort Jackson	New Construc- tion—GFOQ	\$250,000

Navy: Extension of 2001 Project Authorization

State	Installation or location	Project	Amount
Pennsylvania	Naval Surface Warfare Center Shipyard Systems Engineering Station, Philadelphia	Gas Turbine Test Facility	\$10,680,000

Defense Agencies: Extension of 2001 Project Authorizations

State	Installation or location	Project	Amount
Defense Education Activity	Seoul, Korea	Elementary School Full Day Kindergarten Classroom Addition	\$2,317,000
	Taegu, Korea	Elementary/High School Full Day Kindergarten Classroom Addition	\$762,000

1 **SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
2 **FISCAL YEAR 2000 PROJECTS.**

3 (a) EXTENSION.—Notwithstanding section 2701 of
4 the Military Construction Authorization Act for Fiscal
5 Year 2000 (division B of Public Law 106–65; 113 Stat.
6 841), authorizations set forth in the tables in subsection
7 (b), as provided in section 2601 of that Act, shall remain
8 in effect until October 1, 2004, or the date of the enact-
9 ment of an Act authorizing funds for military construction
10 for fiscal year 2005, whichever is later.

11 (b) TABLE.—The tables referred to in subsection (a)
12 are as follows:

Air Force: Extension of 2000 Project Authorization

State	Installation or location	Project	Amount
Oklahoma	Tinker Air Force Base	Replace Family Housing (41 Units)	\$6,000,000

Army: Extension of 2000 Project Authorization

State	Installation or location	Project	Amount
Virginia	National Guard Ft. Pickett	Multi-purpose Range-Heavy	\$13,500,000

1 **SEC. 2704. EFFECTIVE DATE.**

2 Titles XXI, XXII, XXIII, XXIV, XXV, XXVI, and
3 XXVII shall take effect on the later of—

4 (1) October 1, 2003; or

5 (2) the date of the enactment of this Act.

6 **TITLE XXVIII—GENERAL**
7 **PROVISIONS**

8 **Subtitle A—Military Construction**
9 **and Military Family Housing**

10 **SEC. 2801. STREAMLINING MILITARY CONSTRUCTION TO**
11 **REDUCE FACILITY ACQUISITION AND CON-**
12 **STRUCTION CYCLE TIME.**

13 (a) **THRESHOLDS.**—(1) Section 2803(c)(1) of title
14 10, United States Code, is amended by striking
15 “\$30,000,000” and inserting “\$60,000,000”.

16 (2) Section 2805 of such title is amended—

17 (A) in subsection (a)(1)—

1 (i) by striking “\$1,500,000” and inserting
 2 “\$3,000,000”; and

3 (ii) by striking “\$3,000,000” and inserting
 4 “\$6,000,000”.

5 (B) in subsection (b)(1) by striking “\$750,000”
 6 and inserting “\$1,500,000”; and

7 (C) in subsection (c)(1)—

8 (i) by striking “\$1,500,000” in subpara-
 9 graph (A) and inserting “\$3,000,000”; and

10 (ii) by striking “\$750,000” in subpara-
 11 graph (B) and inserting “\$1,500,000”.

12 (3) Section 2811(b) of such title is amended by strik-
 13 ing “\$5,000,000” and inserting “\$10,000,000”.

14 (4) Section 18233a of such title is amended by strik-
 15 ing “\$1,500,000 in subsection (a)(1) and inserting
 16 “\$3,000,000”.

17 (b) PROJECT APPLICABILITY.—Section 2805(b)(1) of
 18 such title is amended by inserting at the end “This para-
 19 graph shall not apply to unspecified minor military con-
 20 struction projects using funds made available for oper-
 21 ation and maintenance in accordance with subsection (c).”

22 (c) DESIGN-BUILD CONTRACTING.—(1) Section
 23 2305a(c)(5) of such title is amended—

24 (A) by inserting “(A)” after “(5)”; and

1 (B) by adding at the end the following new sub-
2 paragraph:

3 “(B) Notwithstanding any other provision of law, a
4 military department may accelerate design effort for de-
5 sign-build contracts (fast-track design funding) to accom-
6 plish the design effort for any military construction or
7 family housing construction project, prior to the project
8 being authorized and appropriated, if (1) the contractor
9 to whom the contract will be awarded has been selected
10 using design-build selection procedures established under
11 this section, (2) a request for the authorization and appro-
12 priation of construction funds has been submitted to Con-
13 gress as part of the Department’s annual budget, and (3)
14 the Government’s liability in a Termination for Conven-
15 ience would not exceed costs above that attributable to the
16 final design of the project.”.

