

# Union Calendar No. 278

108<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4200

[Report No. 108-491]

To authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2005, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 22, 2004

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

MAY 14, 2004

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on April 22, 2004]

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## A BILL

To authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2005, 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,*

1 **SECTION 1. SHORT TITLE.**

2       *This Act may be cited as the “National Defense Au-*  
 3 *thorization Act for Fiscal Year 2005”.*

4 **SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF**  
 5 **CONTENTS.**

6       (a) *DIVISIONS.*—*This Act is organized into three divi-*  
 7 *sions as follows:*

8           (1) *Division A—Department of Defense Author-*  
 9 *izations.*

10           (2) *Division B—Military Construction Author-*  
 11 *izations.*

12           (3) *Division C—Department of Energy National*  
 13 *Security Authorizations and Other Authorizations.*

14       (b) *TABLE OF CONTENTS.*—*The table of contents for*  
 15 *this Act is as follows:*

*Sec. 1. Short title; findings.*

*Sec. 2. Organization of Act into divisions; table of contents.*

*Sec. 3. Congressional defense committees.*

***DIVISION A—DEPARTMENT OF DEFENSE***  
***AUTHORIZATIONS***

***TITLE I—PROCUREMENT***

***Subtitle A—Authorization of Appropriations***

*Sec. 101. Army.*

*Sec. 102. Navy and Marine Corps.*

*Sec. 103. Air Force.*

*Sec. 104. Defense-wide activities.*

***Subtitle B—Program Matters***

*Sec. 111. Multiyear procurement authority for the light-weight 155-millimeter*  
*howitzer program.*

*Sec. 112. DDG–51 modernization program.*

*Sec. 113. Repeal of authority for pilot program for flexible funding of cruiser con-*  
*versions and overhauls.*

- Sec. 114. Force protection for asymmetric threat environment.*  
*Sec. 115. Allocation of equipment authorized by this title to be made on basis of units deployed or preparing to deploy.*  
*Sec. 116. Multiyear procurement authority for KC-767 tanker aircraft acquisition program.*  
*Sec. 117. Other matters relating to KC-767 tanker aircraft acquisition program.*

**TITLE II—RESEARCH, DEVELOPMENT, TEST, AND  
EVALUATION**

**Subtitle A—Authorization of Appropriations**

- Sec. 201. Authorization of appropriations.*  
*Sec. 202. Amount for defense science and technology.*

**Subtitle B—Program Requirements, Restrictions, and  
Limitations**

- Sec. 211. Future Combat Systems program strategy.*  
*Sec. 212. Collaborative program for research and development of vacuum electronics technologies.*  
*Sec. 213. Annual Comptroller General report on Joint Strike Fighter program.*  
*Sec. 214. Amounts for United States Joint Forces Command to be derived only from Defense-wide amounts.*  
*Sec. 215. Authority of Director of Defense Research and Engineering to award prizes for advanced technology achievements.*  
*Sec. 216. Space Based Radar.*  
*Sec. 217. Mark-54 Torpedo Product Improvement Program.*

**Subtitle C—Missile Defense**

- Sec. 221. Fielding of ballistic missile defense capabilities.*

**TITLE III—OPERATION AND MAINTENANCE**

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- Sec. 301. Operation and Maintenance funding.*  
*Sec. 302. Working capital funds.*  
*Sec. 303. Other Department of Defense programs.*  
*Sec. 304. Reimbursement of members of the Armed Forces who purchased protective body armor during shortage of defense stocks of body armor.*

**Subtitle B—Environmental Provisions**

- Sec. 311. Report regarding encroachment issues affecting Utah Test and Training Range, Utah.*

**Subtitle C—Workplace and Depot Issues**

- Sec. 321. Simplification of annual reporting requirements concerning funds expended for depot maintenance and repair workloads.*  
*Sec. 322. Repeal of annual reporting requirement concerning management of depot employees.*  
*Sec. 323. Public-private competition for work performed by civilian employees of Department of Defense.*  
*Sec. 324. Public-private competition pilot program.*  
*Sec. 325. Sense of Congress on equitable legal standing for civilian employees.*

*Sec. 326. Competitive sourcing reporting requirement.*

**Subtitle D—Information Technology**

*Sec. 331. Preparation of Department of Defense plan for transition to Internet Protocol version 6.*

*Sec. 332. Defense business enterprise architecture, system accountability, and conditions for obligation of funds for defense business system modernization.*

*Sec. 333. Establishment of joint program office to improve interoperability of battlefield management command and control systems.*

**Subtitle E—Readiness Reporting Requirements**

*Sec. 341. Annual report on Department of Defense operation and financial support for military museums.*

*Sec. 342. Report on Department of Defense programs for prepositioning of material and equipment.*

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*Sec. 351. Extension of Arsenal Support Program Initiative.*

*Sec. 352. Limitation on preparation or implementation of Mid-Range Financial Improvement Plan.*

*Sec. 353. Procurement of follow-on contracts for the operation of five Champion-class T-5 tank vessels.*

*Sec. 354. Sense of Congress on America's National World War I Museum.*

**TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS**

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*Sec. 402. Revision in permanent active duty end strength minimum levels.*

*Sec. 403. Maximum number of reserve personnel authorized to be on active duty for operational support.*

*Sec. 404. Accounting and management of reserve component personnel performing active duty or full-time National Guard duty for operational support.*

**Subtitle B—Reserve Forces**

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*Sec. 412. End strengths for Reserves on active duty in support of the reserves.*

*Sec. 413. End strengths for military technicians (dual status).*

*Sec. 414. Fiscal year 2005 limitation on number of non-dual status technicians.*

**Subtitle C—Authorizations of Appropriations**

*Sec. 421. Military personnel.*

*Sec. 422. Armed Forces Retirement Home.*

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*Sec. 502. Repeal of requirement that Deputy Chiefs and Assistant Chiefs of Naval Operations be selected from officers in the line of the Navy.*

- Sec. 503. Increase in age limit for deferral of mandatory retirement for up to 10 senior general and flag officers.*
- Sec. 504. Increased flexibility for voluntary retirement for military officers.*
- Sec. 505. Repeal of requirement that no more than 50 percent of active duty general and flag officers be in grades above brigadier general and rear admiral (lower half).*
- Sec. 506. Revision to terms for assistants to the Chairman of the Joint Chiefs of Staff for National Guard and Reserve matters.*
- Sec. 507. Succession for position of Chief, National Guard Bureau.*
- Sec. 508. Title of Vice Chief of the National Guard Bureau changed to Director of the Joint Staff of the National Guard Bureau.*
- Sec. 509. Two-year extension of authority to waive requirement that Reserve chiefs and National Guard Directors have significant joint duty experience.*
- Sec. 510. Repeal of distribution requirements for Naval Reserve flag officers.*

***Subtitle B—Other Officer Personnel Policy Matters***

- Sec. 511. Transition of active-duty list officer force to all regular status.*
- Sec. 512. Mandatory retention on active duty to qualify for retirement pay.*
- Sec. 513. Distribution in grade of Marine Corps Reserve officers in an active status in grades below brigadier general*
- Sec. 514. Tuition assistance for officers.*

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- Sec. 522. Improved access to reserve component members for enhanced training.*
- Sec. 523. Status under disability retirement system for reserve members released from active duty due to inability to perform within 30 days of call to active duty.*
- Sec. 524. Federal civil service military leave for Reserve and National Guard civilian technicians.*
- Sec. 525. Expanded educational assistance authority for officers commissioned through ROTC program at military junior colleges.*
- Sec. 526. Effect of appointment or commission as officer on eligibility for Selected Reserve education loan repayment program for enlisted members.*
- Sec. 527. Number of Starbase academies in a State.*
- Sec. 528. Comptroller General assessment of integration of active and reserve components of the Navy.*
- Sec. 529. Operational activities conducted by the National Guard under authority of title 32.*
- Sec. 530. Army program for assignment of active component advisers to units of the Selected Reserve.*

***Subtitle D—Joint Officer Management***

- Sec. 531. Strategic plan to link joint officer development to overall missions and goals of Department of Defense.*
- Sec. 532. Joint requirements for promotion to flag or general officer grade.*
- Sec. 533. Clarification of tours of duty qualifying as a joint duty assignment.*
- Sec. 534. Reserve joint special officer qualification requirements.*

**Subtitle E—Professional Military Education**

- Sec. 541. Improvement to professional military education in the Department of Defense.*
- Sec. 542. Ribbons to recognize completion of joint professional military education.*
- Sec. 543. Increase in number of private-sector civilians who may be enrolled for instruction at National Defense University.*
- Sec. 544. Requirement for completion of Phase I joint professional military education before promotion to colonel or Navy captain.*

**Subtitle F—Other Education and Training Matters**

- Sec. 551. College First delayed enlistment program.*
- Sec. 552. Standardization of authority to confer degrees on graduates of Community College of the Air Force with authority for other schools of Air University.*
- Sec. 553. Change in titles of heads of the Naval Postgraduate School.*
- Sec. 554. Increase from two years to three years in period for which educational leave of absence may be authorized.*
- Sec. 555. Correction to disparate treatment of disabilities sustained during accession training.*
- Sec. 556. Prayer at military service academy activities.*
- Sec. 557. Revision to conditions on service of officers as service academy superintendents.*
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- Sec. 559. Qualifications of the dean of the faculty of United States Air Force Academy.*

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- Sec. 561. Separate military campaign medals to recognize service in Operation Enduring Freedom and service in Operation Iraqi Freedom.*
- Sec. 562. Eligibility of all uniformed services personnel for National Defense Service Medal.*
- Sec. 563. Authority to appoint Brigadier General Charles E. Yeager, United States Air Force (retired), to the grade of major general on the retired list.*
- Sec. 564. Posthumous commission of William Mitchell in the grade of major general in the Army.*

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- Sec. 571. Review on how sexual offenses are covered by Uniform Code of Military Justice.*
- Sec. 572. Service time not lost when confined in connection with trial if confinement excused as unavoidable.*
- Sec. 573. Clarification of authority of military legal assistance counsel to provide military legal assistance without regard to licensing requirements.*

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- Sec. 581. Three-year extension of limitation on reductions of personnel of agencies responsible for review and correction of military records.*

- Sec. 582. Staffing and funding for Defense Prisoner of War/Missing Personnel office (DPMO).*
- Sec. 583. Permanent ID cards for retiree dependents age 70 and older.*
- Sec. 584. Authority to provide civilian clothing to members traveling in connection with medical evacuation.*
- Sec. 585. Authority to accept donation of frequent traveler miles, credits, and tickets to facilitate rest and recuperation travel of deployed members of the Armed Forces and their families.*
- Sec. 586. Limitation on amendment or cancellation of Department of Defense directive relating to reasonable access to military installations for certain personal commercial solicitation.*
- Sec. 587. Annual identification of reasons for discharges from the Armed Forces during preceding fiscal year.*
- Sec. 588. Authority for Federal recognition of National Guard commissioned officers appointed from former Coast Guard personnel.*
- Sec. 589. Study of blended wing concept for the Air Force.*
- Sec. 590. Continuation of impact aid assistance on behalf of dependents of certain members despite change in status of member.*

### **Subtitle J—Other Matters**

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- Sec. 592. Repeal of requirement to conduct electronic voting demonstration project for the Federal election to be held in November 2004.*
- Sec. 593. Examination of sexual assault in the Armed Forces by the defense task force established to examine sexual harassment and violence at the military service academies.*
- Sec. 594. Renewal of pilot program for treating GED and home school diploma recipients as high school graduates for determinations of eligibility for enlistment.*
- Sec. 595. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.*
- Sec. 596. Senior Reserve Officer Training Corps and recruiter access at institutions of higher education.*
- Sec. 597. Reports on transformation milestones.*

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- Sec. 602. Authority to provide family separation basic allowance for housing.*
- Sec. 603. Geographic basis for basic allowance for housing during short changes of station for professional military education or training.*
- Sec. 604. Immediate lump-sum reimbursement for unusual nonrecurring expenses incurred by members serving outside continental United States.*
- Sec. 605. Income replacement payments for Reserves experiencing extended and frequent mobilization for active duty service.*
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### **Subtitle B—Bonuses and Special and Incentive Pays**

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- Sec. 643. Source of funds for Survivor Benefit Plan annuities for Department of Defense beneficiaries over age 62.*

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- Sec. 652. Consistent State treatment of Department of Defense Nonappropriated Fund Health Benefits Program.*
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- Sec. 662. Clarification of education loans qualifying for education loan repayment program for reserve component health professions officers.*
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- Sec. 702. Comptroller General report on the cost and feasibility of providing private health insurance stipends for members of the Ready Reserves.*
- Sec. 703. Improvement of medical services for activated members of the Ready Reserve and their families.*
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- Sec. 705. Authority for payment by United States of additional amounts billed by health care providers to activated Reserve members.*
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### **Subtitle B—Other Benefits Improvements**

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- Sec. 712. Comptroller General report on provision of health and support services for exceptional family member program enrollees.*
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- Sec. 714. Transition to home health care benefit under sub-acute care program.*
- Sec. 715. Requirement relating to prescription drug benefits for medicare-eligible enrollees under defense health care plans.*
- Sec. 716. Professional accreditation of military dentists.*
- Sec. 717. Addition of certain unremarried former spouses to persons eligible for dental insurance plan of retirees of the uniformed services.*
- Sec. 718. Waiver of collection of payments due from certain persons unaware of loss of CHAMPUS eligibility.*

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- Sec. 801. Rapid acquisition authority to respond to combat emergencies.*
- Sec. 802. Defense acquisition workforce changes.*
- Sec. 803. Limitation on task and delivery order contracts.*
- Sec. 804. Funding for contract cancellation ceilings for certain multiyear procurement contracts.*
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- Sec. 812. Amendments to domestic source requirements.*

- Sec. 813. Three-year extension of restriction on acquisition of polyacrylonitrile (PAN) carbon fiber from foreign sources.*
- Sec. 814. Grant program for defense contractors to implement strategies to avoid outsourcing of jobs.*
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*Sec. 2702. Extension of authorizations of certain fiscal year 2002 projects.*  
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*Sec. 2802. Assessment of vulnerability of military installations to terrorist attack and annual report on military construction requirements related to antiterrorism and force protection.*  
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- Sec. 2807. Temporary authority to accelerate design efforts for military construction projects carried out using design-build selection procedures.*
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- Sec. 2809. One-year extension of temporary, limited authority to use operation and maintenance funds for construction projects outside the United States.*

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- Sec. 2811. Increase in certain thresholds for reporting real property transactions.*
- Sec. 2812. Reorganization of existing administrative provisions relating to real property transactions.*
- Sec. 2813. Treatment of money rentals from golf course at Rock Island Arsenal, Illinois.*
- Sec. 2814. Number of contracts authorized department-wide under demonstration program on reduction in long-term facility maintenance costs.*
- Sec. 2815. Repeal of Commission on Review of Overseas Military Facility Structure of the United States.*
- Sec. 2816. Designation of Airmen Leadership School at Luke Air Force Base, Arizona, in honor of John J. Rhodes, a former minority leader of the House of Representatives.*
- Sec. 2817. Elimination of reversionary interests clouding United States title to property used as Navy homeports.*
- Sec. 2818. Report on real property disposal at Marine Corps Air Station, El Toro, California.*

***Subtitle C—Base Closure and Realignment***

- Sec. 2821. Two-year postponement of 2005 base closure and realignment round and submission of reports regarding future infrastructure requirements for the armed forces.*
- Sec. 2822. Establishment of specific deadline for submission of revisions to force-structure plan and infrastructure inventory for next base closure round.*
- Sec. 2823. Specification of final selection criteria for next base closure round.*
- Sec. 2824. Requirement for unanimous vote of Defense Base Closure and Realignment Commission to add to or otherwise expand closure and realignment recommendations made by Secretary of Defense.*
- Sec. 2825. Adherence to certain authorities on preservation of military depot capabilities during any subsequent round of base closures and realignments.*

***Subtitle D—Land Conveyances***

*PART I—ARMY CONVEYANCES*

- Sec. 2831. Transfer of administrative jurisdiction, Defense Supply Center, Columbus, Ohio.*
- Sec. 2832. Land conveyance, Fort Hood, Texas.*
- Sec. 2833. Land conveyance, Army National Guard Facility, Seattle, Washington.*

*PART II—NAVY CONVEYANCES*

*Sec. 2841. Transfer of jurisdiction, Nebraska Avenue Naval Complex, District of Columbia.*

*Sec. 2842. Land conveyance, Navy property, former Fort Sheridan, Illinois.*

*Sec. 2843. Land exchange, Naval Air Station, Patuxent River, Maryland.*

*PART III—AIR FORCE CONVEYANCES*

*Sec. 2851. Land exchange, Maxwell Air Force Base, Alabama.*

**DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS****TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS****Subtitle A—National Security Programs Authorizations**

*Sec. 3101. National Nuclear Security Administration.*

*Sec. 3102. Defense environmental management.*

*Sec. 3103. Other defense activities.*

*Sec. 3104. Defense nuclear waste disposal.*

**Subtitle B—Program Authorizations, Restrictions, and Limitations**

*Sec. 3111. Extension of authority for appointment of certain scientific, engineering, and technical personnel.*

*Sec. 3112. Requirements for baseline of projects under Facilities and Infrastructure Recapitalization Program.*

**Subtitle C—Other Matters**

*Sec. 3131. Transfers and reprogrammings of National Nuclear Security Administration funds.*

*Sec. 3132. National Academy of Sciences study on management by Department of Energy of high-level radioactive waste.*

*Sec. 3133. Contract to review Waste Isolation Pilot Plant, New Mexico.*

**TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD**

*Sec. 3201. Authorization.*

**TITLE XXXIII—NATIONAL DEFENSE STOCKPILE**

*Sec. 3301. Authorized uses of National Defense Stockpile funds.*

*Sec. 3302. Relaxation of quantity restrictions on disposal of manganese ferro in National Defense Stockpile.*

*Sec. 3303. Revision of earlier authority to dispose of certain materials in National Defense Stockpile.*

**TITLE XXXIV—NAVAL PETROLEUM RESERVES**

*Sec. 3401. Authorization of appropriations.*

**TITLE XXXV—MARITIME ADMINISTRATION**

*Sec. 3501. Authorization of appropriations for Maritime Administration.*



*Sec. 3502. Extension of authority to provide war risk insurance for merchant marine vessels.*

1 **SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES.**

2 *For purposes of this Act, the term “congressional de-*  
3 *fense committees” has the meaning given that term in sec-*  
4 *tion 101(a)(16) of title 10, United States Code.*

5 ***DIVISION A—DEPARTMENT OF***  
6 ***DEFENSE AUTHORIZATIONS***  
7 ***TITLE I—PROCUREMENT***  
8 ***Subtitle A—Authorization of***  
9 ***Appropriations***

10 **SEC. 101. ARMY.**

11 *Funds are hereby authorized to be appropriated for fis-*  
12 *cal year 2005 for procurement for the Army as follows:*

13 *(1) For aircraft, \$2,805,941,000.*

14 *(2) For missiles, \$1,414,321,000.*

15 *(3) For weapons and tracked combat vehicles,*  
16 *\$1,739,695,000.*

17 *(4) For ammunition, \$1,729,402,000.*

18 *(5) For other procurement, \$4,313,640,000.*

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

20 *(a) NAVY.—Funds are hereby authorized to be appro-*  
21 *priated for fiscal year 2005 for procurement for the Navy*  
22 *as follows:*

23 *(1) For aircraft, \$8,912,667,000.*

1           (2) *For weapons, including missiles and tor-*  
2           *pedoes, \$2,253,454,000.*

3           (3) *For ammunition, \$870,840,000.*

4           (4) *For shipbuilding and conversion,*  
5           *\$10,120,027,000.*

6           (5) *For other procurement, \$4,876,725,000.*

7           (b) *MARINE CORPS.—Funds are hereby authorized to*  
8           *be appropriated for fiscal year 2005 for procurement for*  
9           *the Marine Corps in the amount of \$1,315,103,000.*

10 **SEC. 103. AIR FORCE.**

11           *Funds are hereby authorized to be appropriated for fis-*  
12           *cal year 2005 for procurement for the Air Force as follows:*

13           (1) *For aircraft, \$13,649,174,000.*

14           (2) *For ammunition, \$1,396,457,000.*

15           (3) *For missiles, \$4,638,313,000.*

16           (4) *For other procurement, \$13,229,257,000.*

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

18           *Funds are hereby authorized to be appropriated for fis-*  
19           *cal year 2005 for Defense-wide procurement in the amount*  
20           *of \$2,950,702,000.*

1           ***Subtitle B—Program Matters***

2   ***SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR THE***  
3                   ***LIGHT-WEIGHT 155-MILLIMETER HOWITZER***  
4                   ***PROGRAM.***

5           *The Secretary of the Army and the Secretary of the*  
6 *Navy may, in accordance with section 2306b of title 10,*  
7 *United States Code, jointly enter into a multiyear contract,*  
8 *beginning with the fiscal year 2005 program year, for pro-*  
9 *curement of the light-weight 155-millimeter howitzer.*

10 ***SEC. 112. DDG-51 MODERNIZATION PROGRAM.***

11           ***(a) ACCELERATION OF MODERNIZATION PROGRAM.—***  
12 *The Secretary of the Navy shall accelerate the program for*  
13 *in-service modernization of the DDG-51 class of destroyers.*  
14 *As part of that modernization program, the Secretary shall*  
15 *include additional emphasis on determining a means to re-*  
16 *duce crew size from approximately 300 to about 200.*

17           ***(b) REPORT.—****Not later than March 31, 2005, the Sec-*  
18 *retary of the Navy shall submit to the congressional defense*  
19 *committees a report on the steps taken as of that date to*  
20 *carry out subsection (a).*

1 **SEC. 113. REPEAL OF AUTHORITY FOR PILOT PROGRAM FOR**  
2 **FLEXIBLE FUNDING OF CRUISER CONVER-**  
3 **SIONS AND OVERHAULS.**

4 *Section 126 of the National Defense Authorization Act*  
5 *for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1410;*  
6 *10 U.S.C. 7291 note) is repealed.*

7 **SEC. 114. FORCE PROTECTION FOR ASYMMETRIC THREAT**  
8 **ENVIRONMENT.**

9 *(a) REQUIREMENT FOR ASYMMETRIC THREAT AS-*  
10 *SESSMENT.—(1) The Secretary of Defense shall require the*  
11 *Secretary of each military department to perform an assess-*  
12 *ment of the survivability and suitability against asymmet-*  
13 *rical threats of each of the following military systems under*  
14 *the jurisdiction of that Secretary:*

15 *(A) Each manned ground system or war-fighter*  
16 *survivability system that may be required to deploy*  
17 *in an asymmetrical threat environment.*

18 *(B) Each manned airborne system that may be*  
19 *required to deploy in an asymmetrical threat envi-*  
20 *ronment.*

21 *(2) For each system covered by paragraph (1), the Sec-*  
22 *retary concerned shall establish the key performance param-*  
23 *eters for survivability and suitability against asymmetric*  
24 *threats.*

25 *(3) The assessments under paragraph (1) shall be com-*  
26 *pleted not later than July 1, 2005.*

1       (4) *The Secretary of each military department shall*  
2 *review annually the assessments under paragraph (1) con-*  
3 *ducted by that Secretary to ensure that the assessments re-*  
4 *mains relevant to the asymmetric threat environment.*

5       (b) *REQUIREMENT FOR FORCE PROTECTION.—(1) The*  
6 *Secretary of Defense shall require the Secretary of each*  
7 *military department, for each system covered by subsection*  
8 *(a)(1) under that Secretary’s jurisdiction, either to—*

9           (A) *take each of the force protection or surviv-*  
10 *ability steps specified in paragraph (2); or*

11           (B) *restrict the system from deployment to an*  
12 *asymmetrical threat environment.*

13       (2) *The force protection or survivability steps for a sys-*  
14 *tem covered by subsection (a)(1) are the following:*

15           (A) *Development of force protection or surviv-*  
16 *ability enhancements for the system that meet the key*  
17 *performance parameters established for that system*  
18 *under subsection (a)(2).*

19           (B) *Budgeting for in-service modification pro-*  
20 *grams for the system to provide force protection and*  
21 *survivability enhancements developed under subpara-*  
22 *graph (A).*

23           (C) *Development of tactics, techniques, and pro-*  
24 *cedures for the system to maximize force protection*  
25 *and survivability.*

1           (c) *WAIVER.*—*The Secretary of Defense may waive the*  
2 *applicability of subsection (b) to a system covered by sub-*  
3 *section (a)(1) if the Secretary determines that, but for such*  
4 *a waiver, the Department would be unable to meet national*  
5 *security objectives. Whenever the Secretary makes such a de-*  
6 *termination and authorizes such a waiver, the Secretary*  
7 *shall submit notice of such waiver and of the Secretary’s*  
8 *determination and the reasons therefor in writing to the*  
9 *congressional defense committees.*

10           (d) *REQUIREMENT FOR NEW DEVELOPMENT MILITARY*  
11 *ACQUISITION PROGRAMS.*—*The Secretary of Defense shall*  
12 *require the Secretary of each military department, for each*  
13 *military acquisition program that has not entered low-rate*  
14 *initial production as of the date of the enactment of this*  
15 *Act, to include in the development of that program—*

16                   (1) *as part of the system requirements develop-*  
17 *ment, assessments of war-fighter survivability and of*  
18 *system suitability against asymmetrical threats; and*

19                   (2) *as part of the documentation of system re-*  
20 *quirements, requirements for key performance param-*  
21 *eters for force protection and survivability.*

22           (e) *ASYMMETRICAL THREAT ENVIRONMENT.*—*For pur-*  
23 *poses of this section, the term “asymmetrical threat environ-*  
24 *ment”, with respect to a manned system, means a security,*  
25 *stability, or peacekeeping operation in which the system is*

1 *deployed or any other such environment in which an asym-*  
2 *metrical threat may exist (or, in the case of a manned air-*  
3 *borne system, another such environment in which airborne*  
4 *operations would subject the system to a ground-based*  
5 *asymmetrical threat).*

6 **SEC. 115. ALLOCATION OF EQUIPMENT AUTHORIZED BY**  
7 **THIS TITLE TO BE MADE ON BASIS OF UNITS**  
8 **DEPLOYED OR PREPARING TO DEPLOY.**

9 *The Secretary of Defense shall provide that, in the allo-*  
10 *cation to operational units of equipment acquired using*  
11 *funds authorized to be appropriated by this title, priority*  
12 *shall be given to units that are deployed to, or preparing*  
13 *to deploy to, Operation Iraqi Freedom or Operation Endur-*  
14 *ing Freedom, regardless of the status of those units as active,*  
15 *Guard, or reserve component units.*

16 **SEC. 116. MULTIYEAR PROCUREMENT AUTHORITY FOR KC-**  
17 **767 TANKER AIRCRAFT ACQUISITION PRO-**  
18 **GRAM.**

19 *(a) MULTIYEAR PROCUREMENT AUTHORITY.—(1) The*  
20 *Secretary of the Air Force may, in accordance with section*  
21 *2306b of title 10, United States Code, enter into a*  
22 *multiyear contract, beginning with the fiscal year 2005 pro-*  
23 *gram year, for procurement of 80 KC-767 tanker aircraft.*

24 *(2) Notwithstanding subsection (k) of section 2306b of*  
25 *title 10, United States Code, a contract under this sub-*

1 *section may be for any period not in excess of eight program*  
2 *years.*

3 (b) *LIMITATION.*—*Subsection (b) of section 135 of the*  
4 *National Defense Authorization Act for Fiscal Year 2004*  
5 *(Public Law 108–136; 117 Stat. 1413; 10 U.S.C. 2401a*  
6 *note) is repealed.*

7 (c) *RELATIONSHIP TO PREVIOUS LAW.*—*The*  
8 *multiyear procurement authority in subsection (a) may not*  
9 *be executed under section 135 of the National Defense Au-*  
10 *thorization Act for Fiscal Year 2004 (Public Law 108–136;*  
11 *117 Stat. 1413; 10 U.S.C. 2401a note) or under section*  
12 *8159 of the Department of Defense Appropriations Act,*  
13 *2002 (division A of Public Law 107–117).*

14 **SEC. 117. OTHER MATTERS RELATING TO KC-767 TANKER**  
15 **AIRCRAFT ACQUISITION PROGRAM.**

16 (a) *SENSE OF CONGRESS.*—*It is the sense of Congress*  
17 *that—*

18 (1) *aerial refueling capability for the Armed*  
19 *Forces is a critical combat force multiplier;*

20 (2) *the Nation must expeditiously proceed with*  
21 *a program to replace the Air Force’s aging fleet of*  
22 *aerial refueling tankers;*

23 (3) *in pursuing an aerial refueling tanker pro-*  
24 *gram, the Department of Defense should take full ad-*



1        *vantage of the United States commercial aircraft pro-*  
2        *duction base; and*

3            *(4) anyone suspected of involvement in improper*  
4        *or illegal activities associated with such a program*  
5        *should be investigated and, if warranted, prosecuted*  
6        *to the fullest extent of the law.*

7        *(b) REQUIREMENT FOR RENEGOTIATION OF CON-*  
8        *TRACT.—The Secretary of the Air Force shall enter into one*  
9        *or more contracts for the Air Force multiyear tanker air-*  
10       *craft program, provided that any such contract is nego-*  
11       *tiated after June 1, 2004.*

12       *(c) REVIEW BY OUTSIDE PANEL.—(1) The Secretary*  
13       *of Defense shall establish a panel of experts from outside*  
14       *the Department of Defense to review any proposed contract*  
15       *for the multiyear tanker aircraft program. The panel shall*  
16       *be comprised of individuals who, by reason of education,*  
17       *training, or experience, have expertise relevant to the eval-*  
18       *uation of a proposed contract for the lease or procurement*  
19       *of aircraft under that program.*

20       *(2) The panel shall review any proposed contract for*  
21       *the multiyear tanker aircraft program to assess, and assist*  
22       *the Secretary of the Air Force in determining, whether the*  
23       *Air Force would under that contract obtain the best value*  
24       *for funds expended. The panel shall serve in whatever man-*  
25       *ner the Secretary of Defense determines is appropriate to*

1 *provide an independent review of any such proposed con-*  
2 *tract. The Secretary shall provide for the panel to make*  
3 *a determination of, and to advise the Secretary of the Air*  
4 *Force on, what would constitute a fair and reasonable con-*  
5 *tract for that program.*

6 (d) *REPORT.—The Secretary of Defense shall provide*  
7 *for the panel established under subsection (c) to submit a*  
8 *report providing the results of its review to the Secretary*  
9 *of the Air Force and the congressional defense committees.*

10 (e) *MULTIYEAR TANKER AIRCRAFT PROGRAM DE-*  
11 *FINED.—In this section, the term “multiyear tanker air-*  
12 *craft program” means the program for—*

13 (1) *lease of no more than 20 aerial refueling air-*  
14 *craft for the Air Force authorized under section 8159*  
15 *of the Department of Defense Appropriations Act,*  
16 *2002 (division A of Public Law 107–117; 115 Stat.*  
17 *2284), subject to section 135(a) of the National De-*  
18 *fense Authorization Act for Fiscal Year 2004 (Public*  
19 *Law 108–136; 117 Stat. 1413); and*

20 (2) *procurement of no more than 80 KC–767*  
21 *tanker aircraft for which a multiyear procurement*  
22 *contract is authorized by section 116(a) of this Act.*

23 (f) *INTERPRETATION.—Section 134 of the National*  
24 *Defense Authorization Act for Fiscal Year 2004 (Public*

1 *Law 108–136; 117 Stat. 1412) is amended by adding at*  
2 *the end the following new subsection:*

3       “(c) *INTERPRETATION.—Nothing in subsection (b) or*  
4 *section 1111 of the Emergency Supplemental Appropria-*  
5 *tions Act for Defense and for the Reconstruction of Iraq and*  
6 *Afghanistan, 2004 (Public Law 108–106; 117 Stat. 1215)*  
7 *is intended to prohibit the Secretary of the Air Force from*  
8 *executing the program described in section 135(a) of this*  
9 *Act and section 116 of the National Defense Authorization*  
10 *Act for Fiscal Year 2005.”*

11 ***TITLE II—RESEARCH, DEVELOP-***  
12 ***MENT, TEST, AND EVALUA-***  
13 ***TION***

14       ***Subtitle A—Authorization of***  
15       ***Appropriations***

16 ***SEC. 201. AUTHORIZATION OF APPROPRIATIONS.***

17       *Funds are hereby authorized to be appropriated for fis-*  
18 *cal year 2005 for the use of the Department of Defense for*  
19 *research, development, test, and evaluation as follows:*

20           (1) *For the Army, \$9,478,164,000.*

21           (2) *For the Navy, \$16,047,841,000.*

22           (3) *For the Air Force, \$21,527,967,000.*

23           (4) *For Defense-wide activities, \$21,074,389,000,*  
24 *of which \$305,135,000 is authorized for the Director*  
25 *of Operational Test and Evaluation.*

1 **SEC. 202. AMOUNT FOR DEFENSE SCIENCE AND TECH-**  
2 **NOLOGY.**

3 (a) *FISCAL YEAR 2005.*—Of the amounts authorized  
4 to be appropriated by section 201, \$11,067,698,000 shall be  
5 available for the Defense Science and Technology Program,  
6 including basic research, applied research, and advanced  
7 technology development projects.

8 (b) *BASIC RESEARCH, APPLIED RESEARCH, AND AD-*  
9 *VANCED TECHNOLOGY DEVELOPMENT DEFINED.*—For pur-  
10 poses of this section, the term “basic research, applied re-  
11 search, and advanced technology development” means work  
12 funded in program elements for defense research and devel-  
13 opment under Department of Defense category 6.1, 6.2, or  
14 6.3.

15 ***Subtitle B—Program Requirements,***  
16 ***Restrictions, and Limitations***

17 **SEC. 211. FUTURE COMBAT SYSTEMS PROGRAM STRATEGY.**

18 (a) *PROGRAM STRATEGY REQUIRED.*—The Secretary  
19 of the Army shall establish and implement a program strat-  
20 egy for the Future Combat Systems acquisition program of  
21 the Army. The purpose of the program strategy shall be to  
22 provide an effective, affordable, producible, and supportable  
23 military capability with a realistic schedule and a robust  
24 cost estimate.

25 (b) *ELEMENTS OF PROGRAM STRATEGY.*—The pro-  
26 gram strategy shall—

1           (1) *require the release, at the design readiness re-*  
2           *view, of not less than 90 percent of engineering draw-*  
3           *ings for the building of prototypes;*

4           (2) *require, before facilitating production or con-*  
5           *tracting for items with long lead times, that an ac-*  
6           *ceptable demonstration be carried out of the perform-*  
7           *ance of the information network, including the per-*  
8           *formance of the Joint Tactical Radio System and the*  
9           *Warfighter Information Network-Tactical; and*

10          (3) *require, before the initial production deci-*  
11          *sion, that an acceptable demonstration be carried out*  
12          *of the collective capability of each system to meet sys-*  
13          *tem-of-systems requirements when integrated with the*  
14          *information network.*

15          (c) *REQUIRED SUBMISSIONS TO CONGRESS.—Before*  
16          *convening the Milestone B update for the Future Combat*  
17          *Systems acquisition program required by the Future Com-*  
18          *bat Systems acquisition decision memorandum, the Under*  
19          *Secretary of Defense for Acquisition, Technology, and Lo-*  
20          *gistics shall submit to Congress each of the following docu-*  
21          *ments:*

22                (1) *The independent cost estimate with respect to*  
23                *the program prepared by the cost analysis improve-*  
24                *ment group of the Office of the Secretary of Defense.*

1           (2) *A report, prepared by an independent panel,*  
2           *on the maturity levels of the critical technologies with*  
3           *respect to the program, including an assessment of*  
4           *those technologies that are likely to require a decision*  
5           *to use an alternative approach.*

6           (3) *A report, prepared by the chief information*  
7           *officer of the Army, describing—*

8                   (A) *the status of the development and inte-*  
9                   *gration of the network and the command, con-*  
10                  *trol, computers, communications, intelligence,*  
11                  *surveillance, and reconnaissance components;*  
12                  *and*

13                   (B) *the progress made toward meeting the*  
14                  *requirements for network-centric capabilities as*  
15                  *set forth by such officer.*

16           (4) *A report identifying the key performance pa-*  
17           *rameters with respect to the program, with all objec-*  
18           *tives and thresholds quantified, together with the sup-*  
19           *porting analytical rationale.*

20           (d) *LIMITATION ON FUNDING.—(1) Except as provided*  
21           *in paragraph (2), the Secretary of the Army may not obli-*  
22           *gate, from amounts made available for fiscal year 2005,*  
23           *more than \$2,200,000,000 for the Future Combat Systems*  
24           *acquisition program.*

1           (2) *The limitation in paragraph (1) shall not apply*  
2 *after the Secretary of the Army submits to Congress the Sec-*  
3 *retary's certification that the Secretary has established and*  
4 *implemented the program strategy required by subsection*  
5 *(a).*

6 **SEC. 212. COLLABORATIVE PROGRAM FOR RESEARCH AND**  
7                           **DEVELOPMENT OF VACUUM ELECTRONICS**  
8                           **TECHNOLOGIES.**

9           (a) *PROGRAM REQUIRED.*—*The Secretary of Defense*  
10 *shall establish a program for research and development in*  
11 *advanced vacuum electronics to meet the requirements of*  
12 *the Department of Defense electromagnetic systems.*

13           (b) *DESCRIPTION OF PROGRAM.*—*The program under*  
14 *subsection (a) shall be carried out collaboratively by the Di-*  
15 *rector of Defense Research and Engineering, the Secretary*  
16 *of the Navy, the Secretary of the Air Force, the Secretary*  
17 *of the Army, and other appropriate elements of the Depart-*  
18 *ment of Defense. The program shall include the following*  
19 *activities:*

20                       (1) *Activities needed for development and matu-*  
21 *ration of advanced vacuum electronics technologies*  
22 *needed to meet the requirements of the Department of*  
23 *Defense.*

1           (2) *Identification of legacy and developmental*  
2           *electromagnetic systems for use of advanced vacuum*  
3           *electronics under the program.*

4           (c) *REPORT.—Not later than January 31, 2005, the*  
5           *Director of Defense Research and Engineering shall submit*  
6           *to the congressional defense committees a report on the im-*  
7           *plementation of the program under subsection (a). The re-*  
8           *port shall include the following:*

9                   (1) *Identification of the officer to have lead re-*  
10                  *sponsibility for carrying out the program.*

11                  (2) *A description of the management plan for the*  
12                  *program and any agreements relating to that plan.*

13                  (3) *A schedule for the program.*

14                  (4) *Identification of the funding required for fis-*  
15                  *cal year 2006 and for the future-years defense pro-*  
16                  *gram to carry out the program.*

17                  (5) *A list of program capability goals and objec-*  
18                  *tives.*

19           (d) *FUNDING.—Of the funds authorized to be appro-*  
20           *priated in section 201—*

21                   (1) *\$13,500,000 shall be available in program*  
22                  *element 62771N for applied research in vacuum elec-*  
23                  *tronics; and*



1           (2) \$5,000,000 shall be available in program ele-  
2           ment 63771N for advanced technology development in  
3           vacuum electronics.

4 **SEC. 213. ANNUAL COMPTROLLER GENERAL REPORT ON**  
5 **JOINT STRIKE FIGHTER PROGRAM.**

6           (a) *ANNUAL GAO REVIEW.*—The Comptroller General  
7 shall conduct an annual review of the Joint Strike Fighter  
8 aircraft program and shall, not later than March 15 of each  
9 year, submit to Congress a report on the results of the most  
10 recent review. With each such report, the Comptroller Gen-  
11 eral shall submit a certification as to whether the Comp-  
12 troller General has had access to sufficient information to  
13 enable the Comptroller General to make informed judgments  
14 on the matters covered by the report.

15           (b) *MATTERS TO BE INCLUDED.*—Each report on the  
16 Joint Strike Fighter aircraft program under subsection (a)  
17 shall include the following with respect to system develop-  
18 ment and demonstration under the program:

19           (1) *The extent to which such system development*  
20 *and demonstration is meeting established goals, in-*  
21 *cluding the goals established for performance, cost,*  
22 *and schedule.*

23           (2) *The plan for such system development and*  
24 *demonstration (leading to production) for the fiscal*

1       year that begins in the year in which the report is  
2       submitted.

3               (3) *The Comptroller General's conclusion regard-*  
4       *ing whether such system development and demonstra-*  
5       *tion (leading to production) is likely to be completed*  
6       *at a total cost not in excess of the amount specified*  
7       *(or to be specified) for such purpose in the Selected*  
8       *Acquisition report for the Joint Strike Fighter air-*  
9       *craft program under section 2432 of title 10, United*  
10       *States Code, for the first quarter of the fiscal year*  
11       *during which the report of the Comptroller General is*  
12       *submitted.*

13       (c) *REQUIREMENT TO SUPPORT ANNUAL GAO RE-*  
14       *VIEW.—The Secretary of Defense and the prime contractor*  
15       *for the Joint Strike Fighter aircraft program shall provide*  
16       *to the Comptroller General such information on that pro-*  
17       *gram as the Comptroller General considers necessary to*  
18       *carry out the responsibilities of the Comptroller General*  
19       *under this section, including such information as is nec-*  
20       *essary for the purposes of subsection (b)(3).*

21       (d) *TERMINATION.—No report is required under this*  
22       *section after the report that, under subsection (a), is re-*  
23       *quired to be submitted not later than March 15, 2009.*

1 **SEC. 214. AMOUNTS FOR UNITED STATES JOINT FORCES**  
2 **COMMAND TO BE DERIVED ONLY FROM DE-**  
3 **FENSE-WIDE AMOUNTS.**

4 (a) *IN GENERAL.*—Chapter 9 of title 10, United States  
5 Code, is amended by adding at the end the following new  
6 section:

7 **“§ 232. United States Joint Forces Command: amounts**  
8 **for research, development, test, and eval-**  
9 **uation to be derived only from Defense-**  
10 **wide amounts**

11 “(a) *REQUIREMENT.*—Amounts for research, develop-  
12 ment, test, and evaluation for the United States Joint  
13 Forces Command shall be derived only from amounts made  
14 available to the Department of Defense for Defense-wide re-  
15 search, development, test, and evaluation.

16 “(b) *SEPARATE DISPLAY IN BUDGET.*—Any amount  
17 in the budget submitted to Congress under section 1105 of  
18 title 31 for any fiscal year for research, development, test,  
19 and evaluation for the United States Joint Forces Com-  
20 mand shall be set forth under the account of the Department  
21 of Defense for Defense-wide research, development, test, and  
22 evaluation.”.

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

“232. *United States Joint Forces Command: amounts for research, development, test, and evaluation to be derived only from Defense-wide amounts.*”.

1 **SEC. 215. AUTHORITY OF DIRECTOR OF DEFENSE RE-**  
2 **SEARCH AND ENGINEERING TO AWARD**  
3 **PRIZES FOR ADVANCED TECHNOLOGY**  
4 **ACHIEVEMENTS.**

5 *Section 2374a(a) of title 10, United States Code, is*  
6 *amended by striking “acting through the Director of the De-*  
7 *fense Advanced Research Projects Agency” and inserting*  
8 *“acting through the Director of Defense Research and Engi-*  
9 *neering”.*

10 **SEC. 216. SPACE BASED RADAR.**

11 *(a) LIMITATION.—In carrying out the Space Based*  
12 *Radar program, the Secretary of Defense may not authorize*  
13 *that program to proceed into the system development and*  
14 *procurement phase referred to as Milestone B until the Sec-*  
15 *retary—*

16 *(1) submits to the congressional defense commit-*  
17 *tees, the Permanent Select Committee on Intelligence*  
18 *of the House of Representatives, and the Select Com-*  
19 *mittee on Intelligence of the Senate a report described*  
20 *in subsection (b); and*

21 *(2) a period of 30 days has elapsed after the date*  
22 *on which such report is submitted.*

23 *(b) REPORT.—A report under this subsection is a re-*  
24 *port on the Space Based Radar program in which the Sec-*

1 *retary of Defense sets forth the following with respect to that*  
2 *program:*

3           (1) *A description of the technical system concept*  
4 *selected.*

5           (2) *A description of the concept of operations as-*  
6 *sociated with the technical system concept selected.*

7           (3) *An independent cost estimate for development*  
8 *and procurement under the program.*

9           (4) *The acquisition strategy for the program.*

10 **SEC. 217. MARK-54 TORPEDO PRODUCT IMPROVEMENT PRO-**  
11 **GRAM.**

12       *Of the amount provided in section 201 for research,*  
13 *development, test, and evaluation for the Navy, \$2,000,000*  
14 *within the budget line designated as line 120 shall be avail-*  
15 *able for the Mark-54 Torpedo Product Improvement Pro-*  
16 *gram.*

17           ***Subtitle C—Ballistic Missile***  
18           ***Defense***

19 **SEC. 221. FIELDING OF BALLISTIC MISSILE DEFENSE CAPA-**  
20 **BILITIES.**

21       (a) *AUTHORITY.—Funds described in subsection (b)*  
22 *may, upon approval by the Secretary of Defense, be used*  
23 *for the development and fielding of ballistic missile defense*  
24 *capabilities.*

1           **(b) COVERED FUNDS.**—*Subsection (a) applies to funds*  
2 *appropriated for fiscal year 2005 or fiscal year 2006 for*  
3 *research, development, test, and evaluation for the Missile*  
4 *Defense Agency.*

5           **TITLE III—OPERATION AND**  
6           **MAINTENANCE**

7           **Subtitle A—Authorization of**  
8           **Appropriations**

9           **SECTION 301. OPERATION AND MAINTENANCE FUNDING.**

10           *Funds are hereby authorized to be appropriated for fis-*  
11 *cal year 2005 for the use of the Armed Forces and other*  
12 *activities and agencies of the Department of Defense for ex-*  
13 *penses, not otherwise provided for, for operation and main-*  
14 *tenance, in amounts as follows:*

15                   (1) *For the Army, \$25,838,611,000.*

16                   (2) *For the Navy, \$29,523,490,000.*

17                   (3) *For the Marine Corps, \$3,637,615,000.*

18                   (4) *For the Air Force, \$27,143,566,000.*

19                   (5) *For Defense-wide activities, \$17,317,406,000.*

20                   (6) *For the Army Reserve, \$2,003,728,000.*

21                   (7) *For the Naval Reserve, \$1,240,038,000.*

22                   (8) *For the Marine Corps Reserve, \$188,696,000*

23                   (9) *For the Air Force Reserve, \$2,226,790,000*

24                   (10) *For the Army National Guard,*  
25                   *\$4,425,686,000.*

1           (11) *For the Air National Guard,*  
2           \$4,448,938,000.

3           (12) *For the United States Court of Appeals for*  
4           *the Armed Forces, \$10,825,000.*

5           (13) *For Environmental Restoration, Army,*  
6           \$400,948,000.

7           (14) *For Environmental Restoration, Navy,*  
8           \$266,820,000.

9           (15) *For Environmental Restoration, Air Force,*  
10          \$397,368,000.

11          (16) *For Environmental Restoration, Defense-*  
12          *wide, \$23,684,000*

13          (17) *For Environmental Restoration, Formerly*  
14          *Used Defense Sites, \$216,516,000.*

15          (18) *For Overseas Humanitarian, Disaster, and*  
16          *Civic Aid programs, \$59,000,000.*

17          (19) *For Cooperative Threat Reduction pro-*  
18          *grams, \$409,200,000.*

19          (20) *For the Overseas Contingency Operations*  
20          *Transfer Fund, \$5,000,000.*

21          (21) *For the Defense Industrial Base Capabili-*  
22          *ties Fund, \$50,000,000*

23 **SEC. 302. WORKING CAPITAL FUNDS.**

24          *Funds are hereby authorized to be appropriated for fis-*  
25          *cal year 2005 for the use of the Armed Forces and other*

1 *activities and agencies of the Department of Defense for*  
2 *providing capital for working capital and revolving funds*  
3 *in amounts as follows:*

4           (1) *For the Defense Working Capital Funds,*  
5           *\$372,886,000.*

6           (2) *For the National Defense Sealift Fund,*  
7           *\$1,219,252,000.*

8           (3) *For the Defense Working Capital Fund, De-*  
9           *fense Commissary, \$1,175,000,000*

10 **SEC. 303. OTHER DEPARTMENT OF DEFENSE PROGRAMS.**

11           (a) *DEFENSE HEALTH PROGRAM.—Funds are hereby*  
12 *authorized to be appropriated for the Department of Defense*  
13 *for fiscal year 2005 for expenses, not otherwise provided for,*  
14 *for the Defense Health Program, \$17,811,586,000, of*  
15 *which—*

16           (1) *\$17,374,544,000 is for Operation and Main-*  
17 *tenance;*

18           (2) *\$72,407,000 is for Research, Development,*  
19 *Test, and Evaluation; and*

20           (3) *\$364,635,000 is for Procurement.*

21           (b) *CHEMICAL AGENTS AND MUNITIONS DESTRUC-*  
22 *TION, DEFENSE.—(1) Funds are hereby authorized to be ap-*  
23 *propriated for the Department of Defense for fiscal year*  
24 *2005 for expenses, not otherwise provided for, for Chemical*



1 *Agents and Munitions Destruction, Defense,*  
2 *\$1,371,990,000, of which—*

3 *(A) \$1,138,801,000 is for Operation and Mainte-*  
4 *nance;*

5 *(B) \$154,209,000 is for Research, Development,*  
6 *Test, and Evaluation; and*

7 *(C) \$78,980,000 is for Procurement.*

8 *(2) Amounts authorized to be appropriated under*  
9 *paragraph (1) are authorized for—*

10 *(A) the destruction of lethal chemical agents and*  
11 *munitions in accordance with section 1412 of the De-*  
12 *partment of Defense Authorization Act, 1986 (50*  
13 *U.S.C. 1521); and*

14 *(B) the destruction of chemical warfare materiel*  
15 *of the United States that is not covered by section*  
16 *1412 of such Act.*

17 *(c) DRUG INTERDICTION AND COUNTER-DRUG ACTIVI-*  
18 *TIES, DEFENSE-WIDE.—Funds are hereby authorized to be*  
19 *appropriated for the Department of Defense for fiscal year*  
20 *2005 for expenses, not otherwise provided for, for Drug*  
21 *Interdiction and Counter-Drug Activities, Defense-wide,*  
22 *\$852,697,000.*

23 *(d) DEFENSE INSPECTOR GENERAL.—Funds are here-*  
24 *by authorized to be appropriated for the Department of De-*  
25 *fense for fiscal year 2005 for expenses, not otherwise pro-*

1 *vided for, for the Office of the Inspector General of the De-*  
2 *partment of Defense, \$193,562,000, of which—*

3 *(1) \$191,362,000 is for Operation and Mainte-*  
4 *nance;*

5 *(2) \$2,100,000 is for Research, Development,*  
6 *Test, and Evaluation; and*

7 *(3) \$100,000 is for Procurement.*

8 **SEC. 304. REIMBURSEMENT OF MEMBERS OF THE ARMED**  
9 **FORCES WHO PURCHASED PROTECTIVE BODY**  
10 **ARMOR DURING SHORTAGE OF DEFENSE**  
11 **STOCKS OF BODY ARMOR.**

12 *(a) REIMBURSEMENT AUTHORIZED.—The Secretary of*  
13 *Defense may reimburse a member of the Armed Forces for*  
14 *the cost of protective body armor purchased by the member,*  
15 *or by another person on behalf of the member, for use by*  
16 *the member while deployed in connection with Operation*  
17 *Noble Eagle, Operation Enduring Freedom, or Operation*  
18 *Iraqi Freedom if the member was not issued protective body*  
19 *armor before the member became engaged in operations in*  
20 *areas or situations described in section 310(a)(2) of title*  
21 *37, United States Code.*

22 *(b) DURATION OF AUTHORITY.—Reimbursement may*  
23 *be provided under subsection (a) for protective body armor*  
24 *purchased during the period beginning on September 11,*  
25 *2001, and ending on December 31, 2003. Not later than*

1 60 days after the date of the enactment of this Act, the Sec-  
2 retary shall implement regulations to expedite the provision  
3 of such reimbursement.

4 **Subtitle B—Environmental**  
5 **Provisions**

6 **SEC. 311. REPORT REGARDING ENCROACHMENT ISSUES AF-**  
7 **FFECTING UTAH TEST AND TRAINING RANGE,**  
8 **UTAH.**

9 (a) *REPORT REQUIRED.*—The Secretary of the Air  
10 Force shall prepare a report that outlines current and an-  
11 ticipated encroachments on the use and utility of the special  
12 use airspace of the Utah Test and Training Range in the  
13 State of Utah, including encroachments brought about  
14 through actions of other Federal agencies. The Secretary  
15 shall include such recommendations as the Secretary con-  
16 siders appropriate regarding any legislative initiatives nec-  
17 essary to address encroachment problems identified by the  
18 Secretary in the report.

19 (b) *SUBMISSION OF REPORT.*—Not later than one year  
20 after the date of the enactment of this Act, the Secretary  
21 shall submit the report to the Committee on Armed Services  
22 of the House of Representatives and the Committee on  
23 Armed Services of the Senate.

1     ***Subtitle C—Workplace and Depot***  
2                     ***Issues***

3     ***SEC. 321. SIMPLIFICATION OF ANNUAL REPORTING RE-***  
4                     ***QUIREMENTS CONCERNING FUNDS EX-***  
5                     ***PENDED FOR DEPOT MAINTENANCE AND RE-***  
6                     ***PAIR WORKLOADS.***

7             *Subsection (d) of section 2466 of title 10, United States*  
8     *Code, is amended to read as follows:*

9             “(d) *ANNUAL REPORT AND REVIEW.*—(1) *Not later*  
10 *than April 1 of each year, the Secretary of Defense shall*  
11 *submit to Congress a report identifying, for each of the*  
12 *armed forces (other than the Coast Guard) and each Defense*  
13 *Agency, the percentage of the funds referred to in subsection*  
14 *(a) that was expended during the preceding fiscal year, and*  
15 *are projected to be expended in the current fiscal year and*  
16 *next fiscal year, for performance of depot-level maintenance*  
17 *and repair workloads by the public and private sectors.*

18             “(2) *Not later than 60 days after the date on which*  
19 *the Secretary submits a report under paragraph (1), the*  
20 *Comptroller General shall submit to Congress the Comp-*  
21 *troller General’s views on whether—*

22                     “(A) *the Department of Defense has complied*  
23 *with the requirements of subsection (a) during the*  
24 *preceding fiscal year covered by the report; and*

1           “(B) the expenditure projections for the current  
2           fiscal year and next fiscal year are reasonable.”.

3 **SEC. 322. REPEAL OF ANNUAL REPORTING REQUIREMENT**  
4                           **CONCERNING MANAGEMENT OF DEPOT EM-**  
5                           **PLOYEES.**

6           (a) *REPEAL.*—Section 2472 of title 10, United States  
7 Code, is amended—

8                   (1) by striking “(a) *PROHIBITION ON MANAGE-*  
9                   *MENT BY END STRENGTH.*—”; and

10                   (2) by striking subsection (b).

11           (b) *CLERICAL AMENDMENTS.*—(1) The heading of such  
12 section is amended to read as follows:

13 **“§2472. Prohibition on management of depot employ-**  
14                           **ees by end strength”.**

15           (2) The table of sections at the beginning of chapter  
16 146 of such title is amended by striking the item relating  
17 to section 2472 and inserting the following new item:

“2472. Prohibition on management of depot employees by end strength.”.

18 **SEC. 323. PUBLIC-PRIVATE COMPETITION FOR WORK PER-**  
19                           **FORMED BY CIVILIAN EMPLOYEES OF DE-**  
20                           **PARTMENT OF DEFENSE.**

21           (a) *IN GENERAL.*—Section 2461(b) of title 10, United  
22 States Code, is amended by adding at the end the following  
23 new paragraph:

24                   “(5)(A) A function of the Department of Defense per-  
25 formed by 10 or more civilian employees may not be con-

1 *verted, in whole or in part, to performance by a contractor*  
2 *unless, the conversion is based on the results of a public-*  
3 *private competition process that—*

4           “(i) *formally compares the cost of civilian em-*  
5 *ployee performance of the function with the costs of*  
6 *performance by a contractor;*

7           “(ii) *creates an agency tender, including a most*  
8 *efficient organization plan, in accordance with Office*  
9 *of Management and Budget Circular A-76, as imple-*  
10 *mented on May 29, 2003;*

11           “(iii) *determines whether the submitted offers*  
12 *meet the needs of the Department of Defense with re-*  
13 *spect to factors other than cost, including quality and*  
14 *reliability;*

15           “(iv) *requires continued performance of the func-*  
16 *tion by civilian employees if the cost of performance*  
17 *of the function by a contractor would, over all per-*  
18 *formance periods required by the solicitation, cost less*  
19 *than—*

20           “(I) *10 percent of the personnel-related costs*  
21 *for performance of that activity or function in*  
22 *the agency tender; or*

23           “(II) *\$10,000,000; and*

1           “(v) provides no advantage to an offeror for a  
2           proposal to reduce costs for the Department of Defense  
3           by—

4                   “(I) not making an employer-sponsored  
5                   health insurance plan available to the workers  
6                   who are to be employed in the performance of  
7                   such function under a contract; or

8                   “(II) offering to such workers an employer-  
9                   sponsored health benefits plan that requires the  
10                  employer to contribute less towards the premium  
11                  or subscription share than that which is paid by  
12                  the Department of Defense for health benefits for  
13                  civilian employees under chapter 89 of title 5.

14           “(B) Any modification, reorganization, division, or  
15           other change in the organization of a function of the De-  
16           partment of Defense so that is performed by less than 10  
17           civilian employees of the Department of Defense and, there-  
18           fore, excluded from subparagraph (A), is prohibited.

19           “(C) Any function that is performed by civilian em-  
20           ployees of the Department of Defense and is proposed to  
21           be reengineered, reorganized, modernized, upgraded, ex-  
22           panded, or changed in order to become more efficient, but  
23           the civilian employees would still provide essentially the  
24           same service, is subject to the competition requirement in  
25           subparagraph (A).

1       “(D) *The cost savings requirement specified in sub-*  
2 *paragraph (A) does not apply to any contracts for special*  
3 *studies and analyses, construction services, architectural*  
4 *services, medical services, scientific and technical services*  
5 *related to (but not in support of) research and development,*  
6 *and depot-level maintenance and repair services.*

7       “(E) *The Secretary of Defense may waive the competi-*  
8 *tion requirement in specific instances if—*

9               “(i) *the written waiver is prepared by the Sec-*  
10 *retary of Defense, or the relevant Assistant Secretary*  
11 *or agency head;*

12               “(ii) *the written waiver is accompanied by a de-*  
13 *tailed determination that national security interests*  
14 *are so compelling as to preclude compliance with the*  
15 *requirement for a public-private competition; and*

16               “(iii) *a copy of the waiver is published in the*  
17 *Federal Register within 10 working days after the*  
18 *date on which the waiver is invoked, although use of*  
19 *the waiver need not be delayed until its publication.”.*

20       “(b) *RELATION TO PILOT PROGRAM.—Paragraph (5) of*  
21 *section 2461(b) of title 10, United States Code, as added*  
22 *by subsection (a) shall not apply with respect to the pilot*  
23 *program for best-value source selection for performance of*  
24 *information technology services authorized by section 336*  
25 *of the National Defense Authorization Act for Fiscal Year*



1 2004 (Public Law 108–136; 117 Stat. 1444; 10 U.S.C. 2461  
2 note).

3 **SEC. 324. PUBLIC-PRIVATE COMPETITION PILOT PROGRAM.**

4 (a) *PURPOSE.*—The Secretary of Defense shall estab-  
5 lish a pilot program to examine the use of the public-private  
6 competition process of Office of Management and Budget  
7 Circular A–76 on new requirements, as defined by such Cir-  
8 cular, and functions currently being performed by contrac-  
9 tors that could be performed by civilian employees.

10 (b) *DURATION.*—The Secretary of Defense shall carry  
11 out the pilot program during fiscal years 2005 and 2006.

12 (c) *REQUIREMENT FOR PUBLIC-PRIVATE COMPETI-*  
13 *TION FOR NEW WORK.*—(1) By the end of the pilot project,  
14 the Secretary of Defense shall have allowed civilian employ-  
15 ees to compete through the standard competition process of  
16 Office of Management and Budget Circular A–76 for new  
17 requirements, as defined by such Circular, that are approxi-  
18 mately one-tenth in value of the funds spent by the Depart-  
19 ment of Defense during the two fiscal years of the pilot  
20 project on all functions that are considered new require-  
21 ments, as defined by such Circular.

22 (2) The Department of Defense shall not receive credit  
23 towards compliance with the pilot program for subjecting  
24 to public-private competition—

1           (A) any contract to be awarded to small business  
2 concerns that meet the requirements under section  
3 3(a) of the Small Business Act (15 U.S.C. 632(a))  
4 and regulations under that section;

5           (B) any contract to be performed by contractor  
6 employees who are represented by a private sector  
7 labor union; or

8           (C) any contract related to special studies and  
9 analyses, construction services, architectural services,  
10 medical services, scientific and technical services re-  
11 lated to (but not in support of) research and develop-  
12 ment, and depot-level maintenance and repair serv-  
13 ices.

14       (d) *FUNCTIONS PERFORMED BY CONTRACTORS.—*(1)  
15 *By the end of the pilot project, the Secretary of Defense shall*  
16 *have subjected a number of contractor employees to public-*  
17 *private competition through the standard competition proc-*  
18 *ess of Office of Management and Budget Circular A-76 that*  
19 *is approximately one-tenth of the number of civilian em-*  
20 *ployees subject to public-private competition during the two*  
21 *fiscal years of the pilot project.*

22       (2) *The Department of Defense shall, to the extent pos-*  
23 *sible, subject to public-private competition those positions*  
24 *held by contractor employees that are associated with func-*  
25 *tions that are or have been performed at least in part by*

1 *Federal employees at any time on or after October 1, 1980;*  
2 *and*

3 *(3) Subsection (c)(2) shall also apply to this sub-*  
4 *section.*

5 *(e) WAIVER.—The implementation of the pilot project*  
6 *may be waived if—*

7 *(1) the written waiver is prepared by the Sec-*  
8 *retary of Defense;*

9 *(2) the written waiver is accompanied by a de-*  
10 *tailed determination that national security interests*  
11 *are so compelling as to preclude compliance with the*  
12 *competition requirement; and*

13 *(3) a copy of the waiver is published in the Fed-*  
14 *eral Register within 10 working days after the date*  
15 *on which the waiver is invoked, although use of the*  
16 *waiver need not be delayed until its publication.*

17 *(f) REPORT.—At the end of each fiscal year of the pilot*  
18 *program, the Inspector General of the Department of De-*  
19 *fense shall submit to Congress a report on the results of the*  
20 *pilot program, including the extent to which the Depart-*  
21 *ment of Defense complied with the requirements of this sec-*  
22 *tion.*

1 **SEC. 325. SENSE OF CONGRESS ON EQUITABLE LEGAL**  
2 **STANDING FOR CIVILIAN EMPLOYEES.**

3 *It is the sense of Congress that, in order to ensure that,*  
4 *when public-private competitions are held, they are con-*  
5 *ducted as fairly, effectively, and efficiently as possible, com-*  
6 *peting parties, both Department of Defense civilian employ-*  
7 *ees (or their representatives) and contractors (or their rep-*  
8 *resentatives) should receive comparable treatment through-*  
9 *out the competition regarding access to relevant informa-*  
10 *tion and legal standing to challenge the way a competition*  
11 *has been conducted at all appropriate forums, including the*  
12 *General Accounting Office and the United States Court of*  
13 *Federal Claims.*

14 **SEC. 326. COMPETITIVE SOURCING REPORTING REQUIRE-**  
15 **MENT.**

16 *(a) REPORT REQUIRED.—Not later than February 1,*  
17 *2005, the Inspector General of the Department of Defense*  
18 *shall submit to Congress a report addressing whether the*  
19 *Department of Defense—*

20 *(1) employs a sufficient number of adequately*  
21 *trained civilian employees to conduct satisfactorily,*  
22 *taking into account equity, efficiency and expeditious-*  
23 *ness, all of the public-private competitions that are*  
24 *scheduled to be undertaken by the Department of De-*  
25 *fense during the next fiscal year (including a suffi-*  
26 *cient number of employees to formulate satisfactorily*

1        *the performance work statements and most efficient*  
2        *organization plans for the purposes of such competi-*  
3        *tions) and to administer any resulting contracts; and*

4                *(2) has implemented a comprehensive and reli-*  
5        *able system to track and assess the cost and quality*  
6        *of the performance of functions of the Department of*  
7        *Defense by service contractors, to update the records*  
8        *of such costs and the assessments each fiscal quarter,*  
9        *and to make such information available in reports to*  
10        *Congress and the public, including through the use of*  
11        *electronic means, except that proprietary information*  
12        *and information to which section 552(b)(1) of title 5,*  
13        *United States Code, applies shall be excised from in-*  
14        *formation published or reports made available.*

15        *(b) ELEMENTS OF TRACKING SYSTEM.—The system of*  
16        *the Department of Defense for tracking cost and quality of*  
17        *performance of a function under a service contract shall in-*  
18        *clude at least the following data elements:*

19                *(1) The contract number and the applicable Fed-*  
20        *eral supply class or service code.*

21                *(2) The name, business address, and business*  
22        *telephone of the agency official who supervises the*  
23        *service contract.*

24                *(3) The statutory, regulatory, or other authority*  
25        *for entering into the service contract and, if a public-*

1        *private competition was not used in the determina-*  
2        *tion of whether to provide for performance of the ac-*  
3        *tivity or function by a contractor, an explanation of*  
4        *the reasons for not doing so.*

5                *(4) The cost to the Department of Defense of con-*  
6        *ducting the public-private competition under Office of*  
7        *Management and Budget Circular A-76, if one was*  
8        *undertaken, including the cost of consultants as well*  
9        *as civilian employees.*

10               *(5) In the case of a function formerly performed*  
11        *by civilian employees, the actual cost of the perform-*  
12        *ance by such employees.*

13               *(6) The cost to the Department of Defense of ci-*  
14        *vilian employee performance of the function under the*  
15        *most efficient organization plan.*

16               *(7) The anticipated cost of contractor perform-*  
17        *ance, based on the award.*

18               *(8) The cost to the Department of Defense for*  
19        *performance of the function by the contractor.*

20               *(9) A description of the quality control process*  
21        *used by the agency in connection with monitoring the*  
22        *contract performance (including the applicable qual-*  
23        *ity control standards and the frequency of the quality*  
24        *control reports), together with an assessment of wheth-*

1        *er the contractor achieved, exceeded, or failed to*  
2        *achieve the quality control standards.*

3        *(c) ASSESSMENT OF TRACKING SYSTEM.—The Inspec-*  
4        *tor General of the Department of Defense shall include in*  
5        *the report required by subsection (a) an assessment of the*  
6        *comprehensiveness and reliability of the Department of De-*  
7        *fense system for tracking cost and quality of performance*  
8        *of a function under a service contract, including compliance*  
9        *with each of the requirements specified in subsection (b).*  
10       *The Inspector General shall base the assessment on an audit*  
11       *of a representative sample of service contracts. The report*  
12       *shall also include recommendations by the Inspector Gen-*  
13       *eral regarding how weaknesses identified in the Department*  
14       *of Defense infrastructure for competitive sourcing can be*  
15       *rectified, whether through the use of different processes or*  
16       *the availability of additional employees, additional train-*  
17       *ing, or additional resources.*

18                    ***Subtitle D—Information***  
19                    ***Technology***

20        ***SEC. 331. PREPARATION OF DEPARTMENT OF DEFENSE***  
21                    ***PLAN FOR TRANSITION TO INTERNET PRO-***  
22                    ***TOCOL VERSION 6.***

23        *(a) TRANSITION PLAN.—The Secretary of Defense shall*  
24        *prepare a plan to provide for the transition of Department*  
25        *of Defense information technology systems to Internet Pro-*

1 *ocol version 6 from the present use of Internet Protocol*  
2 *version 4 and other network protocols. The plan shall out-*  
3 *line the networking and security system equipment that will*  
4 *need to be replaced, including the timing and costs of such*  
5 *replacement, address how the current and new networks and*  
6 *security systems will be managed, and assess the potential*  
7 *impact of the transition, include any proposed measures to*  
8 *alleviate any adverse affects. In preparing the transition*  
9 *plan, the Secretary shall compare private industry plans*  
10 *for the transition to Internet Protocol version 6.*

11       **(b) TESTING AND EVALUATION FOR INTERNET PRO-**  
12 *TOCOL.—To determine whether a change to the use of Inter-*  
13 *net Protocol version 6 will support Department of Defense*  
14 *requirements, the Secretary of Defense shall provide for a*  
15 *rigorous, real-world end-to-end testing of Internet Protocol*  
16 *version 6, as proposed for use by the Department, to evalu-*  
17 *ate the following:*

18               **(1) The ability of Internet Protocol version 6,**  
19       *with its “best effort” quality of service, to satisfactory*  
20       *support the Department’s multiple applications and*  
21       *other information technology systems, including the*  
22       *use of Internet Protocol version 6 over bandwidth-con-*  
23       *strained tactical circuits.*



1           (2) *The ability of the Department’s networks*  
2           *using Internet Protocol version 6 to respond to, and*  
3           *perform under, heavy loading of the core networks.*

4           (c) *SUBMISSION OF PLAN AND RESULTS.—Not later*  
5           *than March 31, 2005, the Secretary of Defense shall submit*  
6           *to the congressional defense committees a report containing*  
7           *the transition plan prepared under subsection (a) and the*  
8           *results of the tests conducted under subsection (b).*

9           **SEC. 332. DEFENSE BUSINESS ENTERPRISE ARCHITECTURE,**  
10                           **SYSTEM ACCOUNTABILITY, AND CONDITIONS**  
11                           **FOR OBLIGATION OF FUNDS FOR DEFENSE**  
12                           **BUSINESS SYSTEM MODERNIZATION.**

13           (a) *IN GENERAL.—(1) Chapter 131 of title 10, United*  
14           *States Code, is amended by inserting before section 2223*  
15           *the following new section:*

16           **“§ 2222. Defense business systems: architecture, ac-**  
17                           **countability, and modernization**

18           **“(a) CONDITIONS FOR OBLIGATION OF FUNDS FOR DE-**  
19           **FENSE BUSINESS SYSTEM MODERNIZATION.—Effective**  
20           *January 1, 2005, funds appropriated to the Department*  
21           *of Defense may not be obligated for a defense business sys-*  
22           *tem modernization that will have a total cost in excess of*  
23           *\$1,000,000 unless—*

24                           **“(1) the approval authority designated for the**  
25           *defense business system certifies to the Defense Busi-*

1        *ness Systems Management Committee established by*  
2        *section 186 of this title that the defense business sys-*  
3        *tem modernization—*

4                *“(A) is in compliance with the enterprise*  
5                *architecture developed under subsection (b), or*  
6                *such compliance is waived in writing by the ap-*  
7                *proval authority as a result of the investment re-*  
8                *view process conducted under subsection (d) for*  
9                *the defense business system modernization; and*

10                *“(B) will be acquired or developed in a*  
11                *manner consistent with the system acquisition*  
12                *regulations and instructions of the Department*  
13                *of Defense; and*

14                *“(2) the Defense Business Systems Management*  
15                *Committee approves the certification by the approval*  
16                *authority.*

17        *“(b) ENTERPRISE ARCHITECTURE FOR DEFENSE*  
18        *BUSINESS SYSTEMS.—Not later than September 30, 2005,*  
19        *the Secretary of Defense, acting through the Defense Busi-*  
20        *ness Systems Management Committee, shall develop—*

21                *“(1) an enterprise architecture to cover all de-*  
22                *fense business systems, and the functions and activi-*  
23                *ties supported by defense business systems, which shall*  
24                *be sufficiently defined to effectively guide, constrain,*  
25                *and permit implementation of interoperable defense*

1 *business system solutions and consistent with the poli-*  
2 *cies and procedures established by the Director of the*  
3 *Office of Management and Budget, and*

4 *“(2) a transition plan for implementing the en-*  
5 *terprise architecture for defense business systems.*

6 *“(c) APPROVAL AUTHORITIES AND ACCOUNTABILITY*  
7 *FOR DEFENSE BUSINESS SYSTEMS.—The Secretary of De-*  
8 *fense shall delegate responsibility for the planning, design,*  
9 *acquisition, deployment, operation, maintenance, mod-*  
10 *ernization, and oversight of defense business systems as fol-*  
11 *lows:*

12 *“(1) The Under Secretary of Defense for Acquisi-*  
13 *tion, Technology and Logistics shall be responsible*  
14 *and accountable for any defense business system the*  
15 *primary purpose of which is to support acquisition*  
16 *activities, logistics activities, or installations and en-*  
17 *vironment activities of the Department of Defense.*

18 *“(2) The Under Secretary of Defense (Comp-*  
19 *troller) shall be responsible and accountable for any*  
20 *defense business system the primary purpose of which*  
21 *is to support financial management activities or stra-*  
22 *tegic planning and budgeting activities of the Depart-*  
23 *ment of Defense.*

24 *“(3) The Under Secretary of Defense for Per-*  
25 *sonnel and Readiness shall be responsible and ac-*

1        *countable for any defense business system the primary*  
2        *purpose of which is to support human resource man-*  
3        *agement activities of the Department of Defense.*

4            *“(4) The Assistant Secretary of Defense for Net-*  
5        *works and Information Integration and the Chief In-*  
6        *formation Officer of the Department of Defense shall*  
7        *be responsible and accountable for any defense busi-*  
8        *ness system the primary purpose of which is to sup-*  
9        *port information technology infrastructure or infor-*  
10       *mation assurance activities of the Department of De-*  
11       *fense.*

12           *“(5) The Deputy Secretary of Defense or an*  
13        *Under Secretary of Defense, as designated by the Sec-*  
14        *retary of Defense, shall be responsible for any defense*  
15        *business system the primary purpose of which is to*  
16        *support any activity of the Department of Defense not*  
17        *covered by paragraphs (1) through (4).*

18           *“(d) DEFENSE BUSINESS SYSTEM INVESTMENT RE-*  
19        *VIEW.—(1) The Secretary of Defense shall require each ap-*  
20        *proval authority designated under subsection (c) to estab-*  
21        *lish, not later than March 15, 2005, an investment review*  
22        *process, consistent with section 11312 of title 40, to review*  
23        *the planning, design, acquisition, development, deployment,*  
24        *operation, maintenance, modernization, and project cost*  
25        *benefits and risks of all defense business systems for which*

1 *the approval authority is responsible. The investment re-*  
2 *view process so established shall specifically address the re-*  
3 *sponsibilities of approval authorities under subsection (a).*

4       “(2) *The review of defense business systems under the*  
5 *investment review process shall include the following:*

6               “(A) *Review and approval by an investment re-*  
7 *view board of each defense business system as an in-*  
8 *vestment before the obligation of funds on the system.*

9               “(B) *Periodic review, but not less than annually,*  
10 *of every defense business system investment.*

11               “(C) *Representation on each investment review*  
12 *board by appropriate officials from among the armed*  
13 *forces, combatant commands, the Joint Chiefs of Staff,*  
14 *and Defense Agencies.*

15               “(D) *Use of threshold criteria to ensure an ap-*  
16 *propriate level of review within the Department of*  
17 *Defense of, and accountability for, defense business*  
18 *system investments depending on scope, complexity,*  
19 *and cost.*

20               “(e) *BUDGET INFORMATION.—In the materials that*  
21 *the Secretary submits to Congress in support of the budget*  
22 *submitted by the President to Congress under section 1105*  
23 *of title 31 for fiscal year 2006 and fiscal years thereafter,*  
24 *the Secretary of Defense shall—*

1           “(1) identify the approval authority for each de-  
2       *fense business system; and*

3           “(2) for each defense business system for which  
4       *funding is proposed in the budget—*

5           “(A) certify that the defense business system  
6       *complies with the defense business enterprise ar-*  
7       *chitecture; or*

8           “(B) explain why funds for such system are  
9       *necessary to maintain a mission critical or mis-*  
10       *sion essential system of the Department of De-*  
11       *fense, notwithstanding its noncompliance with*  
12       *the defense business enterprise architecture.*

13       “(f) *CONGRESSIONAL REPORTS.—Not later than*  
14       *March 15 of each year from 2005 through 2009, the Sec-*  
15       *retary of Defense shall submit to the congressional defense*  
16       *committees a report on Department of Defense compliance*  
17       *with the requirements of this section. The first report shall*  
18       *define plans and commitments for meeting the requirements*  
19       *of subsection (a), including specific milestones and perform-*  
20       *ance measures. Subsequent reports shall—*

21           “(1) describe actions taken and planned for  
22       *meeting the requirements of subsection (a), includ-*  
23       *ing—*

24           “(A) specific milestones and actual perform-  
25       *ance against specified performance measures,*

1           *and any revision of such milestones and per-*  
2           *formance measures; and*

3           *“(B) specific actions on the defense business*  
4           *system modernizations submitted for certification*  
5           *under such subsection;*

6           *“(2) identify the number of defense business sys-*  
7           *tem modernizations so certified;*

8           *“(3) identify any defense business system mod-*  
9           *ernization with an obligation in excess of \$1,000,000*  
10          *during the preceding fiscal year that was not certified*  
11          *under subsection (a), and the reasons for the waiver;*  
12          *and*

13          *“(4) discuss specific improvements in business*  
14          *operations and cost savings resulting from successful*  
15          *defense business systems modernization efforts.*

16          *“(g) DEFINITIONS.—In this section:*

17            *“(1) The term ‘approval authority’, with respect*  
18            *to a defense business system, means the Department*  
19            *of Defense official responsible for the defense business*  
20            *system, as designated by subsection (c).*

21            *“(2) The term ‘defense business system’ means an*  
22            *information system, other than a national security*  
23            *system, operated by, for, or on behalf of the Depart-*  
24            *ment of Defense, including financial systems, mixed*  
25            *systems, financial data feeder systems, and informa-*

1        *tion technology and information assurance infrastruc-*  
2        *ture, used to support business activities, such as ac-*  
3        *quisition, financial management, logistics, strategic*  
4        *planning and budgeting, installations and environ-*  
5        *ment, and human resource management.*

6            “(3) The term ‘defense business system mod-

7        *ernization’ means—*

8            “(A) the acquisition or development of a

9        *new defense business system; or*

10           “(B) any significant modification or en-

11        *hancement of an existing defense business system*

12        *(other than necessary to maintain current serv-*

13        *ices).*

14           “(4) The term ‘enterprise architecture’ has the

15        *meaning given that term in section 3601(4) of title*

16        *44.*

17           “(5) The terms ‘information system’ and ‘infor-

18        *mation technology’ have the meanings given those*

19        *terms in section 11101 of title 40.*

20           “(6) The term ‘national security system’ has the

21        *meaning given that term in section 2315 of this*

22        *title.”.*

23           (2) The table of sections at the beginning of such chap-

24        *ter is amended by inserting before the item relating to sec-*

25        *tion 2223 the following new item:*



“2222. *Defense business systems: architecture, accountability, and modernization.*”.

1           (b) *DEFENSE BUSINESS SYSTEM MANAGEMENT COM-*  
2 *MITTEE.*—Chapter 7 of such title is amended by adding at  
3 *the end the following new section:*

4 **“§ 186. *Defense business system management Com-***  
5 ***mittee***

6           “(a) *ESTABLISHMENT.*—*The Secretary of Defense shall*  
7 *establish a Defense Business Systems Management Com-*  
8 *mittee, to be composed of the following persons:*

9                   “(1) *The Deputy Secretary of Defense, who shall*  
10 *serve as the chairman of the Committee.*

11                   “(2) *The Under Secretary of Defense for Acquisi-*  
12 *tion, Logistics, and Technology.*

13                   “(3) *The Under Secretary of Defense for Per-*  
14 *sonnel and Readiness.*

15                   “(4) *The Under Secretary of Defense (Comp-*  
16 *troller).*

17                   “(5) *The Assistant Secretary of Defense for Net-*  
18 *works and Information Integration.*

19                   “(6) *The Secretaries of the military departments*  
20 *and the heads of the Defense Agencies.*

21                   “(7) *Such additional personnel of the Depart-*  
22 *ment of Defense (including personnel assigned to the*  
23 *Joint Chiefs of Staff and combatant commands) as*  
24 *are designated by the Secretary of Defense.*

1       “(b) *DUTIES.*—(1) *In addition to any other matters*  
2 *assigned to the Committee by the Secretary of Defense, the*  
3 *Committee shall—*

4               “(A) *recommend to the Secretary of Defense poli-*  
5 *cies and procedures necessary to effectively integrate*  
6 *the requirements of section 2222 of this title into all*  
7 *business activities and any transformation, reform,*  
8 *reorganization, or process improvement initiatives*  
9 *undertaken within the Department of Defense; and*

10              “(B) *review and approve any major update of*  
11 *the defense business enterprise architecture developed*  
12 *under subsection (b) of section 2222 of this title, in-*  
13 *cluding evolving the architecture, and of defense busi-*  
14 *ness systems modernization plans.*

15       “(2) *The Committee shall be responsible for coordi-*  
16 *nating defense business system modernization initiatives to*  
17 *maximize benefits and minimize costs for the Department*  
18 *of Defense and periodically report to the Secretary on the*  
19 *status of defense business system modernization efforts.*

20       “(3) *The Committee shall ensure that funds are obli-*  
21 *gated for defense business system modernization in a man-*  
22 *ner consistent with section 2222 of this title.*

23       “(c) *DEFINITIONS.*—*In this section, the terms ‘defense*  
24 *business system’ and ‘defense business system moderniza-*

1 *tion' have the meanings given such terms in section 2222*  
2 *of this title."*

3 *(2) The table of sections at the beginning of such chap-*  
4 *ter is amended by adding at the end the following new item:*  
*"186. Defense Business System Management Committee."*

5 *(c) DELEGATION OF ADMINISTRATIVE RESPONS-*  
6 *BILITY.—The delegation of responsibility for the planning,*  
7 *design, acquisition, deployment, operation, maintenance,*  
8 *modernization, and oversight of defense business systems re-*  
9 *quired by subsection (c) of section 2222 of title 10, United*  
10 *States Code, as added by subsection (a)(1), shall be com-*  
11 *pleted not later than 60 days after the date of the enactment*  
12 *of this Act.*

13 *(d) RELATION TO ANNUAL REGISTRATION REQUIRE-*  
14 *MENTS.—Nothing in sections 186 and 2222 of title 10,*  
15 *United States Code, as added by this section, shall be con-*  
16 *strued to alter the requirements of section 8084 of the De-*  
17 *partment of Defense Appropriations Act, 2004 (Public Law*  
18 *108–87; 117 Stat. 1091), with regard to information tech-*  
19 *nology systems (as defined in subsection (d) of such section).*

20 *(e) REPEAL OF OBSOLETE FINANCIAL MANAGEMENT*  
21 *ENTERPRISE ARCHITECTURE REQUIREMENTS.—Section*  
22 *1004 of the Bob Stump National Defense Authorization Act*  
23 *for Fiscal Year 2003 (Public Law 107–314; 10 U.S.C. 113*  
24 *note) is repealed.*

1 **SEC. 333. ESTABLISHMENT OF JOINT PROGRAM OFFICE TO**  
2 **IMPROVE INTEROPERABILITY OF BATTLE-**  
3 **FIELD MANAGEMENT COMMAND AND CON-**  
4 **TROL SYSTEMS.**

5 (a) *OFFICE FOR FAMILY OF INTEROPERABLE PIC-*  
6 *TURES.*—*The Secretary of Defense shall designate a single*  
7 *joint program office in the Department of Defense for the*  
8 *management of battlefield management command and con-*  
9 *trol systems of the Armed Forces, known as the “Family*  
10 *of Interoperable Pictures”, to improve the interoperability*  
11 *of such systems so that members of the Armed Forces may*  
12 *access a common operational picture of the battlefield. The*  
13 *office shall include at a minimum the Single Integrated Air*  
14 *Picture, the Single Integrated Ground Picture, the Single*  
15 *Integrated Maritime Picture, the Special Operations Forces*  
16 *Picture, and the Single Integrated Space Picture. The Sec-*  
17 *retary shall provide for the head of the office to be selected*  
18 *on a rotating basis among related offices of the Army, Navy,*  
19 *Air Force, and Marine Corps.*

20 (b) *COMMON SYSTEMS ARCHITECTURE.*—*The Sec-*  
21 *retary of Defense shall develop, implement, and maintain*  
22 *a common systems architecture for all battlefield manage-*  
23 *ment command and control systems included in the Family*  
24 *of Interoperable Pictures.*

25 (c) *CONSOLIDATED PROGRAM ELEMENTS.*—*All funds*  
26 *for development and procurement related to the Family of*

1 *Interoperable Pictures shall be consolidated under the office*  
2 *designated under subsection (a).*

3 (d) *PROGRAM DEVELOPMENT.*—*The head of the office*  
4 *designated under subsection (a), subject to the authority,*  
5 *direction, and control of the Secretary of Defense, shall—*

6 (1) *establish and control the performance speci-*  
7 *fications for the battlefield management command*  
8 *and control systems included in the Family of Inter-*  
9 *operable Pictures;*

10 (2) *establish and control the standards for devel-*  
11 *opment of the software and equipment for the Family*  
12 *of Interoperable Pictures;*

13 (3) *establish and control the standards for oper-*  
14 *ation of the Family of Interoperable Pictures; and*

15 (4) *develop a single, unified concept of oper-*  
16 *ations for all users of the Family of Interoperable*  
17 *Pictures.*

18 ***Subtitle E—Readiness Reporting***  
19 ***Requirements***

20 ***SEC. 341. ANNUAL REPORT ON DEPARTMENT OF DEFENSE***  
21 ***OPERATION AND FINANCIAL SUPPORT FOR***  
22 ***MILITARY MUSEUMS.***

23 (a) *REPORT REQUIRED.*—*Chapter 23 of title 10,*  
24 *United States Code, is amended by adding at the end the*  
25 *following new section:*

1 **“§ 489. Annual report on Department of Defense oper-**  
2 **ation and financial support for military**  
3 **museums**

4 “(a) *REPORT REQUIRED.*—As part of the budget mate-  
5 rials submitted to Congress in connection with the submis-  
6 sion of the budget for a fiscal year pursuant to section 1105  
7 of title 31, but in no case later than March 15 of each year,  
8 the Secretary of Defense shall submit a report identifying  
9 all museums that, during the preceding fiscal year—

10 “(1) *were operated by the Department of Defense*  
11 *or a military department; or*

12 “(2) *were otherwise supported using funds ap-*  
13 *propriated to the Department of Defense.*

14 “(b) *CONTENT OF REPORT.*—For each museum identi-  
15 fied in a report under this section, the Secretary of Defense  
16 shall include in the report the following:

17 “(1) *The purpose and functions of the museum*  
18 *and the justification for the museum*

19 “(2) *A description of the facilities dedicated to*  
20 *the museum.*

21 “(3) *An itemized listing of the funds appro-*  
22 *priated to the Department of Defense that were obli-*  
23 *gated to support the museum during the fiscal year*  
24 *covered by the report, as well as any other Federal*  
25 *funds, funds from a nonappropriated fund instrumen-*

1 *tality account of the Department of Defense, and non-*  
2 *Federal funds obligated to support the museum.*

3 “(4) *The number of civilian employees of the De-*  
4 *partment of Defense who serve full-time or part-time*  
5 *at the museum.*

6 “(5) *The number of members of the armed forces*  
7 *who serve full-time or part-time at the museum.*”.

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

*“489. Annual report on Department of Defense operation and financial support  
for military museums.”.*

11 **SEC. 342. REPORT ON DEPARTMENT OF DEFENSE PRO-**  
12 **GRAMS FOR PREPOSITIONING OF MATERIAL**  
13 **AND EQUIPMENT.**

14 (a) *SECRETARY OF DEFENSE ASSESSMENT AND RE-*  
15 *PORT.*—(1) *The Secretary of Defense shall conduct an as-*  
16 *essment of the programs of the Department of Defense for*  
17 *the prepositioning of material and equipment. Such assess-*  
18 *ment shall particularly focus on how those programs will*  
19 *be incorporated into achievement of the goals of the Sec-*  
20 *retary of Defense (referred to as the “10–30–30” goals) for*  
21 *the Armed Forces to have the capability, from the onset of*  
22 *a contingency situation, of deploying forces to a distant the-*  
23 *ater within 10 days, defeating an enemy within 30 days,*

1 *and being ready for an additional conflict within another*  
2 *30 days.*

3 *(2) The Secretary shall submit to Congress a report*  
4 *on such assessment not later than October 1, 2005.*

5 *(b) MATTERS TO BE INCLUDED.—The assessment*  
6 *under subsection (a) shall include the repositioning pro-*  
7 *grams of each of the Armed Forces and of the United States*  
8 *Special Operations Command as well as assessment of each*  
9 *of the following:*

10 *(1) Use of prepositioned equipment as part of*  
11 *Operation Iraqi Freedom and Operation Enduring*  
12 *Freedom and potential solutions to identified chal-*  
13 *lenges.*

14 *(2) Changes to doctrine, strategy, and transpor-*  
15 *tation plans to support the goals of the Secretary de-*  
16 *scribed in subsection (a) and referred to as the 10–*  
17 *30–30 goals in light of the current lift constraints fac-*  
18 *ing both land and sea components of lift as well as*  
19 *the emerging mobility requirements.*

20 *(3) Modifications of the repositioning programs*  
21 *of the Armed Forces in order to adapt to pending*  
22 *modularity concepts, future force structure changes,*  
23 *and new sea basing concepts in relation to current*  
24 *and potential areas of instability.*



1           (4) *Joint operations and training that include*  
2           *theater opening requirements at potential aerial and*  
3           *sea ports of debarkation, joint force reception capa-*  
4           *bilities, joint theater distribution operations, and use*  
5           *of joint prepositioned stocks and systems.*

6           ***Subtitle F—Other Matters***

7           ***SEC. 351. EXTENSION OF ARSENAL SUPPORT PROGRAM INI-***  
8           ***TIATIVE.***

9           (a) *DURATION OF PROGRAM.*—*Subsection (a) of sec-*  
10          *tion 343 of the Floyd D. Spence National Defense Author-*  
11          *ization Act for Fiscal Year 2001 (as enacted into law by*  
12          *Public Law 106–398; 10 U.S.C. 4551 note) is amended by*  
13          *striking “2004” and inserting “2008”.*

14          (b) *ADDITIONAL REPORT REQUIRED.*—*Subsection (g)*  
15          *of such section is amended—*

16                 (1) *in paragraph (1), by striking “2004” and in-*  
17                 *serting “2008”; and*

18                 (2) *in paragraph (2), by striking “2003” and in-*  
19                 *serting “2007”.*

20          ***SEC. 352. LIMITATION ON PREPARATION OR IMPLEMENTA-***  
21          ***TION OF MID-RANGE FINANCIAL IMPROVE-***  
22          ***MENT PLAN.***

23          *Amounts appropriated to the Department of Defense*  
24          *for fiscal year 2005 for operation and maintenance may*  
25          *not be obligated for the purpose of preparing or imple-*

1 *menting the Mid-Range Financial Improvement Plan until*  
2 *the Secretary of Defense submits a report to the congres-*  
3 *sional defense committees containing, for each of the mili-*  
4 *tary departments and the Defense Agencies—*

5           (1) *an explanation of the manner in which funds*  
6           *will be used for such purpose during that fiscal year;*  
7           *and*

8           (2) *an estimate of the costs for future fiscal years*  
9           *to prepare and implement the plan.*

10 **SEC. 353. PROCUREMENT OF FOLLOW-ON CONTRACTS FOR**

11                           **THE OPERATION OF FIVE CHAMPION-CLASS**

12                           **T-5 TANK VESSELS.**

13           *The Secretary of the Navy may consider bids or pro-*  
14 *posals for the follow-on contracts for the Department of the*  
15 *Navy contracts for the operation of five Champion-class T-*  
16 *5 tank vessels only from an entity that is a citizen under*  
17 *section 2 of the Shipping Act, 1916 (46 App. U.S.C. 802).*

18 **SEC. 354. SENSE OF CONGRESS ON AMERICA'S NATIONAL**

19                           **WORLD WAR I MUSEUM.**

20           (a) *FINDINGS.—The Congress finds as follows:*

21           (1) *The Liberty Memorial Museum in Kansas*  
22 *City, Missouri, was built in 1926 in honor of those*  
23 *individuals who served in World War I in defense of*  
24 *liberty and the Nation.*

1           (2) *The Liberty Memorial Association, a non-*  
2 *profit organization which originally built the Liberty*  
3 *Memorial Museum, is responsible for the finances, op-*  
4 *erations, and collections management of the Liberty*  
5 *Memorial Museum.*

6           (3) *The Liberty Memorial Museum is the only*  
7 *public museum in the Nation that exists for the exclu-*  
8 *sive purpose of interpreting the experiences of the*  
9 *United States and its allies in the World War I years*  
10 *(1914–1918), both on the battlefield and on the home*  
11 *front.*

12           (4) *The Liberty Memorial Museum project began*  
13 *after the 1918 Armistice through the efforts of a large-*  
14 *scale, grass-roots civic and fundraising effort by the*  
15 *citizens and veterans of the Kansas City metropolitan*  
16 *area. After the conclusion of a national architectural*  
17 *design competition, ground was broken in 1921, con-*  
18 *struction began in 1923, and the Liberty Memorial*  
19 *Museum was opened to the public in 1926.*

20           (5) *In 1994, the Liberty Memorial Museum*  
21 *closed for a massive restoration and expansion*  
22 *project. The restored museum reopened to the public*  
23 *on Memorial Day, 2002, during a gala rededication*  
24 *ceremony.*

1           (6) *Exhibits prepared for the original museum*  
2           *buildings presaged the dramatic, underground expan-*  
3           *sion of core exhibition gallery space, with over 30,000*  
4           *square feet of new interpretive and educational exhib-*  
5           *its currently in development. The new exhibits, along*  
6           *with an expanded research library and archives, will*  
7           *more fully utilize the many thousands of historical*  
8           *objects, books, maps, posters, photographs, diaries, let-*  
9           *ters, and reminiscences of World War I participants*  
10          *that are preserved for posterity in the Liberty Memo-*  
11          *rial Museum's collections. The new core exhibition is*  
12          *scheduled to open on Veterans Day, 2006.*

13          (7) *The City of Kansas City, the State of Mis-*  
14          *souri, and thousands of private donors and philan-*  
15          *thropic foundations have contributed millions of dol-*  
16          *lars to build and later to restore this national treas-*  
17          *ure. The Liberty Memorial Museum continues to re-*  
18          *ceive the strong support of residents from the States*  
19          *of Missouri and Kansas and across the Nation.*

20          (8) *Since the restoration and rededication of*  
21          *2002, the Liberty Memorial Museum has attracted*  
22          *thousands of visitors from across the United States*  
23          *and many foreign countries.*

24          (9) *There remains a need to preserve in a mu-*  
25          *seum setting evidence of the honor, courage, patriot-*

1        *ism, and sacrifice of those Americans who offered*  
2        *their services and who gave their lives in defense of*  
3        *liberty during World War I, evidence of the roles of*  
4        *women and African Americans during World War I,*  
5        *and evidence of other relevant subjects.*

6            *(10) The Liberty Memorial Museum seeks to edu-*  
7        *cate a diverse group of audiences through its com-*  
8        *prehensive collection of historical materials, empha-*  
9        *sizing eyewitness accounts of the participants on the*  
10       *battlefield and the home front and the impact of*  
11       *World War I on individuals, then and now. The Lib-*  
12       *erty Memorial Museum continues to actively acquire*  
13       *and preserve such materials.*

14           *(11) A great opportunity exists to use the inval-*  
15       *uable resources of the Liberty Memorial Museum to*  
16       *teach the “Lessons of Liberty” to the Nation’s school-*  
17       *children through on-site visits, classroom curriculum*  
18       *development, distance learning, and other educational*  
19       *initiatives.*

20           *(12) The Liberty Memorial Museum should al-*  
21       *ways be the Nation’s museum of the national experi-*  
22       *ence in the World War I years (1914–1918), where*  
23       *people go to learn about this critical period and*  
24       *where the Nation’s history of this monumental strug-*  
25       *gle will be preserved so that generations of the 21st*

1       *century may understand the role played by the*  
2       *United States in the preservation and advancement of*  
3       *democracy, freedom, and liberty in the early 20th cen-*  
4       *tury.*

5               *(13) This initiative to recognize and preserve the*  
6       *history of the Nation's sacrifices in World War I will*  
7       *take on added significance as the Nation approaches*  
8       *the centennial observance of this event.*

9               *(14) It is fitting and proper to refer to the Lib-*  
10       *erty Memorial Museum as "America's National World*  
11       *War I Museum".*

12       ***(b) SENSE OF CONGRESS.—The Congress—***

13               *(1) recognizes the Liberty Memorial Museum in*  
14       *Kansas City, Missouri, including the museum's future*  
15       *and expanded exhibits, collections, library, archives,*  
16       *and educational programs, as "America's National*  
17       *World War I Museum";*

18               *(2) recognizes that the continuing collection,*  
19       *preservation, and interpretation of the historical ob-*  
20       *jects and other historical materials held by the Lib-*  
21       *erty Memorial Museum enhance the knowledge and*  
22       *understanding of the Nation's people of the American*  
23       *and allied experience during the World War I years*  
24       *(1914–1918), both on the battlefield and on the home*  
25       *front;*

1           (3) commends the ongoing development and visi-  
2           bility of “Lessons of Liberty” educational outreach  
3           programs for teachers and students throughout the  
4           Nation; and

5           (4) encourages the need for present generations to  
6           understand the magnitude of World War I, how it  
7           shaped the Nation, other countries, and later world  
8           events, and how the sacrifices made then helped pre-  
9           serve liberty, democracy, and other founding prin-  
10          ciples for generations to come.