17 (2) Section 2807(a) of such title is amended by strik-
18 ing “in connection with military construction projects not
19 otherwise authorized by law” at the end of the first sen-
20 tence and inserting “regardless of the intended acquisition
21 approach, in connection with a military construction
22 project otherwise, or not otherwise, authorized by law”.

23 (d) COST VARIATIONS.—Section 2853(a) of such title
24 is amended by striking “or 200 percent of the minor con-

1 struction project ceiling specified in section 2805(a)(1),
 2 whichever is less”.

3 (e) REAL PROPERTY TRANSACTIONS.—(1) Section
 4 2662 is repealed.

5 (2) Section 2672 of such title is amended—

6 (A) in the title, by striking “\$500,000” and in-
 7 serting “the unspecified minor military construction
 8 project ceiling in section 2805(a)(1) of this title”;
 9 and

10 (B) in subsection (a)(1)(B), by striking
 11 “\$500,000” and inserting “the unspecified minor
 12 military construction project ceiling in section
 13 2805(a)(1) of this title”; and

14 (C) in subsection (a)(2), by striking
 15 “\$500,000” and inserting “the unspecified minor
 16 military construction project ceiling in section
 17 2805(a)(1) of this title”.

18 (3) Section 2672a(b) of such title is amended by
 19 striking the last sentence.

20 **SEC. 2802. INCREASED TERMS FOR LEASES OF FAMILY**
 21 **HOUSING AND OTHER FACILITIES IN FOR-**
 22 **EIGN COUNTRIES.**

23 (a) LEASES OF FAMILY HOUSING IN FOREIGN COUN-
 24 TRIES.—Section 2828(d)(1) of title 10, United States

1 Code, is amended by striking “ten years” and inserting
2 “fifteen years”.

3 (b) LEASES OF OTHER FACILITIES IN FOREIGN
4 COUNTRIES.—Section 2675 of such title is amended by
5 striking “five years” and inserting “fifteen years”.

6 **Subtitle B—Real Property and**
7 **Facilities Administration**

8 **SEC. 2811. EXPANDED AUTHORITY TO TRANSFER PROP-**
9 **ERTY AT MILITARY INSTALLATIONS TO BE**
10 **CLOSED TO PERSONS WHO CONSTRUCT OR**
11 **PROVIDE MILITARY HOUSING.**

12 (a) 1988 LAW.—Section 204(e) of the Defense Au-
13 thorization Amendments and Base Closure and Realign-
14 ment Act (Public Law 100–526; 10 U.S.C. 2687 note) is
15 amended by striking “FAMILY” in the subsection heading.

16 (b) 1990 LAW.—Section 2905(f) of the Defense Base
17 Closure and Realignment Act of 1990 (part A of title
18 XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is
19 amended by striking “FAMILY” in the subsection heading.

20 **SEC. 2812. ACCEPTANCE OF IN-KIND CONSIDERATION FOR**
21 **EASEMENTS.**

22 (a) EASEMENTS FOR RIGHTS-OF-WAY.—Section
23 2668 of title 10, United States Code, is amended by add-
24 ing at the end the following new subsections:

1 “(f) In addition to any cash consideration accepted
2 under subsection (e), the Secretary concerned may accept
3 in-kind consideration with respect to easements granted
4 under this section, including the following:

5 “(1) Maintenance, protection, alteration, repair,
6 improvement, or restoration (including environ-
7 mental restoration) of property or facilities under
8 the control of the Secretary concerned.

9 “(2) Construction of new facilities.

10 “(3) Provision of facilities for use by the mili-
11 tary departments.

12 “(4) Facilities operation support.

13 “(5) Provision of such other services relating to
14 activities that will occur on the property subject to
15 the easement, as the Secretary concerned considers
16 appropriate.

17 “(g) The Secretary concerned may accept in-kind
18 consideration under subsection (f) at any property or fa-
19 cilities under his or her control that he or she selects for
20 that purpose.

21 “(h) Sections 2662 and 2802 of this title shall not
22 apply to construction of any new facilities accepted as in-
23 kind consideration under this subsection.”.