11 **TITLE IV—MILITARY PERSONNEL**  
12 **AUTHORIZATIONS**

13 **Subtitle A—Active Forces**

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

15           *The Armed Forces are authorized strengths for active*  
16 *duty personnel as of September 30, 2005, as follows:*

17           (1) *The Army, 482,400.*

18           (2) *The Navy, 365,900.*

19           (3) *The Marine Corps, 175,000.*

20           (4) *The Air Force, 359,700.*

21 **SEC. 402. REVISION IN PERMANENT ACTIVE DUTY END**  
22 **STRENGTH MINIMUM LEVELS.**

23           *Effective October 1, 2004, section 691(b) of title 10,*  
24 *United States Code, is amended as follows:*

1           (1) *NAVY.*—*Paragraph (2) is amended by strik-*  
2           *ing “373,800” and inserting “365,900”.*

3           (2) *AIR FORCE.*—*Paragraph (4) is amended by*  
4           *striking “359,300” and inserting “359,700”.*

5 **SEC. 403. MAXIMUM NUMBER OF RESERVE PERSONNEL AU-**  
6                           **THORIZED TO BE ON ACTIVE DUTY FOR**  
7                           **OPERATIONAL SUPPORT.**

8           *During fiscal year 2005, the maximum number of*  
9           *members of the reserve components of the Armed Forces who*  
10          *may be serving at any time on full-time operational sup-*  
11          *port duty under section 115(b) of title 10, United States*  
12          *Code, is the following:*

13               (1) *The Army National Guard of the United*  
14               *States, 10,300.*

15               (2) *The Army Reserve, 5,000.*

16               (3) *The Naval Reserve, 6,200.*

17               (4) *The Marine Corps Reserve, 2,500.*

18               (5) *The Air National Guard of the United*  
19               *States, 10,100.*

20               (6) *The Air Force Reserve, 3,600.*



1 **SEC. 404. ACCOUNTING AND MANAGEMENT OF RESERVE**  
2 **COMPONENT PERSONNEL PERFORMING AC-**  
3 **TIVE DUTY OR FULL-TIME NATIONAL GUARD**  
4 **DUTY FOR OPERATIONAL SUPPORT.**

5 (a) *STRENGTH AUTHORIZATIONS.*—Section 115 of title  
6 10, United States Code, is amended—

7 (1) in subsection (a)(1)(A), by inserting “unless  
8 on active duty pursuant to subsection (b)” after “ac-  
9 tive-duty personnel”;

10 (2) in subsection (a)(1)(B), by inserting “unless  
11 on active duty or full-time National Guard duty pur-  
12 suant to subsection (b)” after “reserve personnel”;

13 (3) by redesignating subsections (b), (c), (d), (e),  
14 (f), (g) and (h) as subsections (c), (d), (e), (f), (g), (h)  
15 and (i), respectively; and

16 (4) by inserting after subsection (a) the following  
17 new subsection (b):

18 “(b) *CERTAIN RESERVES ON ACTIVE DUTY TO BE AU-*  
19 *THORIZED BY LAW.*—(1) Congress shall annually authorize  
20 the maximum number of members of a reserve component  
21 permitted to be on active duty or full-time National Guard  
22 duty at any given time who are called or ordered to—

23 “(A) active duty under section 12301(d) of this  
24 title for the purpose of providing operational support,  
25 as prescribed in regulation issued by the Secretary of  
26 Defense;

1           “(B) *full-time National Guard duty under sec-*  
2           *tion 502(f)(2) of title 32 for the purpose of providing*  
3           *operational support when authorized by the Secretary*  
4           *of Defense;*

5           “(C) *active duty under section 12301(d) of this*  
6           *title or full-time National Guard duty under section*  
7           *502(f) of title 32 for the purpose of preparing for and*  
8           *performing funeral honors functions for funerals of*  
9           *veterans under section 1491 of this title;*

10          “(D) *active duty or retained on active duty*  
11          *under sections 12301(g) of this title while in a captive*  
12          *status; or*

13          “(E) *active duty or retained on active duty*  
14          *under 12301(h) or 12322 of this title for the purpose*  
15          *of medical evaluation or treatment.*

16          “(2) *A member of a reserve component who exceeds ei-*  
17          *ther of the following limits shall be included in the strength*  
18          *authorized under subparagraph (A) or subparagraph (B),*  
19          *as appropriate, of subsection (a)(1):*

20                 “(A) *A call or order to active duty or full-time*  
21                 *National Guard duty that specifies a period greater*  
22                 *than three years.*

23                 “(B) *The cumulative periods of active duty and*  
24                 *full-time National Guard duty performed by the*  
25                 *member exceed 1095 days in the previous 1460 days.*

1       “(3) *In determining the period of active service under*  
2 *paragraph (2), the following periods of active service per-*  
3 *formed by a member shall not be included:*

4               “(A) *All periods of active duty performed by a*  
5 *member who has not previously served in the Selected*  
6 *Reserve of the Ready Reserve.*

7               “(B) *All periods of active duty or full-time Na-*  
8 *tional Guard duty for which the member is exempt*  
9 *from strength accounting under paragraphs (1)*  
10 *through (7) of subsection (i).”.*

11       (b) *LIMITATION ON APPROPRIATIONS.—Subsection (c)*  
12 *of such section (as redesignated by subsection (a)(3)) is*  
13 *amended—*

14               (1) *by striking “or” at the end of paragraph (1);*

15               (2) *by striking the period at the end of para-*  
16 *graph (2) and inserting “; or”; and*

17               (3) *by inserting after paragraph (2) the fol-*  
18 *lowing new paragraph:*

19               “(3) *the use of reserve component personnel to*  
20 *perform active duty or full-time National Guard duty*  
21 *under subsection (b) unless the strength for such per-*  
22 *sonnel for that reserve component for that fiscal year*  
23 *has been authorized by law.”.*

24       (c) *AUTHORITY FOR SECRETARY OF DEFENSE*  
25 *VARIANCES IN MAXIMUM STRENGTHS.—Subsection (f) of*

1 *such section (as redesignated by subsection (a)(2)) is*  
2 *amended—*

3 *(1) by striking “END” in the heading;*

4 *(2) by striking “and” at the end of paragraph*  
5 *(2);*

6 *(3) by striking the period at the end of para-*  
7 *graph (3) and inserting “; and”; and*

8 *(4) by adding at the end the following new para-*  
9 *graph:*

10 *“(4) increase the maximum strength authorized pursu-*  
11 *ant to subsection (b)(1) for a fiscal year for certain reserves*  
12 *on active duty for any of the reserve components by a num-*  
13 *ber equal to not more than 10 percent of that strength.”.*

14 *(d) CONFORMING AMENDMENTS TO SECTION 115.—*  
15 *Such section is further amended as follows:*

16 *(1) Subsection (e) (as redesignated by subsection*  
17 *(a)(3)) is amended—*

18 *(A) in paragraph (1), by striking “sub-*  
19 *section (a) or (c)” and inserting “subsection (a)*  
20 *or (d)”;* and

21 *(B) in paragraph (2)—*

22 *(i) by striking “subsections (a) and*  
23 *(c)”;* and inserting *“subsections (a) and*  
24 *(d)”;*

1                   (ii) by striking “pursuant to subsection  
2                   (e)) and subsection (c)” and inserting “pur-  
3                   suant to subsection (f)) and subsection (d)”  
4                   each place it appears.

5                   (2) Subsection (g) (as redesignated by subsection  
6                   (a)(3)) is amended by striking “subsection (e)(1)” in  
7                   paragraph (2) and inserting “subsection (f)(1)”.

8                   (3) Subsection (i) (as redesignated by subsection  
9                   (a)(3)) is amended to read as follows:

10                  “(i) *CERTAIN PERSONNEL EXCLUDED FROM COUNT-*  
11 *ING FOR ACTIVE-DUTY END STRENGTHS.—In counting*  
12 *personnel for the purpose of the end strengths authorized*  
13 *pursuant to subsection (a)(1), persons in the following cat-*  
14 *egories shall be excluded:*

15                  “(1) *Members of a reserve component ordered to*  
16 *active duty under section 12301(a) of this title.*

17                  “(2) *Members of a reserve component in an ac-*  
18 *tive status ordered to active duty under section*  
19 *12301(b) of this title.*

20                  “(3) *Members of the Ready Reserve ordered to*  
21 *active duty under section 12302 of this title.*

22                  “(4) *Members of the Selected Reserve of the*  
23 *Ready Reserve or members of the Individual Ready*  
24 *Reserve mobilization category described in section*

1       10144(b) of this title ordered to active duty under sec-  
2       tion 12304 of this title.

3               “(5) Members of the National Guard called into  
4       Federal service under section 12406 of this title.

5               “(6) Members of the militia called into Federal  
6       service under chapter 15 of this title.

7               “(7) Members of reserve components on active  
8       duty for training.

9               “(8) Members of the Selected Reserve of the  
10      Ready Reserve on active duty to support programs  
11      described in section 1203(b) of the Cooperative Threat  
12      Reduction Act of 1993 (22 U.S.C. 5952(b)).

13              “(9) Members of the National Guard on active  
14      duty or full-time National Guard duty for the pur-  
15      pose of carrying out drug interdiction and counter-  
16      drug activities under section 112 of title 32.

17              “(10) Members of a reserve component on active  
18      duty under section 10(b)(2) of the Military Selective  
19      Service Act (50 U.S.C. App. 460(b)(2)) for the ad-  
20      ministration of the Selective Service System.

21              “(11) Members of the National Guard on full-  
22      time National Guard duty for the purpose of pro-  
23      viding command, administrative, training, or sup-  
24      port services for the National Guard Challenge Pro-  
25      gram authorized by section 509 of title 32.”.

1           (e) *MILITARY TO MILITARY CONTACT STRENGTH AC-*  
2 *COUNTING.*—Subsection (f) of section 168 of such title is  
3 *amended to read as follows:*

4           “(f) *ACTIVE DUTY END STRENGTHS.*—A member of a  
5 *reserve component who is engaged in activities authorized*  
6 *under this section shall not be counted for purposes of the*  
7 *following personnel strength limitations:*

8                   “(1) *The end strength for active-duty personnel*  
9 *authorized pursuant to section 115(a)(1) of this title*  
10 *for the fiscal year in which the member carries out*  
11 *the activities referred to under this section.*

12                   “(2) *The authorized daily average for members*  
13 *in pay grades E–8 and E–9 under section 517 of this*  
14 *title for the calendar year in which the member car-*  
15 *ries out such activities.*

16                   “(3) *The authorized strengths for commissioned*  
17 *officers under section 523 of this title for the fiscal*  
18 *year in which the member carries out such activities.*

19           (f) *E–8 AND E–9 STRENGTH ACCOUNTING.*—Sub-  
20 *section (a) of section 517 of such title is amended by strik-*  
21 *ing “(other than for training) in connection with orga-*  
22 *nizing, administering, recruiting, instructing, or training*  
23 *the reserve component of an armed force.” and inserting*  
24 *“as authorized under section 115(a)(1)(B) or 115(b) of this*

1 *title, or excluded from counting for active duty end*  
2 *strengths under section 115(i) of this title.”.*

3 (g) *FIELD GRADE OFFICER STRENGTH ACCOUNT-*  
4 *ING.—(1) Paragraph (1) of section 523(b) of such title is*  
5 *amended to read as follows:*

6 “(A) *on active duty as authorized under*  
7 *section 115(a)(1)(B) or 115(b)(1) of this title, or*  
8 *excluded from counting for active duty end*  
9 *strengths under section 115(i) of this title;*

10 “(B) *on active duty under section 10211,*  
11 *10302 through 10305, or 12402 of this title or*  
12 *under section 708 of title 32; or*

13 “(C) *on full-time National Guard duty.”;*  
14 *and*

15 (2) *Paragraph (7) of section 523(b) is amended by*  
16 *striking “Reserve or retired officers” and inserting “Retired*  
17 *officers”.*

18 (h) *ACTIVE GUARD AND RESERVE FIELD GRADE OFFI-*  
19 *CER STRENGTH ACCOUNTING.—Paragraph (2) of section*  
20 *12011(e) of such title is amended to read as follows:*

21 “(2) *Full-time National Guard duty (other than*  
22 *for training) under section 502(f) of title 32, except*  
23 *for duty under section 115(b)(1)(B) and (C) of this*  
24 *title and section 115(i)(9) of this title.”.*



1           (i) *WARRANT OFFICER ACTIVE-DUTY LIST EXCLU-*  
 2 *SION.—Paragraph (1) of section 582 of such title is amend-*  
 3 *ed to read as follows:*

4                   “(1) *Reserve warrant officers—*

5                           “(A) *on active duty as authorized under*  
 6 *section 115(a)(1)(B) or 115(b)(1) of this title, or*  
 7 *excluded from counting for active duty end*  
 8 *strengths under section 115(i) of this title; or*

9                           “(B) *on full-time National Guard duty.*”.

10           (j) *OFFICER ACTIVE-DUTY LIST, APPLICABILITY OF*  
 11 *CHAPTER.—Paragraph (1) of section 641 of such is amend-*  
 12 *ed to read as follows:*

13                   “(1) *Reserve officers—*

14                           “(A) *on active duty authorized under sec-*  
 15 *tion 115(a)(1)(B) or 115(b)(1) of this title, or ex-*  
 16 *cluded from counting for active duty end*  
 17 *strengths under section 115(i) of this title;*

18                           “(B) *on active duty under section 3038,*  
 19 *5143, 5144, 8038, 10211, 10301 through 10305,*  
 20 *10502, 10505, 10506(a), 10506(b), 10507, or*  
 21 *12402 of this title or section 708 of title 32; or*

22                           “(C) *on full-time National Guard duty.*”.

23           (k) *STRENGTH ACCOUNTING FOR MEMBERS PER-*  
 24 *FORMING DRUG INTERDICTION AND COUNTER-DRUG AC-*

1 *TIVITIES.*—Section 112 of title 32, United States Code, is  
2 amended—

3 (1) by striking subsection (e);

4 (2) by redesignating subsections (f), (g), (h) and  
5 (i) as subsections (e), (f), (g) and (h) respectively; and

6 (3) in paragraph (1) of subsection (e), as rededesignated  
7 by paragraph (2), by striking “for a period  
8 of more than 180 days” each place it appears.

9 (l) *REPORT.*—Not later than June 1, 2005, the Secretary  
10 of Defense shall report to the Committee on Armed  
11 Services of the Senate and the Committee on Armed Services  
12 of the House of Representatives the Secretary’s recommendations  
13 regarding the exemptions provided in paragraphs (8) through (11)  
14 by section 115(i) of title 10, United States Code, as amended  
15 by this section. The recommendations shall address the manner in  
16 which personnel covered by those exemptions shall be accounted  
17 for in authorizations provided by section 115 of such title. The  
18 objective of the analysis should be to terminate the need for such  
19 exemptions after September 30, 2006.

21 (m) *REGULATIONS.*—The Secretary of Defense shall  
22 prescribe by regulation the meaning of the term “operational  
23 support” for purposes of paragraph (1) of subsection (b) of  
24 section 115 of title 10, United States Code, as added by  
25 subsection (a).

1                   ***Subtitle B—Reserve Forces***

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

3           (a) *IN GENERAL.*—*The Armed Forces are authorized*  
4 *strengths for Selected Reserve personnel of the reserve com-*  
5 *ponents as of September 30, 2005, as follows:*

6                   (1) *The Army National Guard of the United*  
7 *States, 350,000.*

8                   (2) *The Army Reserve, 205,000.*

9                   (3) *The Naval Reserve, 83,400.*

10                  (4) *The Marine Corps Reserve, 39,600.*

11                  (5) *The Air National Guard of the United*  
12 *States, 106,800.*

13                  (6) *The Air Force Reserve, 76,100.*

14                  (7) *The Coast Guard Reserve, 10,000.*

15           (b) *ADJUSTMENTS.*—*The end strengths prescribed by*  
16 *subsection (a) for the Selected Reserve of any reserve compo-*  
17 *nent shall be proportionately reduced by—*

18                   (1) *the total authorized strength of units orga-*  
19 *nized to serve as units of the Selected Reserve of such*  
20 *component which are on active duty (other than for*  
21 *training) at the end of the fiscal year; and*

22                   (2) *the total number of individual members not*  
23 *in units organized to serve as units of the Selected*  
24 *Reserve of such component who are on active duty*  
25 *(other than for training or for unsatisfactory partici-*

1        *pation in training) without their consent at the end*  
2        *of the fiscal year.*

3        *Whenever such units or such individual members are re-*  
4        *leased from active duty during any fiscal year, the end*  
5        *strength prescribed for such fiscal year for the Selected Re-*  
6        *serve of such reserve component shall be increased propor-*  
7        *tionately by the total authorized strengths of such units and*  
8        *by the total number of such individual members.*

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

11        *Within the end strengths prescribed in section 411(a),*  
12        *the reserve components of the Armed Forces are authorized,*  
13        *as of September 30, 2005, the following number of Reserves*  
14        *to be serving on full-time active duty or full-time duty, in*  
15        *the case of members of the National Guard, for the purpose*  
16        *of organizing, administering, recruiting, instructing, or*  
17        *training the reserve components:*

18                *(1) The Army National Guard of the United*  
19                *States, 26,476.*

20                *(2) The Army Reserve, 14,970.*

21                *(3) The Naval Reserve, 14,152.*

22                *(4) The Marine Corps Reserve, 2,261.*

23                *(5) The Air National Guard of the United*  
24                *States, 12,225.*

25                *(6) The Air Force Reserve, 1,900.*

1 **SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS**  
2 **(DUAL STATUS).**

3 *The minimum number of military technicians (dual*  
4 *status) as of the last day of fiscal year 2005 for the reserve*  
5 *components of the Army and the Air Force (notwith-*  
6 *standing section 129 of title 10, United States Code) shall*  
7 *be the following:*

8 (1) *For the Army Reserve, 7,299.*

9 (2) *For the Army National Guard of the United*  
10 *States, 25,076.*

11 (3) *For the Air Force Reserve, 9,954.*

12 (4) *For the Air National Guard of the United*  
13 *States, 22,956.*

14 **SEC. 414. FISCAL YEAR 2005 LIMITATION ON NUMBER OF**  
15 **NON-DUAL STATUS TECHNICIANS.**

16 (a) *LIMITATIONS.—(1) Within the limitation provided*  
17 *in section 10217(c)(2) of title 10, United States Code, the*  
18 *number of non-dual status technicians employed by the Na-*  
19 *tional Guard as of September 30, 2005, may not exceed the*  
20 *following:*

21 (A) *For the Army National Guard of the United*  
22 *States, 1,600.*

23 (B) *For the Air National Guard of the United*  
24 *States, 350.*

1       (2) *The number of non-dual status technicians em-*  
2 *ployed by the Army Reserve as of September 30, 2005, may*  
3 *not exceed 795.*

4       (3) *The number of non-dual status technicians em-*  
5 *ployed by the Air Force Reserve as of September 30, 2005,*  
6 *may not exceed 90.*

7       (b) *NON-DUAL STATUS TECHNICIANS DEFINED.—In*  
8 *this section, the term “non-dual status technician” has the*  
9 *meaning given that term in section 10217(a) of title 10,*  
10 *United States Code.*

11               ***Subtitle C—Authorizations of***  
12                               ***Appropriations***

13       ***SEC. 421. MILITARY PERSONNEL.***

14       *There is hereby authorized to be appropriated to the*  
15 *Department of Defense for military personnel for fiscal year*  
16 *2005 a total of \$104,647,558,000. The authorization in the*  
17 *preceding sentence supersedes any other authorization of*  
18 *appropriations (definite or indefinite) for such purpose for*  
19 *fiscal year 2005.*

20       ***SEC. 422. ARMED FORCES RETIREMENT HOME.***

21       *There is hereby authorized to be appropriated for fiscal*  
22 *year 2005 from the Armed Forces Retirement Home Trust*  
23 *Fund the sum of \$61,195,000 for the operation of the Armed*  
24 *Forces Retirement Home.*

1 **TITLE V—MILITARY PERSONNEL**  
2 **POLICY**  
3 **Subtitle A—General and Flag**  
4 **Officer Matters**

5 **SEC. 501. LENGTH OF SERVICE FOR SERVICE CHIEFS.**

6 (a) *CHIEF OF STAFF OF THE ARMY.—Paragraph (1)*  
7 *of section 3033(a) of title 10, United States Code, is amend-*  
8 *ed—*

9 (1) *by striking “for a period of four years” in*  
10 *the first sentence; and*

11 (2) *by striking the second and third sentences*  
12 *and inserting the following: “The Chief of Staff serves*  
13 *at the pleasure of the President for a term of four*  
14 *years. The President may extend the service of an of-*  
15 *ficer as Chief of Staff for an additional period of not*  
16 *to exceed two years. In time of war or during a na-*  
17 *tional emergency declared by Congress, the President*  
18 *may extend the service of an officer as Chief of Staff*  
19 *for such additional periods as the President deter-*  
20 *mines necessary, except that the total period of an of-*  
21 *ficer’s service as Chief of Staff may not exceed eight*  
22 *years.”.*

23 (b) *CHIEF OF NAVAL OPERATIONS.—Paragraph (1) of*  
24 *section 5033(a) of such title is amended by striking the*  
25 *third and fourth sentences and inserting the following: “The*

1 *Chief of Naval Operations serves at the pleasure of the*  
2 *President. The President may extend the service of an offi-*  
3 *cer as Chief of Naval Operations for an additional period*  
4 *of not to exceed two years. In time of war or during a na-*  
5 *tional emergency declared by Congress, the President may*  
6 *extend the service of an officer as Chief of Naval Operations*  
7 *for such additional periods as the President determines nec-*  
8 *essary, except that the total period of an officer's service*  
9 *as Chief of Naval Operations may not exceed eight years.”.*

10 (c) *COMMANDANT OF THE MARINE CORPS.—Para-*  
11 *graph (1) of section 5043(a) of such title is amended by*  
12 *striking the third and fourth sentences and inserting the*  
13 *following: “The Commandant serves at the pleasure of the*  
14 *President. The President may extend the service of an offi-*  
15 *cer as Commandant for an additional period of not to ex-*  
16 *ceed two years. In time of war or during a national emer-*  
17 *gency declared by Congress, the President may extend the*  
18 *service of an officer as Commandant for such additional*  
19 *periods as the President determines necessary, except that*  
20 *the total period of an officer's service as Commandant may*  
21 *not exceed eight years.”.*

22 (d) *CHIEF OF STAFF OF THE AIR FORCE.—Paragraph*  
23 *(1) of section 8033(a) of such title is amended to read as*  
24 *follows:*



1           (1) *by striking “for a period of four years” in*  
2           *the first sentence; and*

3           (2) *by striking the second and third sentences*  
4           *and inserting the following: “The Chief of Staff serves*  
5           *at the pleasure of the President for a period of four*  
6           *years. The President may extend the service of an of-*  
7           *ficer as Chief of Staff for an additional period of not*  
8           *to exceed two years. In time of war or during a na-*  
9           *tional emergency declared by Congress, the President*  
10           *may extend the service of an officer as Chief of Staff*  
11           *for such additional periods as the President deter-*  
12           *mines necessary, except that the total period of an of-*  
13           *ficer’s service as Chief of Staff may not exceed eight*  
14           *years.”.*

15 **SEC. 502. REPEAL OF REQUIREMENT THAT DEPUTY CHIEFS**  
16           **AND ASSISTANT CHIEFS OF NAVAL OPER-**  
17           **ATIONS BE SELECTED FROM OFFICERS IN**  
18           **THE LINE OF THE NAVY.**

19           (a) *DEPUTY CHIEFS OF NAVAL OPERATIONS.—Section*  
20           *5036(a) of title 10, United States Code, is amended by strik-*  
21           *ing “in the line”.*

22           (b) *ASSISTANT CHIEFS OF NAVAL OPERATIONS.—Sec-*  
23           *tion 5037(a) of such title is amended by striking “in the*  
24           *line”.*

1 **SEC. 503. INCREASE IN AGE LIMIT FOR DEFERRAL OF MAN-**  
2 **DATORY RETIREMENT FOR UP TO 10 SENIOR**  
3 **GENERAL AND FLAG OFFICERS.**

4 *Section 1251(b) of title 10, United States Code, is*  
5 *amended by striking “64 years of age” and inserting “66*  
6 *years of age”.*

7 **SEC. 504. INCREASED FLEXIBILITY FOR VOLUNTARY RE-**  
8 **TIREMENT FOR MILITARY OFFICERS.**

9 *(a) IN GENERAL.—Section 1370 of title 10, United*  
10 *States Code, is amended—*

11 *(1) in subsection (a)—*

12 *(A) in paragraph (1)—*

13 *(i) by striking “except as provided in*  
14 *paragraph (2)” and inserting “subject to*  
15 *paragraphs (2) and (3)”;* and

16 *(ii) by striking “, for not less than six*  
17 *months”;*

18 *(B) by redesignating paragraph (3) as*  
19 *paragraph (4); and*

20 *(C) by striking paragraph (2) and inserting*  
21 *the following:*

22 *“(2) In order to be eligible for voluntary retirement*  
23 *under this title in a grade below the grade of lieutenant*  
24 *colonel or commander, a commissioned officer of the Army,*  
25 *Navy, Air Force, or Marine Corps covered by paragraph*

1 *(1) must have served on active duty in that grade for not*  
2 *less than six months.*

3       “(3)(A) *In order to be eligible for voluntary retirement*  
4 *in a grade above major or lieutenant commander and below*  
5 *brigadier general or rear admiral (lower half), a commis-*  
6 *sioned officer of the Army, Navy, Air Force, or Marine*  
7 *Corps covered by paragraph (1) must have served on active*  
8 *duty in that grade for not less than three years, except that*  
9 *the Secretary of Defense may authorize the Secretary of the*  
10 *military department concerned to reduce such period to a*  
11 *period not less than two years.*

12       “(B) *In order to be eligible for voluntary retirement*  
13 *in a grade above colonel or captain, in the case of the Navy,*  
14 *a commissioned officer of the Army, Navy, Air Force, or*  
15 *Marine Corps covered by paragraph (1) must have served*  
16 *on active duty in that grade for not less than one year.*

17       “(C) *An officer in a grade above major general or rear*  
18 *admiral may be retired in the highest grade in which the*  
19 *officer served on active duty satisfactorily for not less than*  
20 *one year, upon approval by the Secretary of the military*  
21 *department concerned and concurrence by the Secretary of*  
22 *Defense. The function of the Secretary of Defense under the*  
23 *preceding sentence may only be delegated to a civilian offi-*  
24 *cial in the Office of the Secretary of Defense appointed by*

1 *the President, by and with the advice and consent of the*  
2 *Senate.*

3       “(D) *The President may waive subparagraph (A), (B)*  
4 *or (C) in individual cases involving extreme hardship or*  
5 *exceptional or unusual circumstances. The authority of the*  
6 *President under the preceding sentence may not be dele-*  
7 *gated.”;*

8           (2) *in subsection (b), by inserting “or whose*  
9 *service on active duty in that grade was not deter-*  
10 *mined to be satisfactory by the Secretary of the mili-*  
11 *tary department concerned” after “specified in sub-*  
12 *section (a)”;*

13           (3) *by striking subsection (c); and*

14           (4) *by redesignating subsection (d) as subsection*  
15 *(c) and in that subsection—*

16               (A) *in paragraph (3)—*

17                   (i) *in subparagraph (A)—*

18                       (I) *by inserting “(i)” after*  
19 *“(3)(A)”;*

20                       (II) *by inserting “and below brig-*  
21 *adier general or rear admiral (lower*  
22 *half)” after “lieutenant commander”;*

23                       (III) *by inserting “, except that*  
24 *the Secretary of Defense may authorize*  
25 *the Secretary of the military depart-*

1                    *ment concerned to reduce such period*  
2                    *to a period not less than two years”*  
3                    *after “three years”; and*

4                    *(IV) by adding at the end the fol-*  
5                    *lowing new clauses:*

6                    *“(ii) In order to be credited with satisfactory service*  
7                    *in a grade above colonel or captain, in the case of the Navy,*  
8                    *a person covered by paragraph (1) must have served satis-*  
9                    *factorily in that grade (as determined by the Secretary of*  
10                    *the military department concerned) as a reserve commis-*  
11                    *sioned officer in active status, or in a retired status on ac-*  
12                    *tive duty, for not less than one year.*

13                    *“(iii) An officer covered by paragraph (1) who is in*  
14                    *a grade above the grade of major general or rear admiral*  
15                    *may be retired in the highest grade in which the officer*  
16                    *served satisfactorily for not less than one year, upon ap-*  
17                    *proval by the Secretary of the military department con-*  
18                    *cerned and concurrence by the Secretary of Defense. The*  
19                    *function of the Secretary of Defense under the preceding*  
20                    *sentence may only be delegated to a civilian official in the*  
21                    *Office of the Secretary of Defense appointed by the presi-*  
22                    *dent, by and with the advice and consent of the Senate.”;*

23                    *(i) in subparagraphs (D) and (E), by*  
24                    *striking subparagraph (A)” and inserting*  
25                    *“subparagraph (A)(i); and*

1                   (iii) by striking subparagraph (F);

2                   and

3                   (B) by striking paragraphs (5) and (6); and

4                   (5) by striking subsection (e).

5           (b) *CONFORMING AMENDMENTS*.—Section 1406(i)(2)

6 of such title is amended—

7                   (1) in the paragraph heading, by striking “MEM-  
8                   BERS” and all that follows through “SATISFAC-  
9                   TORILY” and inserting “ENLISTED MEMBERS RE-  
10                   DUCED IN GRADE”;

11                   (2) by striking “a member” and inserting “an  
12                   enlisted member”;

13                   (3) by striking “1998—” and all that follows  
14                   through “is reduced in” and inserting “1998, is re-  
15                   duced in”;

16                   (4) by striking “; or” and inserting a period;  
17                   and

18                   (5) by striking subparagraph (B).

19           (c) *EFFECTIVE DATE*.—The amendments made by this

20 section shall apply with respect to the determination of the

21 retired grade of members of the Armed Forces retiring on

22 or after the date of the enactment of this Act.

1 **SEC. 505. REPEAL OF REQUIREMENT THAT NO MORE THAN**  
2 **50 PERCENT OF ACTIVE DUTY GENERAL AND**  
3 **FLAG OFFICERS BE IN GRADES ABOVE BRIGA-**  
4 **DIER GENERAL AND REAR ADMIRAL (LOWER**  
5 **HALF).**

6 (a) *REPEAL OF DISTRIBUTION REQUIREMENT.*—Sub-  
7 section (a) of section 525 of title 10, United States Code,  
8 is repealed.

9 (b) *REORGANIZATION OF SECTION.*—Such section is  
10 further amended—

11 (1) by striking “(b)(1) No appointment” and in-  
12 sserting “(a) *LIMITATION ON NUMBER OF GENERAL*  
13 *AND FLAG OFFICERS IN SENIOR GRADES.*—(1) No  
14 appointment”; and

15 (2) by striking “(3) An officer” and inserting  
16 “(b) *SPECIAL RULES AND EXCEPTIONS.*—(1) An offi-  
17 cer”; and

18 (3) by redesignating paragraphs (4), (5), (6),  
19 (7), and (8) as paragraphs (2), (3), (4), (5), and (6),  
20 respectively.

21 (c) *CONFORMING AMENDMENTS.*—(1) Subsection (b) of  
22 such section (as designated by subsection (a)(2)) is amended  
23 as follows:

24 (A) Paragraph (1) (as redesignated by subsection  
25 (a)(2)), paragraph (2)(A) (as redesignated by sub-  
26 section (a)(3)), and paragraph (6) (as redesignated by

1 subsection (a)(3)) are amended by striking “para-  
2 graph (1) or (2)” and inserting “subsection (a)”.

3 (B) Paragraph (3)(A) (as so redesignated) is  
4 amended by striking “under the first sentence of  
5 paragraph (1) or (2), as applicable” and inserting  
6 “under subsection (a)”.

7 (C) Paragraph (4) (as so redesignated) and the  
8 first and third sentences of paragraph (5) (as so re-  
9 designated) are amended by striking “paragraph (1)”  
10 and inserting “subsection (a)(1)”.

11 (D) The second sentence of paragraph (5) (as so  
12 redesignated) is amended by striking “paragraph (1)  
13 or (2)” and inserting “subsection (a)(2)”.

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

15 (A) by striking “(c)(1)” and inserting “(c) RE-  
16 ALLOCATION AUTHORITY.—(1)”;

17 (B) in paragraph (1)(A), by striking “subsection  
18 (b)(1)” and inserting “subsection (a)(1)”;

19 (C) in paragraph (1)(B), by striking “subsection  
20 (b)(2)” and inserting “subsection (a)(2)”; and

21 (D) in paragraph (3)(A), by striking “subsection  
22 (b)” and inserting “subsections (a) and (b)”.

23 (3) Subsection (d) of such section is amended by  
24 inserting “SPECIAL RULE FOR OFFICERS FORMERLY  
25 ON JOINT CHIEFS OF STAFF.—” after “(d)”.



1           (d) *CLERICAL AMENDMENTS.—(1) The heading of such*  
 2 *section is amended to read as follows:*

3           **“§ 525. Distribution in grade: general and flag officers**  
 4   **on active duty”.**

5           (2) *The item relating to such section in the table of*  
 6 *sections at the beginning of chapter 32 of such title is*  
 7 *amended to read as follows:*

          “525. Distribution in grade: general and flag officers on active duty.”.

8           **SEC. 506. REVISION TO TERMS FOR ASSISTANTS TO THE**  
 9   **CHAIRMAN OF THE JOINT CHIEFS OF STAFF**  
 10   **FOR NATIONAL GUARD AND RESERVE MAT-**  
 11   **TERS.**

12           (a) *CODIFICATION AND REVISION.—Chapter 5 of title*  
 13 *10, United States Code, is amended by adding at the end*  
 14 *a new section 156 consisting of—*

15                                   (1) *the following section heading:*

16           **“§ 156. Assistants to the Chairman for National**  
 17   **Guard matters and for Reserve matters”;**

18                                   *and*

19                                   (2) *a text consisting of the text of subsections (a)*  
 20 *through (f)(1) of section 901 of the National Defense*  
 21 *Authorization Act for Fiscal Year 1998 (10 U.S.C.*  
 22 *155 note), revised—*

23   (A) *in subsection (c), by deleting “two*  
 24 *years” and inserting “four years”; and*

25   (B) *in subsection (f), by deleting “(1)”.*

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

          “156. *Assistants to the Chairman for National Guard members and for Reserve matters.*”.

4           (c) *CONFORMING REPEAL.*—*Section 901 of the Na-*  
5 *tional Defense Authorization Act for Fiscal Year 1998 (10*  
6 *U.S.C. 155 note) is repealed.*

7   **SEC. 507. SUCCESSION FOR POSITION OF CHIEF, NATIONAL**  
8                                   **GUARD BUREAU.**

9           (a) *DESIGNATION OF SENIOR OFFICER IN NATIONAL*  
10 *GUARD BUREAU.*—*Section 10502 of title 10, United States*  
11 *Code, is amended by adding at the end the following new*  
12 *subsection:*

13           “(e) *SUCCESSION.*—(1) *Unless otherwise directed by*  
14 *the President or Secretary of Defense, when there is a va-*  
15 *cancy in the office of the Chief of the National Guard Bu-*  
16 *reau or in the event the Chief of the National Guard Bureau*  
17 *is unable to perform the duties of that office, the senior of*  
18 *the officers specified in paragraph (2) shall serve as the act-*  
19 *ing Chief until a successor is appointed or the Chief once*  
20 *again is able to perform the duties of that office.*

21           “(2) *The officers specified in this paragraph are the*  
22 *following:*

1           “(A) *The senior officer of the Army National*  
 2           *Guard of the United States on duty with the National*  
 3           *Guard Bureau.*

4           “(B) *The senior officer of the Air National*  
 5           *Guard of the United States on duty with the National*  
 6           *Guard Bureau.*”.

7           (b) *CLERICAL AMENDMENTS.—(1) The heading of such*  
 8           *section is amended to read as follows:*

9           “**§10502. Chief of the National Guard Bureau: ap-**  
 10           **pointment; adviser on National Guard**  
 11           **matters; grade; succession”.**

12           (2) *The item relating to such section in the table of*  
 13           *sections at the beginning of chapter 1011 of such title is*  
 14           *amended to read as follows:*

          “10502. *Chief of the National Guard Bureau: appointment; adviser on National*  
           *Guard matters; grade; succession.*”.

15           (c) *REPEALER.—Subsections (d) and (e) of section*  
 16           *10505 of such title are repealed.*

17           **SEC. 508. TITLE OF VICE CHIEF OF THE NATIONAL GUARD**  
 18           **BUREAU CHANGED TO DIRECTOR OF THE**  
 19           **JOINT STAFF OF THE NATIONAL GUARD BU-**  
 20           **REAU.**

21           (a) *IN GENERAL.—Section 10505 of title 10, United*  
 22           *States Code, as amended by section 507(c), is amended by*  
 23           *striking “Vice Chief of the National Guard Bureau” each*  
 24           *place it appears in subsections (a), (b), and (c) and insert-*

1 *ing “Director of the Joint Staff of the National Guard Bu-*  
 2 *reau”.*

3 (b) *CLERICAL AMENDMENTS.—(1) The heading of such*  
 4 *section is amended to read as follows:*

5 **“§ 10505. Director of the Joint Staff of the National**  
 6 **Guard Bureau”.**

7 (2) *The item relating to such section in the table of*  
 8 *sections at the beginning of chapter 1011 of such title is*  
 9 *amended to read as follows:*

*“10505. Director of the Joint Staff of the National Guard Bureau.”.*

10 **SEC. 509. TWO-YEAR EXTENSION OF AUTHORITY TO WAIVE**  
 11 **REQUIREMENT THAT RESERVE CHIEFS AND**  
 12 **NATIONAL GUARD DIRECTORS HAVE SIGNIFI-**  
 13 **CANT JOINT DUTY EXPERIENCE.**

14 (a) *EXTENSION.—Sections 3038(b)(4), 5143(b)(4),*  
 15 *5144(b)(4), 8038(b)(4), and 10506(a)(3)(D) of title 10,*  
 16 *United States Code, are amended by striking “December 31,*  
 17 *2004,” and inserting “December 31, 2006.”.*

18 (b) *FUTURE COMPLIANCE.—Not later than one year*  
 19 *after the date of the enactment of this Act, the Secretary*  
 20 *of Defense shall submit to the Committee on Armed Services*  
 21 *of the House of Representatives and the Committee on*  
 22 *Armed Services of the Senate a plan for ensuring that all*  
 23 *officers selected after December 31, 2006, for recommenda-*  
 24 *tion for appointment as a Reserve chief or National Guard*  
 25 *director have significant joint duty experience, as required*

1 *by law, and may be so recommended without requirement*  
2 *for a waiver of such requirement. Such plan shall be devel-*  
3 *oped in coordination with the Chairman of the Joint Chiefs*  
4 *of Staff.*

5 **SEC. 510. REPEAL OF DISTRIBUTION REQUIREMENTS FOR**  
6 **NAVAL RESERVE FLAG OFFICERS.**

7 *Subsection (c) of 12004 of title 10, United States Code,*  
8 *is amended—*

9 *(1) by striking “(1)” after “(c)”; and*

10 *(2) by striking the second sentence and all that*  
11 *follows through the end of the subsection.*

12 ***Subtitle B—Other Officer Personnel***  
13 ***Policy Matters***

14 **SEC. 511. TRANSITION OF ACTIVE-DUTY LIST OFFICER**  
15 **FORCE TO ALL REGULAR STATUS.**

16 *(a) REPEAL OF REQUIREMENT THAT ACTIVE-DUTY*  
17 *OFFICERS SERVE IN A RESERVE COMPONENT FOR AT*  
18 *LEAST ONE YEAR BEFORE RECEIVING A REGULAR COM-*  
19 *MISSION.—Section 532 of title 10, United States Code, is*  
20 *amended by striking subsection (e).*

21 *(b) REVISION TO QUALIFICATIONS FOR ORIGINAL AP-*  
22 *POINTMENT AS A COMMISSIONED OFFICER.—(1) Section*  
23 *532 of such title is further amended by adding at the end*  
24 *the following new subsection:*

1       “(f) *The Secretary of Defense may waive the require-*  
2 *ment of paragraph (1) of subsection (a) with respect to a*  
3 *person who has been lawfully admitted to the United States*  
4 *for permanent residence when the Secretary determines that*  
5 *the national security so requires, but only for an original*  
6 *appointment in a grade below the grade of major or lieuten-*  
7 *ant commander.*”.

8       (2) *Section 619(d) of such title is amended by adding*  
9 *at the end the following new paragraph:*

10           “(5) *An officer of the Army, Air Force, or Ma-*  
11 *rine Corps in the grade of captain, or of the Navy in*  
12 *the grade of lieutenant, who is not a citizen of the*  
13 *United States.*”.

14       (c) *REPEAL OF LIMITATIONS ON TOTAL STRENGTH OF*  
15 *REGULAR COMMISSIONED OFFICERS ON ACTIVE-DUTY.—*  
16 *Section 522 of such title is repealed. The table of sections*  
17 *at the beginning of chapter 31 of such title is amended by*  
18 *striking the item relating to that section.*

19       (d) *AUTHORITY FOR ORIGINAL APPOINTMENT OF REG-*  
20 *ULAR OFFICERS IN JUNIOR GRADES TO BE MADE BY*  
21 *PRESIDENT ALONE.—Section 531(a) of such title is amend-*  
22 *ed to read as follows:*

23           “(a)(1) *Original appointments in the grades of second*  
24 *lieutenant, first lieutenant, and captain in the Regular*  
25 *Army, Regular Air Force, and Regular Marine Corps and*

1 *in the grades of ensign, lieutenant (junior grade), and lieu-*  
2 *tenant in the Regular Navy shall be made by the President*  
3 *alone.*

4       “(2) *Original appointments in the grades of major,*  
5 *lieutenant colonel, and colonel in the Regular Army, Reg-*  
6 *ular Air Force, and Regular Marine Corps and in the*  
7 *grades of lieutenant commander, commander, and captain*  
8 *in the Regular Navy shall be made by the President, by*  
9 *and with the advice and consent of the Senate.”.*

10       *(e) TERMINATION OF REQUIREMENT OF 6 YEARS*  
11 *SERVICE IN A RESERVE COMPONENT FOR NONREGULAR*  
12 *SERVICE RETIREMENT ELIGIBILITY.—(1) Section*  
13 *12731(a)(3) of such title is amended by inserting after “(3)”*  
14 *the following: “in the case of a person who completed the*  
15 *service requirements of paragraph (2) before the date of the*  
16 *enactment of the National Defense Authorization Act for*  
17 *Fiscal Year 2005,”.*

18       *(f) ALL REGULAR OFFICER APPOINTMENTS FOR STU-*  
19 *DENTS ATTENDING UNIVERSITY OF HEALTH SCIENCES.—*  
20 *Section 2114(b) of such title is amended by striking the first*  
21 *two sentences and inserting the following: “They shall be*  
22 *appointed in a regular component of the uniformed services*  
23 *and shall serve on active duty as a second lieutenant or*  
24 *ensign (or the equivalent).”.*

1 **SEC. 512. MANDATORY RETENTION ON ACTIVE DUTY TO**  
 2 **QUALIFY FOR RETIREMENT PAY.**

3 *Section 12686(a) of title 10, United States Code, is*  
 4 *amended by inserting “(other than the retirement system*  
 5 *under chapter 1223 of this title)” after “retirement system”.*

6 **SEC. 513. DISTRIBUTION IN GRADE OF MARINE CORPS RE-**  
 7 **SERVE OFFICERS IN AN ACTIVE STATUS IN**  
 8 **GRADES BELOW BRIGADIER GENERAL**

9 *The table in section 12005(c)(1) of title 10, United*  
 10 *States Code, is amended to read as follows:*

<i>“Colonel .....</i>	<i>2 percent</i>
<i>Lieutenant colonel .....</i>	<i>8 percent</i>
<i>Major .....</i>	<i>16 percent</i>
<i>Captain .....</i>	<i>39 percent</i>
<i>First lieutenant and second lieutenant (when combined with</i> <i>the number authorized for general officer grades under sec-</i> <i>tion 12004 of this title) .....</i>	<i>35 percent.”.</i>

11 **SEC. 514. TUITION ASSISTANCE FOR OFFICERS.**

12 *(a) AUTHORITY TO REDUCE OR WAIVE ACTIVE DUTY*  
 13 *SERVICE OBLIGATION.—Subsection (b) of section 2007 of*  
 14 *title 10, United States Code, is amended—*

15 *(1) by inserting “(1)” after “(b)”;*

16 *(2) by inserting “or full-time National Guard*  
 17 *duty” after “active duty” each place it appears; and*

18 *(2) by adding at the end the following new para-*  
 19 *graph:*

20 *“(2) Notwithstanding paragraph (1), the Secretary of*  
 21 *the military department may reduce or waive the active*  
 22 *duty service obligation—*



1           “(A) *in the case of a commissioned officer who*  
2           *is subject to mandatory separation;*

3           “(B) *in the case of a commissioned officer who*  
4           *has completed the period of active duty service in sup-*  
5           *port of a contingency operation; or*

6           “(C) *in other exigent circumstances as deter-*  
7           *mined by the Secretary.’.*

8           ***(b). INCREASE IN TUITION ASSISTANCE AUTHORIZED***  
9           ***FOR ARMY OFFICERS IN THE SELECTED RESERVE.—Para-***  
10           ***graph (1) of section 2007(c) of title 10, United States Code,***  
11           ***is amended to read as follows:***

12           “(1) *Subject to paragraphs (2) and (3), the Secretary*  
13           *of the Army may pay the charges of an educational institu-*  
14           *tion for the tuition or expenses of an officer in the Selected*  
15           *Reserve of the Army National Guard or the Army Reserve*  
16           *for education or training of such officer.”.*

17           ***(c) EFFECTIVE DATE.—The amendment made by sub-***  
18           ***section (a) may, at the discretion of the Secretary con-***  
19           ***cerned, be applied to a service obligation incurred by an***  
20           ***officer serving on active duty as of the date of the enactment***  
21           ***of this Act.***

1       ***Subtitle C—Reserve Component***  
2                                   ***Matters***

3       ***SEC. 521. REVISION TO STATUTORY PURPOSE OF THE RE-***  
4                                   ***SERVE COMPONENTS.***

5           *Subsection 10102 of title 10, United States Code, is*  
6       *amended by striking “, during” and all that follows through*  
7       *“planned mobilization,”.*

8       ***SEC. 522. IMPROVED ACCESS TO RESERVE COMPONENT***  
9                                   ***MEMBERS FOR ENHANCED TRAINING.***

10        *(a) RESERVE COMPONENTS GENERALLY.— Section*  
11        *12301 of title 10, United States Code, is amended—*

12                    *(1) in subsection (a), by striking “(other than for*  
13        *training)”;*

14                    *(2) in subsection (c)—*

15                                *(A) in the first sentence, by striking “(other*  
16        *than for training)” and inserting “as provided*  
17        *in subsection (a)”;* and

18                                *(B) in the second sentence, by striking “or-*  
19        *dered to active duty (other than for training)”*  
20        *and inserting “so ordered to active duty”;* and

21                    *(3) in subsection (e), by striking “(other than for*  
22        *training)” and inserting “as provided in subsection*  
23        *(a)”.*

1       (b) *READY RESERVE*.—Section 12302 of such title is  
2 amended by striking “(other than for training)” in sub-  
3 sections (a) and (c).

4       (c) *ORDER TO ACTIVE DUTY OTHER THAN DURING*  
5 *WAR OR NATIONAL EMERGENCY*.—Section 12304(a) of such  
6 title is amended by striking “(other than for training)”.

7       (d) *STANDBY RESERVE*.—Section 12306 of such title  
8 is amended—

9           (1) in subsection (a), by striking “(other than for  
10 training) only”; and

11           (2) in subsection (b), by striking “(other than for  
12 training)” in paragraphs (1) and (2) and inserting  
13 “as provided in section 12301(a) of this title”.

14       (d) *STANDBY RESERVE*.—Section 12306 of such title  
15 is amended by striking “(other than for training)” each  
16 place it appears and inserting “as provided in section  
17 12301(a)”.

18 **SEC. 523. STATUS UNDER DISABILITY RETIREMENT SYSTEM**  
19 **FOR RESERVE MEMBERS RELEASED FROM AC-**  
20 **TIVE DUTY DUE TO INABILITY TO PERFORM**  
21 **WITHIN 30 DAYS OF CALL TO ACTIVE DUTY.**

22       (a) *IN GENERAL*.—Chapter 61 of title 10, United  
23 States Code, is amended by inserting after section 1206 the  
24 following new section:

1 **“§ 1206a. Reserve component members unable to per-**  
2 **form duties when ordered to active duty:**  
3 **disability system processing**

4 “(a) *MEMBERS RELEASED FROM ACTIVE DUTY WITH-*  
5 *IN 30 DAYS.*—A member of a reserve component who is or-  
6 *dered to active duty for a period of more than 30 days and*  
7 *is released from active duty within 30 days of commencing*  
8 *such period of active duty for a reason stated in subsection*  
9 *(b) shall be considered for all purposes under this chapter*  
10 *to have been serving under an order to active duty for a*  
11 *period of 30 days or less.*

12 “(b) *APPLICABLE REASONS FOR RELEASE.*—Sub-  
13 *section (a) applies in the case of a member released from*  
14 *active duty because of a failure to meet—*

15 “(1) *physical standards for retention; or*

16 “(2) *medical or dental standards for deployment*  
17 *due to a preexisting condition not aggravated during*  
18 *the period of active duty.*

19 “(c) *SAVINGS PROVISION FOR MEDICAL CARE PRO-*  
20 *VIDED WHILE ON ACTIVE DUTY.*—Notwithstanding sub-  
21 *section (a), any benefit under chapter 55 of this title re-*  
22 *ceived by a member described in subsection (a) or a depend-*  
23 *ent of such member before or during the period of active*  
24 *duty shall not be subject to recoupment or otherwise af-*  
25 *ected.”.*

1           (b) *CLERICAL AMENDMENT.*—*The table of sections at*  
2 *the beginning of such chapter is amended by inserting after*  
3 *the item relating to section 1206 the following new item:*

          “1206a. *Reserve component members unable to perform duties when ordered to active duty: disability system processing.*”.

4 **SEC. 524. FEDERAL CIVIL SERVICE MILITARY LEAVE FOR**  
5                           **RESERVE AND NATIONAL GUARD CIVILIAN**  
6                           **TECHNICIANS.**

7           Section 6323(d)(1) of title 5, United States Code is  
8 amended by striking “(other than active duty during a war  
9 or national emergency declared by the President or Con-  
10 gress)”.

11 **SEC. 525. EXPANDED EDUCATIONAL ASSISTANCE AUTHOR-**  
12                           **ITY FOR OFFICERS COMMISSIONED THROUGH**  
13                           **ROTC PROGRAM AT MILITARY JUNIOR COL-**  
14                           **LEGES.**

15           (a) *FINANCIAL ASSISTANCE PROGRAM FOR SERVICE*  
16 *ON ACTIVE DUTY.*—Section 2107(c) of title 10, United  
17 States Code, is amended by adding at the end the following  
18 new paragraphs:

19           “(5)(A) *The Secretary of the Army may provide an*  
20 *individual who received a commission as a Reserve officer*  
21 *in the Army from a military junior college through a pro-*  
22 *gram under this chapter and who does not have a bacca-*  
23 *laureate degree with financial assistance for pursuit of a*  
24 *baccalaureate degree.*”

1       “(B) Such assistance is in addition to any financial  
2 assistance provided under paragraph (1), (3), or (4).

3       “(C) The agreement and reimbursement requirements  
4 established in section 2005 of this title are applicable to  
5 financial assistance under this paragraph.

6       “(D) An officer receiving financial assistance under  
7 this paragraph shall be attached to the unit of the Army  
8 at the educational institution at which the officer is pur-  
9 suing a baccalaureate degree and shall be considered to be  
10 a member of the Senior Reserve Officers’ Training Corps  
11 on inactive duty for training, as defined in section 101(23)  
12 of title 38.

13       “(E) A qualified officer who did not previously receive  
14 financial assistance under this section is eligible to receive  
15 educational assistance under this paragraph.

16       “(F) A Reserve officer may not be called or ordered  
17 to active duty for a deployment while participating in the  
18 program under this paragraph.

19       “(G) Any service obligation incurred by an officer  
20 under an agreement entered into under this paragraph shall  
21 be in addition to any service obligation incurred by that  
22 officer under any other provision of law or agreement.

23       “(H) The amount obligated during any fiscal year  
24 under this paragraph and paragraph (4) of section  
25 2107a(c) of this title may not exceed a total of \$1,500,000.”.