24 (b) EASEMENTS FOR RIGHTS-OF-WAY: GAS, WATER,
25 AND SEWER PIPELINES.—Section 2669 of such title is

1 amended by adding at the end the following new sub-
2 sections:

3 “(f) In addition to any cash consideration accepted
4 under subsection (e), the Secretary concerned may accept
5 in-kind consideration with respect to easements granted
6 under this section, including the following:

7 “(1) Maintenance, protection, alteration, repair,
8 improvement, or restoration (including environ-
9 mental restoration) of property or facilities under
10 the control of the Secretary concerned.

11 “(2) Construction of new facilities.

12 “(3) Provision of facilities for use by the mili-
13 tary departments.

14 “(4) Facilities operation support.

15 “(5) Provision of such other services relating to
16 activities that will occur on the property subject to
17 the easement, as the Secretary concerned considers
18 appropriate.

19 “(g) The Secretary concerned may accept in-kind
20 consideration under subsection (f) any property or facili-
21 ties under his or her control that he or she selects for
22 that purpose.

23 “(h) Sections 2662 and 2802 of this title shall not
24 apply to construction of any new facilities accepted as in-
25 kind consideration under this subsection.”.

1 **SEC. 2813. MODIFICATION OF AUTHORITY TO ACCEPT**
2 **FUNDS TO COVER ADMINISTRATIVE EX-**
3 **PENSES RELATING TO CERTAIN REAL PROP-**
4 **ERTY TRANSACTIONS.**

5 Section 2695 of title 10, United States Code, is
6 amended—

7 (1) by amending subsection (a) to read as fol-
8 lows:

9 “(a) **AUTHORITY TO ACCEPT.**—In connection with a
10 real property transaction referred to in subsection (b) with
11 a non-Federal person or entity, the Secretary of a military
12 department may charge the person or entity, either in ad-
13 vance or arrears, amounts to cover administrative ex-
14 penses incurred by the Secretary in reviewing and imple-
15 menting the covered transaction.”;

16 (2) in subsection (b), by inserting “whether or
17 not the transaction is completed” before the colon;
18 and

19 (3) in subsection (c)—

20 (A) by inserting “or are to be” after “ex-
21 penses were”; and

22 (B) by adding at the end the following new
23 sentence: “After liquidation of all subsection (a)
24 administrative expenses, the amount of any
25 overpayment shall be refunded to the non-Fed-
26 eral person or entity from the appropriation,

1 fund, or account into which the funds were
2 originally deposited in such a way as to merge
3 with and become available for the same pur-
4 poses and period as the accounts to which they
5 are credited.”.

6 **SEC. 2814. AUTHORITY TO CONVEY PROPERTY AT MILITARY**
7 **INSTALLATIONS TO PERSONS WHO CON-**
8 **STRUCT OR PROVIDE MILITARY HOUSING.**

9 (a) **AUTHORITY TO CONVEY PROPERTY.**—Sub-
10 chapter III of chapter 169 of title 10, United States Code,
11 is amended by adding at the end the following new section:

12 **“§ 2869. Conveyance of property to persons who con-**
13 **struct or provide military housing**

14 “(a) **AUTHORITY TO CONVEY PROPERTY.**—Subject
15 to subsection (b), the Secretary concerned may enter into
16 an agreement to convey real property, including any im-
17 provements, structures or fixtures located thereon, on a
18 military installation to any person who agrees, in exchange
19 for the real property, to transfer to the Secretary housing
20 that is constructed or provided by the person and located
21 at or near a military installation at which there is a short-
22 age of suitable housing to meet the requirements of mem-
23 bers of the Armed Forces and their dependents.

1 “(b) REQUIREMENTS FOR CONVEYANCE.—A convey-
2 ance of real property may be made under subsection (a)
3 only if—

4 “(1) the Secretary determines that the real
5 property to be conveyed is in excess of the needs of
6 the military installation;

7 “(2) the fair market value of the housing to be
8 received by the Secretary in exchange for the real
9 property to be conveyed is equal to or greater than
10 the fair market value of such property, including any
11 improvements, structures or fixtures located thereon,
12 as determined by the Secretary; and

13 “(3) in the event the fair market value of the
14 housing is less than the fair market value of the real
15 property to be conveyed, including any improve-
16 ments, structures or fixtures located thereon, the re-
17 cipient of the real property agrees to pay to the Sec-
18 retary the amount equal to the excess of the fair
19 market value of such real property over the fair
20 market value of the housing.

21 “(c) DEPOSIT OF FUNDS.—Notwithstanding any
22 other provision of law, the Secretary may deposit funds
23 received under subsection (b)(3) in the Department of De-
24 fense Housing Improvement Fund established under sec-

tion 2883(a) of this title to be merged with and used for the same purpose as funds already in the account.

“(d) EXEMPTIONS.—The conveyance of real property under this section shall not be subject to the following:

“(1) Section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411).

“(2) Section 2693 of this title.

“(e) ADDITIONAL TERMS.—The Secretary may require any additional terms and conditions in connection with an agreement authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

“(f) DEFINITION.—In this section, the term ‘housing’ means both military family housing and military unaccompanied housing.”.

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

“2869. Conveyance of property to persons who construct or provide military housing.”.

(c) CONFORMING AMENDMENT.—Section 2883(c)(1) of such title is amended by adding at the end the following new subparagraph:

“(F) Any amounts that the Secretary concerned transfers to that Fund pursuant to section 2869 of this title.”.

1 **SEC. 2815. INCREASE IN THRESHOLD FOR REPORTS TO**
2 **CONGRESSIONAL COMMITTEES ON REAL**
3 **PROPERTY TRANSACTIONS.**

4 Section 2662 of title 10, United States Code, is
5 amended by striking “\$500,000” each place it appears
6 and inserting “the unspecified minor military construction
7 project limit under section 2805(c)(1)(B) of this title”.

8 **SEC. 2816. CONTRACTING WITH LOCAL GOVERNMENTS FOR**
9 **MUNICIPAL SERVICES.**

10 (a) **AUTHORITY.**—Chapter 146 of title 10, United
11 States Code, is amended by adding at the end the fol-
12 lowing new section:

13 **“§ 2476. Contracting with local governments for mu-**
14 **nicipal services**

15 “Subject to the provisions of this chapter, but not-
16 withstanding any other provision of law related to the
17 award of public contracts, the Secretary of Defense or the
18 Secretary of a military department may enter directly into
19 a contract or other agreement for public works, utility and
20 other municipal services at an installation or facility of
21 the Department of Defense, with the municipality or local
22 government responsible for serving the area that includes
23 that installation or facility. The Secretary concerned may
24 enter into such a contract or agreement, even if the mu-
25 nicipality or local government to which the Secretary

1 makes award is required by law to provide those services
2 to the public without direct charge.”.

3 (b) CONFORMING AMENDMENT.—Section 816 of the
4 National Defense Authorization Act for Fiscal Year 1995
5 (Public Law 103–337; 108 Stat. 2820) is repealed.

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

“2476. Contracting with local governments for municipal services.”.

9 **Subtitle C—Other Matters**

10 **SEC. 2821. INCREASE AUTHORITY TO LEASE MILITARY FAM-** 11 **ILY HOUSING IN ITALY.**

12 Section 2828(e)(2) of title 10, United States Code,
13 is amended by striking “2,000” and inserting “2,800”.

14 **SEC. 2822. CONVEYANCE OF ARMY AND AIR FORCE EX-** 15 **CHANGE SERVICE PROPERTY, DALLAS,** 16 **TEXAS.**

17 (a) CONVEYANCE AUTHORIZED.—The Secretary of
18 Defense may authorize the Army and Air Force Exchange
19 Service, which is a nonappropriated fund instrumentality
20 of the United States, to sell all right, title, and interest
21 of the United States in and to a parcel of real property,
22 including improvements thereon, that is located at 1515
23 Roundtable Drive in Dallas, Texas.

24 (b) CONSIDERATION.—As consideration for convey-
25 ance under subsection (a), the purchaser shall pay, in a

1 single lump sum payment, an amount equal to the fair
2 market value of the real property conveyed, as determined
3 by the Secretary. The payment shall be handled in the
4 manner provided in section 204(c) of the Federal Property
5 and Administrative Services Act of 1949 (40 U.S.C.
6 485(c)). Such funds and credit receipts shall not go to
7 the general treasury but to the Department of Defense
8 to merge with and become available for the same purposes
9 and period as the accounts to which they are credited.

10 (c) DESCRIPTION OF PROPERTY.—The exact acreage
11 and legal description of the real property to be conveyed
12 under subsection (a) shall be determined by a survey satis-
13 factory to the Secretary. The cost of the survey shall be
14 borne by the purchaser.

15 (d) ADDITIONAL TERMS AND CONDITIONS.—The
16 Secretary may require such additional terms and condi-
17 tions in connection with the conveyance under subsection
18 (a) as the Secretary considers appropriate to protect the
19 interests of the United States.

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