1           (b) *FINANCIAL ASSISTANCE PROGRAM FOR SERVICE IN*  
2 *TROOP PROGRAM UNITS.*—Section 2107a(c) of such title is  
3 amended by adding at the end the following new para-  
4 graphs:

5           “(4)(A) *The Secretary of the Army may provide an*  
6 *individual who received a commission as a Reserve officer*  
7 *in the Army from a military junior college through a pro-*  
8 *gram under this chapter and who does not have a bacca-*  
9 *laureate degree with financial assistance for pursuit of a*  
10 *baccalaureate degree.*

11           “(B) *Such assistance is in addition to any provided*  
12 *under paragraph (1) or (2).*

13           “(C) *The agreement and reimbursement requirements*  
14 *established in section 2005 of this title are applicable to*  
15 *financial assistance under this paragraph.*

16           “(D) *An officer receiving financial assistance under*  
17 *this paragraph shall be attached to the unit of the Army*  
18 *at the educational institution at which the officer is pur-*  
19  *suing a baccalaureate degree and shall be considered to be*  
20 *a member of the Senior Reserve Officers’ Training Corps*  
21 *on inactive duty for training, as defined in section 101(23)*  
22 *of title 38.*

23           “(E) *A qualified officer who did not previously receive*  
24 *financial assistance under this section is eligible to receive*  
25 *educational assistance under this paragraph.*

1       “(F) A Reserve officer may not be called or ordered  
2 to active duty for a deployment while participating in the  
3 program under this paragraph.

4       “(G) Any service obligation incurred by an officer  
5 under an agreement entered into under this paragraph shall  
6 be in addition to any service obligation incurred by that  
7 officer under any other provision of law or agreement.”.

8       “(H) As provided in subparagraph (H) of section  
9 2107(c)(5) of this title, the amount obligated during any  
10 fiscal year under this paragraph and paragraph (5) of sec-  
11 tion 2107(c) of this title may not exceed a total of  
12 \$1,500,000.”.

13       (c) *REPEAL OF SUNSET PROVISION FOR FINANCIAL*  
14 *ASSISTANCE PROGRAM FOR STUDENTS NOT ELIGIBLE FOR*  
15 *ADVANCED TRAINING.*—Section 2103a of such title is  
16 amended by striking subsection (d).

17       (d) *ANNUAL IMPLEMENTATION REPORT.*—The Sec-  
18 retary of the Army shall submit to the Committees on  
19 Armed Services of the Senate and House of Representatives  
20 an annual report, for each of the next six years after the  
21 enactment of this Act, providing information on the experi-  
22 ence of the Department of Defense during the preceding year  
23 under paragraph (5) of section 2107(c) of title 10, United  
24 States Code, as added by subsection (a), and under para-  
25 graph (4) of section 2107a(c) of title 10, United States Code,



1 *as added by subsection (b). The report for with respect to*  
2 *any year shall be submitted not later March 31 of the fol-*  
3 *lowing year.*

4 **SEC. 526. EFFECT OF APPOINTMENT OR COMMISSION AS**  
5 **OFFICER ON ELIGIBILITY FOR SELECTED RE-**  
6 **SERVE EDUCATION LOAN REPAYMENT PRO-**  
7 **GRAM FOR ENLISTED MEMBERS.**

8 *(a) CONTINUATION OF LOAN REPAYMENT.—Section*  
9 *16301(a) of title 10, United States Code, is amended—*

10 *(1) in paragraph (2), by striking “The Sec-*  
11 *retary” in the first sentence and inserting “Except as*  
12 *provided in paragraph (3), the Secretary of Defense”;*  
13 *and*

14 *(2) by adding at the end the following new para-*  
15 *graph:*

16 *“(3) In the case of a commitment made by the Sec-*  
17 *retary of Defense after the date of the enactment of this*  
18 *paragraph to repay a loan under paragraph (1) condi-*  
19 *tioned upon the performance by the borrower of service as*  
20 *an enlisted member under paragraph (2), the Secretary*  
21 *shall repay the loan for service performed by the borrower*  
22 *as an officer (rather than as an enlisted member) in the*  
23 *case of a borrower who, after such commitment is entered*  
24 *into and while performing service as an enlisted member,*

1 *accepts an appointment or commission as a warrant officer*  
2 *or commissioned officer of the Selected Reserve.”.*

3 (b) *LIMITATION ON FISCAL YEAR 2005 OBLIGA-*  
4 *TIONS.—During fiscal year 2005, obligations incurred*  
5 *under section 16301 of title 10, United States Code, as*  
6 *amended by subsection (a), to make loan repayments on be-*  
7 *half of members of the reserve components who accept an*  
8 *appointment or commission as a warrant officer or com-*  
9 *missioned officer of the Selected Reserve may not exceed*  
10 *\$1,000,000.*

11 **SEC. 527. NUMBER OF STARBASE ACADEMIES IN A STATE.**

12 *Paragraph (3) of section 2193b(c) of title 10, United*  
13 *States Code, is amended to read as follows:*

14 “(3)(A) *Subject to subparagraph (B), the Secretary*  
15 *may not support the establishment in any State of more*  
16 *than two academies.*

17 “(B) *The Secretary may waive the limitation in sub-*  
18 *paragraph (A). Any such waiver shall be made under cri-*  
19 *teria to be prescribed by the Secretary.”.*

20 **SEC. 528. COMPTROLLER GENERAL ASSESSMENT OF INTE-**  
21 **GRATION OF ACTIVE AND RESERVE COMPO-**  
22 **NENTS OF THE NAVY.**

23 (a) *ASSESSMENT.—The Comptroller General shall re-*  
24 *view the plan of the Secretary of the Navy for, and imple-*  
25 *mentation by the Secretary of, initiatives undertaken with-*

1 *in the Navy to improve the integration of the active and*  
2 *reserve components of the Navy in peacetime and wartime*  
3 *operations resulting from—*

4           (1) *the Naval Reserve Redesign Study carried*  
5 *out by the Navy; and*

6           (2) *the zero-based review of reserve component*  
7 *force structure undertaken by the commander of the*  
8 *Fleet Forces Command of the Navy during fiscal year*  
9 *2004.*

10       (b) *REPORT.—No later than March 31, 2005, the*  
11 *Comptroller General shall submit to the Committees on*  
12 *Armed Services of the Senate and House of Representatives*  
13 *a report on the results of the review under subsection (a).*  
14 *The Comptroller General shall include in the report rec-*  
15 *ommendations for improved active and reserve component*  
16 *integration in the Navy.*

17       (c) *LIMITATION.—No funds appropriated or otherwise*  
18 *made available by this Act may be obligated or expended*  
19 *to decommission a Naval Reserve or Marine Corps Reserve*  
20 *aviation squadron until 90 days after the date on which*  
21 *the report required by subsection (b) is submitted to the*  
22 *Committees on Armed Services of the Senate and House of*  
23 *Representatives.*

1           (d) *MATTERS TO BE EXAMINED.*—*In conducting the*  
2 *review, the Comptroller General shall examine the fol-*  
3 *lowing:*

4           (1) *The criteria the Navy used to determine the*  
5 *following with respect to integration of the active and*  
6 *reserve components of the Navy:*

7                   (A) *The future mix of active and reserve*  
8 *component force structure.*

9                   (B) *Organization of command and control*  
10 *elements.*

11                   (C) *Manpower levels.*

12                   (D) *Basing changes.*

13           (2) *The extent to which the plans of the Navy for*  
14 *improving the integration of the active and reserve*  
15 *components of the Navy considered each of the fol-*  
16 *lowing:*

17                   (A) *The new Fleet Response Plan of the*  
18 *Navy.*

19                   (B) *The flexible deployment concept.*

20                   (C) *Global operations.*

21                   (D) *Emerging mission requirements.*

22                   (E) *Other evolving initiatives.*

23           (3) *The manner in which the timing of the exe-*  
24 *cution of planned active and reserve integration ini-*  
25 *tiatives will correlate with the funding of those initia-*

1 *tives, including consideration of an evaluation of the*  
2 *adequacy of the funding allocated to those integration*  
3 *initiatives.*

4 *(4) For naval aviation forces, the extent to which*  
5 *the active and reserve component integration plans of*  
6 *the Navy will affect factors such as—*

7 *(A) common training and readiness stand-*  
8 *ards for active and reserve forces;*

9 *(B) reserve component access to the same*  
10 *equipment as the active component;*

11 *(C) relationships between command and*  
12 *headquarters elements of active and reserve*  
13 *forces; and*

14 *(D) trends in the use by the Navy of units*  
15 *referred to as “associate” units or “blended”*  
16 *units.*

17 *(E) Basing of future aviation forces.*

18 *(F) Employment of Naval Reserve aviation*  
19 *forces and personnel in peacetime and wartime*  
20 *operations.*

21 **SEC. 529. OPERATIONAL ACTIVITIES CONDUCTED BY THE**  
22 **NATIONAL GUARD UNDER AUTHORITY OF**  
23 **TITLE 32.**

24 *(a) IN GENERAL.—Title 32, United States Code, is*  
25 *amended by adding at the end the following new chapter:*

1           **“CHAPTER 9—OPERATIONS OF A**  
2           **NATIONAL OR FEDERAL INTEREST**

“Sec.

“901. *Operational activities.*

“902. *Operational duty.*

“903. *Funding assistance.*

“904. *Operations requests.*

3           **“§901. Operational activities**

4           *“The Secretary of Defense may provide funds in ad-*  
5 *vance or on a reimbursable basis to a Governor to employ*  
6 *National Guard units and individuals to conduct oper-*  
7 *ational activities that the Secretary determines to be in the*  
8 *national interest. The Secretary of Defense shall prescribe*  
9 *regulations to implement this chapter.*

10          **“§902. Operational duty**

11          *“All duty performed under this chapter shall be consid-*  
12 *ered to be full-time National Guard duty under section*  
13 *502(f) of this title. Members of the National Guard per-*  
14 *forming full-time National Guard duty in the Active Guard*  
15 *and Reserve Program may support or execute operational*  
16 *activities performed by the National Guard under this*  
17 *chapter.*

18          **“§903. Funding assistance**

19          *“When the Secretary of Defense determines that certain*  
20 *operational activities of the National Guard are in the na-*  
21 *tional interest under section 901 of this title, the Secretary*  
22 *shall provide funds to a State in an amount that the Sec-*  
23 *retary determines is appropriate for the following costs of*

1 *the operational activities from funds available to the De-*  
2 *partment for related purposes:*

3           “(1) *The pay, allowances, clothing, subsistence,*  
4 *gratuities, travel, and related expenses of personnel of*  
5 *the National Guard of that State.*

6           “(2) *The operation and maintenance of the*  
7 *equipment and facilities of the National Guard of*  
8 *that State.*

9           “(3) *The procurement of services and equipment,*  
10 *and the leasing of equipment, for the National Guard*  
11 *of that State.*

12 **“§ 904. Operations requests**

13           “(a) *REQUESTS.—A Governor of a State may request*  
14 *funding assistance for the operational activities of the Na-*  
15 *tional Guard of that State from the Secretary of Defense.*  
16 *Any such request shall include the following:*

17           “(1) *The specific intended operational activities*  
18 *of the National Guard of that State.*

19           “(2) *An explanation of why the operational ac-*  
20 *tivities are in the national interest.*

21           “(3) *A certification that operational activities*  
22 *are to be conducted at a time when the personnel in-*  
23 *volved are not in Federal service.*

24           “(4) *A certification that participation by Na-*  
25 *tional Guard personnel in the operational activities is*

1       *service in addition to training required under section*  
 2       *502 of this title.”.*

3       **(b) CLERICAL AMENDMENT.**—*The table of chapters at*  
 4 *the beginning of such title is amended by adding at the end*  
 5 *the following new item:*

**“9. Operations of a National or Federal Interest ..... 901”.**

6       **(c) CONFORMING AMENDMENT.**—*Section 115(h) of title*  
 7 *10, United States Code, is amended by adding at the end*  
 8 *the following new subsection:*

9       **“(i) CERTAIN FULL-TIME NATIONAL GUARD DUTY**  
 10 **PERSONNEL EXCLUDED FROM COUNTING FOR FULL-TIME**  
 11 **NATIONAL GUARD DUTY END STRENGTHS.**—*In counting*  
 12 *full-time National Guard duty personnel for the purpose*  
 13 *of end-strengths authorized pursuant to subsection (a)(1),*  
 14 *persons involuntarily performing operational activities*  
 15 *under chapter 9 of title 32 shall be excluded.”.*

16 **SEC. 530. ARMY PROGRAM FOR ASSIGNMENT OF ACTIVE**  
 17                               **COMPONENT ADVISERS TO UNITS OF THE SE-**  
 18                               **LECTED RESERVE.**

19       **(a) CHANGE IN MINIMUM NUMBER REQUIRED TO BE**  
 20 **ASSIGNED.**—*Section 414(c)(1) of the National Defense Au-*  
 21 *thorization Act for Fiscal Year 2002 (Public Law 107–107;*  
 22 *10 U.S.C. 12001 note) is amended by striking “5,000” and*  
 23 *inserting “3,500”.*

24       **(b) LIMITATION ON REDUCTIONS.**—*Notwithstanding*  
 25 *the amendment made by subsection (a), the Secretary of the*



1 *Army may not reduce the number of active component Re-*  
2 *serve support personnel below the number of such personnel*  
3 *as of the date of the enactment of this Act until the report*  
4 *required by subsection (c) has been submitted.*

5 *(c) REPORT.—Not later than March 31, 2005, the Sec-*  
6 *retary of the Army shall submit to the Committees on*  
7 *Armed Services of the Senate and House of Representatives*  
8 *a report on the support by active components of the Army*  
9 *for training and readiness of the Army National Guard and*  
10 *Army Reserve. The report shall include an evaluation and*  
11 *determination of each of the following:*

12 *(1) The effect on the ability of the Army to im-*  
13 *prove such training and readiness resulting from the*  
14 *reduction under the amendment made by subsection*  
15 *(a) in the minimum number of active component Re-*  
16 *serve support personnel.*

17 *(2) The adequacy of having 3,500 members of the*  
18 *Army (the minimum number required under the law*  
19 *as so amended) assigned as active component Reserve*  
20 *support personnel in order to meet emerging training*  
21 *requirements in the Army reserve components in con-*  
22 *nection with unit and force structure conversions and*  
23 *preparations for wartime deployment*

24 *(3) The nature and effectiveness of efforts by the*  
25 *Army to reallocate the 3,500 personnel assigned as ac-*

1 *tive component Reserve support personnel to higher*  
2 *priority requirements and to expand the use of reserv-*  
3 *ists on active duty to meet reserve component train-*  
4 *ing needs.*

5 *(4) Whether the Army is planning further reduc-*  
6 *tions in the number of active component Reserve sup-*  
7 *port personnel and, if so, the scope and rationale for*  
8 *those reductions.*

9 *(5) Whether an increase in Army reserve compo-*  
10 *nent full-time support personnel will be required to*  
11 *replace the loss of active component Reserve support*  
12 *personnel.*

13 *(d) DEFINITION.—In this section, the term “active*  
14 *component Reserve support personnel” means the active*  
15 *component Army personnel assigned as advisers to units*  
16 *of the Selected Reserve of the Ready Reserve of the Army*  
17 *pursuant to section 414 of the National Defense Authoriza-*  
18 *tion Act for Fiscal Year 2002 (Public Law 107–107; 10*  
19 *U.S.C. 12001 note).*

1                   ***Subtitle D—Joint Officer***  
2                                   ***Management***

3   ***SEC. 531. STRATEGIC PLAN TO LINK JOINT OFFICER DEVEL-***  
4                                   ***OPMENT TO OVERALL MISSIONS AND GOALS***  
5                                   ***OF DEPARTMENT OF DEFENSE.***

6           (a) *PLAN REQUIRED.*—(1) *The Secretary of Defense*  
7 *shall develop a strategic plan for joint officer management*  
8 *and joint professional military education that links joint*  
9 *officer development to the accomplishment of the overall*  
10 *missions and goals of the Department of Defense, as set*  
11 *forth in the most recent national military strategy under*  
12 *section 153(d) of title 10, United States Code. Such plan*  
13 *shall be developed for the purpose of ensuring that sufficient*  
14 *numbers of qualified officers are available as necessary to*  
15 *meet the needs of the Department for qualified officers who*  
16 *are operationally effective in the joint environment.*

17           (2) *The Secretary shall develop the strategic plan with*  
18 *the advice of the Chairman of the Joint Chiefs of Staff.*

19           (b) *MATTERS TO BE INCLUDED.*—*As part of the stra-*  
20 *tegic plan under subsection (a), the Secretary shall include*  
21 *the following:*

22                   (1) *A statement of the levels of joint officer re-*  
23 *sources needed to be available to properly support the*  
24 *overall missions of the Department of Defense, with*  
25 *such resources to be specified by the number of officers*

1 *with the joint specialty, the number of officers re-*  
2 *quired for service in joint duty assignment positions,*  
3 *and the training and education resources required.*

4 (2) *An assessment of the available and projected*  
5 *joint officer development resources (including officers,*  
6 *educational and training resources, and availability*  
7 *of joint duty assignment positions and tours of duty)*  
8 *necessary to achieve the levels specified under para-*  
9 *graph (1).*

10 (3) *Identification of any problems or issues aris-*  
11 *ing from linking resources for joint officer develop-*  
12 *ment to accomplishment of the objective of meeting the*  
13 *levels specified under paragraph (1) to resolve those*  
14 *problems and issues and plans.*

15 (4) *A description of the process for identification*  
16 *of the requirement for joint specialty officers.*

17 (5) *A description of the career development and*  
18 *management of joint specialty officers and of any*  
19 *changes to be made to facilitate achievement of the*  
20 *levels of resources specified in paragraph (1), includ-*  
21 *ing additional education requirements, promotion op-*  
22 *portunities, and assignments to fill joint assignments.*

23 (c) *INCLUSION OF RESERVE COMPONENT OFFICERS.—*  
24 *In developing the strategic plan required by subsection (a),*

1 *the Secretary shall include joint officer development for offi-*  
2 *cers on the reserve active-status list in the plan.*

3 *(d) REPORT.—The Secretary shall submit the plan de-*  
4 *veloped under this section to the Committees on Armed*  
5 *Services of the Senate and House of Representatives not*  
6 *later than January 15, 2006.*

7 *(e) ADDITIONAL ASSESSMENT.—Not later than Janu-*  
8 *ary 15, 2007, the Secretary of Defense shall submit to the*  
9 *Committees on Armed Services of the Senate and House of*  
10 *Representatives, as a follow-on to the report under sub-*  
11 *section (d), a report providing an assessment of, and initia-*  
12 *tives to improve, the performance in joint matters of the*  
13 *following:*

14 *(1) Senior civilian officers and employees in the*  
15 *Office of the Secretary of Defense, the Defense Agen-*  
16 *cies, and the military departments.*

17 *(2) Senior noncommissioned officers.*

18 *(3) Senior leadership in the reserve components.*

19 **SEC. 532. JOINT REQUIREMENTS FOR PROMOTION TO FLAG**  
20 **OR GENERAL OFFICER GRADE.**

21 *(a) EFFECTIVE DATE FOR JOINT SPECIALTY OFFICER*  
22 *REQUIREMENT.—Subsection (a)(2) of section 619a of title*  
23 *10, United States Code, is amended by striking “September*  
24 *30, 2007” and inserting “September 30, 2008”.*

1           (b) *EXCEPTION TO JOINT DUTY REQUIREMENT FOR*  
2 *OFFICERS SERVING IN JOINT DUTY ASSIGNMENT WHEN*  
3 *CONSIDERED FOR PROMOTION.*—Subsection (b)(4) of such  
4 section is amended by striking “if—” and all that follows  
5 through “(B) the officer’s” and inserting “if the officer’s”.

6 **SEC. 533. CLARIFICATION OF TOURS OF DUTY QUALIFYING**  
7 **AS A JOINT DUTY ASSIGNMENT.**

8           (a) *CONSECUTIVE TOURS OF DUTY IN JOINT DUTY AS-*  
9 *SIGNMENTS.*—Section 668(c) of title 10, United States Code,  
10 is amended by striking “within the same organization”.

11           (b) *EFFECTIVE DATE.*—The amendment made by sub-  
12 section (a) shall not apply in the case of a joint duty assign-  
13 ment completed by an officer before the date of the enact-  
14 ment of this Act, except in the case of an officer has contin-  
15 ued in joint duty assignments, without a break in service  
16 in such assignments, between the end of such assignment  
17 and the date of the enactment of this Act.

18 **SEC. 534. AUTHORITY FOR RESERVE OFFICERS TO QUALIFY**  
19 **AS JOINT SPECIAL OFFICERS.**

20           (a) *AUTHORITY.*—Subsection (a) of section 661 of title  
21 10, United States Code, is amended by striking “on the ac-  
22 tive-duty list”.

23           (b) *NOMINATIONS FOR SELECTION.*—Subsection (b) of  
24 such section is amended in the second sentence—

1           (1) by striking “and” after “military depart-  
2           ment,”; and

3           (2) by inserting after “such date,” the following:  
4           “, and each reserve component officer in an active  
5           status who is not on the active-duty list,”.

6           (c) *CONFORMING AMENDMENTS.*—(1) Section 662 of  
7           such title is amended—

8           (A) in subsection (a), by inserting “on the ac-  
9           tive-duty list” after “qualifications of officers” in the  
10           matter preceding paragraph (1); and

11           (B) in subsection (b), by inserting “on the ac-  
12           tive-duty list” after “preceding fiscal year of officers”  
13           in the first sentence.

14           (2)(A) The heading of such section is amended to read  
15           as follows:

16           “**§ 662. Promotion policy objectives for joint officers on**  
17           **the active-duty list**”.

18           (B) The item relating to such section in the table of  
19           sections at the beginning of chapter 38 of such title is  
20           amended to read as follows:

“662. Promotion policy objectives for joint officers on the active-duty list.”.

21           (d) *ANNUAL REPORT TO CONGRESS.*—(1) Section 667  
22           of such title is amended—

23           (A) by redesignating paragraph (18) as para-  
24           graph (19); and

1           *(B) by inserting after paragraph (17) the fol-*  
2           *lowing new paragraph (18):*

3           *“(18) The implementation of authority under*  
4           *section 661 of this title to certify reserve component*  
5           *officers as joint specialty officers, together with the*  
6           *number of reserve component officers who were so cer-*  
7           *tified during the reporting period.”.*

8           *(2) The Secretary of Defense shall include in the an-*  
9           *nual report of the Secretary to Congress for fiscal year*  
10          *2005, as part of the material included in that report pursu-*  
11          *ant to paragraph (18) of section 667 of title 10, United*  
12          *States Code, a summary of the joint officer management*  
13          *policies adopted for reserve component officers pursuant to*  
14          *the amendments made by subsections (a) and (b).*

15          ***Subtitle E—Professional Military***  
16                                  ***Education***

17          ***SEC. 541. IMPROVEMENT TO PROFESSIONAL MILITARY EDU-***  
18                                  ***CATION IN THE DEPARTMENT OF DEFENSE.***

19          *(a) IN GENERAL.—Part III of subtitle A of title 10,*  
20          *United States Code, is amended—*

21                  *(1) by redesignating chapter 107 as chapter*  
22                  *106A; and*

23                  *(2) by inserting before chapter 108 the following*  
24                  *new chapter:*



1 **“CHAPTER 107—PROFESSIONAL MILITARY**  
 2 **EDUCATION**

“Sec.

“2151. *Definitions*

“2152. *Professional military education: general requirements.*

“2153. *Capstone course: newly selected general and flag officers.*

“2154. *Joint professional military education: three-phase approach.*

“2155. *Intermediate level service colleges: written examination for selection for attendance.*

“2156. *Joint professional military education phase II program of instruction.*

“2157. *Intermediate and senior level service colleges; Joint Forces Staff College: duration of principle course of instruction.*

“2158. *Annual report to Congress.*

3 **“§2151. Definitions**

4 (a) *JOINT PROFESSIONAL MILITARY EDUCATION.—*

5 *Joint professional military education consists of the rig-*  
 6 *orous and thorough instruction and examination of officers*  
 7 *of the armed forces in an environment designed to promote*  
 8 *a theoretical and practical in-depth understanding of joint*  
 9 *matters and, specifically, of the subject matter covered. The*  
 10 *subject matter to be covered by joint professional military*  
 11 *education shall include at least the following:*

12 “(1) *Integrated employment of land, sea,*  
 13 *and air forces.*

14 “(2) *National military strategy.*

15 “(3) *Strategic planning.*

16 “(4) *Contingency planning.*

17 “(5) *Command and control of combat oper-*  
 18 *ations under unified command.*

19 “(6) *Joint and combined operations.*

20 “(7) *Joint doctrine.*

1                   “(8) *Joint logistics.*

2                   “(9) *Joint communications.*

3                   “(10) *Joint intelligence.*

4                   “(11) *Campaign planning.*

5                   “(12) *Joint military command and control*  
6                   *systems and the interface of those systems with*  
7                   *national command systems.*

8                   “(13) *Joint force development, including*  
9                   *mobilization.*

10                  “(14) *Joint requirements development.*

11                  “(15) *Military history.*

12                  “(16) *Awareness of cultures in areas outside*  
13                  *of the United States where United States forces*  
14                  *may operate or of forces of foreign countries with*  
15                  *whom United States forces may operate.*

16                  “(b) *OTHER DEFINITIONS.—In this chapter:*

17                   “(1) *The term ‘senior level service school’ means*  
18                   *any of the following:*

19                   “(A) *The Army War College.*

20                   “(B) *The College of Naval Warfare.*

21                   “(C) *The Air War College.*

22                   “(D) *The Marine Corps University.*

23                   “(2) *The term ‘intermediate level service school’*  
24                   *means any of the following:*

1           “(A) *The United States Army Command*  
2           *and General Staff College.*

3           “(B) *The College of Naval Command and*  
4           *Staff.*

5           “(C) *The Air Command and Staff College.*

6           “(D) *The Marine Corps Command and*  
7           *Staff College.*

8   **“§2152. Joint professional military education: gen-**  
9           ***eral requirements***

10          “(a) *IN GENERAL.*—*The Secretary of Defense shall im-*  
11          *plement a coherent and comprehensive framework for the*  
12          *joint professional military education of officers, including*  
13          *officers nominated under section 661 of this title for the*  
14          *joint specialty.*

15   **“§2153. Capstone course: newly selected general and**  
16           ***flag officers***

17          “(a) *REQUIREMENT.*—*Each officer selected for pro-*  
18          *motion to the grade of brigadier general or, in the case of*  
19          *the Navy, rear admiral (lower half) shall be required, after*  
20          *such selection, to attend a military education course de-*  
21          *signed specifically to prepare new general and flag officers*  
22          *to work with the other armed forces.*

23          “(b) *WAIVER AUTHORITY.*—(1) *Subject to paragraph*  
24          *(2), the Secretary of Defense may waive subsection (a)—*



1           “(1) *There shall be a course of instruction, des-*  
2           *ignated and certified by the Secretary of Defense as*  
3           *Phase I instruction, consisting all the elements of a*  
4           *joint professional military education (as specified in*  
5           *section 2151(a) of this title), in addition to the prin-*  
6           *cipal curriculum taught to all officers at an inter-*  
7           *mediate level service school.*

8           “(2) *There shall be a course of instruction, des-*  
9           *ignated and certified by the Secretary of Defense as*  
10          *Phase II instruction, consisting of a joint professional*  
11          *military education curriculum taught in residence*  
12          *at—*

13                   “(A) *the Joint Forces Staff College; or*

14                   “(B) *a senior level service school that has*  
15                   *been designated and certified by the Secretary of*  
16                   *Defense as a joint professional military edu-*  
17                   *cation institution.*

18          “(3) *There shall be a course of instruction, des-*  
19          *ignated and certified by the Secretary of Defense as*  
20          *the Capstone course, for officers selected for promotion*  
21          *to the grade of brigadier general or, in the case of the*  
22          *Navy, rear admiral (lower half) and offered in ac-*  
23          *cordance with section 2153 of this title.*

24          “(b) *SEQUENCED APPROACH.—The Secretary shall re-*  
25          *quire the sequencing of joint professional military edu-*

1 cation so that the standard sequence of assignments for such  
2 education requires an officer to complete Phase I instruc-  
3 tion before proceeding to Phase II instruction, as provided  
4 in section 2156(a) of this title.

5 **“§2155. Intermediate level service school: written ex-**  
6 **amination for selection for attendance**

7 “(a) *REQUIREMENT.*—The Secretary of each military  
8 department shall require that performance on a comprehen-  
9 sive written examination shall constitute not less than 20  
10 percent of the evaluation criteria for selection of any officer  
11 for full-time attendance at an intermediate level service  
12 school under the jurisdiction of the Secretary. Such an ex-  
13 amination shall be designed so as to require substantive  
14 knowledge of military history, national military strategy,  
15 service and joint doctrine, and such other subjects as the  
16 Secretary may require. Such an examination shall be re-  
17 quired for each class entering an intermediate level service  
18 school after September 30, 2007.

19 “(b) *SELECTION FROM DIFFERENT SERVICE.*—The  
20 Secretary of a military department, in considering can-  
21 didates for full-time attendance at an intermediate level  
22 service school under the jurisdiction of the Secretary who  
23 are officers of an armed force other than the armed force  
24 that administers that service school, shall consider such an  
25 officer to be qualified for selection for such attendance if

1 *the officer has met all the requirements for attendance at*  
2 *the equivalent intermediate level service school of that offi-*  
3 *cer's own armed force.*

4 **“§2156. Joint professional military education phase**  
5 **II program of instruction**

6       “(a) *PREREQUISITE OF COMPLETION OF JOINT PRO-*  
7 *FESSIONAL MILITARY EDUCATION I PROGRAM OF INSTRUC-*  
8 *TION.—(1) After September 30, 2009, an officer of the*  
9 *armed forces may not be accepted for, or assigned to, a pro-*  
10 *gram of instruction designated by the Secretary of Defense*  
11 *as joint professional military education Phase II unless the*  
12 *officer has successfully completed a program of instruction*  
13 *designated by the Secretary of Defense as joint professional*  
14 *military education Phase I.*

15       “(2) *The Chairman of the Joint Chiefs of Staff may*  
16 *grant exceptions to the requirement under paragraph (1).*  
17 *Such an exception may be granted only on a case-by-case*  
18 *basis for compelling cause, as determined by the Chairman.*  
19 *An officer selected to receive such an exception shall be re-*  
20 *quired to demonstrate a knowledge of joint matters and*  
21 *other aspects of the Phase I curriculum that, to the satisfac-*  
22 *tion of the Chairman, qualifies the officer to meet the min-*  
23 *imum requirements established for entry into Phase II in-*  
24 *struction without first completing Phase I instruction. The*  
25 *number of officers selected to attend an offering of the prin-*

1 *cipal course of instruction at the Joint Forces Staff College*  
2 *or a senior level service school designated by the Secretary*  
3 *of Defense as a joint professional military education insti-*  
4 *tution who have not completed Phase I instruction should*  
5 *comprise no more than 10 percent of the total number of*  
6 *officers selected.*

7       “(b) *PHASE II REQUIREMENTS.—The Secretary shall*  
8 *require that the curriculum for Phase II joint professional*  
9 *military education at any school—*

10               “(1) *focus on developing joint attitudes and per-*  
11 *spectives and honing joint warfighting skills; and*

12               “(2) *be structured —*

13                       “(A) *so as to adequately prepare students to*  
14 *perform effectively in an assignment to a joint,*  
15 *multiservice organization; and*

16                       “(B) *so that students progress from a basic*  
17 *knowledge of joint matters learned in Phase I in-*  
18 *struction to the level of expertise necessary for*  
19 *successful performance in the joint arena.*

20       “(c) *CURRICULUM CONTENT.—In addition to the sub-*  
21 *jects specified in section 2151(a) of this title, the curriculum*  
22 *for Phase II joint professional military education shall in-*  
23 *clude the following:*

24               “(1) *National security strategy.*

25               “(2) *Theater strategy and campaigning.*



1           “(3) *Joint planning processes and systems.*

2           “(4) *Joint, interagency, and multinational capa-*  
3           *bilities and the integration of those capabilities.*

4           “(d) *STUDENT RATIO; FACULTY RATIO.—(1) For*  
5           *courses of instruction in a Phase II program of instruction*  
6           *that is offered at senior level service school that has been*  
7           *designated by the Secretary of Defense as a joint profes-*  
8           *sional military education institution—*

9           “(1) *the percentage of students enrolled in any*  
10          *such course who are officers of the armed force that*  
11          *administers the school may not exceed 60 percent,*  
12          *with the remaining services proportionally rep-*  
13          *resented; and*

14          “(2) *of the faculty at the school who are active-*  
15          *duty officers who provide instruction in such courses,*  
16          *the percentage who are officers of the armed force that*  
17          *administers the school may not exceed 60 percent,*  
18          *with the remaining services proportionally rep-*  
19          *resented.*

20        “§2157. *Intermediate and senior level service schools;*

21                        *Joint Forces Staff College: duration of*  
22                        *principle course of instruction*

23          “(a) *SERVICE SCHOOLS.—The duration of the prin-*  
24          *cipal course of instruction offered at each intermediate level*  
25          *service school and each senior level service school may not*

1 *be less than 10 months of resident instruction. The Sec-*  
2 *retary of Defense may waive the requirement in the pre-*  
3 *ceding sentence during a period of war or during a national*  
4 *emergency declared by the President or the Congress.*

5       “(b) *JOINT FORCES STAFF COLLEGE.*—(1) *The dura-*  
6 *tion of the principal course of instruction offered at the*  
7 *Joint Forces Staff College may not be less than 10 weeks*  
8 *of resident instruction.*

9       “(2) *In this subsection, the term ‘principal course of*  
10 *instruction’ means any course of instruction offered at the*  
11 *Joint Forces Staff College as Phase II joint professional*  
12 *military education.*

13 **“§2158. Annual report to Congress**

14       “*The Secretary of Defense shall include in the annual*  
15 *report of the Secretary to Congress under section 113(c) of*  
16 *this title, for the period covered by the report, the following*  
17 *information (which shall be shown for the Department of*  
18 *Defense as a whole and separately for the Army, Navy, Air*  
19 *Force, and Marine Corps and each reserve component):*

20               “(1) *The number of officers who successfully com-*  
21 *pleted a joint professional military education phase*  
22 *II course and were not selected for promotion.*

23               “(2) *The number of officer students and faculty*  
24 *members assigned by each service to the professional*

1        *military schools of the other services and to the joint*  
2        *schools.”.*

3        *(b) TRANSFER OF OTHER PROVISIONS.—Subsections*  
4        *(b) and (c) of section 663 of title 10, United States Code,*  
5        *are transferred to section 2151 of such title, as added by*  
6        *subsection (a), and added at the end thereof.*

7        *(c) CONFORMING AMENDMENTS.—(1) Section 663 of*  
8        *such title, as amended by subsection (b), is further amend-*  
9        *ed—*

10                *(A) by striking subsections (a) and (e); and*

11                *(B) by striking “(d) POST-EDUCATION JOINT*  
12        *DUTY ASSIGNMENTS.—(1) The” and inserting “(a)*  
13        *JOINT SPECIALTY OFFICERS.—The”;*

14                *(C) by striking “(2)(A) The Secretary” and in-*  
15        *serting “(b) OTHER OFFICERS.—(1) The Secretary”;*

16                *(D) by striking “in subparagraph (B)” and in-*  
17        *serting “in paragraph (2)”;*

18                *(E) by striking “(B) The Secretary” and insert-*  
19        *ing “(2) The Secretary”; and*

20                *(F) by striking “in subparagraph (B)” and in-*  
21        *serting “in paragraph (1)”.*

22        *(2)(A) The heading of such section is amended to read*  
23        *as follows:*

1 **“§ 633. Joint duty assignments after completion of**  
 2 **joint professional military education”.**

3 (B) *The item relating to that section in the table of*  
 4 *sections at the beginning of chapter 38 of such title is*  
 5 *amended to read as follows:*

“633. *Joint duty assignments after completion of joint professional military edu-*  
*cation.”.*

6 (d) *CONFORMING REPEAL.—Section 1123(b) of the Na-*  
 7 *tional Defense Authorization Act for Fiscal Years 1990 and*  
 8 *1991 (Public Law 101–189; 103 Stat. 1556) is repealed.*

9 (e) *CLERICAL AMENDMENT.—The tables of chapters at*  
 10 *the beginning of subtitle A, and at the beginning of part*  
 11 *III of subtitle A, of title 10, United States Code, are amend-*  
 12 *ed by striking the item relating to chapter 107 and insert-*  
 13 *ing the following:*

**“106A. Educational Assistance for Persons Enlisting for**  
**Active Duty ..... 2141**  
**“107. Professional Military Education ..... 2151”.**

14 **SEC. 542. RIBBONS TO RECOGNIZE COMPLETION OF JOINT**  
 15 **PROFESSIONAL MILITARY EDUCATION.**

16 (a) *IN GENERAL.—(1) Chapter 57 of title 10, United*  
 17 *States Code, is amended by adding at the end the following*  
 18 *new section:*

19 **“§ 1134. Joint professional military education ribbon:**  
 20 **award**

21 “(a) *JPME I.—The Secretary of Defense may award*  
 22 *a ribbon, of appropriate design, as approved by the Sec-*

1 *retary, to any person who successfully completes a program*  
2 *of instruction approved by the Secretary as qualifying for*  
3 *credit as the Joint Professional Military Education Phase*  
4 *I program of instruction.*

5 “(b) *JPME II.*—*The Secretary of Defense may award*  
6 *a device, of appropriate design, as approved by the Sec-*  
7 *retary, for wear with the ribbon awarded under subsection*  
8 *(a), to any person who successfully completes a program*  
9 *of instruction approved by the Secretary as qualifying for*  
10 *credit as the Joint Professional Military Education Phase*  
11 *II course of instruction.*”.

12 (2) *The table of sections at the beginning of such chap-*  
13 *ter is amended by adding at the end the following new item:*  
14 *“1134. Joint professional military education ribbon: award.”.*

15 (b) *EFFECTIVE DATE.*—*Section 1134 of title 10,*  
16 *United States Code, as added by subsection (a), shall apply*  
17 *with respect to the successful completion of a joint profes-*  
18 *sional military education program of instruction after No-*  
19 *vember 29, 1989.*

20 **SEC. 543. INCREASE IN NUMBER OF PRIVATE-SECTOR CIVIL-**  
21 **IANS WHO MAY BE ENROLLED FOR INSTRUC-**  
22 **TION AT NATIONAL DEFENSE UNIVERSITY.**

23 *Section 2167(a) of title 10, United States Code, is*  
*amended by striking “10” and inserting “20”.*

1 **SEC. 544. REQUIREMENT FOR COMPLETION OF PHASE I**  
2 **JOINT PROFESSIONAL MILITARY EDUCATION**  
3 **BEFORE PROMOTION TO COLONEL OR NAVY**  
4 **CAPTAIN.**

5 (a) *IN GENERAL.*—Chapter 36 of title 10, United  
6 States Code, is amended by inserting after section 619a the  
7 following new section:

8 **“§ 619b. Eligibility for consideration for promotion:**  
9 **joint professional military education re-**  
10 **quired before promotion to colonel or**  
11 **Navy captain; exceptions**

12 *“(a) GENERAL RULE.*—After September 30, 2007, an  
13 officer on the active-duty list of the Army, Air Force, or  
14 Marine Corps may not be appointed to the grade of colonel,  
15 and an officer on the active-duty list of the Navy may not  
16 be appointed to the grade of captain, unless the officer has  
17 successfully completed a program of instruction approved  
18 by the Secretary as qualifying for credit as the Joint Profes-  
19 sional Military Education Phase I or Phase II program  
20 of instruction.

21 *“(b) EXCEPTIONS.*—Subject to subsection (c), the Sec-  
22 retary of Defense may waive subsection (a) in the following  
23 circumstances:

24 *“(1) When necessary for the good of the service.*

25 *“(2) In the case of an officer whose proposed se-*  
26 *lection for promotion is based primarily upon sci-*

1        *entific and technical qualifications for which joint re-*  
2        *quirements do not exist.*

3            *“(3) In the case of—*

4                    *“(A) a medical officer, dental officer, veteri-*  
5                    *nary officer, medical service officer, nurse, or*  
6                    *biomedical science officer;*

7                    *“(B) a chaplain; or*

8                    *“(C) a judge advocate.*

9            *“(c) WAIVER TO BE INDIVIDUAL.—A waiver may be*  
10        *granted under subsection (b) only on a case-by-case basis*  
11        *in the case of an individual officer.*

12            *“(d) SPECIAL RULE FOR GOOD-OF-THE-SERVICE*  
13        *WAIVER.—In the case of a waiver under subsection (b)(1),*  
14        *the Secretary shall provide that the first duty assignment*  
15        *as a colonel or Navy captain of the officer for whom the*  
16        *waiver is granted shall be to a program of joint professional*  
17        *military education.*

18            *“(e) LIMITATION ON DELEGATION OF WAIVER AU-*  
19        *THORITY.—The authority of the Secretary of Defense to*  
20        *grant a waiver under subsection (b) (other than under*  
21        *paragraph (1) of that subsection) may be delegated only to*  
22        *the Deputy Secretary of Defense, an Under Secretary of De-*  
23        *fense, or an Assistant Secretary of Defense.*

24            *“(f) REGULATIONS.—The Secretary of Defense shall*  
25        *prescribe regulations to carry out this section. The regula-*

1 tions shall specifically identify for purposes of subsection  
 2 (b)(2) those categories of officers for which selection for pro-  
 3 motion to colonel or, in the case of the Navy, captain is  
 4 based primarily upon scientific and technical qualifications  
 5 for which joint requirements do not exist.”.

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

“619b. Eligibility for consideration for promotion: joint professional military edu-  
 cation required before promotion to colonel or Navy captain; ex-  
 ceptions.”.

9 ***Subtitle F—Other Education and***  
 10 ***Training Matters***

11 ***SEC. 551. COLLEGE FIRST DELAYED ENLISTMENT PRO-***  
 12 ***GRAM.***

13 (a) *CODIFICATION AND EXTENSION OF ARMY PRO-*  
 14 *GRAM.*—(1) Chapter 31 of title 10, United States Code, is  
 15 amended by inserting after section 510 the following new  
 16 section:

17 ***“§511. College First Program***

18 “(a) *PROGRAM AUTHORITY.*—The Secretary of each  
 19 military department may establish a program to increase  
 20 the number of, and the level of the qualifications of, persons  
 21 entering the armed forces as enlisted members by encour-  
 22 aging recruits to pursue higher education or vocational or  
 23 technical training before entry into active service.



1           “(b) *DELAYED ENTRY WITH ALLOWANCE FOR HIGHER*  
2 *EDUCATION.*—*The Secretary concerned may—*

3           “(1) *exercise the authority under section 513 of*  
4 *this title—*

5           “(A) *to accept the enlistment of a person as*  
6 *a Reserve for service in the Selected Reserve or*  
7 *Individual Ready Reserve of a reserve compo-*  
8 *nent, notwithstanding the scope of the authority*  
9 *under subsection (a) of that section, in the case*  
10 *of the Army National Guard of the United States*  
11 *or Air National Guard of the United States; and*

12           “(B) *to authorize, notwithstanding the pe-*  
13 *riod limitation in subsection (b) of that section,*  
14 *a delay of the enlistment of any such person in*  
15 *a regular component under that subsection for*  
16 *the period during which the person is enrolled*  
17 *in, and pursuing a program of education at, an*  
18 *institution of higher education, or a program of*  
19 *vocational or technical training, on a full-time*  
20 *basis that is to be completed within the max-*  
21 *imum period of delay determined for that person*  
22 *under subsection (c); and*

23           “(2) *subject to paragraph (2) of subsection (d)*  
24 *and except as provided in paragraph (3) of that sub-*  
25 *section, pay an allowance to a person accepted for en-*

1        *listment under paragraph (1)(A) for each month of*  
2        *the period during which that person is enrolled in*  
3        *and pursuing a program described in paragraph*  
4        *(1)(B).*

5        *“(c) MAXIMUM PERIOD OF DELAY.—The period of*  
6        *delay authorized a person under paragraph (1)(B) of sub-*  
7        *section (b) may not exceed the 30-month period beginning*  
8        *on the date of the person’s enlistment accepted under para-*  
9        *graph (1)(A) of such subsection.*

10        *“(d) ALLOWANCE.—(1) The monthly allowance paid*  
11        *under subsection (b)(2) shall be equal to the amount of the*  
12        *subsistence allowance provided for certain members of the*  
13        *Senior Reserve Officers’ Training Corps with the cor-*  
14        *responding number of years of participation under section*  
15        *209(a) of title 37. The Secretary concerned may supplement*  
16        *that stipend by an amount not to exceed \$225 per month.*

17        *“(2) An allowance may not be paid to a person under*  
18        *this section for more than 24 months.*

19        *“(3) A member of the Selected Reserve of a reserve com-*  
20        *ponent may be paid an allowance under this section only*  
21        *for months during which the member performs satisfactorily*  
22        *as a member of a unit of the reserve component that trains*  
23        *as prescribed in section 10147(a)(1) of this title or section*  
24        *502(a) of title 32. Satisfactory performance shall be deter-*

1 *mined under regulations prescribed by the Secretary con-*  
2 *cerned.*

3       “(4) *An allowance under this section is in addition*  
4 *to any other pay or allowance to which a member of a re-*  
5 *serve component is entitled by reason of participation in*  
6 *the Ready Reserve of that component.*

7       “(e) *RECOUPMENT OF ALLOWANCE.—(1) A person*  
8 *who, after receiving an allowance under this section, fails*  
9 *to complete the total period of service required of that per-*  
10 *son in connection with delayed entry authorized for the per-*  
11 *son under section 513 shall repay the United States the*  
12 *amount which bears the same ratio to the total amount of*  
13 *that allowance paid to the person as the unserved part of*  
14 *the total required period of service bears to the total period.*

15       “(2) *An obligation to repay the United States imposed*  
16 *under paragraph (1) is for all purposes a debt owed to the*  
17 *United States.*

18       “(3) *A discharge of a person in bankruptcy under title*  
19 *11 that is entered less than five years after the date on*  
20 *which the person was, or was to be, enlisted in the regular*  
21 *Army pursuant to the delayed entry authority under section*  
22 *513 does not discharge that person from a debt arising*  
23 *under paragraph (1).*

24       “(4) *The Secretary concerned may waive, in whole or*  
25 *in part, a debt arising under paragraph (1) in any case*

1 *for which the Secretary determines that recovery would be*  
2 *against equity and good conscience or would be contrary*  
3 *to the best interests of the United States.*

4       “(f) *SPECIAL PAY AND BONUSES.*—Upon enlisting in  
5 *the regular component of the member’s armed force, a per-*  
6 *son who initially enlisted as a Reserve under this section*  
7 *may, at the discretion of the Secretary concerned, be eligible*  
8 *for all regular special pays, bonuses, education benefits, and*  
9 *loan repayment programs.”.*

10       (2) *The table of sections at the beginning of such chap-*  
11 *ter is amended by inserting after the item relating to section*  
12 *510 the following new item:*

*“511. College First Program”.*

13       (b) *REPEAL OF ARMY COLLEGE FIRST PROGRAM.*—  
14 *Section 573 of the National Defense Authorization Act for*  
15 *Fiscal Year 2000 (10 U.S.C. 513 note) is repealed. The Sec-*  
16 *retary of the Army shall treat the program under section*  
17 *511 of title 10, United States Code, as added by subsection*  
18 *(a), as a continuation of the program under the section re-*  
19 *pealed by the preceding sentence.*

20       (c) *EFFECTIVE DATE.*—Section 511 of title 10, United  
21 *States Code, as added by subsection (a), and the repeal*  
22 *made by subsection (b) shall take effect on October 1, 2004.*

23       (d) *LIMITATION ON FISCAL YEAR 2005 OBLIGA-*  
24 *TIONS.*—During fiscal year 2005, obligations incurred  
25 *under section 511 of title 10, United States Code, as added*

1 *by subsection (a), to pay allowances to persons accepted for*  
2 *enlistment as a Reserve for service in the Selected Reserve*  
3 *or Individual Ready Reserve of a reserve component using*  
4 *the expanded authority provided by the amendment made*  
5 *by subsection (a) may not exceed \$5,000,000. The authority*  
6 *to pay allowances under such section shall not be considered*  
7 *to be an expanded authority to the extent that the authority*  
8 *to pay such allowances was available under section 573 of*  
9 *the National Defense Authorization Act for Fiscal Year*  
10 *2000 (10 U.S.C. 513 note), before the repeal of such section*  
11 *by subsection (b).*

12 **SEC. 552. STANDARDIZATION OF AUTHORITY TO CONFER**  
13 **DEGREES ON GRADUATES OF COMMUNITY**  
14 **COLLEGE OF THE AIR FORCE WITH AUTHOR-**  
15 **ITY FOR OTHER SCHOOLS OF AIR UNIVER-**  
16 **SITY.**

17 *(a) CHANGE IN DEGREE CONFERRING AUTHORITY.—*  
18 *Section 9315(c) of title 10, United States Code, is amend-*  
19 *ed—*

20 *(1) in paragraph (1), by striking “Air Edu-*  
21 *cation and Training Command of the Air Force” and*  
22 *inserting “Air University”; and*

23 *(2) in paragraph (2), by striking “Air Edu-*  
24 *cation and Training Command of the Air Force” and*  
25 *inserting “Air University”.*

1           (b) *CONFORMING AND STYLISTIC AMENDMENTS.*—(1)

2    Subsection (a) of section 9317 of such title is amended—

3           (1) by striking “may confer—” and inserting

4           “may confer degrees as follows:”;

5           (2) by striking “the” in paragraphs (1), (2), and

6           (3) after the paragraph designation and inserting

7           “*The*”;

8           (3) by striking the semicolon at the end of para-

9           graph (1) and inserting a period;

10          (4) by striking “; and” at the end of paragraph

11          (2) and inserting a period; and

12          (5) by adding at the end the following new para-

13          graph:

14                 “(4) *An associate level degree upon graduates of*

15                 *the Community College of the Air Force.*”.

16          (c) *CLERICAL AMENDMENTS.*—*The heading for such*

17          *section, and the item relating to such section in the table*

18          *of sections at the beginning of chapter 901 of such title,*

19          *are amended by striking the matter between the colon and*

20          *the last word.*

21    **SEC. 553. CHANGE IN TITLES OF HEADS OF THE NAVAL**

22                                 **POSTGRADUATE SCHOOL.**

23          (a) *PRESIDENT OF THE SCHOOL.*—(1)(A) *Section*

24          *7042 of title 10, United States Code, is amended by striking*

1 “Superintendent” each place it appears in the text and in-  
2 serting “President”.

3 (B) The heading of such section is amended to read  
4 as follows:

5 **“§ 7042. President; assistants”.**

6 (2)(A) Section 7044 of such title is amended by strik-  
7 ing “Superintendent” and inserting “President of the  
8 school”;

9 (B) Sections 7048(a) and 7049(e) of such title are  
10 amended by striking “Superintendent” and inserting  
11 “President”;

12 (b) PROVOST AND ACADEMIC DEAN.—(1)(A) Sub-  
13 section (a) of section 7043 of title 10, United States Code,  
14 is amended to read as follows:

15 “(a) There is at the Naval Postgraduate School the ci-  
16 vilian position of Provost and Academic Dean. The Provost  
17 and Academic Dean shall be appointed, to serve for periods  
18 of not more than five years, by the Secretary of the Navy  
19 after consultation with the Naval Postgraduate School  
20 Board of Advisors and consideration of the recommendation  
21 of the leadership and faculty of the Naval Postgraduate  
22 School.”.

23 (B) Subsection (b) of such section is amended by strik-  
24 ing “Academic Dean” and inserting “Provost and Aca-  
25 demic Dean”.

1       (C) *The heading of such section is amended to read*  
 2 *as follows:*

3 **“§ 7043. Provost and Academic Dean”.**

4       (2) *Section 5102(c)(10) of title 5, United States Code,*  
 5 *is amended by striking “Academic Dean” and inserting*  
 6 *“Provost and Academic Dean”.*

7       (c) *CLERICAL AMENDMENT.—The table of sections at*  
 8 *the beginning of chapter 605 of such title is amended by*  
 9 *striking the items related to sections 7042 and 7043 and*  
 10 *inserting the following new items:*

*“7042. President; assistants.*

*“7043. Provost and Academic Dean.”.*

11 **SEC. 554. INCREASE FROM TWO YEARS TO THREE YEARS IN**  
 12 **PERIOD FOR WHICH EDUCATIONAL LEAVE OF**  
 13 **ABSENCE MAY BE AUTHORIZED.**

14       *Section 708(a) of title 10, United States Code, is*  
 15 *amended by striking “two years” and inserting “three*  
 16 *years”.*

17 **SEC. 555. CORRECTION TO DISPARATE TREATMENT OF DIS-**  
 18 **ABILITIES SUSTAINED DURING ACCESSION**  
 19 **TRAINING.**

20       (a) *ELIGIBILITY OF ACADEMY CADETS AND MID-*  
 21 *SHIPMEN FOR DISABILITY RETIRED PAY.—(1) Section*  
 22 *1217 of title 10, United States Code, is amended to read*  
 23 *as follows:*



1 **“§ 1217. Cadets, midshipmen, and aviation cadets: ap-**  
2 **plicability of chapter**

3 *“(a) This chapter applies to cadets at the United*  
4 *States Military Academy, the United States Air Force*  
5 *Academy, and the United States Coast Guard Academy and*  
6 *midshipmen of the Navy, but only with respect to physical*  
7 *disabilities incurred after the date of the enactment of the*  
8 *National Defense Authorization Act for Fiscal Year 2005.*

9 *“(b) Monthly cadet pay and monthly midshipman pay*  
10 *under section 203(c) of title 37 shall be considered to be*  
11 *basic pay for purposes of this chapter and the computation*  
12 *of retired pay and severance and separation pay to which*  
13 *entitlement is established under this chapter.”.*

14 *(2) The item related to section 1217 in the table of*  
15 *sections at the beginning of chapter 61 of such title is*  
16 *amended to read as follows:*

*“1217. Cadets, midshipmen, and aviation cadets: applicability of chapter.”.*

17 *(b) MEDICAL AND DENTAL CARE FOR SENIOR ROTC*  
18 *MEMBERS AND APPLICANTS.—(1) Chapter 55 of title 10,*  
19 *United States Code, is amended by inserting after section*  
20 *1074a the following new section:*

1 **“§ 1074b. Medical and dental care: members of, and**  
2 **designated applicants for membership in,**  
3 **Senior ROTC**

4 “(a) Under joint regulations prescribed by the admin-  
5 istering Secretaries, the following persons are entitled to the  
6 benefits described in subsection (b):

7 “(1) A member of, and a designated applicant  
8 for membership in, Senior ROTC who incurs or ag-  
9 gravates an injury, illness, or disease in the line of  
10 duty while performing duties pursuant to section  
11 2109 of this title.

12 “(2) A member of, and a designated applicant  
13 for membership in, Senior ROTC who incurs or ag-  
14 gravates an injury, illness, or disease while traveling  
15 directly to or from the place at which that member  
16 or applicant is to perform or has performed duties  
17 pursuant to section 2109 of this title.

18 “(3) Each member of, and each designated appli-  
19 cant for membership in, Senior ROTC who incurs or  
20 aggravates an injury, illness, or disease in the line of  
21 duty while remaining overnight immediately before  
22 the commencement of duties performed pursuant to  
23 section 2109 of this title or, while remaining over-  
24 night, between successive periods of performing duties  
25 pursuant to section 2109 of this title, at or in the vi-  
26 cinity of the site of the duties performed pursuant to

1        *section 2109 of this title, if the site is outside reason-*  
2        *able commuting distance from the residence of the*  
3        *member or designated applicant.*

4        *“(b) A person described in subsection (a) is entitled*  
5        *to—*

6                *“(1) the medical and dental care appropriate for*  
7        *the treatment of the injury, illness, or disease of that*  
8        *person until the resulting disability cannot be materi-*  
9        *ally improved by further hospitalization or treatment;*  
10       *and*

11               *“(2) subsistence during hospitalization.*

12        *“(c) A member of, and each designated applicant for*  
13        *membership in, Senior ROTC is not entitled to benefits*  
14        *under subsection (b) if the injury, illness, or disease or ag-*  
15        *gravation of an injury, illness, or disease of that person*  
16        *described in subsection (a)(2) is the result of the gross neg-*  
17        *ligence or the misconduct of the member or applicant for*  
18        *membership in Senior ROTC.*

19        *“(d) In this section, the term ‘Senior ROTC’ means*  
20        *a program under chapter 103 of this title.”.*

21        *(2) Section 1074b of title 10, United States Code, as*  
22        *added by paragraph (1), shall apply with respect to inju-*  
23        *ries, illnesses, and diseases incurred or aggravated on or*  
24        *after the date of the enactment of this Act.*

1       (3) *The table of sections at the beginning of chapter*  
 2 *55 of such title is amended by inserting after the item relat-*  
 3 *ing to section 1074a the following new item:*

*“1074b. Medical and dental care: members of, and designated applicants for mem-*  
*bership in, Senior ROTC.”.*

4 **SEC. 556. PRAYER AT MILITARY SERVICE ACADEMY ACTIVI-**  
 5 **TIES.**

6       (a) *AUTHORITY OF SUPERINTENDENT.*—*The Super-*  
 7 *intendent of a service academy may have in effect such pol-*  
 8 *icy as the Superintendent considers appropriate with re-*  
 9 *spect to the offering of a voluntary, nondenominational*  
 10 *prayer at an otherwise authorized activity of the academy,*  
 11 *subject to such limitations as the President may prescribe.*

12       (b) *SERVICE ACADEMIES.*—*For purposes of this sec-*  
 13 *tion, the term “service academy” means any of the fol-*  
 14 *lowing:*

15               (1) *The United States Military Academy.*

16               (2) *The United States Naval Academy.*

17               (3) *The United States Air Force Academy.*

18 **SEC. 557. REVISION TO CONDITIONS ON SERVICE OF OFFI-**  
 19 **CERS AS SERVICE ACADEMY SUPERINTEND-**  
 20 **ENTS.**

21       (a) *REPEAL OF REQUIREMENT THAT OFFICERS RE-*  
 22 *TIRE AFTER SERVICE AS SUPERINTENDENT.*—*Sections*  
 23 *3921, 6371, and 8921 of title 10, United States Code, are*  
 24 *repealed.*

1           (b) *MINIMUM THREE-YEAR TOUR OF DUTY AS SUPER-*  
2 *INTENDENT.*—

3                   (1) *MILITARY ACADEMY.*—Section 4333a of such  
4           *title is amended to read as follows:*

5   **“§4333a. Superintendent: length of assignment**

6           *“An officer who is detailed to the position of Super-*  
7 *intendent of the Academy shall be so detailed for a period*  
8 *of not less than three years. In any case in which an officer*  
9 *-serving as Superintendent is reassigned or retires before*  
10 *having completed three years service as Superintendent, or*  
11 *otherwise leaves that position (other than due to death)*  
12 *without having completed three years service in that posi-*  
13 *tion, the Secretary of the Army shall submit to Congress*  
14 *notice that such officer left the position of Superintendent*  
15 *without having completed three years service in that posi-*  
16 *tion, together with a statement of the reasons why that offi-*  
17 *cer did not complete three years service in that position.”.*

18                   (2) *NAVAL ACADEMY.*—Section 6951a of such  
19           *title is amended—*

20                           (A) *by striking the second sentence of sub-*  
21                           *section (b); and*

22                           (B) *by adding at the end the following new*  
23                           *subsection:*

24           *“(c) An officer who is detailed to the position of Super-*  
25 *intendent shall be so detailed for a period of not less than*

1 *three years. In any case in which an officer serving as Su-*  
2 *perintendent is reassigned or retires before having com-*  
3 *pleted three years service as Superintendent, or otherwise*  
4 *leaves that position (other than due to death) without hav-*  
5 *ing completed three years service in that position, the Sec-*  
6 *retary of the Navy shall submit to Congress notice that such*  
7 *officer left the position of Superintendent without having*  
8 *completed three years service in that position, together with*  
9 *a statement of the reasons why that officer did not complete*  
10 *three years service in that position.”.*

11           (3) *AIR FORCE ACADEMY.—Section 9333a of*  
12           *such title is amended to read as follows:*

13 **“§9333a. Superintendent: length of assignment**

14           *“An officer who is detailed to the position of Super-*  
15 *intendent of the Academy shall be so detailed for a period*  
16 *of not less than three years. In any case in which an officer*  
17 *serving as Superintendent is reassigned or retires before*  
18 *having completed three years service as Superintendent, or*  
19 *otherwise leaves that position (other than due to death)*  
20 *without having completed three years service in that posi-*  
21 *tion, the Secretary of the Air Force shall submit to Congress*  
22 *notice that such officer left the position of Superintendent*  
23 *without having completed three years service in that posi-*  
24 *tion, together with a statement of the reasons why that offi-*  
25 *cer did not complete three years service in that position.”.*

1 (b) *CLERICAL AMENDMENTS.*—

2 (1) *The table of sections at the beginning of*  
 3 *chapter 367 of such title is amended by striking the*  
 4 *item relating to section 3921.*

5 (2) *The table of sections at the beginning of*  
 6 *chapter 403 of such title is amended to read as fol-*  
 7 *lows:*

*“4333a. Superintendent: length of assignment.”*

8 (3) *The table of sections at the beginning of*  
 9 *chapter 573 of such title is amended by striking the*  
 10 *item relating to section 6371.*

11 (4) *The table of sections at the beginning of*  
 12 *chapter 867 of such title is amended by striking the*  
 13 *item relating to section 8921.*

14 (5) *The table of sections at the beginning of*  
 15 *chapter 903 of such title is amended to read as fol-*  
 16 *lows:*

*“9333a. Superintendent: length of assignment.”*

17 **SEC. 558. CODIFICATION OF PROHIBITION ON IMPOSITION**  
 18 **OF CERTAIN CHARGES AND FEES AT THE**  
 19 **SERVICE ACADEMIES.**

20 (a) *UNITED STATES MILITARY ACADEMY.*—(1) *Chap-*  
 21 *ter 403 of title 10, United States Code, is amended by add-*  
 22 *ing at the end the following new section:*

1 **“§ 4359. Cadets: charges and fees for attendance; limi-**  
 2 **tation**

3 “(a) *PROHIBITION.*—*Except as provided in subsection*  
 4 *(b), no charge or fee for tuition, room, or board for attend-*  
 5 *ance at the Academy may be imposed unless the charge or*  
 6 *fee is specifically authorized by a law enacted after October*  
 7 *5, 1994.*

8 “(b) *EXCEPTION.*—*The prohibition specified in sub-*  
 9 *section (a) does not apply with respect to any item or serv-*  
 10 *ice provided to cadets for which a charge or fee is imposed*  
 11 *as of October 5, 1994. The Secretary of Defense shall notify*  
 12 *Congress of any change made by the Academy in the*  
 13 *amount of a charge or fee authorized under this sub-*  
 14 *section.”.*

15 (2) *The table of sections at the beginning of such chap-*  
 16 *ter is amended by adding at the end the following new item:*  
 “4359. *Cadets: charges and fees for attendance; limitation.”.*

17 (b) *UNITED STATES NAVAL ACADEMY.*—(1) *Chapter*  
 18 *603 of title 10, United States Code, is amended by adding*  
 19 *at the end the following new section:*

20 **“§ 6978. Midshipmen: charges and fees for attendance;**  
 21 **limitation**

22 “(a) *PROHIBITION.*—*Except as provided in subsection*  
 23 *(b), no charge or fee for tuition, room, or board for attend-*  
 24 *ance at the Naval Academy may be imposed unless the*



1 *charge or fee is specifically authorized by a law enacted*  
 2 *after October 5, 1994.*

3 “(b) *EXCEPTION.—The prohibition specified in sub-*  
 4 *section (a) does not apply with respect to any item or serv-*  
 5 *ice provided to midshipmen for which a charge or fee is*  
 6 *imposed as of October 5, 1994. The Secretary of Defense*  
 7 *shall notify Congress of any change made by the Naval*  
 8 *Academy in the amount of a charge or fee authorized under*  
 9 *this subsection.”.*

10 (2) *The table of sections at the beginning of such chap-*  
 11 *ter is amended by adding at the end the following new item:*  
 “4359. *Midshipmen: charges and fees for attendance; limitation.”.*

12 (c) *UNITED STATES AIR FORCE ACADEMY.—(1) Chap-*  
 13 *ter 903 of title 10, United States Code, is amended by add-*  
 14 *ing at the end the following new section:*

15 “**§9359. Cadets: charges and fees for attendance; limi-**  
 16 **tation**

17 “(a) *PROHIBITION.—Except as provided in subsection*  
 18 *(b), no charge or fee for tuition, room, or board for attend-*  
 19 *ance at the Academy may be imposed unless the charge or*  
 20 *fee is specifically authorized by a law enacted after October*  
 21 *5, 1994.*

22 “(b) *EXCEPTION.—The prohibition specified in sub-*  
 23 *section (a) does not apply with respect to any item or serv-*  
 24 *ice provided to cadets for which a charge or fee is imposed*  
 25 *as of October 5, 1994. The Secretary of Defense shall notify*

1 Congress of any change made by the Academy in the  
 2 amount of a charge or fee authorized under this sub-  
 3 section.”.

4 (2) The table of sections at the beginning of such chap-  
 5 ter is amended by adding at the end the following new item:  
 “9359. Cadets: charges and fees for attendance; limitation.”.

6 (d) UNITED STATES COAST GUARD ACADEMY.—(1)  
 7 Chapter 9 of title 14, United States Code, is amended by  
 8 adding at the end the following new section:

9 **“§ 197. Cadets: charges and fees for attendance; limi-  
 10 tation**

11 “(a) PROHIBITION.—Except as provided in subsection  
 12 (b), no charge or fee for tuition, room, or board for attend-  
 13 ance at the Academy may be imposed unless the charge or  
 14 fee is specifically authorized by a law enacted after October  
 15 5, 1994.

16 “(b) EXCEPTION.—The prohibition specified in sub-  
 17 section (a) does not apply with respect to any item or serv-  
 18 ice provided to cadets for which a charge or fee is imposed  
 19 as of October 5, 1994. The Secretary of Homeland Security  
 20 shall notify Congress of any change made by the Academy  
 21 in the amount of a charge or fee authorized under this sub-  
 22 section.”.

23 (2) The table of sections at the beginning of such chap-  
 24 ter is amended by adding at the end the following new item:  
 “197. Cadets: charges and fees for attendance; limitation.”.

1           (e) *UNITED STATES MERCHANT MARINE ACADEMY.*—  
2 *Section 1303 of the Merchant Marine Act, 1936 (46 U.S.C.*  
3 *App. 1295b), is amended by adding at the end the following*  
4 *new subsection:*

5           “(j) *LIMITATION ON CHARGES AND FEES FOR ATTEND-*  
6 *ANCE.*—

7           “(1) *Except as provided in paragraph (2), no*  
8 *charge or fee for tuition, room, or board for attend-*  
9 *ance at the Academy may be imposed unless the*  
10 *charge or fee is specifically authorized by a law en-*  
11 *acted after October 5, 1994.*

12           “(2) *The prohibition specified in paragraph (1)*  
13 *does not apply with respect to any item or service*  
14 *provided to cadets for which a charge or fee is im-*  
15 *posed as of October 5, 1994. The Secretary of Trans-*  
16 *portation shall notify Congress of any change made*  
17 *by the Academy in the amount of a charge or fee au-*  
18 *thorized under this paragraph.”.*

19           (f) *REPEAL OF CODIFIED PROVISION.*—*Section 553 of*  
20 *the National Defense Authorization Act for Fiscal Year*  
21 *1995 (Public Law 103-337; 10 U.S.C. 4331 note) is re-*  
22 *pealed.*

1 **SEC. 559. QUALIFICATIONS OF THE DEAN OF THE FACULTY**  
2 **OF UNITED STATES AIR FORCE ACADEMY.**

3 *Section 9335(a) of title 10, United States Code, is*  
4 *amended by inserting before the period at the end of the*  
5 *second sentence the following: “, except that, if the Dean*  
6 *is not an officer on active duty, the Dean shall be a retired*  
7 *officer or former officer, and a person may not be appointed*  
8 *or assigned as Dean unless that person holds the highest*  
9 *academic degree in that person’s academic field”.*

10 **Subtitle G—Medals and Decora-**  
11 **tions and Special Promotions**  
12 **and Appointments**

13 **SEC. 561. SEPARATE MILITARY CAMPAIGN MEDALS TO REC-**  
14 **OGNIZE SERVICE IN OPERATION ENDURING**  
15 **FREEDOM AND SERVICE IN OPERATION IRAQI**  
16 **FREEDOM.**

17 *(a) REQUIREMENT.—The President shall establish a*  
18 *campaign medal specifically to recognize service by mem-*  
19 *bers of the uniformed services in Operation Enduring Free-*  
20 *dom and a separate campaign medal specifically to recog-*  
21 *nize service by members of the uniformed services in Oper-*  
22 *ation Iraqi Freedom.*

23 *(b) ELIGIBILITY.—Subject to such limitations as may*  
24 *be prescribed by the President, eligibility for a campaign*  
25 *medal established pursuant to subsection (a) shall be set*  
26 *forth in regulations to be prescribed by the Secretary con-*

1 cerned (as defined in section 101 of title 10, United States  
2 Code). In the case of regulations prescribed by the Secre-  
3 taries of the military departments, the regulations shall be  
4 subject to approval by the Secretary of Defense and shall  
5 be uniform throughout the Department of Defense.

6 **SEC. 562. ELIGIBILITY OF ALL UNIFORMED SERVICES PER-**  
7 **SONNEL FOR NATIONAL DEFENSE SERVICE**  
8 **MEDAL.**

9 *The President shall revise the criteria for eligibility for*  
10 *the decoration known as the National Defense Service Medal*  
11 *so as to extend such eligibility, with respect to service on*  
12 *or after September 11, 2001, to members of all of the uni-*  
13 *formed services.*

14 **SEC. 563. AUTHORITY TO APPOINT BRIGADIER GENERAL**  
15 **CHARLES E. YEAGER, UNITED STATES AIR**  
16 **FORCE (RETIRED), TO THE GRADE OF MAJOR**  
17 **GENERAL ON THE RETIRED LIST.**

18 *The President is authorized to appoint, by and with*  
19 *the advice and consent of the Senate, Brigadier General*  
20 *Charles E. Yeager, United States Air Force (retired), to the*  
21 *grade of major general on the retired list of the Air Force.*  
22 *Any such appointment shall not affect the retired pay or*  
23 *other benefits of Charles E. Yeager or any benefits to which*  
24 *any other person is or may become entitled based upon his*  
25 *service.*

1 **SEC. 564. POSTHUMOUS COMMISSION OF WILLIAM MITCH-**  
2 **ELL IN THE GRADE OF MAJOR GENERAL IN**  
3 **THE ARMY.**

4 (a) *AUTHORITY.*—*The President, by and with the ad-*  
5 *vice and consent of the Senate, may issue posthumously a*  
6 *commission as major general, United States Army, in the*  
7 *name of the late William Mitchell, formerly a colonel,*  
8 *United States Army, who resigned his commission on Feb-*  
9 *ruary 1, 1926.*

10 (b) *DATE OF COMMISSION.*—*A commission issued*  
11 *under subsection (a) shall issue as of the date of the death*  
12 *of William Mitchell on February 19, 1936.*

13 (c) *PROHIBITION OF BENEFITS.*—*No person is entitled*  
14 *to receive any bonus, gratuity, pay, allowance, or other fi-*  
15 *nancial benefit by reason of the enactment of this section.*

16 ***Subtitle H—Military Justice***  
17 ***Matters***

18 **SEC. 571. REVIEW ON HOW SEXUAL OFFENSES ARE COV-**  
19 **ERED BY UNIFORM CODE OF MILITARY JUS-**  
20 **TICE.**

21 (a) *REVIEW REQUIRED.*—*The Secretary of Defense*  
22 *shall review the Uniform Code of Military Justice and the*  
23 *Manual for Courts-Martial with the objective of deter-*  
24 *mining what changes are required to improve the ability*  
25 *of the military justice system to address issues relating to*  
26 *sexual assault and to conform the Uniform Code of Military*

1 *Justice and the Manual for Courts-Martial more closely to*  
2 *other Federal laws and regulations that address such issues.*

3 (b) *REPORT.*—*Not later than March 1, 2005, the Sec-*  
4 *retary shall submit to the Committee on Armed Services*  
5 *of the Senate and the Committee on Armed Services of the*  
6 *House of Representatives a report on the review carried out*  
7 *under subsection (a). The report shall include the rec-*  
8 *ommendations of the Secretary for revisions to the Uniform*  
9 *Code of Military Justice and, for each such revision, the*  
10 *rationale behind that revision.*

11 **SEC. 572. SERVICE TIME NOT LOST WHEN CONFINED IN**  
12 **CONNECTION WITH TRIAL IF CONFINEMENT**  
13 **EXCUSED AS UNAVOIDABLE.**

14 *Section 972 of title 10, United States Code, is amended*  
15 *in each of subsections (a)(3) and (b)(3) by inserting after*  
16 *“the trial” the following: “, unless such confinement is ex-*  
17 *cused as unavoidable”.*

18 **SEC. 573. CLARIFICATION OF AUTHORITY OF MILITARY**  
19 **LEGAL ASSISTANCE COUNSEL TO PROVIDE**  
20 **MILITARY LEGAL ASSISTANCE WITHOUT RE-**  
21 **GARD TO LICENSING REQUIREMENTS.**

22 *Section 1044 of title 10, United States Code, is amend-*  
23 *ed by adding at the end the following new subsection:*

24 *“(e)(1) Notwithstanding any law regarding the licen-*  
25 *sure of attorneys, a judge advocate or civilian attorney who*

1 *is authorized to provide military legal assistance is author-*  
 2 *ized to provide that assistance in any jurisdiction, subject*  
 3 *to such regulations as may be prescribed by the Secretary*  
 4 *concerned.*

5 “(2) *In this subsection, the term ‘military legal assist-*  
 6 *ance’ includes—*

7 “(A) *legal assistance provided under this section;*  
 8 *and*

9 “(B) *legal assistance contemplated by sections*  
 10 *1044a, 1044b, 1044c, and 1044d of this title.”*

11 ***Subtitle I—Management and***  
 12 ***Administrative Matters***

13 ***SEC. 581. THREE-YEAR EXTENSION OF LIMITATION ON RE-***  
 14 ***DUCTIONS OF PERSONNEL OF AGENCIES RE-***  
 15 ***SPONSIBLE FOR REVIEW AND CORRECTION***  
 16 ***OF MILITARY RECORDS.***

17 *Section 1559(a) of title 10, United States Code, is*  
 18 *amended by striking “During fiscal years 2003, 2004, and*  
 19 *2005,” and inserting “Before October 1, 2008.”*

20 ***SEC. 582. STAFFING AND FUNDING FOR DEFENSE PRIS-***  
 21 ***ONER OF WAR/MISSING PERSONNEL OFFICE***  
 22 ***(DPMO).***

23 *(a) MINIMUM LEVEL OF STAFFING.—Subparagraph*  
 24 *(B) of section 1501(a)(5) of title 10, United States Code,*  
 25 *is amended to read as follows:*



1       “(B)(i) For any fiscal year—

2               “(I) the number of full-time Department of De-  
3       fense personnel permanently assigned or detailed to  
4       the office shall be not less than 46 members of the  
5       armed forces and not less than 69 civilian employees  
6       of the Department of Defense; and

7               “(II) the number of permanent positions author-  
8       ized for the office shall be not less than 46 positions  
9       for members of the armed forces and not less than 69  
10       positions for civilian employees.

11       “(ii) No reductions below the numbers assigned or au-  
12       thorized under clause (i) may be made unless expressly au-  
13       thorized by law.

14       “(iii) If for any reason the number of military or civil-  
15       ian personnel assigned to the office should fall below the  
16       required level under clause (i)(I), the Secretary of Defense  
17       shall promptly notify the Committees on Armed Services  
18       of the Senate and House of Representatives of the number  
19       of personnel so assigned and of the Secretary’s plan to re-  
20       store the staffing levels of the office to at least the required  
21       minimums under clause (i). The Secretary shall publish  
22       such notice and plan in the Federal Register.”.

23       (b) *MINIMUM LEVEL OF FUNDING.*—Subparagraph  
24       (C) of such section is amended to read as follows:

1       “(C) For any fiscal year, the level of funding allocated  
2 to the office shall be not less than \$16,000,000 unless a lower  
3 level of funding is expressly required by law.”.

4 **SEC. 583. PERMANENT ID CARDS FOR RETIREE DEPEND-**  
5 **ENTS AGE 70 AND OLDER.**

6       (a) *IN GENERAL.*—(1) Chapter 53 of title 10, United  
7 States Code, is amended by adding at the end the following  
8 new section:

9 **“§ 1060b. Military ID cards: dependents and survivors**  
10 **of retirees; issuance of permanent ID card**  
11 **after attaining 70 years of age**

12       “(a) *PERMANENT ID CARD AFTER AGE 70.*—In  
13 issuing military ID cards to retiree dependents, the Sec-  
14 retary concerned shall issue a permanent ID card (not sub-  
15 ject to renewal) to any such retiree dependent who has at-  
16 tained 70 years of age. Such a permanent ID card shall  
17 be issued upon the expiration, after the retiree dependent  
18 attains 70 years of age, of any earlier, renewable military  
19 ID card or, if earlier, upon the request of such a retiree  
20 dependent after attaining age 70.

21       “(b) *DEFINITIONS.*—In this section:

22               “(1) The term ‘military ID card’ means a card  
23 or other form of identification used for purposes of  
24 demonstrating eligibility for any benefit from the De-  
25 partment of Defense.



1 *for the purchase of civilian clothing in an amount not to*  
2 *exceed \$250, in the case of a member who—*

3           “(1) *is medically evacuated for treatment in a*  
4 *medical facility by reason of an illness or injury in-*  
5 *curring or aggravated while on active duty; or*

6           “(2) *after being medically evacuated as described*  
7 *in paragraph (1), is in an authorized travel status*  
8 *from a medical facility to another location approved*  
9 *by the Secretary.”.*

10       ***(b) EFFECTIVE DATE.***—*Subsection (a) of section 1047*  
11 *of title 10, United States Code, as added by subsection (a)*  
12 *shall take effect on October 1, 2004.*

13 ***SEC. 585. AUTHORITY TO ACCEPT DONATION OF FREQUENT***  
14 ***TRAVELER MILES, CREDITS, AND TICKETS TO***  
15 ***FACILITATE REST AND RECUPERATION TRAV-***  
16 ***EL OF DEPLOYED MEMBERS OF THE ARMED***  
17 ***FORCES AND THEIR FAMILIES.***

18       ***(a) OPERATION HERO MILES.***—*Chapter 155 of title*  
19 *10, United States Code, is amended by adding at the end*  
20 *the following new section:*

1 **“§2613. Acceptance of frequent traveler miles, credits,**  
2 **and tickets; use to facilitate rest and recu-**  
3 **peration travel of deployed members and**  
4 **their families**

5 “(a) *AUTHORITY TO ACCEPT DONATION OF TRAVEL*  
6 *BENEFITS.*—Subject to subsection (c), the Secretary of De-  
7 fense may accept from any person or government agency  
8 the donation of travel benefits for the purposes of use under  
9 subsection (d).

10 “(b) *TRAVEL BENEFIT DEFINED.*—In the section, the  
11 term “travel benefit” means frequent traveler miles, credits  
12 for tickets, or tickets for air or surface transportation issued  
13 by an air carrier or a surface carrier, respectively, that  
14 serves the public.

15 “(c) *CONDITION ON AUTHORITY TO ACCEPT DONA-*  
16 *TION.*—The Secretary may accept a donation of a travel  
17 benefit under this section only if the air or surface carrier  
18 that is the source of the benefit consents to such donation.  
19 Any such donation shall be under such terms and condi-  
20 tions as the surface carrier may specify, and the travel ben-  
21 efit so donated may be used only in accordance with the  
22 rules established by the carrier.

23 “(d) *USE OF DONATED TRAVEL BENEFITS.*—A travel  
24 benefit accepted under this section may be used only for  
25 the purpose of—

1           “(1) *facilitating the travel of a member of the*  
2           *armed forces who—*

3                   “(A) *is deployed on active duty away from*  
4                   *the permanent duty station of the member; and*

5                   “(B) *is granted, during such deployment,*  
6                   *rest and recuperative leave, emergency leave,*  
7                   *convalescent leave, or another form of leave au-*  
8                   *thorized for the member; or*

9           “(2) *facilitating the travel of family members of*  
10           *a member described in paragraph (1) in order to be*  
11           *reunited with the member.*

12           “(e) *ADMINISTRATION.—The Secretary shall designate*  
13           *a single office in the Department of Defense to carry out*  
14           *this section. That office shall be responsible for developing*  
15           *rules and procedures to facilitate the acceptance and dis-*  
16           *tribution of travel benefit under this section.*

17           “(f) *STATUS OF BENEFITS RECEIVED.—A member of*  
18           *the armed forces, or a family member of a member of the*  
19           *armed forces, who receives a travel benefit under this section*  
20           *is deemed to recognize no income from the receipt or use*  
21           *of such benefit. A donors of a travel benefit under this sec-*  
22           *tion is deemed to obtain no tax benefit from such donation.*

23           “(g) *FAMILY MEMBER DEFINED.—In this section, the*  
24           *term ‘family member’ has the meaning given that term in*  
25           *section 411h(b)(1) of title 37.”.*

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

*“2613. Acceptance of frequent traveler miles, credits, and tickets; use to facilitate rest and recuperation travel of deployed members and their families.”.*

4 **SEC. 586. LIMITATION ON AMENDMENT OR CANCELLATION**  
 5 **OF DEPARTMENT OF DEFENSE DIRECTIVE RE-**  
 6 **LATING TO REASONABLE ACCESS TO MILI-**  
 7 **TARY INSTALLATIONS FOR CERTAIN PER-**  
 8 **SONAL COMMERCIAL SOLICITATION.**

9           *An amendment to Department of Defense Directive*  
 10 *1344.7, “Personal Commercial Solicitation on DoD Instal-*  
 11 *lations”, or cancellation of that directive, shall not take ef-*  
 12 *fect until after the end of the one-year period beginning on*  
 13 *the date on which a report containing the results of the in-*  
 14 *vestigation regarding insurance premium allotment proc-*  
 15 *essing, which is underway as of the date of the enactment*  
 16 *of this Act, is submitted to the Committee on Armed Serv-*  
 17 *ices and the Committee on Government Reform of the House*  
 18 *of Representatives and the Committee on Armed Services*  
 19 *and the Committee on Governmental Affairs of the Senate.*

20 **SEC. 587. ANNUAL IDENTIFICATION OF REASONS FOR DIS-**  
 21 **CHARGES FROM THE ARMED FORCES DURING**  
 22 **PRECEDING FISCAL YEAR.**

23           *Not later than January 1 each year, the Secretary of*  
 24 *Defense shall submit to the Committees on Armed Services*

1 of the Senate and House of Representatives a report on dis-  
2 charges from the Army, Navy, Air Force, and Marine Corps  
3 during the preceding fiscal year. Each such report shall  
4 show, in the aggregate and for each of those Armed Forces,  
5 the following:

6 (1) The total number of persons discharged dur-  
7 ing the preceding fiscal year.

8 (2) For each separation code, and for each reen-  
9 listment eligibility code, used by the Armed Forces,  
10 the number of those discharged persons assigned that  
11 code.

12 (3) For the persons assigned each such separa-  
13 tion code, classification of discharges by age, by sex,  
14 by race, by military rank or grade, by time in serv-  
15 ice, by unit (shown at the small unit level), by mili-  
16 tary occupational specialty (or the equivalent), and  
17 by reenlistment eligibility code.

18 **SEC. 588. AUTHORITY FOR FEDERAL RECOGNITION OF NA-**  
19 **TIONAL GUARD COMMISSIONED OFFICERS**  
20 **APPOINTED FROM FORMER COAST GUARD**  
21 **PERSONNEL.**

22 Section 305(a) of title 32, United States Code, is  
23 amended—



1           (1) by striking “Army, Navy, Air Force, or Ma-  
2           rine Corps” in paragraphs (2), (3), and (4) and in-  
3           serting “armed forces”; and

4           (2) by striking “or the United States Air Force  
5           Academy” in paragraph (5) and inserting “the  
6           United States Air Force Academy, or the United  
7           States Coast Guard Academy”.

8   **SEC. 589. STUDY OF BLENDED WING CONCEPT FOR THE AIR**  
9                                   **FORCE.**

10          (a) *STUDY REQUIRED.*—Not later than March 1, 2005,  
11          the Secretary of the Air Force shall submit to Congress a  
12          report on the blended wing concept for the Air Force. The  
13          report shall include the Secretary’s findings as to the char-  
14          acteristics and locations that are considered favorable for  
15          a blended wing, a description of the manner in which cur-  
16          rent blended wings are functioning, and a statement of the  
17          current and future plans of the Air Force to implement the  
18          blended wing concept.

19          (b) *SELECTION CRITERIA.*—The report shall include a  
20          description of the criteria and attributes that the Secretary  
21          requires when choosing units to become blended wings.

1 **SEC. 590. CONTINUATION OF IMPACT AID ASSISTANCE ON**  
2 **BEHALF OF DEPENDENTS OF CERTAIN MEM-**  
3 **BERS DESPITE CHANGE IN STATUS OF MEM-**  
4 **BER.**

5 (a) *SPECIAL RULE.*—For purposes of computing the  
6 amount of a payment for an eligible local educational agen-  
7 cy under subsection (a) of section 8003 of the Elementary  
8 and Secondary Education Act (20 U.S.C. 7703) for school  
9 year 2004–2005, the Secretary of Education shall continue  
10 to count as a child enrolled in a school of such agency under  
11 such subsection any child who—

12 (1) would be counted under paragraph (1)(B) of  
13 such subsection to determine the number of children  
14 who were in average daily attendance in the school;  
15 but

16 (2) due to the deployment of both parents or  
17 legal guardians of the child, the deployment of a par-  
18 ent or legal guardian having sole custody of the child,  
19 or the death of a military parent or legal guardian  
20 while on active duty (so long as the child resides on  
21 Federal property (as defined in section 8013(5) of  
22 such Act (7 U.S.C. 7713(5))), is not eligible to be so  
23 counted.

24 (b) *TERMINATION.*—The special rule provided under  
25 subsection (a) applies only so long as the children covered  
26 by such subsection remain in average daily attendance at

1 *a school in the same local educational agency they attended*  
2 *before their change in eligibility status.*

3 ***Subtitle J—Other Matters***

4 ***SEC. 591. EMPLOYMENT PREFERENCES FOR SPOUSES OF***  
5 ***CERTAIN DEPARTMENT OF DEFENSE CIVIL-***  
6 ***IAN EMPLOYEES SUBJECT TO RELOCATION***  
7 ***AGREEMENTS.***

8 *(a) SPOUSES OF CERTAIN CIVILIAN EMPLOYEES.—(1)*  
9 *Section 1784 of title 10, United States Code, is amended*  
10 *by adding at the end the following new subsection:*

11 *“(h) INCLUSION OF SPOUSES OF CERTAIN DOD CIVIL-*  
12 *IAN EMPLOYEES SUBJECT TO RELOCATION AGREE-*  
13 *MENTS.—(1) For the purposes of this section, the spouse of*  
14 *a civilian employee described in paragraph (2) shall be con-*  
15 *sidered to be the spouse of a member of the armed forces.*

16 *“(2) An employee described in this paragraph is a De-*  
17 *partment of Defense employee who, pursuant to a manda-*  
18 *tory mobility agreement executed as a condition of employ-*  
19 *ment or pursuant to another civilian mobility program of*  
20 *the Department of Defense, has had a change of permanent*  
21 *duty assignment (A) that was based on the needs of the Gov-*  
22 *ernment, and (B) that required a relocation of the employ-*  
23 *ee’s residence.”.*

24 *(b) CLERICAL AMENDMENTS.—(1) The heading of such*  
25 *section is amended to read as follows:*

1 **“§1784. *Employment opportunities: military spouses;***  
2 ***certain Department of Defense civilian***  
3 ***spouses subject to relocation agreements”.***

4 (2) *The item relating to such section in the table of*  
5 *sections at the beginning of subchapter I of chapter 88 of*  
6 *such title is amended to read as follows:*

*“1784. Employment opportunities: military spouses; certain Department of De-*  
*fense civilian spouses subject to relocation agreements.”.*

7 (c) *EFFECTIVE DATE.*—*Subsection (h) of section 1784*  
8 *of title 10, United States Code, as added by subsection (a),*  
9 *shall apply only with respect to spouses of employees de-*  
10 *scribed in paragraph (2) of that subsection who relocate*  
11 *their residence as a result of a permanent duty assignment*  
12 *specified in that paragraph that is effective on or after the*  
13 *date of the enactment of this Act.*

14 **SEC. 592. REPEAL OF REQUIREMENT TO CONDUCT ELEC-**  
15 ***TRONIC VOTING DEMONSTRATION PROJECT***  
16 ***FOR THE FEDERAL ELECTION TO BE HELD IN***  
17 ***NOVEMBER 2004.***

18 *Section 1604 of the National Defense Authorization*  
19 *Act for Fiscal Year 2002 (Public Law 107-107; 115 Stat.*  
20 *1277; 42 U.S.C. 1977ff note) is repealed.*

1 **SEC. 593. EXAMINATION OF SEXUAL ASSAULT IN THE**  
2 **ARMED FORCES BY THE DEFENSE TASK**  
3 **FORCE ESTABLISHED TO EXAMINE SEXUAL**  
4 **HARASSMENT AND VIOLENCE AT THE MILI-**  
5 **TARY SERVICE ACADEMIES.**

6 (a) *EXTENSION OF TASK FORCE.*—(1) *The task force*  
7 *in the Department of Defense established by the Secretary*  
8 *of Defense pursuant to section 526 of the National Defense*  
9 *Authorization Act for Fiscal Year 2004 (Public Law 108–*  
10 *136; 117 Stat. 1466) to examine matters relating to sexual*  
11 *harassment and violence at the United States Military*  
12 *Academy and United States Naval Academy shall continue*  
13 *in existence for a period of at least 18 months after the*  
14 *date as of which the task force would otherwise be termi-*  
15 *nated pursuant to subsection (i) of that section.*

16 (2) *Upon the completion of the functions of the task*  
17 *force referred to in paragraph (1) pursuant to section 526*  
18 *of the National Defense Authorization Act for Fiscal Year*  
19 *2004, the name of the task force shall be changed to the*  
20 *Defense Task Force on Sexual Assault in the Military Serv-*  
21 *ices, and the task force shall then carry out the functions*  
22 *specified in this section. The task force shall not begin to*  
23 *carry out the functions specified in this section until it has*  
24 *completed its functions under such section 526.*

25 (b) *EXAMINATION OF MATTERS RELATING TO SEXUAL*  
26 *ASSAULT IN THE ARMED FORCES.*—*The task force shall*

1 *conduct an examination of matters relating to sexual as-*  
2 *sault in cases in which members of the Armed Forces are*  
3 *either victims or commit acts of sexual assault.*

4       (c) *RECOMMENDATIONS.—The Task Force shall in-*  
5 *clude in its report under subsection (e) recommendations*  
6 *of ways by which civilian officials within the Department*  
7 *of Defense and leadership within the Armed Forces may*  
8 *more effectively address matters relating to sexual assault.*  
9 *That report shall include an assessment of, and rec-*  
10 *ommendations (including any recommendations for changes*  
11 *in law) for measures to improve, with respect to sexual as-*  
12 *sault, the following:*

13           (1) *Victim care and advocacy programs.*

14           (2) *Effective prevention.*

15           (3) *Collaboration among military investigative*  
16 *organizations with responsibility or jurisdiction.*

17           (4) *Coordination between military and civilian*  
18 *communities, including local support organizations.*

19           (5) *Reporting procedures, data collection, and*  
20 *tracking.*

21           (6) *Oversight of sexual assault programs.*

22           (7) *Military justice issues.*

23           (8) *Other issues identified by the task force relat-*  
24 *ing to sexual assault.*

1           (d) *METHODOLOGY.*—*In carrying out its examination*  
2 *under subsection (b) and in formulating its recommenda-*  
3 *tions under subsection (c), the task force shall consider the*  
4 *findings and recommendations of previous reviews and in-*  
5 *vestigations of sexual assault conducted by the Department*  
6 *of Defense and the Armed Forces.*

7           (e) *REPORT.*—(1) *Not later than one year after the ini-*  
8 *tiation of its examination under subsection (b), the task*  
9 *force shall submit to the Secretary of Defense and the Secre-*  
10 *taries of the Army, Navy, and Air Force a report on the*  
11 *activities of the task force and on the activities of the De-*  
12 *partment of Defense and the Armed Forces to respond to*  
13 *sexual assault.*

14           (2) *The report shall include the following:*

15                   (A) *A description of any barrier to implementa-*  
16 *tion of improvements as a result of previous efforts to*  
17 *address sexual assault.*

18                   (B) *Other areas of concern not previously ad-*  
19 *dressed in prior reports*

20                   (C) *The findings and conclusions of the task*  
21 *force.*

22                   (D) *Any recommendations for changes to policy*  
23 *and law that the task force considers appropriate.*

24           (3) *Within 90 days after receipt of the report under*  
25 *paragraph (1), the Secretary of Defense shall submit the*

1 *report, together with the Secretary's evaluation of the re-*  
 2 *port, to the Committees on Armed Services of the Senate*  
 3 *and House of Representatives.*

4 (f) *TERMINATION.*—*The task force shall terminate 90*  
 5 *days after the date on which the report of the task force*  
 6 *is submitted to the Committees on Armed Services of the*  
 7 *Senate and House of Representatives pursuant to subsection*  
 8 *(e)(3).*

9 **SEC. 594. RENEWAL OF PILOT PROGRAM FOR TREATING**  
 10 **GED AND HOME SCHOOL DIPLOMA RECIPI-**  
 11 **ENTS AS HIGH SCHOOL GRADUATES FOR DE-**  
 12 **TERMINATIONS OF ELIGIBILITY FOR ENLIST-**  
 13 **MENT.**

14 *Section 571(e) of the Strom Thurmond National De-*  
 15 *fense Authorization Act for Fiscal Year 1999 (10 U.S.C.*  
 16 *520 note) is amended to read as follows:*

17 “(e) *DURATION OF PILOT PROGRAM.*—*The pilot pro-*  
 18 *gram shall be in effect during the period beginning on Octo-*  
 19 *ber 1, 2004, and ending on September 30, 2005.”*

20 **SEC. 595. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES**  
 21 **THAT BENEFIT DEPENDENTS OF MEMBERS**  
 22 **OF THE ARMED FORCES AND DEPARTMENT**  
 23 **OF DEFENSE CIVILIAN EMPLOYEES.**

24 (a) *CONTINUATION OF DEPARTMENT OF DEFENSE*  
 25 *PROGRAM FOR FISCAL YEAR 2005.*—*Of the amount author-*



1 ized to be appropriated pursuant to section 301(5) for oper-  
2 ation and maintenance for Defense-wide activities,  
3 \$50,000,000 shall be available only for the purpose of pro-  
4 viding educational agencies assistance to local educational  
5 agencies.

6 (b) NOTIFICATION.—Not later than June 30, 2005, the  
7 Secretary of Defense shall notify each local educational  
8 agency that is eligible for educational agencies assistance  
9 for fiscal year 2005 of—

10 (1) that agency’s eligibility for the assistance;

11 and

12 (2) the amount of the assistance for which that  
13 agency is eligible.

14 (c) DISBURSEMENT OF FUNDS.—The Secretary of De-  
15 fense shall disburse funds made available under subsection  
16 (a) not later than 30 days after the date on which notifica-  
17 tion to the eligible local educational agencies is provided  
18 pursuant to subsection (b).

19 (d) DEFINITIONS.—In this section:

20 (1) The term “educational agencies assistance”  
21 means assistance authorized under section 386(b) of  
22 the National Defense Authorization Act for Fiscal  
23 Year 1993 (Public Law 102–484; 20 U.S.C. 7703  
24 note).

1           (2) *The term “local educational agency” has the*  
2           *meaning given that term in section 8013(9) of the El-*  
3           *ementary and Secondary Education Act of 1965 (20*  
4           *U.S.C. 7713(9)).*

5   **SEC. 596. SENIOR RESERVE OFFICER TRAINING CORPS AND**  
6                           **RECRUITER ACCESS AT INSTITUTIONS OF**  
7                           **HIGHER EDUCATION.**

8           (a) *CERTIFICATION OF COMPLIANCE WITH ROTC AC-*  
9           *CESS PROVISIONS.*—*Subsection (a) of section 983 of title*  
10          *10, United States Code, is amended—*

11                   (1) *by inserting “(1)” before “No funds”;*

12                   (2) *by striking “prevents—” and inserting “pre-*  
13                   *vents, either (or both) of the following:”;*

14                   (3) *by striking “(1) the” and inserting “(A)*  
15                   *The”;*

16                   (4) *by striking “; or” and inserting a period;*

17                   (5) *by striking “(2) a” and inserting “(B) A”;*

18                   *and*

19                   (6) *by adding at the end the following:*

20                   “(2)(A) *Not later than 180 days after the date of the*  
21                   *enactment of the National Defense Authorization Act for*  
22                   *Fiscal Year 2005 and annually thereafter, the Secretary of*  
23                   *Defense shall request from each institution of higher edu-*  
24                   *cation that has students participating in a Senior Reserve*  
25                   *Officer Training Corps program during the then-current*

1 *academic year of that institution a certification that such*  
2 *institution, during the next academic year of the institu-*  
3 *tion, will—*

4           “(i) *permit the Secretary of each military de-*  
5 *partment to maintain a unit of the Senior Officer*  
6 *Training Corps (in accordance with subsection (a))*  
7 *at that institution (or any subelement of that institu-*  
8 *tion), should such Secretary elect to maintain such a*  
9 *unit; and*

10           “(ii) *if the Secretary of the military department*  
11 *concerned elects not to establish or maintain a unit*  
12 *of the Senior Reserve Officer Training Corps at that*  
13 *institution, permit a student of that institution (or*  
14 *any subelement of that institution) to enroll in a unit*  
15 *of the Senior Reserve Officer Training Corps at an-*  
16 *other institution of higher education.*

17           “(B) *Any certification under subparagraph (A) shall*  
18 *be made by the president of the institution (or equivalent*  
19 *highest ranking administrative official) and shall be sub-*  
20 *mitted to the Secretary of Defense no later than 90 days*  
21 *after receipt of the request from the Secretary.*

22           “(C) *In the case of any institution from which a cer-*  
23 *tification is requested under subparagraph (A), if the Sec-*  
24 *retary of Defense does not receive a certification in accord-*  
25 *ance with subparagraph (B), or if the certification does not*

1 *state that the university will comply with both clauses (i)*  
2 *and (ii) of subparagraph (A) during its next academic*  
3 *year, the Secretary shall make a determination under para-*  
4 *graph (1) as to whether the institution has a policy or prac-*  
5 *tice described in that paragraph.”.*

6       **(b) EQUAL TREATMENT OF MILITARY RECRUITERS**  
7 **WITH OTHER RECRUITERS.**—*Subsection (b)(1) of such sec-*  
8 *tion is amended—*

9           *(1) by striking “entry to campuses” and insert-*  
10 *ing “access to campuses”; and*

11           *(2) by inserting before the semicolon at the end*  
12 *the following: “in a manner that is at least equal in*  
13 *quality and scope to the access to campuses and to*  
14 *students that is provided to any other employer”.*

15       **(c) PROHIBITION OF FUNDING FOR POST-SECONDARY**  
16 **SCHOOLS THAT PREVENT ROTC ACCESS OR MILITARY RE-**  
17 **CRUITING.**—*(1) Subsection (d) of such section is amended—*

18           **(A) in paragraph (1)—**

19           *(i) by striking “limitation established in*  
20 *subsection (a) applies” and inserting “limita-*  
21 *tions established in subsections (a) and (b)*  
22 *apply”;*

23           *(ii) in subparagraph (B), by inserting “for*  
24 *any department or agency for which regular ap-*

1           *appropriations are made” after “made available”;*  
2           *and*

3                   *(iii) by adding at the end the following new*  
4           *subparagraphs:*

5           “(C) *Any funds made available for the Depart-*  
6           *ment of Homeland Security.*

7           “(D) *Any funds made available for the National*  
8           *Nuclear Security Administration of the Department*  
9           *of Energy.*

10           “(E) *Any funds made available for the Depart-*  
11           *ment of Transportation.*

12           “(F) *Any funds made available for the Central*  
13           *Intelligence Agency.”; and*

14           *(B) by striking paragraph (2).*

15           *(2)(A) Subsection (b) of such section is amended by*  
16           *striking “subsection (d)(2)” and inserting “subsection*  
17           *(d)(1)”.*

18           *(B) Subsection (e) of such section is amended by in-*  
19           *serting “, to the head of each other department and agency*  
20           *the funds of which are subject to the determination,” after*  
21           *“Secretary of Education”.*

22           *(d) CODIFICATION AND EXTENSION OF EXCLUSION OF*  
23           *AMOUNTS TO COVER INDIVIDUAL PAYMENTS.—Subsection*  
24           *(d) of such section, as amended by subsection (c)(1), is fur-*  
25           *ther amended—*

1           (1) *by striking “The” after “(1)” and inserting*  
2           *“Except as provided in paragraph (2), the”; and*

3           (2) *by adding at the end the following new para-*  
4           *graph:*

5           *“(2) Any Federal funding specified in paragraph (1)*  
6           *that is provided to an institution of higher education, or*  
7           *to an individual, to be available solely for student financial*  
8           *assistance, related administrative costs, or costs associated*  
9           *with attendance, may be used for the purpose for which the*  
10          *funding is provided.”.*

11          (e) *CONFORMING AMENDMENTS.—Subsections (a) and*  
12          *(b) of such section are amended by striking “(including a*  
13          *grant of funds to be available for student aid)”.*

14          (f) *CONFORMING REPEAL OF CODIFIED PROVISION.—*  
15          *Section 8120 of the Department of Defense Appropriations*  
16          *Act, 2000 (Public Law 106–79; 10 U.S.C. 983 note), is re-*  
17          *pealed*

18          (g) *EFFECTIVE DATE.—The amendments made by this*  
19          *section shall apply with respect to funds appropriated for*  
20          *fiscal year 2005 and thereafter.*

21          **SEC. 597. REPORTS ON TRANSFORMATION MILESTONES.**

22          (a) *MILITARY TO CIVILIAN CONVERSIONS.—Not later*  
23          *than January 31, 2005, the Secretary of Defense shall sub-*  
24          *mit to the Committees on Armed Services of the Senate and*  
25          *House of Representatives a report providing information*

1 *as to the number of positions in the Department of Defense*  
2 *converted during the previous fiscal year from performance*  
3 *by military personnel to performance by civilian personnel.*

4 *The report shall include—*

5 *(1) a description of the skill set of the positions*  
6 *converted;*

7 *(2) specification of the total cost of such conver-*  
8 *sions and how that cost is being paid for; and*

9 *(3) the number of positions in the Department of*  
10 *Defense projected for such conversion during the pe-*  
11 *riod from March 1, 2005, to January 31, 2006.*

12 *(b) CIVILIAN SKILLS CORPS FEASIBILITY STUDY.—(1)*  
13 *The Secretary of Defense shall conduct an Armed Forces-*  
14 *wide study of how a system to embed certain civilian exper-*  
15 *tise skill sets within the military on a temporary basis*  
16 *could be implemented. The study shall include consideration*  
17 *of all skills sets in which, as determined by the Secretary*  
18 *of Defense, there is a significant shortfall within the Armed*  
19 *Forces or which are high value, but of uncertain need. The*  
20 *study shall examine the feasibility of implementing a per-*  
21 *sonnel system that expands the capability of the Armed*  
22 *Forces to rapidly access civilian volunteers with needed ex-*  
23 *pertise outside of the reserve components.*

1           (2) *The Secretary shall submit to the congressional de-*  
2 *fense committees a report on the results of the study under*  
3 *paragraph (1) not later than March 31, 2005.*

4           (c) *MILITARY-TO-MILITARY CONVERSIONS.—Not later*  
5 *than March 31 of each of 2005, 2006, and 2007, the Sec-*  
6 *retary of Defense shall submit to the congressional defense*  
7 *committees a report on the milestones within the multiyear*  
8 *transformation for internal military-to-military transi-*  
9 *tions. Each such report shall include—*

10                   (1) *the number of units and personnel trans-*  
11 *ferred and retrained within the previous fiscal year*  
12 *and what their new unit designations are; and*

13                   (2) *a description of the transformation goals for*  
14 *the upcoming fiscal year and whether the previous*  
15 *years goals were met and why or why not.*

16           (d) *TRANSFORMATION TO BRIGADE STRUCTURE FOR*  
17 *THE ARMY.—No later than March 31 of each year, the Sec-*  
18 *retary of Defense shall submit to the congressional defense*  
19 *committees a report on the status of the internal trans-*  
20 *formation of the Army from a division-orientated system*  
21 *to a brigade-orientated one. Such a report shall be sub-*  
22 *mitted for each year until the Secretary of the Army cer-*  
23 *tifies to those committees that the transformation of the*  
24 *Army to brigade level units has been completed.*



1 **TITLE VI—COMPENSATION AND**  
2 **OTHER PERSONNEL BENEFITS**  
3 **Subtitle A—Pay and Allowances**

4 **SECTION 601. INCREASE IN BASIC PAY FOR FISCAL YEAR**  
5 **2005.**

6 (a) *WAIVER OF SECTION 1009 ADJUSTMENT.*—The ad-  
7 justment to become effective during fiscal year 2005 re-  
8 quired by section 1009 of title 37, United States Code, in  
9 the rates of monthly basic pay authorized members of the  
10 uniformed services shall not be made.

11 (b) *INCREASE IN BASIC PAY.*—Effective on January  
12 1, 2005, the rates of monthly basic pay for members of the  
13 uniformed services are increased by 3.5 percent.

14 **SEC. 602. AUTHORITY TO PROVIDE FAMILY SEPARATION**  
15 **BASIC ALLOWANCE FOR HOUSING.**

16 Section 403(d) of title 37, United States Code, is  
17 amended—

18 (1) in paragraph (1), by striking “is entitled to”  
19 and inserting “may be paid”; and

20 (2) in paragraph (4), by striking the first sen-  
21 tence and inserting the following new sentence: “A  
22 family separation basic allowance for housing paid to  
23 a member under this subsection is in addition to any  
24 other allowance or per diem that the member receives  
25 under this title.”

1 **SEC. 603. GEOGRAPHIC BASIS FOR BASIC ALLOWANCE FOR**  
2 **HOUSING DURING SHORT CHANGES OF STA-**  
3 **TION FOR PROFESSIONAL MILITARY EDU-**  
4 **CATION OR TRAINING.**

5 *Section 403(d)(3) of title 37, United States Code, is*  
6 *amended by adding at the end the following new subpara-*  
7 *graph:*

8 *“(C) If the member is reassigned for a perma-*  
9 *nent change of station or permanent change of assign-*  
10 *ment from a duty station in the continental United*  
11 *States to another duty station in the continental*  
12 *United States for a period of not more than one year*  
13 *for the purpose of participating in professional mili-*  
14 *tary education or training classes, the Secretary con-*  
15 *cerned may base the amount of the basic allowance*  
16 *for housing for the member on the duty station to*  
17 *which the member is reassigned or the area in which*  
18 *the dependents reside, whichever the Secretary con-*  
19 *cerned determines to be most equitable.”.*

20 **SEC. 604. IMMEDIATE LUMP-SUM REIMBURSEMENT FOR UN-**  
21 **USUAL NONRECURRING EXPENSES IN-**  
22 **CURRED BY MEMBERS SERVING OUTSIDE**  
23 **CONTINENTAL UNITED STATES.**

24 *(a) ELIGIBILITY FOR REIMBURSEMENT.—Section 405*  
25 *of title 37, United States Code, is amended by adding at*  
26 *the end the following new subsection:*

1           “(d) *LUMP-SUM REIMBURSEMENT FOR NON-*  
2 *RECURRING EXPENSES.*—*In addition to providing a per*  
3 *diem under this section, the Secretary concerned may reim-*  
4 *burse a member for actual expenses of a nonrecurring na-*  
5 *ture that the member incurs incident to serving on duty*  
6 *outside of the continental United States. The types of ex-*  
7 *penses for which reimbursement may be provided under this*  
8 *paragraph shall be limited to those expenses directly related*  
9 *to the conditions or location of the duty outside of the conti-*  
10 *ental United States and either of a nature or a magnitude*  
11 *not normally incurred by members assigned to duty inside*  
12 *the continental United States. In determining the per diem*  
13 *to be paid under this section, the Secretary concerned shall*  
14 *not consider expenses for which reimbursement is provided*  
15 *under this paragraph.*”.

16           (b) *USE OF DEFINED TERM CONTINENTAL UNITED*  
17 *STATES.*—(1) *Subsection (a) of such section is amended by*  
18 *striking “outside of the United States or in Hawaii or Alas-*  
19 *ka” and inserting “outside of the continental United*  
20 *States”.*

21           (2) *The heading of such section is amended to read*  
22 *as follows:*

1 **“§405. Travel and transportation allowances: per**  
2 **diem while on duty outside the conti-**  
3 **ental United States”.**

4 (3) *The table of sections at the beginning of chapter*  
5 *7 of such title is amended by striking the item relating to*  
6 *section 405 and inserting the following new item:*

*“405. Travel and transportation allowances: per diem while on duty outside the continental United States.”.*

7 **SEC. 605. INCOME REPLACEMENT PAYMENTS FOR RE-**  
8 **SERVES EXPERIENCING EXTENDED AND FRE-**  
9 **QUENT MOBILIZATION FOR ACTIVE DUTY**  
10 **SERVICE.**

11 (a) *IN GENERAL.—(1) Chapter 19 of title 37, United*  
12 *States Code, is amended by adding at the end the following*  
13 *new section:*

14 **“§910. Replacement of lost income: involuntarily mo-**  
15 **bilized reserve component members sub-**  
16 **ject to extended and frequent active duty**  
17 **service**

18 *“(a) PAYMENT REQUIRED.—The Secretary concerned*  
19 *shall pay to an eligible member of a reserve component of*  
20 *the armed forces an amount equal to the monthly active-*  
21 *duty income differential of the member, as determined by*  
22 *the Secretary. The payments shall be made on a monthly*  
23 *basis.*

1           “(b) *ELIGIBILITY.*—*Subject to subsection (c), a reserve*  
2 *component member is entitled to a payment under this sec-*  
3 *tion for any full month of active duty of the member, while*  
4 *on active duty under an involuntary mobilization order,*  
5 *following the date on which the member—*

6                   “(1) *completes 12 continuous months of service*  
7 *on active duty under such an order;*

8                   “(2) *completes 18 months on active duty during*  
9 *the previous 60 months under such an order; or*

10                   “(3) *is involuntarily mobilized for service on ac-*  
11 *tive duty six months or less following the member’s*  
12 *separation from the member’s previous period of ac-*  
13 *tive duty.*

14           “(c) *MINIMUM AND MAXIMUM PAYMENT AMOUNTS.*—  
15 *(1) A payment under this section shall be made to a member*  
16 *for a month only if the amount of the monthly active-duty*  
17 *income differential for the month is greater than \$50.*

18                   “(2) *Notwithstanding the amount determined under*  
19 *subsection (d) for a member for a month, the monthly pay-*  
20 *ment to a member under this section may not exceed \$3,000.*

21           “(d) *MONTHLY ACTIVE-DUTY INCOME DIFFEREN-*  
22 *TIAL.*—*For purposes of this section, the monthly active-duty*  
23 *income differential of a member is the difference between—*

24                   “(1) *the average monthly civilian income of the*  
25 *member; and*

1           “(2) *the member’s total monthly military com-*  
2           *ensation.*”

3           “(e) *DEFINITIONS.—In this section:*

4           “(1) *The term ‘average monthly civilian income’,*  
5           *with respect to a member of a reserve component,*  
6           *means the amount, determined by the Secretary con-*  
7           *cerned, of the earned income of the member for either*  
8           *the 12 months preceding the member’s mobilization or*  
9           *the 12 months covered by the member’s most recent*  
10           *Federal income tax filing, divided by 12.*

11           “(2) *The term ‘total monthly military compensa-*  
12           *tion’ means the amount, computed on a monthly*  
13           *basis, of the sum of—*

14           “(A) *the amount of the regular military*  
15           *compensation (RMC) of the member; and*

16           “(B) *any amount of special pay or incen-*  
17           *tive pay and any allowance (other than an al-*  
18           *lowance included in regular military compensa-*  
19           *tion) that is paid to the member on a monthly*  
20           *basis.’’.*

21           “(2) *The table of sections at the beginning of such chap-*  
22           *ter is amended by adding at the end the following new item:*

          “910. *Replacement of lost income: involuntarily mobilized reserve component*  
          *members subject to extended and frequent active duty service.’’.*

1           (b) *EFFECTIVE DATE.*—Section 910 of title 37, United  
2 States Code, as added by subsection (a), shall apply for  
3 months after December 2004.

4 **SEC. 606. AUTHORITY FOR CERTAIN MEMBERS DEPLOYED**  
5 **IN COMBAT ZONES TO RECEIVE LIMITED AD-**  
6 **VANCES ON THEIR FUTURE BASIC PAY.**

7           (a) *ADVANCEMENT OF BASIC PAY.*—(1) Chapter 3 of  
8 title 37, United States Code, is amended by adding at the  
9 end the following new section:

10 **“§212. Advancement of basic pay: members deployed**  
11 **in combat zones for more than one year**

12           “(a) *ELIGIBILITY; AMOUNT ADVANCED.*—(1) If a  
13 member of the armed forces is assigned to duty in an area  
14 for which special pay under section 310 of this title is avail-  
15 able and the assignment is pursuant to orders specifying  
16 an assignment of one year or more (or the assignment is  
17 otherwise extended beyond one year), the member may re-  
18 quest, during the period of the assignment, the advanced  
19 payment of not more than three months of the basic pay  
20 of the member.

21           “(2) A request by a member described in paragraph  
22 (1) for the advanced payment of a single month of basic  
23 pay shall be granted. The Secretary concerned may grant  
24 a request for a second or third month of advanced basic

1 *pay during the assignment for the member upon a showing*  
2 *of financial hardship.*

3       “(b) *RECOUPMENT OF ADVANCED PAY.*—*The Secretary*  
4 *concerned shall recoup an advance made on the basic pay*  
5 *of a member under this section in equal installments over*  
6 *a one-year period beginning as provided in subsection (c).*  
7 *If the member is serving on active duty for any month dur-*  
8 *ing the recoupment period, the amount of the installment*  
9 *for the month shall be deducted from the basic pay of the*  
10 *member for that month. The estate of a deceased member*  
11 *shall not be required to repay an advance made to the mem-*  
12 *ber under this section.*

13       “(c) *COMMENCEMENT OF RECOUPMENT.*—(1) *Except*  
14 *as provided in paragraph (2), the recoupment of basic pay*  
15 *advanced to a member under this section shall commence*  
16 *beginning with the first month that begins after the end*  
17 *of the assignment of the member to duty in an area for*  
18 *which special pay under section 310 of this title is available*

19       “(2) *A member of a reserve component who receives*  
20 *an advancement of basic pay under this section shall com-*  
21 *mence repayment of the advance beginning with the first*  
22 *month that begins after the the advanced pay is received.”.*

23       (2) *The table of sections at the beginning of such chap-*  
24 *ter is amended by adding at the end the following new item:*

“212. *Advancement of basic pay: members deployed in combat zones for more than one year.”.*



1       (b) *EFFECTIVE DATE.*—Section 212 of title 37, United  
2 States Code, as added by subsection (a), shall take effect  
3 October 1, 2004.

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

6       ***SEC. 611. ONE-YEAR EXTENSION OF BONUS AND SPECIAL***  
7                                   ***PAY AUTHORITIES.***

8       (a) *NURSE OFFICER CANDIDATE ACCESSION PRO-*  
9 *GRAM.*—Section 2130a(a)(1) of title 10, United States Code,  
10 is amended by striking “December 31, 2004” and inserting  
11 “December 31, 2005”.

12       (b) *REPAYMENT OF EDUCATION LOANS FOR CERTAIN*  
13 *HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED*  
14 *RESERVE.*—Section 16302(d) of such title is amended by  
15 striking “January 1, 2005” and inserting “January 1,  
16 2006”.

17       (c) *AVIATION OFFICER RETENTION BONUS.*—Section  
18 301b(a) of title 37, United States Code, is amended by strik-  
19 ing “December 31, 2004” and inserting “December 31,  
20 2005”.

21       (d) *ACCESSION BONUS FOR REGISTERED NURSES.*—  
22 Section 302d(a)(1) of such title is amended by striking “De-  
23 cember 31, 2004” and inserting “December 31, 2005”.

24       (e) *INCENTIVE SPECIAL PAY FOR NURSE ANES-*  
25 *THETISTS.*—Section 302e(a)(1) of such title is amended by

1 *striking “December 31, 2004” and inserting “December 31,*  
2 *2005”.*

3       (f) *ACCESSION BONUS FOR DENTAL OFFICERS.*—Sec-  
4 *tion 302h(a)(1) of such title is amended by striking “De-*  
5 *cember 31, 2004” and inserting “December 31, 2005”.*

6       (g) *ACCESSION BONUS FOR PHARMACY OFFICERS.*—  
7 *Section 302j(a) of such title is amended by striking “the*  
8 *date of the enactment of the Floyd D. Spence National De-*  
9 *fense Authorization Act for Fiscal Year 2001 and ending*  
10 *on September 30, 2004” and inserting “October 30, 2000,*  
11 *and ending on December 31, 2005”.*

12       (h) *REENLISTMENT BONUS FOR ACTIVE AND RESERVE*  
13 *MEMBERS.*—Section 308(g) of such title is amended by  
14 *striking “December 31, 2004” and inserting “December 31,*  
15 *2005”.*

16       (i) *ENLISTMENT BONUS FOR ACTIVE AND RESERVE*  
17 *MEMBERS.*—Section 309(e) of such title is amended by  
18 *striking “December 31, 2004” and inserting “December 31,*  
19 *2005”.*

20       (j) *SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS*  
21 *EXTENDING PERIOD OF ACTIVE SERVICE.*—Section 312(e)  
22 *of such title is amended by striking “December 31, 2004”*  
23 *and inserting “December 31, 2005”.*

1       (k) *NUCLEAR CAREER ACCESSION BONUS.*—Section  
2 *312b(c)* of such title is amended by striking “December 31,  
3 2004” and inserting “December 31, 2005”.

4       (l) *NUCLEAR CAREER ANNUAL INCENTIVE BONUS.*—  
5 Section *312c(d)* of such title is amended by striking “De-  
6 cember 31, 2004” and inserting “December 31, 2005”.

7       (m) *RETENTION BONUS FOR MEMBERS WHO HAVE*  
8 *CRITICAL MILITARY SKILLS OR MEET OTHER CRITERIA.*—  
9 Section *323(i)* of such title is amended by striking “Decem-  
10 ber 31, 2004” and inserting “December 31, 2005”.

11       (n) *ACCESSION OR AFFILIATION BONUS FOR NEW OF-*  
12 *FICERS IN CRITICAL SKILLS.*—Section *324(g)* of such title  
13 is amended by striking “December 31, 2004” and inserting  
14 “December 31, 2005”.

15 **SEC. 612. REDUCTION IN REQUIRED SERVICE COMMITMENT**  
16 **TO RECEIVE ACCESSION BONUS FOR REG-**  
17 **ISTERED NURSES.**

18       (a) *REDUCTION.*—Section *302d(a)(1)* of title 37,  
19 *United States Code*, is amended by striking “four years”  
20 and inserting “three years”.

21       (b) *EFFECTIVE DATE.*—The amendment made by sub-  
22 section (a) shall take effect October 1, 2004, and apply with  
23 respect to written agreements referred to in section  
24 *302d(a)(1)* of title 37, *United States Code*, entered into on  
25 or after that date.

1 **SEC. 613. INCREASE IN MAXIMUM MONTHLY RATE AUTHOR-**  
2 **IZED FOR HARDSHIP DUTY PAY.**

3 (a) *INCREASE.*—Section 305(a) of title 37, United  
4 States Code, is amended by striking “\$300” and inserting  
5 “\$750”.

6 (b) *EFFECTIVE DATE.*—The amendment made by sub-  
7 section (a) shall take effect October 1, 2004.

8 **SEC. 614. TERMINATION OF ASSIGNMENT INCENTIVE PAY**  
9 **FOR MEMBERS PLACED ON TERMINAL LEAVE.**

10 (a) *TERMINATION.*—Subsection (e) of section 307a of  
11 title 37, United States Code, is amended to read as follows:

12 “(e) *STATUS NOT AFFECTED BY TEMPORARY DUTY OR*  
13 *LEAVE.*—The service of a member in an assignment referred  
14 to in subsection (a) shall not be considered discontinued  
15 during any period that the member is not performing serv-  
16 ice in the assignment by reason of—

17 “(1) the performance by the member of tem-  
18 porary duty pursuant to orders; or

19 “(2) the absence of the member for authorized  
20 leave, unless the member is placed on terminal leave  
21 and will not be returning to the assignment.”.

22 (b) *EFFECTIVE DATE.*—The amendment made by sub-  
23 section (a) shall apply with respect to agreements under  
24 section 307a(b) of title 37, United States Code, entered into  
25 on or after the date of the enactment of this Act.

1 **SEC. 615. CONSOLIDATION OF REENLISTMENT AND ENLIST-**  
2 **MENT BONUS AUTHORITIES FOR REGULAR**  
3 **AND RESERVE COMPONENTS.**

4 *(a) CONSOLIDATED REENLISTMENT BONUS AUTHOR-*  
5 *ITY; ELIGIBILITY CRITERIA.—(1) Paragraph (1) of sub-*  
6 *section (a) of section 308 of title 37, United States Code,*  
7 *is amended—*

8 *(A) by striking the matter preceding subpara-*  
9 *graph (A) and inserting “The Secretary concerned*  
10 *may pay a bonus under paragraph (2) to a member*  
11 *of the armed forces serving in a regular component or*  
12 *reserve component of the armed force if the member—*  
13 *”;*

14 *(B) by striking subparagraph (A) and inserting*  
15 *the following new subparagraph:*

16 *“(A) has completed at least 17 months of service*  
17 *in a regular or reserve component of the armed forces,*  
18 *but not more than 18 years of total military service;”;*  
19 *and*

20 *(C) by striking subparagraph (D) and all that*  
21 *follows through the period at the end of such para-*  
22 *graph and inserting the following:*

23 *“(D) reenlists or voluntarily extends the mem-*  
24 *ber’s enlistment for a period of at least three years in*  
25 *a regular component or reserve component of the*  
26 *armed forces.”.*

1       (2) Paragraph (3) of such subsection is amended by  
2 striking “16 years” and inserting “20 years”.

3       (3) Paragraph (5) of such subsection is amended to  
4 read as follows:

5       “(5) The Secretary of Defense, and the Secretary of  
6 Homeland Security with respect to the Coast Guard when  
7 it is not operating as a service in the Navy, may waive  
8 all or part of the eligibility requirements specified in para-  
9 graph (1) in time of war or national emergency.”.

10       (4) Subsection (b) of such section is amended—

11               (A) by inserting “(1)” after “(b)”; and

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

14       “(2) Notwithstanding the schedule established for mak-  
15 ing partial bonus payments under paragraph (1), a mem-  
16 ber of a reserve component entitled to a bonus under this  
17 section who is called or ordered to active duty shall be paid,  
18 during that period of active duty, any amount of the bonus  
19 that becomes payable to the member during that period of  
20 active duty.”.

21       (5) Subsection (g) of such section is amended by strik-  
22 ing “an active-duty reenlistment” and inserting “a reenlist-  
23 ment”.

24       (b) CONSOLIDATED ENLISTMENT BONUS AUTHOR-  
25 ITY.—Section 309(a) of such title is amended—

1           (1) *by striking the first sentence and inserting*  
2           *the following: “(1) The Secretary concerned may pay*  
3           *a bonus this section to a person who enlists in a reg-*  
4           *ular component or reserve component of the armed*  
5           *forces for a period of at least two years.”; and*

6           (2) *by inserting after the first sentence, as so*  
7           *amended, the following new paragraph:*

8           *“(2) The amount of a bonus under this section may*  
9           *not exceed \$20,000.”.*

10          (c) *REPEAL OF SEPARATE REENLISTMENT AND EN-*  
11          *LISTMENT BONUS AUTHORITY FOR RESERVE COMPO-*  
12          *NENTS.—(1) Sections 308b, 308c, 308g, 308h, and 308i of*  
13          *such title are repealed.*

14          (2) *The table of sections at the beginning of chapter*  
15          *5 of such title is amended by striking the items relating*  
16          *to sections 308b, 308c, 308h, and 308i.*

17          (d) *EFFECTIVE DATE.—(1) Except as provided by*  
18          *paragraphs (2) and (3), the amendments made by this sec-*  
19          *tion shall take effect October 1, 2004, and the amendments*  
20          *made by subsections (a) and (b) shall apply to reenlist-*  
21          *ments, the voluntary extension of enlistments, and enlist-*  
22          *ments referred to in section 308(a)(1) or 309(a) of title 37,*  
23          *United States Code, entered into on or after that date.*

24          (2) *The amendments made by subsection (c) shall take*  
25          *effect December 31, 2004, except that the repeal of section*

1 308g of title 37, United States Code, shall take effect on  
2 the date of the enactment of this Act.

3 (3) In the case of a member of the Armed Forces who,  
4 on or before December 31, 2004, reenlisted, voluntarily ex-  
5 tended the enlistment of the member, or enlisted in a reserve  
6 component of the Armed Forces, section 308b, 308c, 308h,  
7 or 308i of title 37, United States Code, whichever applies  
8 to the member, and as in effect on December 31, 2004, shall  
9 continue to apply with respect to the payment of a bonus  
10 under such section to the member.

11 (e) **LIMITATION ON FISCAL YEAR 2005 OBLIGA-**  
12 **TIONS.**—During fiscal year 2005, obligations incurred  
13 under sections 308 and 309 of title 37, United States Code,  
14 to provide reenlistment and enlistment bonuses to members  
15 of the uniformed services using the expanded authority pro-  
16 vided by the amendments made by subsections (a) and (b)  
17 may not exceed \$20,000,000. The bonus authority available  
18 under such sections shall not be considered to be an ex-  
19 panded authority to the extent that the authority was avail-  
20 able under a provision of law specified in subsection (c),  
21 before the repeal of the provision by such subsection.

22 **SEC. 616. REVISION OF AUTHORITY TO PROVIDE FOREIGN**  
23 **LANGUAGE PROFICIENCY PAY.**

24 (a) **IN GENERAL.**—(1) Section 316 of title 37, United  
25 States Code, is amended to read as follows:



1 **“§316. Special pay: bonus for members with foreign**  
2 **language proficiency**

3 “(a) *BONUS AUTHORIZED.*—*The Secretary concerned*  
4 *may pay an annual bonus under this section to a member*  
5 *of the uniformed services who—*

6 “(1) *is qualified in a uniformed services spe-*  
7 *cialty requiring proficiency in a foreign language*  
8 *identified by the Secretary concerned as a foreign lan-*  
9 *guage in which it is necessary to have personnel pro-*  
10 *ficient because of national defense or public health*  
11 *considerations;*

12 “(2) *received training, under regulations pre-*  
13 *scribed by the Secretary concerned, designed to de-*  
14 *velop a proficiency in such a foreign language;*

15 “(3) *is assigned to duties requiring a proficiency*  
16 *in such a foreign language; or*

17 “(4) *is proficient in a foreign language for which*  
18 *the uniformed service may have a critical need, as de-*  
19 *termined by the Secretary concerned.*

20 “(b) *CERTIFICATION OF PROFICIENCY.*—*Except as*  
21 *provided in subsection (e), for a member described in sub-*  
22 *section (a) to be eligible to receive or retain a bonus under*  
23 *this section, the Secretary concerned shall certify the mem-*  
24 *ber as being proficient in the foreign language for which*  
25 *bonus is offered.*

1           “(c) *DURATION OF CERTIFICATION.*—*Except as pro-*  
2 *vided in subsection (e), the certification of a member as*  
3 *being proficient in a foreign language for purposes of re-*  
4 *ceipt of a bonus under this section shall expire at the end*  
5 *of the 12-month period beginning on the first day of the*  
6 *first month beginning on or after the certification date.*

7           “(d) *BONUS AMOUNT; PAYMENT METHOD.*—*The max-*  
8 *imum amount of the bonus paid under this section to a*  
9 *member may not exceed \$12,000 for the 12-month period*  
10 *covered by the certification of the member. The Secretary*  
11 *concerned may pay the bonus in a single lump sum at the*  
12 *beginning of the certification period or in installments.*

13           “(e) *CERTIFICATION INTERRUPTED BY CONTINGENCY*  
14 *OPERATION.*—(1) *The Secretary concerned may waive the*  
15 *certification requirement under subsection (b) and pay a*  
16 *bonus under this section to a member described in sub-*  
17 *section (a) who was previously certified in a foreign lan-*  
18 *guage, but whose certification expired under subsection (c),*  
19 *if—*

20                   “(A) *the member is assigned to duty in connec-*  
21 *tion with a contingency operation; and*

22                   “(B) *the Secretary concerned determines that the*  
23 *member is unable to schedule or complete the certifi-*  
24 *cation required by subsection (b) because of that as-*  
25 *signment.*

1           “(2) For purposes of determining the amount of a  
2 bonus to be paid to a member under the authority of this  
3 subsection, the Secretary concerned shall treat the date on  
4 which the member was assigned to duty in connection with  
5 the contingency operation as equivalent to a certification  
6 date. In the case of a member whose certification expires  
7 during such duty assignment, the Secretary shall commence  
8 the next 12-month period effective as of the date on which  
9 the prior certification period expired.

10           “(3) A member who receives a bonus under the author-  
11 ity of this subsection shall complete the certification re-  
12 quired by subsection (b) for the foreign language for which  
13 the bonus was paid not later than the end of the 180-day  
14 period beginning on the date on which the member is re-  
15 leased from the assignment in connection with the contin-  
16 gency operation. The Secretary concerned may extend that  
17 period for a member in accordance with regulations pre-  
18 scribed under subsection (h). If the member fails to obtain  
19 the required certification before the end of the authorized  
20 period, the Secretary concerned may require the member to  
21 repay all or a portion of the bonus, in the manner provided  
22 in subsection (g).

23           “(f) RELATIONSHIP TO OTHER PAY OR ALLOWANCE.—  
24 A bonus under this section is in addition to any other pay

1 *or allowance payable to a member under any other provi-*  
2 *sion of law.*

3       “(g) *REPAYMENT OF BONUS.*—(1) *The Secretary con-*  
4 *cerned may require a member who receives a bonus under*  
5 *this section, but who does not satisfy an eligibility require-*  
6 *ment specified in subsection (a) for the entire certification*  
7 *period, to repay to the United States an amount which*  
8 *bears the same ratio to the total amount of the bonus paid*  
9 *to the member as the unsatisfied portion of the certification*  
10 *period bears to the entire certification period.*

11       “(2) *An obligation to repay the United States imposed*  
12 *under paragraph (1) is for all purposes a debt owed to the*  
13 *United States. A discharge in bankruptcy under title 11*  
14 *that is entered for the member less than five years after the*  
15 *expiration of the certification period does not discharge the*  
16 *member from a debt arising under this paragraph. This*  
17 *paragraph applies to any case commenced under title 11*  
18 *after the date of the enactment of this section.*

19       “(h) *REGULATIONS.*—*This section shall be adminis-*  
20 *tered under regulations prescribed by the Secretary of De-*  
21 *fense for the armed forces under the jurisdiction of the Sec-*  
22 *retary, by the Secretary of Homeland Security for the Coast*  
23 *Guard when the Coast Guard is not operating as a service*  
24 *in the Navy, by the Secretary of Health and Human Serv-*  
25 *ices for the Commissioned Corps of the Public Health Serv-*

1 *ice, and by the Secretary of Commerce for the National Oce-*  
 2 *anic and Atmospheric Administration.”.*

3 (2) *The table of sections at the beginning of chapter*  
 4 *5 of such title is amended by striking the item relating to*  
 5 *section 316 and inserting the following new item:*

*“316. Special pay: bonus for members with foreign language proficiency.”.*

6 (b) **CONFORMING AMENDMENTS.**—(1) *Section 316a of*  
 7 *title 37, United States Code, is repealed.*

8 (2) *The table of sections at the beginning of chapter*  
 9 *5 of such title is amended by striking the item relating to*  
 10 *section 316a.*

11 **SEC. 617. ELIGIBILITY OF RESERVE COMPONENT MEMBERS**  
 12 **FOR CRITICAL SKILLS RETENTION BONUS**  
 13 **AND EXPANSION OF AUTHORITY TO PROVIDE**  
 14 **BONUS.**

15 (a) **INCLUSION OF RESERVE COMPONENT MEMBERS.**—  
 16 *Section 323 of title 37, United States Code, is amended—*

17 (1) *in subsection (a)—*

18 (A) *in the matter preceding paragraph (1),*  
 19 *by striking “who is serving on active duty and”*  
 20 *by inserting “who is serving on active duty in*  
 21 *a regular component or in an active status in a*  
 22 *reserve component and who”;* and

23 (B) *in paragraph (1), by inserting “, or re-*  
 24 *main in an active status in a reserve compo-*  
 25 *nent,” after “remain on active duty”;*

1           (2) *in subsection (e)(2), by inserting “or service*  
2 *in a reserve component” after “period of active duty”;*  
3 *and*

4           (3) *in subsection (g), by striking “active duty”*  
5 *and inserting “service”.*

6           **(b) INCLUSION OF MEMBERS SERVING PURSUANT TO**  
7 **INDEFINITE REENLISTMENT.**—*Subsection (a) of such sec-*  
8 *tion is further amended—*

9           (1) *by striking “or” at the end of paragraph (1);*

10          (2) *in paragraph (2)—*

11           (A) *by inserting “other than an enlisted*  
12 *member referred to in paragraph (3),” after “en-*  
13 *listed member,”; and*

14           (B) *by striking the period at the end and*  
15 *inserting “; or”; and*

16          (3) *by adding at the end the following new para-*  
17 *graph:*

18           “(3) *in the case of an enlisted member serving*  
19 *pursuant to an indefinite reenlistment, the member*  
20 *executes a written agreement to remain on active*  
21 *duty, or remain in an active status in a reserve com-*  
22 *ponent, for a period of at least one year.”.*

23          **(c) ADDITIONAL CRITERIA FOR BONUS.**—*Such section*  
24 *is further amended—*

1           (1) *in subsection (a), by striking “designated*  
2 *critical military skill” and inserting “critical mili-*  
3 *tary skill designated under subsection (b) or satisfies*  
4 *such other criteria for the bonus established under*  
5 *such subsection”;*

6           (2) *in subsection (b)—*

7                 (A) *by striking “DESIGNATION OF CRITICAL*  
8 *SKILLS.—” and inserting “BASIS FOR BONUS.—*  
9 *(1)”;* *and*

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

12           “(2) *The Secretary of Defense, and the Secretary of*  
13 *Homeland Security with respect to the Coast Guard when*  
14 *it is not operating as a service in the Navy, may establish*  
15 *such other criteria as the Secretary considers appropriate*  
16 *under which a retention bonus will be provided to an officer*  
17 *or enlisted member of the armed forces under subsection*  
18 *(a).”;* *and*

19                (3) *in subsection (h)(1), by striking “qualified in*  
20 *the critical military skills for which the bonuses were*  
21 *offered” and inserting “who were offered the bonuses”.*

22           (d) *REPEAL OF SEPARATE SPECIAL AND INCENTIVE*  
23 *PAY AUTHORITIES FOR RESERVE COMPONENTS.—(1) Sec-*  
24 *tions 302g, 308d, and 308e of such title are repealed.*

1       (2) *In the case of a member of the Armed Forces who,*  
 2 *on or before December 31, 2004, entered into a written*  
 3 *agreement under section 302g or 308e of title 37, United*  
 4 *States Code, such section 302g or 308e, whichever applies*  
 5 *to the member, and as in effect on December 31, 2004, shall*  
 6 *continue to apply after that date with respect to the pay-*  
 7 *ment of special pay under such section to the member dur-*  
 8 *ing the term of the agreement.*

9       (e) *CLERICAL AMENDMENTS.—(1) The heading of sec-*  
 10 *tion 323 of such title is amended to read as follows:*

11 **“§ 323 *Special pay: retention incentives for members***  
 12 ***qualified in a critical military skill or***  
 13 ***who satisfy other eligibility criteria”.***

14       (2) *The table of sections at the beginning of chapter*  
 15 *5 of such title is amended—*

16           (A) *by striking the items relating to sections*  
 17 *302g, 308d, and 308e; and*

18           (B) *by striking the item relating to section 323*  
 19 *and inserting the following new item:*

“323. *Special pay: retention incentives for members qualified in a critical mili-*  
*tary skill or who satisfy other eligibility criteria.”.*

20       (f) *EFFECTIVE DATE.—(1) Except as provided by*  
 21 *paragraph (2), the amendments made by this section shall*  
 22 *take effect October 1, 2004, and the amendments made by*  
 23 *subsections (a), (b), and (c) shall apply to agreements, re-*  
 24 *enlistments, and the voluntary extension of enlistments re-*



1 *ferred to in section 323(a) of title 37, United States Code,*  
 2 *entered into on or after that date.*

3       (2) *The amendments made by subsections (d)(1) and*  
 4 *(e)(2)(A) shall take effect December 31, 2004.*

5       (g) *LIMITATION ON FISCAL YEAR 2005 OBLIGA-*  
 6 *TIONS.—During fiscal year 2005, obligations incurred*  
 7 *under section 323 of title 37, United States Code, to provide*  
 8 *retention bonuses to members of the uniformed services*  
 9 *using the expanded authority provided by the amendments*  
 10 *made by subsections (a), (b), and (c) may not exceed*  
 11 *\$10,000,000. The bonus authority available under such sec-*  
 12 *tion shall not be considered to be an expanded authority*  
 13 *to the extent that the authority was available under a provi-*  
 14 *sion of law specified in subsection (d), before the repeal of*  
 15 *the provision by such subsection.*

16 **SEC. 618. ELIGIBILITY OF NEW RESERVE COMPONENT OFFI-**  
 17 **CERS FOR ACCESSION OR AFFILIATION**  
 18 **BONUS FOR OFFICERS IN CRITICAL SKILLS.**

19       (a) *ELIGIBILITY.—Subsection (a) of section 324 of title*  
 20 *37, United States Code, is amended to read as follows:*

21       “(a) *BONUS AUTHORIZED.—(1) The Secretary con-*  
 22 *cerned may pay a bonus under this section—*

23               *“(A) to a person who executes a written agree-*  
 24 *ment to accept a commission or an appointment as*  
 25 *an officer of armed forces and serve on active duty in*

1       *a designated critical officer skill or serve in a reserve*  
2       *component of an armed force in a designated critical*  
3       *officer skill; or*

4               “(B) *to an officer of an armed force, including*  
5       *a warrant officer, but excluding an officer who has*  
6       *previously served in the Selected Reserve or an officer*  
7       *who is entitled to retired pay, who executes a written*  
8       *agreement to serve in a reserve component of an*  
9       *armed force in a designated critical officer skill after*  
10       *being discharged or released from active duty under*  
11       *honorable conditions, once the officer affiliates with a*  
12       *unit or position in the reserve component.*

13               “(2) *The written agreement under paragraph (1) be-*  
14       *tween the Secretary concerned and a person or officer shall*  
15       *specify the period during which the person or officer will*  
16       *be required to serve in a designated critical officer skill to*  
17       *maintain entitlement to the bonus payment.”.*

18               **(b) AMOUNT OF BONUS.**—*Subsection (c) of such section*  
19       *is amended to read as follows:*

20               **“(c) AMOUNT OF BONUS.**—*The Secretary concerned*  
21       *shall determine the amount of a bonus to be paid under*  
22       *subsection (a), except that a person may not receive a total*  
23       *of more than \$60,000 in payments under this section”.*

24               **(c) CONFORMING AMENDMENTS.**—*Such section is fur-*  
25       *ther amended—*

1           (1) *in subsection (d), by striking “accession”*  
2           *both places it appears;*

3           (2) *in subsection (e)—*

4                 (A) *in the subsection heading, by striking*  
5                 *“ACCESSION”; and*

6                 (B) *by striking “an accession bonus” and*  
7                 *inserting “a bonus”; and*

8           (3) *in subsection (f), by striking “active duty”*  
9           *and “accession” each place it appears.*

10          (d) *CLERICAL AMENDMENTS.—(1) The heading of sec-*  
11 *tion 324 of such title is amended to read as follows:*

12          **“§ 324. Special pay: accession or affiliation bonus for**  
13                 **officers in designated critical skills”.**

14          (2) *The table of sections at the beginning of chapter*  
15 *5 of such title is amended by striking the item relating to*  
16 *section 324 and inserting the following new item:*

*“324. Special pay: accession or affiliation bonus for officers in designated critical skills.”.*

17          (e) *EFFECTIVE DATE.—The amendments made by this*  
18 *section shall take effect October 1, 2004, and apply to agree-*  
19 *ments referred to in section 324(a) of title 37, United States*  
20 *Code entered into on or after that date.*

21          (f) *LIMITATION ON FISCAL YEAR 2005 OBLIGA-*  
22 *TIONS.—During fiscal year 2005, obligations incurred*  
23 *under section 324 of title 37, United States Code, as amend-*  
24 *ed by subsections (a) and (b), to provide accession and*

1 *affiliation bonuses to members of the Armed Forces not pre-*  
2 *viously eligible for such a bonus under such section may*  
3 *not exceed \$5,000,000.*

4 **SEC. 619. ELIGIBILITY OF RESERVE COMPONENT MEMBERS**  
5 **FOR INCENTIVE BONUS FOR CONVERSION TO**  
6 **MILITARY OCCUPATIONAL SPECIALTY TO**  
7 **EASE PERSONNEL SHORTAGE.**

8 (a) *ELIGIBILITY.*—Section 326 of title 37, United  
9 States Code, is amended—

10 (1) *in subsection (a), by inserting “of a regular*  
11 *or reserve component” after “an eligible member”;*

12 (2) *in subsection (b)—*

13 (A) *by striking “if—” and all that follows*  
14 *through “at the time” and inserting “if, at the*  
15 *time”; and*

16 (B) *by redesignating subparagraphs (A)*  
17 *and (B) as paragraphs (1) and (2), respectively;*  
18 *and*

19 (3) *in subsection (c)(2), by inserting “regular or*  
20 *reserve component of the” after “chief personnel offi-*  
21 *cer of the”.*

22 (b) *EFFECTIVE DATE.*—The amendments made by this  
23 section shall take effect October 1, 2004, and apply to agree-  
24 ments referred to in section 326(a) of title 37, United States  
25 Code, entered into on or after that date.

1       (c) *LIMITATION ON FISCAL YEAR 2005 OBLIGA-*  
2 *TIONS.—During fiscal year 2005, obligations incurred*  
3 *under section 326 of title 37, United States Code, as amend-*  
4 *ed by subsection (a), to provide incentive bonuses to mem-*  
5 *bers of a reserve component of the Armed Forces may not*  
6 *exceed \$3,000,000.*

7 **SEC. 620. AVAILABILITY OF HAZARDOUS DUTY INCENTIVE**  
8 **PAY FOR MILITARY FIREFIGHTERS.**

9       (a) *ADDITIONAL TYPE OF DUTY ENTITLED TO PAY.—*  
10 *Subsection (a) of section 301 of title 37, United States Code,*  
11 *is amended—*

12           (1) *by striking “or” at the end of paragraph*  
13 *(12);*

14           (2) *by redesignating paragraph (13) as para-*  
15 *graph (14); and*

16           (3) *by inserting after paragraph (12) the fol-*  
17 *lowing new paragraph:*

18           “*(13) involving regular participating as a fire-*  
19 *fighting crew member, as determined by the Secretary*  
20 *concerned; or”.*”.

21       (b) *MONTHLY AMOUNT OF PAY.—Subsection (c) of*  
22 *such section is amended—*

23           (1) *in paragraph (1), by striking “(12)” and in-*  
24 *serting “(13)”;* and

1           (2) in paragraph (2)(A), by striking “(13)” and  
2           inserting “(14)”.

3           (c) *EFFECTIVE DATE.*—The amendments made by sub-  
4           section (a) and (b) shall take effect October 1, 2004.

5                           ***Subtitle C—Travel and***  
6                           ***Transportation Allowances***

7           ***SEC. 631. EXPANSION OF TRAVEL AND TRANSPORTATION***  
8                           ***ALLOWANCES TO ASSIST SURVIVORS OF A DE-***  
9                           ***CEASED MEMBER TO ATTEND BURIAL CERE-***  
10                          ***MONY OF THE MEMBER.***

11           (a) *AUTHORIZED TRAVEL LOCATIONS.*—Subsection (b)  
12           of section 411f of title 37, United States Code, is amended  
13           to read as follows:

14           “*(b) AUTHORIZED LOCATIONS FOR TRAVEL; DURA-*  
15           *TION AND RATES.*—(1) *The allowances under subsection (a)*  
16           *may be provided for travel and transportation by eligible*  
17           *relatives of the deceased member to the place selected pursu-*  
18           *ant to section 1482(a)(8) of title 10 for disposition of the*  
19           *remains of the deceased member.*

20           “*(2) The allowances may not exceed the rates for two*  
21           *days and the time necessary for the travel.*”.

22           (b) *ELIGIBLE RELATIVES.*—Subsection (c)(1)(C) of  
23           such section is amended by striking “If no person described  
24           in subparagraph (A) or (B) is provided travel and trans-

1 *portation allowances under subsection (a)(1), the” and in-*  
 2 *serting “The”.*

3       (c) *LIMITATION ON FISCAL YEAR 2005 OBLIGA-*  
 4 *TIONS.—During fiscal year 2005, obligations incurred*  
 5 *under section 411f of title 37, United States Code, as*  
 6 *amended by subsections (a) and (b), to provide travel and*  
 7 *transportation allowances, not previously available under*  
 8 *such section, to survivors of deceased members of the uni-*  
 9 *formed services, and to provide such allowances to persons*  
 10 *not previously eligible for such allowances, may not exceed*  
 11 *\$2,000,000.*

12 **SEC. 632. TRANSPORTATION OF FAMILY MEMBERS INCI-**  
 13 **DENT TO THE SERIOUS ILLNESS OR INJURY**  
 14 **OF MEMBERS OF THE UNIFORMED SERVICES.**

15       (a) *REMOVAL OF LIMITATION ON NUMBER OF FAMILY*  
 16 *MEMBERS.—Subsection (a)(1) of section 411h of title 37,*  
 17 *United States Code, is amended by striking “not more than*  
 18 *two family members” and inserting “a family member”.*

19       (b) *FAMILY MEMBERS DESCRIBED.—Subsection (b)(1)*  
 20 *of such section is amended—*

21           (1) *by striking “and” at the end of subpara-*  
 22 *graph (C);*

23           (2) *by striking the period at the end of subpara-*  
 24 *graph (D) and inserting “; and”; and*

1           (3) *by adding at the end the following new sub-*  
2           *paragraph:*

3           “(E) *other persons approved by the Secretary*  
4           *concerned.*”.

5           (c) *AVAILABILITY OF PER DIEM.*—*Such section is fur-*  
6           *ther amended—*

7           (1) *in subsection (a)(1), by inserting “travel*  
8           *and” before “transportation”; and*

9           (2) *in subsection (c)—*

10           (A) *by inserting “(1)” after “(c)” ; and*

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

13           “(2) *In addition to the transportation authorized by*  
14           *subsection (a), the Secretary concerned may provide a per*  
15           *diem allowance or reimbursement for the actual and nec-*  
16           *essary expenses of the travel, or a combination thereof, but*  
17           *not to exceed the rates established under section 404(d) of*  
18           *this title.*”.

19           (d) *EFFECTIVE DATE.*—*The amendments made by this*  
20           *section shall take effect on October 1, 2004, and apply to*  
21           *transportation described in section 411h of title 37, United*  
22           *States Code, provided on or after that date.*

23           (e) *LIMITATION ON FISCAL YEAR 2005 OBLIGA-*  
24           *TIONS.*—*During fiscal year 2005, obligations incurred*  
25           *under section 411h of title 37, United States Code, as*



1 *amended by subsections (a) and (b), to provide travel and*  
2 *transportation allowances, not previously available under*  
3 *such section, to family members of seriously ill or injured*  
4 *members of the uniformed services, and to provide such al-*  
5 *lowances to persons not previously eligible for such allow-*  
6 *ances, may not exceed \$3,000,000.*

7 **SEC. 633. REIMBURSEMENT OF MEMBERS FOR CERTAIN**  
8 **LODGING COSTS INCURRED IN CONNECTION**  
9 **WITH STUDENT DEPENDENT TRAVEL.**

10 *Section 430(b) of title 37, United States Code, is*  
11 *amended—*

12 *(1) by redesignating paragraphs (2) and (3) as*  
13 *paragraphs (3) and (4), respectively; and*

14 *(2) by inserting after paragraph (1) the fol-*  
15 *lowing new paragraph (2):*

16 *“(2) The transportation allowance paid to a member*  
17 *under paragraph (1) may include reimbursement, at a rate*  
18 *prescribed by the Secretaries concerned, for lodging costs in-*  
19 *curred during the annual trip for which the allowance is*  
20 *paid when, for reasons beyond the control of the dependent*  
21 *child of the member, the child is required to procure accom-*  
22 *modations while en route between the child’s school and the*  
23 *member’s duty station.”.*

1                   ***Subtitle D—Retired Pay and***  
2                   ***Survivor Benefits***

3 **SEC. 641. COMPUTATION OF BENEFITS UNDER SURVIVOR**  
4                   ***BENEFIT PLAN FOR SURVIVING SPOUSES***  
5                   ***OVER AGE 62.***

6           *(a) PHASED INCREASE IN BASIC ANNUITY.—*

7                   *(1) STANDARD ANNUITY.—*

8                           *(A) INCREASE TO 55 PERCENT.—Clause (i)*  
9                           *of subsection (a)(1)(B) of section 1451 of title 10,*  
10                           *United States Code, is amended by striking “35*  
11                           *percent of the base amount.” and inserting “the*  
12                           *product of the base amount and the percent ap-*  
13                           *plicable to the month, as follows:*

14                                   *“(I) For a month before October 2005,*  
15                                   *the applicable percent is 35 percent.*

16                                   *“(II) For months after September 2005*  
17                                   *and before April 2006, the applicable per-*  
18                                   *cent is 40 percent.*

19                                   *“(III) For months after March 2006*  
20                                   *and before April 2007, the applicable per-*  
21                                   *cent is 45 percent.*

22                                   *“(IV) For months after March 2007*  
23                                   *and before April 2008, the applicable per-*  
24                                   *cent is 50 percent.*

1                   “(V) For months after March 2008, the  
2                   applicable percent is 55 percent.”.

3                   (B) COORDINATION WITH SAVINGS PROVI-  
4                   SION UNDER PRIOR LAW.—Clause (ii) of such  
5                   subsection is amended by striking “, at the time  
6                   the beneficiary becomes entitled to the annuity,”.

7                   (2) RESERVE-COMPONENT ANNUITY.—Subsection  
8                   (a)(2)(B)(i)(I) of such section is amended by striking  
9                   “35 percent” and inserting “the percent specified  
10                  under subsection (a)(1)(B)(i) as being applicable for  
11                  the month”.

12                  (3) SURVIVORS OF ELIGIBLE PERSONS DYING ON  
13                  ACTIVE DUTY, ETC.—

14                  (A) INCREASE TO 55 PERCENT.—Clause (i)  
15                  of subsection (c)(1)(B) of such section is amend-  
16                  ed—

17                         (i) by striking “35 percent” and in-  
18                         serting “the applicable percent”; and

19                         (ii) by adding at the end the following:  
20                         “The percent applicable for a month under  
21                         the preceding sentence is the percent speci-  
22                         fied under subsection (a)(1)(B)(i) as being  
23                         applicable for that month.”.

24                  (B) COORDINATION WITH SAVINGS PROVI-  
25                  SION UNDER PRIOR LAW.—Clause (ii) of such

1            *subsection is amended by striking “, at the time*  
2            *the beneficiary becomes entitled to the annuity,”.*

3            (4) *CLERICAL AMENDMENT.—The heading for*  
4            *subsection (d)(2)(A) of such section is amended to*  
5            *read as follows: “COMPUTATION OF ANNUITY.—”.*

6            (b) *CORRESPONDING PHASED ELIMINATION OF SUP-*  
7            *PLEMENTAL ANNUITY.—*

8            (1) *PHASED REDUCTION OF SUPPLEMENTAL AN-*  
9            *NUITY.—Section 1457(b) of title 10, United States*  
10           *Code, is amended—*

11                    (A) *by striking “5, 10, 15, or 20 percent”*  
12                    *and inserting “the applicable percent”; and*

13                    (B) *by inserting after the first sentence the*  
14                    *following: “The percent used for the computation*  
15                    *shall be an even multiple of 5 percent and, what-*  
16                    *ever the percent specified in the election, may not*  
17                    *exceed 20 percent for months before October*  
18                    *2005, 15 percent for months after September*  
19                    *2005 and before April 2006, 10 percent for*  
20                    *months after March 2006 and before April 2007,*  
21                    *and 5 percent for months after March 2007 and*  
22                    *before April 2008.”.*

23            (2) *REPEAL UPON IMPLEMENTATION OF 55 PER-*  
24            *CENT SBP ANNUITY.—Effective on April 1, 2008,*  
25            *chapter 73 of such title is amended—*

1                   (A) by striking subchapter III; and

2                   (B) by striking the item relating to sub-  
3                   chapter III in the table of subchapters at the be-  
4                   ginning of that chapter.

5           (c) RECOMPUTATION OF ANNUITIES.—

6                   (1) PERIODIC RECOMPUTATION REQUIRED.—Ef-  
7                   fective on the first day of each month specified in  
8                   paragraph (2)—

9                   (A) each annuity under section 1450 of title  
10                   10, United States Code, that commenced before  
11                   that month, is computed under a provision of  
12                   section 1451 of that title amended by subsection  
13                   (a), and is payable for that month shall be re-  
14                   computed so as to be equal to the amount that  
15                   would be in effect if the percent applicable for  
16                   that month under that provision, as so amended,  
17                   had been used for the initial computation of the  
18                   annuity; and

19                   (B) each supplemental survivor annuity  
20                   under section 1457 of such title that commenced  
21                   before that month and is payable for that month  
22                   shall be recomputed so as to be equal to the  
23                   amount that would be in effect if the percent ap-  
24                   plicable for that month under that section, as  
25                   amended by this section, had been used for the

1           *initial computation of the supplemental survivor*  
2           *annuity.*

3           (2) *TIME FOR RECOMPUTATION.*—*The require-*  
4           *ment under paragraph (1) for recomputation of cer-*  
5           *tain annuities applies with respect to the following*  
6           *months:*

7                     (A) *October 2005.*

8                     (B) *April 2006.*

9                     (C) *April 2007.*

10                    (D) *April 2008.*

11           (d) *RECOMPUTATION OF RETIRED PAY REDUCTIONS*  
12 *FOR SUPPLEMENTAL SURVIVOR ANNUITIES.*—*The Sec-*  
13 *retary of Defense shall take such actions as are necessitated*  
14 *by the amendments made by subsection (b) and the require-*  
15 *ments of subsection (c)(1)(B) to ensure that the reductions*  
16 *in retired pay under section 1460 of title 10, United States*  
17 *Code, are adjusted to achieve the objectives set forth in sub-*  
18 *section (b) of that section.*

19 **SEC. 642. OPEN ENROLLMENT PERIOD FOR SURVIVOR BEN-**  
20 **EFIT PLAN COMMENCING OCTOBER 1, 2005.**

21           (a) *PERSONS NOT CURRENTLY PARTICIPATING IN SUR-*  
22 *VIVOR BENEFIT PLAN.*—

23                     (1) *ELECTION OF SBP COVERAGE.*—*An eligible*  
24           *retired or former member may elect to participate in*  
25           *the Survivor Benefit Plan under subchapter II of*

1 *chapter 73 of title 10, United States Code, during the*  
2 *open enrollment period specified in subsection (f).*

3 (2) *ELECTION OF SUPPLEMENTAL ANNUITY COV-*  
4 *ERAGE.—An eligible retired or former member who*  
5 *elects under paragraph (1) to participate in the Sur-*  
6 *vivor Benefit Plan at the maximum level may also*  
7 *elect during the open enrollment period to participate*  
8 *in the Supplemental Survivor Benefit Plan estab-*  
9 *lished under subchapter III of chapter 73 of title 10,*  
10 *United States Code.*

11 (3) *ELIGIBLE RETIRED OR FORMER MEMBER.—*  
12 *For purposes of paragraphs (1) and (2), an eligible*  
13 *retired or former member is a member or former*  
14 *member of the uniformed services who on the day be-*  
15 *fore the first day of the open enrollment period is not*  
16 *a participant in the Survivor Benefit Plan and—*

17 (A) *is entitled to retired pay; or*

18 (B) *would be entitled to retired pay under*  
19 *chapter 1223 of title 10, United States Code, but*  
20 *for the fact that such member or former member*  
21 *is under 60 years of age.*

22 (4) *STATUS UNDER SBP OF PERSONS MAKING*  
23 *ELECTIONS.—*

24 (A) *STANDARD ANNUITY.—A person making*  
25 *an election under paragraph (1) by reason of eli-*

1           *gibility under paragraph (3)(A) shall be treated*  
2           *for all purposes as providing a standard annuity*  
3           *under the Survivor Benefit Plan.*

4           (B) *RESERVE-COMPONENT ANNUITY.—A*  
5           *person making an election under paragraph (1)*  
6           *by reason of eligibility under paragraph (3)(B)*  
7           *shall be treated for all purposes as providing a*  
8           *reserve-component annuity under the Survivor*  
9           *Benefit Plan.*

10       (b) *ELECTION TO INCREASE COVERAGE UNDER*  
11 *SBP.—A person who on the day before the first day of the*  
12 *open enrollment period is a participant in the Survivor*  
13 *Benefit Plan but is not participating at the maximum base*  
14 *amount or is providing coverage under the Plan for a de-*  
15 *pendent child and not for the person’s spouse or former*  
16 *spouse may, during the open enrollment period, elect to—*

17           (1) *participate in the Plan at a higher base*  
18           *amount (not in excess of the participant’s retired*  
19           *pay); or*

20           (2) *provide annuity coverage under the Plan for*  
21           *the person’s spouse or former spouse at a base amount*  
22           *not less than the base amount provided for the de-*  
23           *pendent child.*

24       (c) *ELECTION FOR CURRENT SBP PARTICIPANTS TO*  
25 *PARTICIPATE IN SUPPLEMENTAL SBP.—*



1           (1) *ELECTION.*—A person who is eligible to make  
2           an election under this paragraph may elect during  
3           the open enrollment period to participate in the Sup-  
4           plemental Survivor Benefit Plan established under  
5           subchapter III of chapter 73 of title 10, United States  
6           Code.

7           (2) *PERSONS ELIGIBLE.*—Except as provided in  
8           paragraph (3), a person is eligible to make an elec-  
9           tion under paragraph (1) if on the day before the first  
10          day of the open enrollment period the person is a par-  
11          ticipant in the Survivor Benefit Plan at the max-  
12          imum level, or during the open enrollment period the  
13          person increases the level of such participation to the  
14          maximum level under subsection (b) of this section,  
15          and under that Plan is providing annuity coverage  
16          for the person’s spouse or a former spouse.

17          (3) *LIMITATION ON ELIGIBILITY FOR CERTAIN*  
18          *SBP PARTICIPANTS NOT AFFECTED BY TWO-TIER AN-*  
19          *NUITY COMPUTATION.*—A person is not eligible to  
20          make an election under paragraph (1) if (as deter-  
21          mined by the Secretary concerned) the annuity of a  
22          spouse or former spouse beneficiary of that person  
23          under the Survivor Benefit Plan will be computed  
24          under section 1451(e) of title 10, United States Code.  
25          However, such a person may during the open enroll-

1        *ment period waive the right to have that annuity*  
2        *computed under such section. Any such election is ir-*  
3        *revocable. A person making such a waiver may make*  
4        *an election under paragraph (1) as in the case of any*  
5        *other participant in the Survivor Benefit Plan.*

6        *(d) MANNER OF MAKING ELECTIONS.—An election*  
7        *under this section must be made in writing, signed by the*  
8        *person making the election, and received by the Secretary*  
9        *concerned before the end of the open enrollment period. Any*  
10       *such election shall be made subject to the same conditions,*  
11       *and with the same opportunities for designation of bene-*  
12       *ficiaries and specification of base amount, that apply under*  
13       *the Survivor Benefit Plan or the Supplemental Survivor*  
14       *Benefit Plan, as the case may be. A person making an elec-*  
15       *tion under subsection (a) to provide a reserve-component*  
16       *annuity shall make a designation described in section*  
17       *1448(e) of title 10, United States Code.*

18       *(e) EFFECTIVE DATE FOR ELECTIONS.—Any such elec-*  
19       *tion shall be effective as of the first day of the first calendar*  
20       *month following the month in which the election is received*  
21       *by the Secretary concerned.*

22       *(f) OPEN ENROLLMENT PERIOD DEFINED.—The open*  
23       *enrollment period is the two-year period beginning on Octo-*  
24       *ber 1, 2005.*

1           (g) *EFFECT OF DEATH OF PERSON MAKING ELECTION*  
2 *WITHIN TWO YEARS OF MAKING ELECTION.*—If a person  
3 making an election under this section dies before the end  
4 of the two-year period beginning on the effective date of the  
5 election, the election is void and the amount of any reduc-  
6 tion in retired pay of the person that is attributable to the  
7 election shall be paid in a lump sum to the person who  
8 would have been the deceased person’s beneficiary under the  
9 voided election if the deceased person had died after the end  
10 of such two-year period.

11           (h) *APPLICABILITY OF CERTAIN PROVISIONS OF*  
12 *LAW.*—The provisions of sections 1449, 1453, and 1454 of  
13 title 10, United States Code, are applicable to a person  
14 making an election, and to an election, under this section  
15 in the same manner as if the election were made under the  
16 Survivor Benefit Plan or the Supplemental Survivor Ben-  
17 efit Plan, as the case may be.

18           (i) *ADDITIONAL PREMIUM.*—The Secretary of Defense  
19 may require that the premium for a person making an elec-  
20 tion under subsection (a)(1) or (b) include, in addition to  
21 the amount required under section 1452(a) of title 10,  
22 United States Code, an amount determined under regula-  
23 tions prescribed by the Secretary of Defense for the purposes  
24 of this subsection. Any such amount shall be stated as a  
25 percentage of the base amount of the person making the elec-

1 tion and shall reflect the number of years that have elapsed  
2 since the person retired, but may not exceed 4.5 percent of  
3 that person's base amount.

4 (j) *REPORT CONCERNING OPEN SEASON.*—Not later  
5 than July 1, 2005, the Secretary of Defense shall submit  
6 to the Committee on Armed Services of the Senate and the  
7 Committee on Armed Services of the House of Representa-  
8 tives a report on the open season authorized by this section  
9 for the Survivor Benefit Plan. The report shall include the  
10 following:

11 (1) *A description of the Secretary's plans for im-*  
12 *plementation of the open season.*

13 (2) *The Secretary's estimates of the costs associ-*  
14 *ated with the open season, including any anticipated*  
15 *effect of the open season on the actuarial status of the*  
16 *Department of Defense Military Retirement Fund.*

17 (3) *Any recommendation by the Secretary for*  
18 *further legislative action.*

19 **SEC. 643. SOURCE OF FUNDS FOR SURVIVOR BENEFIT PLAN**  
20 **ANNUITIES FOR DEPARTMENT OF DEFENSE**  
21 **BENEFICIARIES OVER AGE 62.**

22 (a) *IN GENERAL.*—Chapter 74 of title 10, United  
23 States Code, is amended as follows:

24 (1) *Section 1465(b) of such title is amended by*  
25 *adding at the end the following new paragraph:*

1           “(4) *At the same time that the Secretary of Defense*  
2 *makes the determination required by paragraph (1) for any*  
3 *fiscal year, the Secretary shall determine the amount of the*  
4 *Treasury contribution to be made to the Fund for the next*  
5 *fiscal year under section 1466(b)(2)(E) of this title. That*  
6 *amount shall be determined in the same manner as the de-*  
7 *termination under paragraph (1) of the total amount of De-*  
8 *partment of Defense contributions to be made to the Fund*  
9 *during that fiscal year under section 1466(a) of this title,*  
10 *except that for purposes of this paragraph the Secretary,*  
11 *in making the calculations required by subparagraphs (A)*  
12 *and (B) of that paragraph, shall use the single level percent-*  
13 *ages determined under subsection (c)(5), rather than those*  
14 *determined under subsection (c)(1).”.*

15           (4) *Section 1465(c) of such title is amended—*

16                   (A) *in paragraph (1)—*

17                           (i) *in subparagraph (A), by inserting*  
18 *before the semicolon at the end the fol-*  
19 *lowing: “and as if benefits under subchapter*  
20 *II of chapter 73 of this title for beneficiaries*  
21 *62 years of age and older were computed for*  
22 *any fiscal year on the basis of the percent-*  
23 *age of 35 percent, rather than any percent-*  
24 *age otherwise applicable for that computa-*  
25 *tion for that fiscal year”;* and

1                   (ii) in subparagraph (B), by inserting  
2                   before the period at the end the following:  
3                   “and as if benefits under subchapter II of  
4                   chapter 73 of this title for beneficiaries 62  
5                   years of age and older were computed for  
6                   any fiscal year on the basis of the percent-  
7                   age of 35 percent, rather than any percent-  
8                   age otherwise applicable for that computa-  
9                   tion for that fiscal year”;

10                  (B) by redesignating paragraph (5) as  
11                  paragraph (6); and

12                  (C) by inserting after paragraph (4) the fol-  
13                  lowing new paragraph (5):

14                  “(5) Whenever the Secretary carries out an actuarial  
15                  valuation under paragraph (1), the Secretary shall include  
16                  as part of such valuation the following:

17                         “(A) A determination of a single level percentage  
18                         determined in the same manner as applies under sub-  
19                         paragraph (A) of paragraph (1), but determined as if  
20                         benefits under subchapter II of chapter 73 of this title  
21                         for beneficiaries 62 years of age and older were com-  
22                         puted for any fiscal year on the basis of the percent-  
23                         age of 35 percent, rather than any percentage other-  
24                         wise applicable for that computation for that fiscal  
25                         year.

1           “(B) A determination of a single level percentage  
2           determined in the same manner as applies under sub-  
3           paragraph (B) of paragraph (1), but determined as  
4           if benefits under subchapter II of chapter 73 of this  
5           title for beneficiaries 62 years of age and older were  
6           computed for any fiscal year on the basis of the per-  
7           centage of 35 percent, rather than any percentage oth-  
8           erwise applicable for that computation for that fiscal  
9           year.

10          Such single level percentages shall be used for the purposes  
11          of subsection (b)(4).”.

12           (5) Section 1466(b) of such title is amended—

13           (A) in paragraph (1), by inserting  
14           “1465(b)(4),” after “1465(b)(3),”; and

15           (B) by adding at the end of paragraph (2)  
16           the following new subparagraph:

17           “(E) The amount for that year determined by  
18           the Secretary of Defense under section 1465(b)(4) of  
19           this title for the cost to the Fund arising from in-  
20           creased amounts payable from the Fund by reason of  
21           benefits under subchapter II of chapter 73 of this title  
22           for beneficiaries 62 years of age and older being com-  
23           puted for any fiscal year on the basis of the percent-  
24           age greater than 35 percent.”.

1           (b) *EFFECTIVE DATE.*—*The amendments made by sub-*  
2 *section (a) shall take effect as of October 1, 2004. If this*  
3 *Act is enacted after that date, the Secretary of Defense shall*  
4 *provide for such administrative adjustments as necessary*  
5 *to provide for payments made for any period during fiscal*  
6 *year 2005 before the date of the enactment of this Act to*  
7 *be treated as having been made in accordance with such*  
8 *amendments and for the provisions of those amendments to*  
9 *be implemented as if enacted as of September 30, 2004.*

10 ***Subtitle E—Commissary and Non-***  
11 ***appropriated Fund Instrumen-***  
12 ***tality Benefits***

13 ***SEC. 651. CONSOLIDATION AND REORGANIZATION OF LEG-***  
14 ***ISLATIVE PROVISIONS REGARDING DEFENSE***  
15 ***COMMISSARY SYSTEM AND EXCHANGES AND***  
16 ***OTHER MORALE, WELFARE, AND RECREATION***  
17 ***ACTIVITIES.***

18           (a) *PROVISIONS RELATED TO COMMISSARY STORES.*—  
19 *Chapter 147 of title 10, United States Code, is amended—*

20                   (1) *by striking the table of sections at the begin-*  
21 *ning of the chapter and sections 2481, 2483, 2485,*  
22 *and 2487;*

23                   (2) *by redesignating sections 2482, 2484, and*  
24 *2486 as sections 2485, 2483 and 2484, respectively;*



1 (3) by inserting after the chapter heading the fol-  
2 lowing:

“Subchapter	Sec.
“I. Defense Commissary System .....	2481
“II. Relationship, Continuation, and Common Policies of Defense Com- missary and Exchange Systems .....	2487
“III. Morale, Welfare, and Recreation Programs and Nonappropriated Fund Instrumentalities .....	2491

3 “SUBCHAPTER I—DEFENSE COMMISSARY  
4 SYSTEM

- “Sec.
- “2481. Existence and purpose of defense commissary system.
- “2482. Commissary stores: criteria for establishment or closure; store size.
- “2483. Commissary stores: use of appropriated funds to cover operating expenses.
- “2484. Commissary stores: merchandise that may be sold; uniform surcharges and  
pricing.
- “2485. Commissary stores: operation.

5 “§ 2481. Existence and purpose of defense commissary  
6 system

7 “(a) EXISTENCE OF SYSTEM.—The Secretary of the  
8 Defense shall operate, using funds appropriated to the De-  
9 partment of Defense, a world-wide system of commissary  
10 stores that sell, at reduced prices, food and other merchan-  
11 dise consistent with societal norms for product selection in  
12 commercial large-scale grocery stores in the United States  
13 to members of the uniformed services on active duty, mem-  
14 bers of the uniformed services entitled to retired pay, de-  
15 pendants of such members, and patrons authorized to use  
16 the system under chapter 54 of this title.

17 “(b) PURPOSE OF SYSTEM.—The purpose of the de-  
18 fense commissary system is to enhance the quality of life  
19 of members of the uniformed services, retired members, de-

1 *pendents of such members, and other authorized patrons*  
2 *and to provide such members with an additional nonmone-*  
3 *tary compensation in recognition of their service to the*  
4 *United States.*

5       “(c) *REDUCES PRICES DEFINED.*—*In this section, the*  
6 *term ‘reduced prices’ means prices for food and other mer-*  
7 *chandise determined using the price setting process specified*  
8 *in section 2484 of this title.*

9       “**§2482. Commissary stores: criteria for establishment**  
10   **or closure; store size**

11       “(a) *PRIMARY CONSIDERATION FOR ESTABLISH-*  
12 *MENT.*—*The needs of members of the uniformed services on*  
13 *active duty and their dependents shall be the primary con-*  
14 *sideration whenever the Secretary of Defense—*

15               “(1) *assesses the need to establish a commissary*  
16 *store; and*

17               “(2) *selects the actual location for the store.*

18       “(b) *STORE SIZE.*—*In determining the size of a com-*  
19 *missary store, the Secretary of Defense shall take into con-*  
20 *sideration the number of all authorized patrons of the de-*  
21 *fense commissary system who are likely to use the store.*

22       “(c) *CLOSURE CONSIDERATIONS.*—(1) *Whenever as-*  
23 *sessing whether to close a commissary store, the effect of the*  
24 *closure on the quality of life of members of the uniformed*  
25 *services and their dependents using the store and on the*

1 *welfare and security of the military community in which*  
2 *the commissary is located shall be the primary consider-*  
3 *ation. In all cases, the quality of life for military patrons*  
4 *shall take priority over any consideration of economic cri-*  
5 *teria relative to store financial performance.*

6       “(2) *The Secretary of Defense shall give the quality*  
7 *of life for members of a reserve component the same priority*  
8 *as the quality of life for active duty members whenever as-*  
9 *sessing whether to close a commissary store, including when*  
10 *the assessment is undertaken as a result of the closure or*  
11 *realignment of a military installation under a base closure*  
12 *law.*

13       “(d) *CONGRESSIONAL NOTIFICATION.—The closure of*  
14 *a commissary store shall not take effect until the end of*  
15 *the 90-day period beginning on the date on which the Sec-*  
16 *retary of Defense submits to Congress written notice of the*  
17 *reasons supporting the closure. The written notice shall in-*  
18 *clude an assessment of the impact closure will have on the*  
19 *quality of life for military patrons and the welfare and se-*  
20 *curity of the military community in which the commissary*  
21 *is located.”;*

22       (4) *by inserting sections 2483 and 2484, as re-*  
23 *designated by paragraph (2), after section 2482, as*  
24 *added by paragraph (3);*

1           (5) in section 2484, as redesignated by para-  
2 graph (2)—

3           (A) by striking subsections (a), (b), (c), and  
4 (g);

5           (B) by redesignating subsections (d), (e),  
6 and (f) as subsections (f), (g), and (h), respec-  
7 tively;

8           (C) by inserting before subsection (f), as so  
9 redesignated, the following new subsections:

10       “(a) *IN GENERAL.*—As provided in section 2481(a) of  
11 this title, commissary stores are intended to be similar to  
12 commercial grocery stores and may sell merchandise simi-  
13 lar to that sold in commercial grocery stores. The Secretary  
14 of Defense shall ensure that the design and format of com-  
15 missary stores are consistent with modern grocery store  
16 stockage and format.

17       “(b) *REQUIRED COMMISSARY MERCHANDISE CAT-*  
18 *EGORIES.*—Merchandise sold in, at, or by commissary  
19 stores shall include items in the following categories:

20           “(1) Meat, poultry, and seafood.

21           “(2) Nonalcoholic beverages.

22           “(3) Produce.

23           “(4) Grocery food, whether stored chilled, frozen,  
24 or at room temperature.

25           “(5) Dairy products.

1           “(6) *Bakery and delicatessen items.*

2           “(7) *Nonfood grocery items.*

3           “(8) *Health and beauty aids.*

4           “(9) *Magazines and periodicals.*

5           “(10) *Telephone cards, greeting cards, and film*  
6           *and one-time use cameras.*

7           “(c) *INCLUSION OF GENERAL MERCHANDISE ITEMS.—*

8           (1) *Among the various defense retail systems—*

9                 “(A) *commissary stores shall be the primary De-*  
10           *partment of Defense-operated store for the sale of*  
11           *items described in paragraphs (1) through (7) of sub-*  
12           *section (b); and*

13                 “(B) *exchange stores shall continue to maintain*  
14           *the exclusive right to operate convenience stores,*  
15           *shopettes, and troop stores, including such stores es-*  
16           *tablished to support contingency operations.*

17           “(2) *Merchandise sold in commissary stores may in-*  
18           *clude such general merchandise items as the Secretary of*  
19           *Defense may prescribe, except that the Secretary may not*  
20           *exclude seasonal items, tobacco products, pet supplies, bat-*  
21           *teries, potted plants and floral bouquets, women’s hosiery,*  
22           *and school supplies, to the extent such products have been*  
23           *available in commissary stores before June 1, 2004, unless*  
24           *the Secretary determines that space or other considerations*  
25           *preclude the sale of all or some of the specified items. The*

1 *Secretary shall provide notice to Congress of any reduction*  
2 *in the availability of such items at least 30 days before the*  
3 *reduction takes effect.*

4       “(3) *A military exchange may be considered as the*  
5 *vendor for the purchase of tobacco products, greeting cards,*  
6 *and film and one-time use cameras and shall serve as the*  
7 *vendor for telephone cards. Subsections (e) and (f) shall not*  
8 *apply to the pricing of such an item when a military ex-*  
9 *change serves as the vendor of the item. Commissary store*  
10 *and exchange prices shall be comparable for such an item.*

11       “(4) *During the two-year period ending March 31,*  
12 *2007, the Secretary shall maintain sales data for com-*  
13 *missary stores and exchange stores regarding the items*  
14 *identified in subsection (b)(10). Not later than August 1,*  
15 *2007, the Secretary shall submit to Congress a report con-*  
16 *taining such sales data.*

17       “(d) *EXCLUDED GOODS OR SERVICES.—Commissary*  
18 *stores shall not offer film development services.*

19       “(e) *UNIFORM SALES PRICE SURCHARGE.—The Sec-*  
20 *retary of Defense shall apply a uniform surcharge equal to*  
21 *not more than five percent on the sales prices established*  
22 *under subsection (f) for each item of merchandise sold in,*  
23 *at, or by commissary stores.”;*

1           (D) in subsection (f), as so redesignated, by  
2 striking “(consistent with this section and sec-  
3 tion 2685 of this title)” in paragraph (1);

4           (E) in subsection (h), as so redesignated, by  
5 striking “Subsections (c) and (d)” and inserting  
6 “Subsections (e) and (f)”; and

7           (F) by adding at the end the following new  
8 subsection:

9           “(i) USE OF SURCHARGE FOR CONSTRUCTION, RE-  
10 PAIR, IMPROVEMENT, AND MAINTENANCE.—(1)(A) The Sec-  
11 retary of Defense may use the proceeds from the surcharges  
12 imposed under subsection (e) only—

13           “(i) to acquire (including acquisition by lease),  
14 construct, convert, expand, improve, repair, main-  
15 tain, and equip the physical infrastructure of com-  
16 missary stores and central product processing facili-  
17 ties of the defense commissary system; and

18           “(ii) to cover environmental evaluation and con-  
19 struction costs related to activities described in clause  
20 (i), including costs for surveys, administration, over-  
21 head, planning, and design.

22           “(B) In subparagraph (A), the term ‘physical infra-  
23 structure’ includes real property, utilities, and equipment  
24 (installed and free standing and including computer equip-

1 ment), necessary to provide a complete and usable com-  
2 missary store or central product processing facility.

3       “(2)(A) The Secretary of Defense may authorize a non-  
4 appropriated fund instrumentality of the United States to  
5 enter into a contract for construction of a shopping mall  
6 or similar facility for a commissary store and one or more  
7 nonappropriated fund instrumentality activities. The Sec-  
8 retary may use the proceeds of surcharges under subsection  
9 (e) to reimburse the nonappropriated fund instrumentality  
10 for the portion of the cost of the contract that is attributable  
11 to construction of the commissary store or to pay the con-  
12 tractor directly for that portion of such cost.

13       “(B) In subparagraph (A), the term ‘construction’,  
14 with respect to a facility, includes acquisition, conversion,  
15 expansion, installation, or other improvement of the facil-  
16 ity.

17       “(3) The Secretary of Defense, with the approval of  
18 the Director of the Office of Management and Budget, may  
19 obligate anticipated proceeds from the surcharges under  
20 subsection (e) for any use specified in paragraph (1) or (2),  
21 without regard to fiscal year limitations, if the Secretary  
22 determines that such obligation is necessary to carry out  
23 any use of such adjustments or surcharges specified in such  
24 paragraph.



1       “(4) Revenues received by the Secretary of Defense  
2 from the following sources or activities of commissary store  
3 facilities shall be available for the purposes set forth in  
4 paragraphs (1), (2), and (3):

5               “(A) Sale of recyclable materials.

6               “(B) Sale of excess and surplus property.

7               “(C) License fees.

8               “(D) Royalties.

9               “(E) Fees paid by sources of products in order  
10 to obtain favorable display of the products for resale,  
11 known as business related management fees.”;

12               (6) by inserting section 2485, as redesignated by  
13 paragraph (2), after section 2484, as amended by  
14 paragraph (5); and

15               (7) in section 2485, as redesignated by para-  
16 graph (2)—

17                       (A) in subsection (a)(2), by adding at the  
18 end the following new sentence: “Until December  
19 31, 2009, the Defense Commissary Agency is not  
20 required to conduct any cost-comparison study  
21 under the policies and procedures of Office of  
22 Management and Budget Circular A-76 relating  
23 to the possible contracting out of commissary  
24 store functions.”;

1           (B) in subsection (b)(2), by striking “sec-  
2           tion 2484” and inserting “section 2483”;

3           (C) in subsection (c)(2), by adding at the  
4           end the following new sentences: “The chairman  
5           of the governing board shall be a commissioned  
6           officer or member of the senior executive service  
7           who has demonstrated experience or knowledge  
8           relevant to the management of the defense com-  
9           missary system. In selecting other members of the  
10          governing board, the Secretary shall give pri-  
11          ority to persons with experience related to logis-  
12          tics, military personnel, military entitlements or  
13          other experiences of value of management of com-  
14          missaries.”; and

15          (D) by adding at the end the following new  
16          subsections:

17          “(d) ASSIGNMENT OF ACTIVE DUTY MEMBERS.—(1)  
18          Except as provided in paragraph (2), members of the armed  
19          forces on active duty may not be assigned to the operation  
20          of a commissary store.

21          “(2)(A) The Secretary of Defense may assign an officer  
22          on the active-duty list to serve as the Director of the Defense  
23          Commissary Agency.

24          “(B) Not more than 18 members (in addition to the  
25          officer referred to in subparagraph (A)) of the armed forces

1 *on active duty may be assigned to the Defense Commissary*  
2 *Agency. Members who may be assigned under this subpara-*  
3 *graph to regional headquarters of the agency shall be lim-*  
4 *ited to enlisted members assigned to duty as advisers in*  
5 *the regional headquarters responsible for overseas com-*  
6 *missaries and to veterinary specialists.*

7       “(e) *REIMBURSEMENT FOR USE OF COMMISSARY FA-*  
8 *CILITIES BY MILITARY DEPARTMENTS.*—(1) *The Secretary*  
9 *of a military department shall pay the Defense Commissary*  
10 *Agency the amount determined under paragraph (2) for*  
11 *any use of a commissary facility by the military depart-*  
12 *ment for a purpose other than commissary sales or oper-*  
13 *ations in support of commissary sales.*

14       “(2) *The amount payable under paragraph (1) for use*  
15 *of a commissary facility by a military department shall*  
16 *be equal to the share of depreciation of the facility that is*  
17 *attributable to that use, as determined under regulations*  
18 *prescribed by the Secretary of Defense.*

19       “(3) *The Director of the Defense Commissary Agency*  
20 *shall credit amounts paid under paragraph (1) for use of*  
21 *a facility to an appropriate account to which proceeds of*  
22 *a surcharge applied under section 2484(e) of this title are*  
23 *credited.*

24       “(4) *This subsection applies with respect to a com-*  
25 *missary facility that is acquired, constructed, converted, ex-*

1 *panded, installed, or otherwise improved (in whole or in*  
2 *part) with the proceeds of a surcharge applied under section*  
3 *2484(e) of this title.*

4       “(f) *DONATION OF UNUSABLE FOOD.—(1) The Sec-*  
5 *retary of Defense may donate food described in paragraph*  
6 *(2) to any of the following entities:*

7           “(A) *A charitable nonprofit food bank that is*  
8 *designated by the Secretary of Defense or the Sec-*  
9 *retary of Health and Human Services as authorized*  
10 *to receive such donations.*

11           “(B) *A State or local agency that is designated*  
12 *by the Secretary of Defense or the Secretary of Health*  
13 *and Human Services as authorized to receive such do-*  
14 *nations.*

15           “(C) *A chapter or other local unit of a recog-*  
16 *nized national veterans organization that provides*  
17 *services to persons without adequate shelter and is*  
18 *designated by the Secretary of Veterans Affairs as au-*  
19 *thorized to receive such donations.*

20           “(D) *A not-for-profit organization that provides*  
21 *care for homeless veterans and is designated by the*  
22 *Secretary of Veterans Affairs as authorized to receive*  
23 *such donations.*

24       “(2) *Food that may be donated under this subsection*  
25 *is commissary store food, mess food, meals ready-to-eat*

1 *(MREs), rations known as humanitarian daily rations*  
2 *(HDRs), and other food available to the Secretary of De-*  
3 *fense that—*

4           “(A) *is certified as edible by appropriate food in-*  
5 *spection technicians;*

6           “(B) *would otherwise be destroyed as unusable;*  
7 *and*

8           “(C) *in the case of commissary store food, is un-*  
9 *marketable and unsaleable.*

10          “(3) *In the case of commissary store food, a donation*  
11 *under this subsection shall take place at the site of the com-*  
12 *missary store that is donating the food.*

13          “(4) *This subsection does not authorize any service (in-*  
14 *cluding transportation) to be provided in connection with*  
15 *a donation under this subsection.*

16          “(g) *COLLECTION OF DISHONORED CHECKS.—(1) The*  
17 *Secretary of Defense may impose a charge for the collection*  
18 *of a check accepted at a commissary store that is not hon-*  
19 *ored by the financial institution on which the check is*  
20 *drawn. The imposition and amounts of charges shall be con-*  
21 *sistent with practices of commercial grocery stores regard-*  
22 *ing dishonored checks.*

23          “(2)(A) *The following persons are liable to the United*  
24 *States for the amount of a check referred to in paragraph*

1 *(1) that is returned unpaid to the United States, together*  
2 *with any charge imposed under that paragraph:*

3 *“(i) The person who presented the check.*

4 *“(ii) Any person whose status and relationship*  
5 *to the person who presented the check provide the*  
6 *basis for that person’s eligibility to make purchases at*  
7 *a commissary store.*

8 *“(B) Any amount for which a person is liable under*  
9 *subparagraph (A) may be collected by deducting and with-*  
10 *holding such amount from any amounts payable to that*  
11 *person by the United States.*

12 *“(3) Amounts collected as charges imposed under para-*  
13 *graph (1) shall be credited to the commissary trust revol-*  
14 *ving fund.*

15 *“(4) Appropriated funds may be used to pay any costs*  
16 *incurred in the collection of checks and charges referred to*  
17 *in paragraph (1). An appropriation account charged a cost*  
18 *under the preceding sentence shall be reimbursed the*  
19 *amount of that cost out of funds in the commissary trust*  
20 *revolving fund.*

21 *“(5) In this subsection, the term ‘commissary trust re-*  
22 *volving fund’ means the trust revolving fund maintained*  
23 *by the Department of Defense for surcharge collections and*  
24 *proceeds of sales of commissary stores.*

1           “(h) *RELEASE OF CERTAIN COMMERCIALY VALUABLE*  
2 *INFORMATION TO PUBLIC.—(1) The Secretary of Defense*  
3 *may limit the release to the public of any information de-*  
4 *scribed in paragraph (2) if the Secretary determines that*  
5 *it is in the best interest of the Department of Defense to*  
6 *limit the release of such information. If the Secretary deter-*  
7 *mines to limit the release of any such information, the Sec-*  
8 *retary may provide for limited release of such information*  
9 *in accordance with paragraph (3).*

10           “(2) *Paragraph (1) applies to the following:*

11           “(A) *Information contained in the computerized*  
12 *business systems of commissary stores or the Defense*  
13 *Commissary Agency that is collected through or in*  
14 *connection with the use of electronic scanners in com-*  
15 *missary stores, including the following information:*

16           “(i) *Data relating to sales of goods or serv-*  
17 *ices.*

18           “(ii) *Demographic information on cus-*  
19 *tomers.*

20           “(iii) *Any other information pertaining to*  
21 *commissary transactions and operations.*

22           “(B) *Business programs, systems, and applica-*  
23 *tions (including software) relating to commissary op-*  
24 *erations that were developed with funding derived*  
25 *from commissary surcharges.*

1       “(3)(A) *The Secretary of Defense may, using competi-*  
2 *tive procedures, enter into a contract to sell information*  
3 *described in paragraph (2).*

4       “(B) *The Secretary of Defense may release, without*  
5 *charge, information on an item sold in commissary stores*  
6 *to the manufacturer or producer of that item or an agent*  
7 *of the manufacturer or producer.*

8       “(C) *The Secretary of Defense may, by contract entered*  
9 *into with a business, grant to the business a license to use*  
10 *business programs referred to in paragraph (2)(B), includ-*  
11 *ing software used in or comprising any such program. The*  
12 *fee charged for the license shall be based on the costs of simi-*  
13 *lar programs developed and marketed by businesses in the*  
14 *private sector, determined by means of surveys.*

15       “(D) *Each contract entered into under this paragraph*  
16 *shall specify the amount to be paid for information released*  
17 *or a license granted under the contract, as the case may*  
18 *be.*

19       “(4) *Information described in paragraph (2) may not*  
20 *be released, under paragraph (3) or otherwise, in a form*  
21 *that identifies any customer or that provides information*  
22 *making it possible to identify any customer.*

23       “(5) *Amounts received by the Secretary under this sec-*  
24 *tion shall be credited to funds derived from commissary sur-*  
25 *charges applied under section 2484(e) of this title, shall be*



1 merged with those funds, and shall be available for the same  
2 purposes as the funds with which merged.”.

3 (b) *RELATION BETWEEN DEFENSE COMMISSARY AND*  
4 *EXCHANGE SYSTEMS.*—Chapter 147 of title 10, United  
5 States Code, is further amended—

6 (1) by inserting after section 2485, as amended  
7 by subsection (a)(7), the following:

8 “SUBCHAPTER II—RELATIONSHIP, CONTINU-  
9 ATION, AND COMMON POLICIES OF DEFENSE  
10 COMMISSARY AND EXCHANGE SYSTEMS

“Sec.

“2487. Existence and purpose of defense commissary system.

“2488. Combined exchange and commissary stores.

“2489. Overseas commissary and exchange stores: access and purchase restrictions.

11 “§2487. **Relationship between defense commissary sys-**  
12 **tem and exchange stores system**

13 “(a) *SEPARATE SYSTEMS.*—(1) Except as provided in  
14 paragraph (2), the defense commissary system and the ex-  
15 change stores system shall be operated as separate systems  
16 of the Department of Defense.

17 “(2) Paragraph (1) does not apply to the following:

18 “(A) Combined exchange and commissary stores  
19 operated under the authority provided by section  
20 2489 of this title.

21 “(B) NEXMART stores of the Navy Exchange  
22 Service Command established before October 1, 2003.

1           “(b) *CONSOLIDATION OR OTHER ORGANIZATIONAL*  
2 *CHANGES OF DEFENSE RETAIL SYSTEMS.*—(1) *The oper-*  
3 *ation and administration of the defense retail systems may*  
4 *not be consolidated or otherwise merged unless the consoli-*  
5 *dation or merger is specifically authorized by an Act of*  
6 *Congress.*

7           “(2) *In this subsection, the term ‘defense retail systems’*  
8 *means the defense commissary system and exchange stores*  
9 *system and other revenue-generating facilities operated by*  
10 *nonappropriated fund instrumentalities of the Department*  
11 *of Defense for the morale, welfare, and recreation of mem-*  
12 *bers of the armed forces”;*

13                   (2) *by redesignating sections 2488, 2489, 2489a*  
14 *as sections 2495, 2495a, and 2495b, respectively; and*

15                   (3) *by redesignating sections 2490a and 2492 as*  
16 *sections 2488 and 2489, respectively, and inserting*  
17 *such sections after section 2487, as added by para-*  
18 *graph (1).*

19           “(c) *MWR PROGRAMS AND NONAPPROPRIATED FUND*  
20 *INSTRUMENTALITIES.*—*Chapter 147 of title 10, United*  
21 *States Code, is further amended—*

22                   (1) *by inserting after section 2489, as redesign-*  
23 *ated and moved by subsection (b)(3), the following:*

1 “SUBCHAPTER III—MORALE, WELFARE, AND  
 2 RECREATION PROGRAMS AND NON-  
 3 APPROPRIATED FUND INSTRUMENTALITIES

“Sec.

“2491. *Uniform funding and management of morale, welfare, and recreation programs.*

“2491a. *Department of Defense golf courses: limitation on use of appropriated funds.*

“2491b. *Use of appropriated funds for operation of Armed Forces Recreation Center, Europe: limitation.*

“2491c. *Retention of morale, welfare, and recreation funds by military installations: limitation.*

“2492. *Nonappropriated fund instrumentalities: contracts with other agencies and instrumentalities to provide and obtain goods and services.*

“2493. *Fisher Houses: administration as nonappropriated fund instrumentality.*

“2494. *Nonappropriated fund instrumentalities: furnishing utility services for morale, welfare, and recreation purposes.*

“2495. *Nonappropriated fund instrumentalities: purchase of alcoholic beverages.*

“2495a. *Overseas package stores: treatment of United States wines.*

“2495b. *Sale or rental of sexually explicit material prohibited.*”;

4 (2) *by redesignating section 2494 as section 2491*  
 5 *and inserting such section after the table of sections*  
 6 *at the beginning of subchapter III, as added by para-*  
 7 *graph (1);*

8 (3) *by redesignating section 2482a as section*  
 9 *2492 and inserting such section before section 2493;*

10 (4) *by inserting after section 2493 the following*  
 11 *new section:*

12 **“§ 2494. *Nonappropriated fund instrumentalities: fur-***  
 13 ***nishing utility services for morale, wel-***  
 14 ***fare, and recreation purposes***

15 *“Appropriations for the Department of Defense may*  
 16 *be used to provide utility services for—*

1           “(1) buildings on military installations author-  
2           ized by regulation to be used for morale, welfare, and  
3           recreation purposes; and

4           “(2) other morale, welfare, and recreation activi-  
5           ties for members of the armed forces.”; and

6           (5) by inserting sections 2495, 2495a, and  
7           2495b, as redesignated by subsection (b)(2), after sec-  
8           tion 2494, as added by paragraph (4).

9           (d) *INCLUSION OF OTHER TITLE 10 PROVISIONS.*—  
10          Sections 2246, 2247, and 2219 of title 10, United States  
11          Code, are—

12           (1) transferred to chapter 147 of such title;

13           (2) inserted after section 2491, as redesignated  
14           and moved by subsection (c)(2); and

15           (3) redesignated as sections 2491a, 2491b, and  
16           2491c, respectively.

17           (e) *CONFORMING AMENDMENTS.*—(1) Section 977 of  
18          title 10, United States Code, is repealed.

19           (2) Section 2868 of such title is amended by striking  
20          “for—” and all that follows through the period at the end  
21          and inserting “for buildings constructed at private cost, as  
22          authorized by law.”.

23           (3) Section 367 of the *Strom Thurmond National De-*  
24          *fense Authorization Act for Fiscal Year 1999 (Public Law*  
25          *105–261; 112 Stat. 1987; 10 U.S.C. 2482 note) is repealed.*

1           (f) *CLERICAL AMENDMENTS.*—(1) *The table of sections*  
2 *at the beginning of chapter 49 of title 10, United States*  
3 *Code, is amended by striking the item relating to section*  
4 *977.*

5           (2) *The table of sections at the beginning of chapter*  
6 *132 of such title is amended by striking the item relating*  
7 *to section 2219.*

8           (3) *The table of sections at the beginning of subchapter*  
9 *I of chapter 134 of such title is amended by striking the*  
10 *items relating to sections 2246 and 2247.*

11 **SEC. 652. CONSISTENT STATE TREATMENT OF DEPART-**  
12 **MENT OF DEFENSE NONAPPROPRIATED**  
13 **FUND HEALTH BENEFITS PROGRAM.**

14           *Section 349 of the National Defense Authorization Act*  
15 *for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2727)*  
16 *is amended by adding at the end the following new sub-*  
17 *section:*

18           “(c) *TREATMENT OF PROGRAM AS FEDERAL HEALTH*  
19 *BENEFIT PROGRAM.*—(1) *No State tax, fee, other monetary*  
20 *payment, or State health plan requirement, may be im-*  
21 *posed, directly or indirectly, on the Nonappropriated Fund*  
22 *Uniform Health Benefits Program of the Department of De-*  
23 *fense, or on a carrier or an underwriting or plan adminis-*  
24 *tration contractor of the Program, to the same extent as*  
25 *such prohibition applies to the health insurance program*

1 *authorized by chapter 89 of title 5, United States Code,*  
2 *under section 8909(f) of such title.*

3       “(2) *Paragraph (1) shall not be construed to exempt*  
4 *the Nonappropriated Fund Uniform Health Benefits Pro-*  
5 *gram of the Department of Defense, or any carrier or under-*  
6 *writing or plan administration contractor of the Program*  
7 *from the imposition, payment, or collection of a tax, fee,*  
8 *or other monetary payment on the net income or profit ac-*  
9 *cruing to, or realized by, the Program or by such carrier*  
10 *or contractor from business conducted under the Program,*  
11 *so long as the tax, fee, or payment is applicable to a broad*  
12 *range of business activity.*

13       “(3) *In this section, the term ‘State’ means each of the*  
14 *several States, the District of Columbia, the Commonwealth*  
15 *of Puerto Rico, the United States Virgin Islands, Guam,*  
16 *American Samoa, and the Commonwealth of the Northern*  
17 *Mariana Islands, and any political subdivision or other*  
18 *non-Federal authority thereof.”.*

1 **SEC. 653. COOPERATION AND ASSISTANCE FOR QUALIFIED**  
2 **SCOUTING ORGANIZATIONS SERVING DE-**  
3 **PENDENTS OF MEMBERS OF THE ARMED**  
4 **FORCES AND CIVILIAN EMPLOYEES OVER-**  
5 **SEAS.**

6 (a) *AUTHORITY TO COOPERATE AND PROVIDE ASSIST-*  
7 *ANCE.*—*Subsection (a) of section 2606 of title 10, United*  
8 *States Code, is amended—*

9 (1) *in subsection (a), by striking “Subject to sub-*  
10 *section (b)” and inserting “In the interest of pro-*  
11 *moting the recognized morale, welfare, and recreation*  
12 *of members of the armed forces”; and*

13 (2) *in subsection (b), by striking “and may” and*  
14 *all that follows through “armed forces”.*

15 (b) *TREATMENT OF ORGANIZATIONS AND EMPLOY-*  
16 *EES.*—*Such section is further amended—*

17 (1) *by striking subsections (e) and (f);*

18 (2) *by redesignating subsections (c) and (d) as*  
19 *subsections (e) and (f), respectively; and*

20 (3) *by inserting after subsection (b) the following*  
21 *new subsections:*

22 “(c) *TREATMENT AS NONAPPROPRIATED FUND IN-*  
23 *STRUMENTALITIES.*—(1) *Subject to paragraphs (2) and (3),*  
24 *to the extent a qualified scouting organization is providing*  
25 *services for members of the armed forces and their depend-*  
26 *ents, or civilian employees of the Department of Defense*

1 *and their dependents, at a location outside the United*  
2 *States consistent with the regulations prescribed under sub-*  
3 *section (b), the qualified scouting organization shall be a*  
4 *nonappropriated fund instrumentality of the Department*  
5 *of Defense.*

6       “(2) *Notwithstanding treatment as a nonappropriated*  
7 *fund instrumentality of the Department of Defense, per-*  
8 *sonnel of the qualified scouting organization who are per-*  
9 *forming duties in connection with cooperation and assist-*  
10 *ance provided under subsection (a) may continue such poli-*  
11 *cies and procedures related to personnel management and*  
12 *such other policies or procedures established by the qualified*  
13 *scouting organization as the personnel consider appro-*  
14 *priate, subject to the approval of the qualified scouting or-*  
15 *ganization.*

16       “(3) *A qualified scouting organization operating out-*  
17 *side the United States may operate as a private association*  
18 *overseas for the purpose of raising funds. Any funds so*  
19 *raised may not be commingled with amounts retained in*  
20 *a nonappropriated morale, welfare, and recreation account*  
21 *of the Department of Defense.*

22       “(d) *TREATMENT AS NONAPPROPRIATED FUND IN-*  
23 *STRUMENTALITY EMPLOYEES.—(1) Personnel of a qualified*  
24 *scouting organization who are performing duties in connec-*  
25 *tion with cooperation and assistance provided under sub-*



1 *section (a) for members of the armed forces and their de-*  
2 *pendents, or civilian employees of the Department of De-*  
3 *fense and their dependents, shall be nonappropriated fund*  
4 *instrumentality employees of the United States for any pe-*  
5 *riod during which the personnel perform such duties.*

6       “(2) *Such personnel of a qualified scouting organiza-*  
7 *tion shall receive the same benefits, entitlements, and*  
8 *logistical support as other nonappropriated fund instru-*  
9 *mentality employees, except that such personnel—*

10           “(A) *shall be allowed to decline to participate in*  
11 *retirement programs or other personnel management*  
12 *policies or procedures available to other non-*  
13 *appropriated fund instrumentality employees and*  
14 *elect to continue the programs, policies or procedures*  
15 *made available by the qualified scouting organization;*  
16 *and*

17           “(B) *shall not receive nonappropriated fund in-*  
18 *strumentality employment credit nor rehire priority.*

19       “(3) *In the regulations prescribed under subsection (b),*  
20 *the Secretary of Defense may authorize the use of funds ap-*  
21 *propriated to the Department of Defense to pay costs of such*  
22 *personnel of a qualified scouting organization, including re-*  
23 *imbursement of the personnel or the qualified scouting orga-*  
24 *nization, in the case of those retirement, personnel manage-*  
25 *ment, and other compensation programs regarding which*

1 *the personnel have elected to continue the programs made*  
2 *available to them by the qualified scouting organization.”.*

3 *(c) CONFORMING AND CLERICAL AMENDMENTS.—Such*  
4 *section is further amended—*

5 *(1) in subsection (a), by inserting “AUTHORITY*  
6 *TO COOPERATE AND PROVIDE ASSISTANCE.—” after*  
7 *“(a)”;*

8 *(2) in subsection (c), by inserting “BASIS FOR*  
9 *COOPERATION AND ASSISTANCE.—”;*

10 *(3) in subsection (e), as redesignated by sub-*  
11 *section (b)(2)—*

12 *(A) by inserting “PROVISION OF TRANSPOR-*  
13 *TATION, SPACE, AND SERVICES.—” after “(e)”;*  
14 *and*

15 *(B) in the matter preceding paragraph (1),*  
16 *by inserting “, using the authority of subsection*  
17 *(d)(3)” after “furnished”;*

18 *(4) in subsection (f), as redesignated by sub-*  
19 *section (b)(2), by inserting “TRANSPORTATION OF*  
20 *SUPPLIES.—” after “(f)”;* *and*

21 *(5) in subsection (g), by inserting “DEFINI-*  
22 *TION.—” after “(g)”.*

1                   **Subtitle F—Other Matters**

2   **SEC. 661. REPEAL OF REQUIREMENT THAT MEMBERS ENTI-**  
3                   **TLED TO BASIC ALLOWANCE FOR SUBSIST-**  
4                   **ENCE PAY SUBSISTENCE CHARGES WHILE**  
5                   **HOSPITALIZED.**

6           (a) *REPEAL.*—(1) *Section 1075 of title 10, United*  
7 *States Code, is repealed.*

8           (2) *The table of sections at the beginning of chapter*  
9 *55 of such title is amended by striking the item relating*  
10 *to section 1075.*

11          (b) *CONFORMING AMENDMENT REGARDING MILITARY-*  
12 *CIVILIAN HEALTH SERVICES PARTNERSHIP PROGRAM.*—  
13 *Section 1096(c) of such title is amended—*

14                   (1) *by inserting “who is a dependent” after “cov-*  
15 *ered beneficiary”; and*

16                   (2) *by striking “shall pay” and all that follows*  
17 *through the period at the end of paragraph (2) and*  
18 *inserting “shall pay the charges prescribed by section*  
19 *1078 of this title.”.*

20          (c) *EFFECTIVE DATE.*—*The amendments made by this*  
21 *section shall take effect on the date of the enactment of this*  
22 *Act.*

1 **SEC. 662. CLARIFICATION OF EDUCATION LOANS QUALI-**  
2 **FYING FOR EDUCATION LOAN REPAYMENT**  
3 **PROGRAM FOR RESERVE COMPONENT**  
4 **HEALTH PROFESSIONS OFFICERS.**

5 *Section 16302(a)(5) of title 10, United States Code,*  
6 *is amended by inserting “a basic professional qualifying*  
7 *degree (as determined under regulations prescribed by the*  
8 *Secretary of Defense) or graduate education in” after “re-*  
9 *garding”.*

10 **SEC. 663. SURVEY AND ANALYSIS OF EFFECT OF EXTENDED**  
11 **AND FREQUENT MOBILIZATION OF RESERV-**  
12 **ISTS FOR ACTIVE DUTY SERVICE ON RESERV-**  
13 **IST INCOME.**

14 *(a) SURVEY OF MOBILIZED RESERVISTS TO DETER-*  
15 *MINE DIFFERENTIAL BETWEEN PRIVATE SECTOR INCOME*  
16 *AND MILITARY COMPENSATION.—(1) The Secretary of De-*  
17 *fense shall conduct a survey involving members of the re-*  
18 *serve components who serve, or have served, on active duty*  
19 *in support of a contingency operation at any time during*  
20 *the period beginning on September 11, 2001, and ending*  
21 *on September 30, 2005, to determine the extent to which*  
22 *such members sustained a reduction in monthly income*  
23 *during the period of the active duty service compared to*  
24 *the average monthly civilian income of the members during*  
25 *the 12 months preceding their mobilization.*

1           (2) *At least 50 percent of the total number of members*  
2 *of the reserve components who have served on active duty*  
3 *in support of a contingency operation at any time during*  
4 *the period specified in paragraph (1) shall be included in*  
5 *the survey.*

6           (b) *CALCULATION OF INCOME DIFFERENTIAL.—For*  
7 *each member surveyed under subsection (a) who reports that*  
8 *total monthly military compensation during the active duty*  
9 *service of the member was less, or appeared to be less, than*  
10 *the average monthly civilian income of the member, the Sec-*  
11 *retary of Defense, in cooperation with the member, shall cal-*  
12 *culate the monthly active-duty income differential for the*  
13 *member.*

14           (c) *DEFINITIONS USED IN CONDUCTING SURVEY AND*  
15 *CALCULATIONS.—In this section:*

16                   (1) *The term “monthly active-duty income dif-*  
17 *ferential”, with respect to a member of a reserve com-*  
18 *ponent surveyed under subsection (a), means the dif-*  
19 *ference between—*

20                           (A) *the average monthly civilian income of*  
21 *the member; and*

22                           (B) *the total monthly military compensa-*  
23 *tion of the member.*

24                   (2) *The term “average monthly civilian income”,*  
25 *with respect to a member of a reserve component sur-*

1        *veyed under subsection (a), means the amount, deter-*  
2        *mined by the Secretary of Defense, of the earned in-*  
3        *come of the member for the 12 months preceding the*  
4        *first mobilization of the member during the period*  
5        *specified in subsection (a)(1), divided by 12.*

6            (3) *The term “total monthly military compensa-*  
7        *tion”, with respect to a member of a reserve compo-*  
8        *nent surveyed under subsection (a), means the*  
9        *amount, computed on a monthly basis, of the sum*  
10       *of—*

11            (A) *the amount of the regular military com-*  
12        *penetration (RMC), as defined in section 101(25)*  
13        *of title 37, United States Code, of the member*  
14        *during the period specified in subsection (a)(1);*  
15        *and*

16            (B) *any amount of special pay or incentive*  
17        *pay and any allowance (other than an allowance*  
18        *included in regular military compensation) that*  
19        *is paid to the member on a monthly basis during*  
20        *the period specified in subsection (a)(1).*

21        (d) *COLLECTION OF DEMOGRAPHIC DATA.—The Sec-*  
22        *retary of Defense shall collect demographic data regarding*  
23        *each member of a reserve component surveyed under sub-*  
24        *section (a), including, at a minimum, data on the fol-*  
25        *lowing:*

1           (1) *Reserve component.*

2           (2) *Unit of assignment.*

3           (3) *Grade.*

4           (4) *Age.*

5           (5) *Years of service.*

6           (6) *Sex.*

7           (7) *Marital status.*

8           (8) *Number of dependents.*

9           (9) *General category of private-sector employ-*  
10 *ment, as determined by the Secretary, but to include*  
11 *an employment category to cover members who are*  
12 *self-employed.*

13           (10) *Military occupational specialty, including*  
14 *specifying all surveyed members who are serving in a*  
15 *critical wartime specialty.*

16           (11) *Length of service on active duty during the*  
17 *most recent mobilization.*

18           (12) *Number of times mobilized since September*  
19 *11, 2001.*

20           (e) *EFFECT OF INCOME LOSS ON RETENTION.—The*  
21 *Secretary of Defense shall include in the survey a question*  
22 *to solicit information from each member of a reserve compo-*  
23 *nent surveyed under subsection (a) regarding the likely ef-*  
24 *fect of a reoccurring monthly active-duty income differen-*

1 *tial for the member while serving on active duty on the deci-*  
2 *sion of the member to remain in the reserve component.*

3       (f) *ANALYSIS OF SURVEY DATA.—(1) At a minimum,*  
4 *the Secretary of Defense shall determine, for each variable*  
5 *listed in paragraphs (2) through (12) of subsection (d), the*  
6 *number of members of the reserve components surveyed*  
7 *under subsection (a) who sustained a monthly active-duty*  
8 *income differential for any month during their active duty*  
9 *service and compare and contrast that number with the*  
10 *number of members who did not experience a monthly ac-*  
11 *tive-duty income differential.*

12       (2) *The Secretary shall also determine the average*  
13 *amount of the active-duty income differential by reserve*  
14 *component for each variable within the characteristics listed*  
15 *in paragraphs (2) through (12) of subsection (d).*

16       (g) *SUBMISSION OF SURVEY RESULTS AND REC-*  
17 *COMMENDATIONS.—Not later than January 31, 2006, the*  
18 *Secretary of Defense shall submit to Congress and the*  
19 *Comptroller General a report containing the results of the*  
20 *surveys conducted under subsection (a), including the re-*  
21 *sults of the analysis of survey data required by subsection*  
22 *(e). The Secretary shall include such recommendations as*  
23 *the Secretary considers appropriate regarding alternatives*  
24 *for restoring income lost by members of the reserve compo-*



1 nents who sustained a monthly active-duty income differen-  
2 tial during their active duty service.

3 (h) *COMPTROLLER GENERAL EVALUATION.*—Not later  
4 than March 31, 2006, the Comptroller General shall submit  
5 to Congress an assessment of the findings and recommenda-  
6 tions contained in the report of the Secretary of Defense  
7 submitted under subsection (g).

8 **TITLE VII—HEALTH CARE**  
9 **PROVISIONS**  
10 **Subtitle A—Enhanced Benefits for**  
11 **Reserves**

12 **SEC. 701. DEMONSTRATION PROJECT FOR TRICARE COV-**  
13 **ERAGE FOR READY RESERVE MEMBERS.**

14 (a) *DEMONSTRATION PROGRAM.*—Section 1076b of  
15 title 10, United States Code, is amended to read as follows:

16 **“§ 1076b. TRICARE demonstration project: coverage**  
17 **for members of the Ready Reserve**

18 **“(a) IN GENERAL.**—(1) *The Secretary of Defense shall*  
19 *conduct a demonstration project beginning in fiscal year*  
20 *2005 to test whether TRICARE coverage for certain Ready*  
21 *Reserve members and their families enhances medical readi-*  
22 *ness and retention of such members.*

23 **“(2) Under the demonstration project required by**  
24 **paragraph (1), within the scope of the project, as established**  
25 **by the Secretary, members of the Ready Reserve may be**

1 *allowed to enroll for coverage under the TRICARE Stand-*  
2 *ard option of the TRICARE program and receive benefits*  
3 *under such enrollment for any period that the member—*

4           “(A) *is not eligible for health care benefits under*  
5 *an employer-sponsored health benefits plan; and*

6           “(B) *either—*

7                 “(i) *is not on active duty; or*

8                 “(ii) *is on active duty but under a call or*  
9 *order to active duty for a period of 30 days or*  
10 *less.*

11           “(3) *A member allowed to enroll in TRICARE Stand-*  
12 *ard under the demonstration project may enroll for self-only*  
13 *coverage or self and family coverage.*

14           “(b) *SCOPE OF COVERAGE .—A member and the de-*  
15 *pendents of a member enrolled in TRICARE Standard*  
16 *under this section shall be entitled to the same benefits and*  
17 *shall pay the same charges as are provided under section*  
18 *1079 of this title.*

19           “(c) *PREMIUMS.—(1) The Secretary of Defense shall*  
20 *charge premiums for coverage pursuant to enrollments*  
21 *under this section. The Secretary shall prescribe a premium*  
22 *for self only coverage and a premium for self and family*  
23 *coverage.*

24           “(2) *The monthly amount of the premium in effect for*  
25 *a month for a type of coverage under this section shall be*

1 *the amount equal to 28 percent of the total amount deter-*  
2 *mined by the Secretary on an appropriate actuarial basis*  
3 *as being reasonable for the coverage.*

4       “(3) *The premiums payable by a member under this*  
5 *subsection may be deducted and withheld from basic pay*  
6 *payable to the member under section 204 of title 37 or from*  
7 *compensation payable to the member under section 206 of*  
8 *such title. The Secretary shall prescribe the requirements*  
9 *and procedures applicable to the payment of premiums by*  
10 *members not entitled to such basic pay or compensation.*

11       “(4) *Amounts collected as premiums under this sub-*  
12 *section shall be credited to the appropriation available for*  
13 *the Defense Health Program Account under section 1100*  
14 *of this title, shall be merged with sums in such Account*  
15 *that are available for the fiscal year in which collected, and*  
16 *shall be available under subparagraph (B) of such section*  
17 *for such fiscal year.*

18       “(d) *CONDITIONS OF ELIGIBILITY.—(1) The Secretary*  
19 *of Defense may establish other conditions of eligibility, in-*  
20 *cluding requiring a member to submit any certification*  
21 *that the Secretary considers appropriate to substantiate the*  
22 *member’s assertion that the member is not eligible for health*  
23 *care benefits under any other health benefits plan.*

24       “(2) *In the case of any member who is self-employed*  
25 *and not eligible for coverage under any other employer-*

1 *sponsored health benefits plan, the member shall not be con-*  
2 *sidered eligible to enroll under this section if the member's*  
3 *income in the prior calendar year exceeded \$40,000.*

4       “(e) *SCOPE AND TERMS OF DEMONSTRATION*  
5 *PROJECT.—The geographic scope and priorities for enroll-*  
6 *ment under the demonstration program, if any, shall be es-*  
7 *tablished by the Secretary of Defense. The Secretary may*  
8 *establish such other terms and conditions for the demonstra-*  
9 *tion project required by subsection (a) as the Secretary de-*  
10 *termines appropriate to accomplish its purposes.*

11       “(f) *TERMINATION OF AUTHORITY.—An enrollment in*  
12 *TRICARE under this section may not continue after De-*  
13 *cember 31, 2007.*

14       “(g) *EVALUATION OF DEMONSTRATION AND REPORT*  
15 *TO CONGRESS.—Not later than March 1, 2007, the Sec-*  
16 *retary shall provide to Congress a report on the results of*  
17 *the demonstration project required by this section. Such re-*  
18 *port shall include an analysis of the impact of the dem-*  
19 *onstration on medical readiness and retention of the mem-*  
20 *bers who enrolled, an assessment of the costs and benefits*  
21 *of any improvements in medical readiness or retention, and*  
22 *recommendations concerning TRICARE Standard coverage*  
23 *for Ready Reserve members.*

24       “(h) *DEFINITION.—In this section, the term*  
25 *‘TRICARE Standard’ means the option of the TRICARE*

1 *program that is also known as the Civilian Health and*  
2 *Medical Program of the Uniformed Services, as defined in*  
3 *section 1072(4) of this title.”.*

4       **(b) TERMINATION OF COVERAGE UNDER SUPERSEDED**  
5 **PROVISION OF LAW.**—*An enrollment in TRICARE under*  
6 *section 1076b of title 10, United States Code, as in effect*  
7 *before the date of the enactment of this Act may not con-*  
8 *tinue after such date.*

9       **(c) SITE IDENTIFICATION.**—*(1) Not later than 60 days*  
10 *after the date of enactment of this Act, the Secretary of De-*  
11 *fense, in consultation with the Committees on Armed Serv-*  
12 *ices of the Senate and the House of Representatives, shall*  
13 *identify not less than 10 sites that meet the criteria speci-*  
14 *fied in paragraph (2) for the conduct of the demonstration*  
15 *project required under section 1076b of title 10, United*  
16 *States Code, as amended by this section.*

17       **(2)** *For purposes of paragraph (1), the sites selected*  
18 *for the conduct of the demonstration project shall be areas*  
19 *of the United States that include a substantial number of*  
20 *personnel expected to be ordered to active duty for a period*  
21 *of more than 30 days.*

22       **(d) INDEPENDENT EVALUATION AND REPORTS.**—*(1)*  
23 *The Comptroller General shall conduct an evaluation of the*  
24 *demonstration project required under section 1076b of title*

1 10, *United States Code* (as amended by this section) The  
2 *evaluation shall include an assessment of the following:*

3 (A) *Compliance by the Department of Defense*  
4 *with the requirements under section 1076b of title 10,*  
5 *United States Code (as amended by this section).*

6 (B) *A description of the effects of the demonstra-*  
7 *tion project on medical readiness and retention of the*  
8 *participants compared to nonparticipants.*

9 (C) *The number of Ready Reserve members and*  
10 *their dependents opting to participate in the dem-*  
11 *onstration project.*

12 (D) *An analysis of how the demonstration*  
13 *project affects the overall accessibility of care in the*  
14 *direct and purchased care systems and a description*  
15 *of the unintended effects (if any) upon the normal*  
16 *treatment priority system.*

17 (E) *A description of the difficulties (if any) ex-*  
18 *perienced by the Department of Defense in managing*  
19 *the demonstration project.*

20 (F) *Any impact of the demonstration project on*  
21 *employers, including causing them to discontinue*  
22 *health care insurance benefits for employees who are*  
23 *members of the reserves.*

24 (G) *A recommendation whether to extend the*  
25 *demonstration project or make the project permanent.*

1           (H) *A determination of whether the terms and*  
2           *conditions of the demonstration project should be con-*  
3           *tinued or modified if the project is extended or ex-*  
4           *panded.*

5           (I) *Implications on cost, medical readiness, re-*  
6           *ruitment, and retention if the demonstration project*  
7           *was made available to all reservists meeting the en-*  
8           *rollment criteria throughout the United States and its*  
9           *territories.*

10           (J) *Any additional elements that the Comptroller*  
11           *General determines are appropriate to assess the dem-*  
12           *onstration project.*

13           (2) *The Comptroller General shall submit to the Com-*  
14           *mittees on Armed Services of the Senate and the House of*  
15           *Representatives—*

16           (A) *an interim report on the evaluation under*  
17           *this section not later than 12 months after the date*  
18           *on which the demonstration project begins operation;*  
19           *and*

20           (B) *a final report on the evaluation under this*  
21           *section not later than March 1, 2007.*

1 **SEC. 702. COMPTROLLER GENERAL REPORT ON THE COST**  
2 **AND FEASIBILITY OF PROVIDING PRIVATE**  
3 **HEALTH INSURANCE STIPENDS FOR MEM-**  
4 **BERS OF THE READY RESERVES.**

5 (a) *STUDY REQUIRED.*—*The Comptroller General*  
6 *shall conduct a study on the cost and feasibility of pro-*  
7 *viding a stipend to members of the Ready Reserves to offset*  
8 *the cost of continuing private health insurance coverage for*  
9 *the member's dependents when the member is on active duty*  
10 *for a period of more than 30 days, with the dependents*  
11 *being ineligible to enroll in the TRICARE program and*  
12 *payment of the stipend ending when the member is no*  
13 *longer on active duty.*

14 (b) *MATTERS COVERED.*—*The study shall include the*  
15 *following matters:*

16 (1) *Recommendation for a benefit amount and*  
17 *cost to the Department of Defense.*

18 (2) *Potential effects on medical readiness, re-*  
19 *ruitment, and retention.*

20 (3) *The extent to which the Reserves and mem-*  
21 *bers of their families might participate under the sti-*  
22 *pend program.*

23 (4) *Administrative and management consider-*  
24 *ations for the Department of Defense.*

25 (5) *Impact of pre-existing conditions on con-*  
26 *tinuity of care for dependents.*



1           (6) *Possible implications for employers.*

2           (c) *REPORT.—Not later than March 31, 2005, the*  
 3 *Comptroller General shall submit to the Committee on*  
 4 *Armed Services of the Senate and the Committee on Armed*  
 5 *Services of the House of Representatives a report containing*  
 6 *the results of the study under this section.*

7 **SEC. 703. IMPROVEMENT OF MEDICAL SERVICES FOR ACTI-**  
 8 **VATED MEMBERS OF THE READY RESERVE**  
 9 **AND THEIR FAMILIES.**

10          (a) *REQUIREMENT FOR TRICARE COVERAGE FOR*  
 11 *DEPENDENTS OF MEMBERS OF RESERVE COMPONENTS*  
 12 *CALLED TO ACTIVE DUTY.—Paragraph (1) of section*  
 13 *1074(d) of title 10, United States Code, is amended—*

14           (1) *by inserting “a dependent of” after “chap-*  
 15 *ter,”;*

16           (2) *by inserting “a dependent of a member” after*  
 17 *“treated as being”; and*

18           (3) *by striking “the later of” and all that follows*  
 19 *through the period at the end of subparagraph (B)*  
 20 *and inserting “the date described in paragraph (3).”.*

21          (b) *AUTHORITY FOR TRICARE COVERAGE FOR MEM-*  
 22 *BERS OF RESERVE COMPONENTS CALLED TO ACTIVE*  
 23 *DUTY.—Section 1074(d) of such title is further amended—*

24           (1) *by striking paragraph (3);*

1           (2) by redesignating paragraph (2) as para-  
2           graph (4); and

3           (3) by inserting after paragraph (1) the fol-  
4           lowing new paragraphs:

5           “(2) The Secretary of Defense may, beginning on the  
6           date described in paragraph (3), provide a member of a  
7           reserve component of the armed forces who is issued a de-  
8           layed-effective-date active-duty order, or is covered by such  
9           an order, such medical and dental care (in addition to care  
10          for which the member is eligible under section 1074a(f) of  
11          this title or other provisions of law) the Secretary deter-  
12          mines appropriate.

13          “(3) The date referred to in paragraphs (1) and (2)  
14          with respect to a member is the later of the date that is—

15                 “(A) the date of the issuance of the delayed-effec-  
16                 tive-date active-duty order; or

17                 “(B) 90 days before the date on which the period  
18                 of active duty is to commence under such order for  
19                 that member.”.

20          (c) *EFFECTIVE DATE.*—The amendments made by this  
21          section shall take effect on January 1, 2005.

22          **SEC. 704. MODIFICATION OF WAIVER OF CERTAIN**  
23                                 **DEDUCTIBLES UNDER TRICARE PROGRAM.**

24          Section 1095d(a) of title 10, United States Code, is  
25          amended in paragraphs (1) and (2) by striking “less than

1 *one year” each place it appears and inserting “more than*  
2 *30 days”.*

3 **SEC. 705. AUTHORITY FOR PAYMENT BY UNITED STATES OF**  
4 **ADDITIONAL AMOUNTS BILLED BY HEALTH**  
5 **CARE PROVIDERS TO ACTIVATED RESERVE**  
6 **MEMBERS.**

7 *Section 1079(h) of title 10, United States Code, is*  
8 *amended by adding at the end of paragraph (4) the fol-*  
9 *lowing new subparagraph:*

10 *“(C) In the case of services billed to a dependent re-*  
11 *ferred to in subsection (a) of a member of a reserve compo-*  
12 *nent who is ordered to active duty for a period of more*  
13 *than 30 days in support of a contingency operation under*  
14 *a provision of law referred to in section 101(a)(13)(B) of*  
15 *this title, the regulations shall provide that, in addition to*  
16 *amounts otherwise payable by the United States, the Sec-*  
17 *retary may pay the amount referred to in subparagraph*  
18 *(B)(i) for the services.”.*

19 **SEC. 706. EXTENSION OF TRANSITIONAL HEALTH CARE**  
20 **BENEFITS AFTER SEPARATION FROM ACTIVE**  
21 **DUTY.**

22 *(a) EXTENSION OF TRANSITIONAL HEALTH CARE*  
23 *BENEFITS.—Paragraph (3) of section 1145(a) of title 10,*  
24 *United States Code, is amended to read as follows:*

1       “(3) *Transitional health care shall be available under*  
2 *this subsection for a period beginning on the date on which*  
3 *the member is separated from active duty and ending on*  
4 *the earlier of—*

5               “(A) *180 days after the date on which the mem-*  
6 *ber is separated from active duty; or*

7               “(B) *the date on which the member and depend-*  
8 *ents of the member are covered by a health plan spon-*  
9 *sored by an employer.”.*

10       **(b) LIMITATION.**—*During the period beginning on*  
11 *January 1, 2005, and ending on September 30, 2005, not*  
12 *more than \$170,000,000 of the amount appropriated pursu-*  
13 *ant to the authorization for operations and maintenance*  
14 *for the Defense Health Program in section 303(a) may be*  
15 *used for transitional health care under section 1145(a) of*  
16 *title 10, United States Code, as amended by this section.*

17       **(c) EFFECTIVE DATE.**—*The amendment made by sub-*  
18 *section (a) shall apply with respect to separations from ac-*  
19 *tive duty that take effect on or after January 1, 2005.*

20                   ***Subtitle B—Other Benefits***  
21                   ***Improvements***

22       **SEC. 711. COVERAGE OF CERTAIN YOUNG CHILDREN**  
23                   ***UNDER TRICARE DENTAL PROGRAM.***

24       **(a) COVERAGE OF CERTAIN YOUNG CHILDREN.**—*Sec-*  
25 *tion 1076a(k)(2) of title 10, United States Code, is amended*

1 *by inserting after “by reason of” the following: “the depend-*  
 2 *ent’s young age on the date of death of the member of”.*

3 *(b) EFFECTIVE DATE.—The amendment made by sub-*  
 4 *section (a) shall take effect on the date of the enactment*  
 5 *of this Act.*

6 **SEC. 712. COMPTROLLER GENERAL REPORT ON PROVISION**  
 7 **OF HEALTH AND SUPPORT SERVICES FOR EX-**  
 8 **CEPTIONAL FAMILY MEMBER PROGRAM EN-**  
 9 **ROLLEES.**

10 *(a) EVALUATION REQUIREMENT.—The Comptroller*  
 11 *General shall evaluate the effect of the Exceptional Family*  
 12 *Member Program (in this section referred to as “EFMP”)*  
 13 *on health and support services in selected civilian commu-*  
 14 *nities near military installations with a high concentration*  
 15 *of EFMP enrollees.*

16 *(b) MATTERS COVERED.—The evaluation under sub-*  
 17 *section (a) shall include a discussion of the following:*

18 *(1) Communities that have high concentrations*  
 19 *of EFMP enrollees that use State and local health and*  
 20 *support services.*

21 *(2) Needs of EFMP enrollees, if any, that are not*  
 22 *met by State and local health and support services.*

23 *(3) The burdens, financial and otherwise, placed*  
 24 *on State and local health and support services by*  
 25 *EFMP enrollees and their families.*

1           (4) *The ability of the TRICARE program to*  
2           *meet the needs of EFMP enrollees and their families.*

3           (5) *Reasons for any limitations of the TRICARE*  
4           *program, the EFMP, and State and local health and*  
5           *support services in providing assistance to EFMP en-*  
6           *rollees and their families.*

7           (6) *Recommendations for more effectively meet-*  
8           *ing the needs of EFMP enrollees and their families.*

9           (c) *COMMUNITIES COVERED.*—*The evaluation under*  
10          *subsection (a) shall examine no fewer than four civilian*  
11          *communities, as determined by the Comptroller General,*  
12          *that have high concentrations of EFMP enrollees and that*  
13          *are near several military installations, including at least*  
14          *two military installations with tenants from more than one*  
15          *of the Armed Forces.*

16          (d) *DEFINITIONS.*—*In this section:*

17               (1) *The term “health and support services”*  
18               *means services provided to children and other depend-*  
19               *ents with special needs, including specialized day*  
20               *care, mental health day treatment services, respite*  
21               *services, counseling, and other such services provided*  
22               *for children and other dependents with special needs.*

23               (2) *The term “TRICARE program” has the*  
24               *meaning given that term in section 1072(7) of title*  
25               *10, United States Code.*

1       (e) *REPORT.*—Not later than March 31, 2005, the  
2 Comptroller General shall submit to the Armed Services  
3 Committees of the Senate and the House of Representatives  
4 a report on the results of the evaluation required under sub-  
5 section (a), with findings and recommendations.

6 **SEC. 713. EXCEPTIONAL ELIGIBILITY FOR TRICARE PRIME**  
7                                   **REMOTE.**

8       Section 1079(p) of title 10, United States Code, is  
9 amended—

10           (1) by redesignating paragraph (4) as para-  
11 graph (5); and

12           (2) by inserting after paragraph (3) the fol-  
13 lowing new paragraph:

14       “(4) The Secretary of Defense may provide for coverage  
15 of a dependent referred to in subsection (a) who is not de-  
16 scribed in paragraph (3) if the Secretary determines that  
17 exceptional circumstances warrant such coverage.”.

18 **SEC. 714. TRANSITION TO HOME HEALTH CARE BENEFIT**  
19                                   **UNDER SUB-ACUTE CARE PROGRAM.**

20       Section 1074j of title 10, United States Code, is  
21 amended in subsection (b)(3)—

22           (1) by inserting “(A)” after “(3)”; and

23           (2) by adding at the end the following:

24       “(B) The Secretary of Defense shall establish proce-  
25 dures for the transition to and implementation of the home

1 *health care benefit required by subparagraph (A). The Sec-*  
2 *retary may provide in such procedures that covered bene-*  
3 *ficiaries who, before the implementation of such benefit, re-*  
4 *ceived home health care under this chapter in excess of such*  
5 *benefit, may continue to receive such care for such time as*  
6 *the Secretary considers appropriate.”.*

7 **SEC. 715. REQUIREMENT RELATING TO PRESCRIPTION**  
8 **DRUG BENEFITS FOR MEDICARE-ELIGIBLE**  
9 **ENROLLEES UNDER DEFENSE HEALTH CARE**  
10 **PLANS.**

11 *Section 1074g(a)(6) of title 10, United States Code, is*  
12 *amended—*

13 *(1) by inserting “(A)” after “(6)”;* and

14 *(2) by adding at the end the following:*

15 *“(B) For a medicare-eligible beneficiary, the*  
16 *cost-sharing requirements may not be in excess of the*  
17 *cost-sharing requirements applicable to all other bene-*  
18 *ficiaries covered by section 1086 of this title. For pur-*  
19 *poses of the preceding sentence, a medicare-eligible*  
20 *beneficiary is a beneficiary eligible for health benefits*  
21 *under section 1086 of this title pursuant to subsection*  
22 *(d)(2) of such section.”.*



1 **SEC. 716. PROFESSIONAL ACCREDITATION OF MILITARY**  
2 **DENTISTS.**

3 *Section 1077(c) of title 10, United States Code, is*  
4 *amended—*

5 *(1) by striking “A” and inserting “(1) Except as*  
6 *provided in paragraph (2), a”;* and

7 *(2) by adding at the end the following new para-*  
8 *graph:*

9 *“(2)(A) Dependents who have not attained age 13 and*  
10 *who are participating under a dental plan established*  
11 *under section 1076a of this title may be treated by post-*  
12 *graduate dental students in eligible dental treatment facili-*  
13 *ties if—*

14 *“(i)(I) treatment of pediatric dental patients is*  
15 *required to comply with American Dental Association*  
16 *accreditation standards; or*

17 *“(II) pediatric dental training is required to en-*  
18 *able post-graduate dental students to provide dental*  
19 *care for such dependents outside the United States;*  
20 *and*

21 *“(ii) there are insufficient numbers of children*  
22 *eligible to be provided dental care under section*  
23 *1076(a) of this title to meet such standards or train-*  
24 *ing requirements.*

1       “(B) *The total number of dependents who may be*  
2 *treated under this paragraph may not exceed 2,000 in any*  
3 *fiscal year.*”

4       “(C) *In this paragraph, an eligible dental treatment*  
5 *facility is a dental treatment facility with a post-graduate*  
6 *dental education program accredited by the American Den-*  
7 *tal Association.*”

8       **SEC. 717. ADDITION OF CERTAIN UNREARRIED FORMER**  
9                                   **SPOUSES TO PERSONS ELIGIBLE FOR DEN-**  
10                                   **TAL INSURANCE PLAN OF RETIREES OF THE**  
11                                   **UNIFORMED SERVICES.**

12       (a) *ELIGIBILITY OF CERTAIN FORMER SPOUSES FOR*  
13 *DENTAL COVERAGE.—(1) Section 1076c(b) of title 10,*  
14 *United States Code, is amended by adding at the end the*  
15 *following new paragraph:*

16                   “(6) *A person who—*

17                                   “(i) *is an unremarried former spouse of a*  
18                                   *member described in paragraph (1) or (2);*

19                                   “(i) *is described in section 1072(2)(F)(i) of*  
20                                   *this title; and*

21                                   “(ii) *does not have dental coverage under an*  
22                                   *employer-sponsored health plan.*”

23       (b) *EFFECTIVE DATE.—Section 1076c(b)(6) of title 10,*  
24 *United States Code, as added by subsection (a), shall take*  
25 *effect on the date of the enactment of this Act.*

1 **SEC. 718. WAIVER OF COLLECTION OF PAYMENTS DUE**  
2 **FROM CERTAIN PERSONS UNAWARE OF LOSS**  
3 **OF CHAMPUS ELIGIBILITY.**

4 (a) *AUTHORITY TO WAIVE COLLECTION.*—The Sec-  
5 retary of Defense may waive (in whole or in part) the collec-  
6 tion of payments otherwise due from a person described in  
7 subsection (b) as a result of the receipt by the person of  
8 health benefits under section 1086 of title 10, United States  
9 Code, after the termination of the person's eligibility for  
10 such benefits and may also authorize continued coverage of  
11 benefits under section 1086 of such title for such person for  
12 the period described in subsection (c).

13 (b) *PERSONS ELIGIBLE.*—A person shall be eligible for  
14 relief under subsection (a) if the person—

15 (1) is a person described in paragraph (1) of  
16 subsection (d) of section 1086, of title 10, United  
17 States Code;

18 (2) in the absence of such paragraph, would have  
19 been eligible for health benefits under such section;

20 (3) at the time of the receipt of such benefits, sat-  
21 isfies the criteria specified in subparagraph (B) of  
22 paragraph (2) of such subsection; and

23 (4) was unaware of the loss of eligibility to re-  
24 ceive health benefits at the time they were received.

25 (c) *EXTENT OF AUTHORITY.*—The authority to waive  
26 the collection of payments and to continue coverage of bene-

1 *fits under this section shall apply during the period begin-*  
2 *ning on July 1, 1999, and ending on December 31, 2004,*  
3 *under terms established by the Secretary of Defense.*

4 *(d) QUARTERLY REPORTS.—(1) The Secretary of De-*  
5 *fense shall provide quarterly reports to the Committees on*  
6 *Armed Services of the Senate and House of Representatives*  
7 *regarding—*

8 *(A) efforts by the Department of Defense to iden-*  
9 *tify persons who satisfy the criteria specified in sub-*  
10 *paragraph (B) of subsection (d)(2) of section 1086 of*  
11 *title 10, United States Code, and would be eligible for*  
12 *health benefits under such section if the criteria speci-*  
13 *fied in subparagraph (A) were also satisfied; and*

14 *(B) actions taken by the Department with re-*  
15 *spect to persons identified under subparagraph (B) of*  
16 *this paragraph.*

17 *(2) The first report under paragraph (1) shall be sub-*  
18 *mitted not later than 30 days after the end of the first quar-*  
19 *ter of fiscal year 2005.*

20 ***Subtitle C—Planning,***  
21 ***Programming, and Management***

22 ***SEC. 721. PILOT PROGRAM FOR TRANSFORMATION OF***  
23 ***HEALTH CARE DELIVERY.***

24 *(a) FINDINGS.—(1) Congress finds the following:*

1           (A) *Historically, providing military health care*  
2           *to military beneficiaries has centered on building a*  
3           *military medical treatment facility and providing a*  
4           *full range of services on a military installation.*

5           (B) *Traditionally, in many locations the major-*  
6           *ity of military personnel and their dependents who*  
7           *are eligible beneficiaries of the military health care*  
8           *system do not live on military installations.*

9           (C) *As the cost of repairing, replacing, recapital-*  
10          *izing, or expanding aging military treatment facili-*  
11          *ties and maintaining adequate health care services on*  
12          *military installations increases, the Department of*  
13          *Defense will be challenged to find new, more cost-effec-*  
14          *tive ways of providing enhanced health care for mili-*  
15          *tary and civilian beneficiaries of the Department of*  
16          *Defense health care system.*

17          (2) *In view of these findings, the Secretary of Defense*  
18          *is directed to examine feasible and cost-effective methods for*  
19          *leveraging and expanding non-military health care re-*  
20          *sources to provide health care to military beneficiaries. Fur-*  
21          *thermore, the Secretary of Defense shall conduct a pilot pro-*  
22          *gram in accordance with this section.*

23          (b) *PILOT PROGRAM PURPOSES.—The Secretary of*  
24          *Defense shall conduct a pilot program at one or more mili-*  
25          *tary installations for purposes of testing—*

1           (1) *the feasibility and cost effectiveness of ex-*  
2           *anding use of non-military health care resources,*  
3           *particularly in cases in which such use would reduce*  
4           *or eliminate the need for military medical construc-*  
5           *tion projects;*

6           (2) *initiatives that build cooperative health care*  
7           *arrangements and agreements between military in-*  
8           *stallations and local and regional non-military health*  
9           *care systems; and*

10          (3) *development of an integrated, long range*  
11          *business plan for the delivery of health care services*  
12          *for military beneficiaries, incorporating present and*  
13          *potential future capabilities in the non-military*  
14          *health care sector.*

15          (c) *REQUIREMENTS OF PILOT PROGRAM.—In con-*  
16          *ducting the pilot program, the Secretary of Defense shall—*

17               (1) *identify and analyze health care delivery op-*  
18               *tions that range from outsourcing all health care de-*  
19               *livery services to the private sector to providing some*  
20               *health care services in military facilities located on*  
21               *the installation;*

22               (2) *determine the cost avoidance or savings re-*  
23               *sulting from innovative partnerships between the De-*  
24               *partment of Defense and the private sector and lim-*  
25               *iting recapitalization costs in military facilities;*

1           (3) *study the potential, viability, cost efficiency,*  
2           *and health care effectiveness of Department of Defense*  
3           *health care providers delivering health care in civil-*  
4           *ian community hospitals;*

5           (4) *determine the opportunities for and barriers*  
6           *to coordinating and leveraging the use of existing*  
7           *health care resources, including Federal, State, local,*  
8           *and contractor assets; and*

9           (5) *develop recommendations for a model health*  
10          *care delivery system that may be used at other mili-*  
11          *tary installations.*

12          (d) *CONSULTATION REQUIREMENTS.—The Secretary*  
13          *of Defense shall develop the pilot program in consultation*  
14          *with the Secretaries of the military departments, represent-*  
15          *atives from the military installation selected for the pilot*  
16          *program, Federal, State, and local entities, and the*  
17          *TRICARE managed care support contractor with responsi-*  
18          *bility for that installation.*

19          (e) *SELECTION OF MILITARY INSTALLATION.—The*  
20          *pilot program shall be implemented at one or more military*  
21          *installations selected by the Secretary of Defense. At least*  
22          *one of the selected military installations shall meet the fol-*  
23          *lowing criteria:*

24                 (1) *The military installation is an Army instal-*  
25                 *lation located in a rural area.*

1           (2) *The military installation has members of the*  
2 *Armed Forces on active duty and members of reserve*  
3 *components of the Armed Forces that use the installa-*  
4 *tion as a training and operational base, with mem-*  
5 *bers routinely deploying in support of the global war*  
6 *on terrorism.*

7           (3) *The number of members of the Armed Forces*  
8 *on active duty permanently assigned to the military*  
9 *installation is expected to increase over the next five*  
10 *years.*

11           (4) *One or more partnerships exist at the mili-*  
12 *tary installation with civilian health care entities in*  
13 *the form of limited specialty care services in the mili-*  
14 *tary medical treatment facility on the installation.*

15           (5) *There is a military treatment facility on the*  
16 *installation that does not have inpatient or trauma*  
17 *center care capabilities.*

18           (6) *There is a civilian community hospital with-*  
19 *in 15 miles of the military installation with limited*  
20 *capability to expand inpatient care beds, intensive*  
21 *care, and specialty services.*

22           (7) *There is no civilian hospital with a trauma*  
23 *center within 50 miles from the military installation.*

24           (f) *DURATION OF PILOT PROGRAM.—Implementation*  
25 *of the pilot program developed under this subsection shall*



1 *begin not later than May 1, 2005, and shall be conducted*  
2 *during fiscal years 2005, 2006, and 2007.*

3 (g) *FUNDS.*—*For fiscal year 2005, not more than*  
4 *\$5,000,000 of the amount appropriated pursuant to the au-*  
5 *thorization for operations and maintenance for the Defense*  
6 *Health Program in section 303(a) may be used to conduct*  
7 *the pilot program under this section.*

8 (h) *REPORTS.*—*Not later than July 1, 2005, the Sec-*  
9 *retary of Defense shall submit an interim report to the*  
10 *Committees on Armed Services of the Senate and of the*  
11 *House of Representatives describing the details of the pilot*  
12 *program. Not later than July 1, 2007, the Secretary of De-*  
13 *fense shall submit to such committees a final report describ-*  
14 *ing the results of the pilot program with recommendations*  
15 *for a model health care delivery system for other military*  
16 *installations.*

17 **SEC. 722. STUDY OF PROVISION OF TRAVEL REIMBURSE-**  
18 **MENT TO HOSPITALS FOR CERTAIN MILITARY**  
19 **DISABILITY RETIREES.**

20 (a) *STUDY.*—*The Secretary of Defense shall conduct a*  
21 *study of the feasibility, and of the desirability, of providing*  
22 *that a member of the uniformed services retired under chap-*  
23 *ter 61 of title 10, United States Code, for a combat-related*  
24 *disability (as defined in section 1413a(e) of that title) shall*  
25 *be provided reimbursement for the travel expenses of such*

1 member for travel, during the two-year period beginning  
2 on the date of the retirement of the member, to a military  
3 treatment facility for medical care. The Secretary shall in-  
4 clude in that study consideration of whether reimbursement  
5 under such a plan should, as nearly as practicable, be under  
6 the same terms and conditions, and at the same rate, as  
7 apply to beneficiary travel reimbursement provided by the  
8 Secretary of Veterans Affairs under section 111 of title 38,  
9 United States Code.

10 (b) *REPORT.*—The Secretary of Defense shall submit  
11 to the congressional defense committees a report providing  
12 the results of the study under subsection (a). Such report  
13 shall be submitted not later than March 1, 2005.

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

18 **Subtitle A—Amendments to General**  
19 **Contracting Authorities, Proce-**  
20 **dures, and Limitations**

21 **SEC. 801. RAPID ACQUISITION AUTHORITY TO RESPOND TO**  
22 **COMBAT EMERGENCIES.**

23 (a) *IN GENERAL.*—Chapter 141 of title 10, United  
24 States Code, is amended by adding at the end the following  
25 new section:

1 **“§2410p. Rapid acquisition authority to respond to**  
2 **combat emergencies**

3 “(a) *RAPID ACQUISITION AUTHORITY.*—*The Secretary*  
4 *of Defense may rapidly acquire, in accordance with this*  
5 *section, equipment needed by a combatant commander to*  
6 *eliminate a combat capability deficiency that has resulted*  
7 *in combat fatalities.*

8 “(b) *PROCESS FOR RAPID ACQUISITION.*—*Not later*  
9 *than 30 days after the date of the enactment of this section,*  
10 *the Secretary of Defense shall develop a process for the rapid*  
11 *acquisition authority provided by subsection (a) and sub-*  
12 *mit to Congress a detailed explanation of the process, in-*  
13 *cluding procedures to be followed in carrying out the proc-*  
14 *ess. The process shall provide for the following:*

15 “(1) *A requirement that the process may be used*  
16 *only to acquire the minimum amount of equipment*  
17 *needed until the needs of the combatant commander*  
18 *can be fulfilled under existing acquisition statutes,*  
19 *policies, directives, and regulations.*

20 “(2) *A goal of awarding a contract for the equip-*  
21 *ment within 15 days after receipt of a request from*  
22 *a commander.*

23 “(3) *In a case in which the equipment cannot be*  
24 *acquired without an extensive delay, a requirement*  
25 *for an interim solution to minimize the combat capa-*

1       *bility deficiency and combat fatalities until the equip-*  
2       *ment can be acquired.*

3           “(4) *Waiver of the applicability of all policies,*  
4       *directives, and regulations related to—*

5           “(A) *the establishment of the requirement*  
6       *for the equipment;*

7           “(B) *the research, development, test, and*  
8       *evaluation of the equipment; and*

9           “(C) *the solicitation and selection of*  
10       *sources, and the award of the contract, for pro-*  
11       *curement of the equipment.*

12          “(5) *Such other procedures or requirements as*  
13       *the Secretary considers appropriate.*

14          “(c) *WAIVER OF CERTAIN STATUTES.—For purposes*  
15       *of exercising the authority provided by subsection (a) with*  
16       *respect to equipment, laws relating to the following shall*  
17       *not apply:*

18           “(A) *The establishment of the requirement for the*  
19       *equipment.*

20           “(B) *The research, development, test, and evalua-*  
21       *tion of the equipment.*

22           “(C) *The solicitation and selection of sources,*  
23       *and the award of the contract, for procurement of the*  
24       *equipment.*

1       “(d) *LIMITATIONS.*—*The rapid acquisition authority*  
2 *provided by subsection (a) may be used only—*

3               “(1) *after the Secretary of Defense, without dele-*  
4 *gation, determines in writing that there exists a com-*  
5 *bat capability deficiency that has resulted in combat*  
6 *fatalities; and*

7               “(2) *to acquire equipment in an amount aggre-*  
8 *gating not more than \$100,000,000 during a fiscal*  
9 *year.*

10       “(e) *SOURCE OF FUNDS.*—*For acquisitions under this*  
11 *section to be made during any fiscal year, the Secretary*  
12 *may use any funds made available to the Department of*  
13 *Defense for that fiscal year.*

14       “(f) *NOTIFICATION TO CONGRESS AFTER EACH USE*  
15 *OF AUTHORITY.*—*The Secretary of Defense shall notify the*  
16 *congressional defense committees within 15 days after each*  
17 *use of the authority provided by subsection (a). Each such*  
18 *notice shall identify the equipment to be acquired, the*  
19 *amount to be expended for such acquisition, and the source*  
20 *of funds for such acquisition.*

21       “(g) *COMBATANT COMMANDER.*—*In this section, the*  
22 *term ‘combatant commander’ means the commander of a*  
23 *unified combatant command with authority for the conduct*  
24 *of operations in a specific area of responsibility or who oth-*

1 *erwise has authority to conduct operations at the direction*  
2 *of the President or Secretary of Defense.”.*

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

*“2410p. Rapid acquisition authority to respond to combat emergencies.”.*

6 **SEC. 802. DEFENSE ACQUISITION WORKFORCE CHANGES.**

7 (a) *SELECTION CRITERIA AND PROCEDURES.—Section*  
8 *1732(b)(1)(A) of title 10, United States Code, is amended*  
9 *by striking “within grade GS–13 or above of the General*  
10 *Schedule” and inserting “in any position designated by the*  
11 *Secretary of Defense”.*

12 (b) *CRITICAL ACQUISITION POSITIONS.—Section 1733*  
13 *of such title is amended by striking subsection (b) and in-*  
14 *serting the following:*

15 “(b) *DESIGNATION OF CRITICAL ACQUISITION.—(1)*  
16 *The Secretary of Defense shall designate the acquisition po-*  
17 *sitions in the Department of Defense that are critical acqui-*  
18 *sition positions. Such positions shall include the following:*

19 (A) *Program executive officer.*

20 (B) *Program manager of a major defense acqui-*  
21 *sition program (as defined in section 2430 of this*  
22 *title) or of a significant nonmajor defense acquisition*  
23 *program (as defined in section 1737(a)(3) of this*  
24 *title).*

1           “(C) *Deputy program manager of a major de-*  
2           *fense acquisition program.*”

3           “(D) *Any other acquisition position of signifi-*  
4           *cant responsibility determined by the Secretary to be*  
5           *critical.*”

6           “(2) *The Secretary shall annually publish a list of the*  
7           *positions designated under this subsection.*”

8           (c) *SCHOLARSHIP PROGRAMS.—Section 1742 of such*  
9           *title is amended—*

10           (1) *by inserting “(a) PROGRAMS.—” at the be-*  
11           *ginning of the text; and*

12           (2) *by adding at the end the following new sub-*  
13           *section:*

14           “(b) *SCHOLARSHIP PROGRAM REQUIREMENTS.—With*  
15           *respect to any scholarship program conducted under this*  
16           *section, the Secretary of Defense and the participant shall*  
17           *agree in writing to the terms of the scholarship. The agree-*  
18           *ment shall include the obligations of the Secretary and the*  
19           *participant, as well as actions available for either party*  
20           *to take if there is a failure to meet the obligations under*  
21           *the agreement.*”

22           **SEC. 803. LIMITATION ON TASK AND DELIVERY ORDER CON-**  
23           **TRACTS.**

24           *Subsection 2304a(f) of title 10, United States Code, is*  
25           *amended to read as follows:*

1       “(f) *CONTRACT PERIOD.*—*The head of an agency en-*  
 2 *tering into a task or delivery order contract under this sec-*  
 3 *tion may provide for the contract to cover any base period*  
 4 *up to five years and may extend the contract period for*  
 5 *one or more successive periods pursuant to an option pro-*  
 6 *vided in the contract or a modification to the contract.”.*

7       ***SEC. 804. FUNDING FOR CONTRACT CEILINGS FOR CERTAIN***  
 8                   ***MULTIYEAR PROCUREMENT CONTRACTS.***

9       (a) *MULTIYEAR CONTRACTS RELATING TO PROP-*  
 10 *ERTY.*—*Section 2306b(g) of title 10, United States Code,*  
 11 *is amended—*

12           (1) *by inserting “(1)” before “Before any”;*

13           (2) *by striking “Committee” through “House of*  
 14 *Representatives” and inserting “congressional defense*  
 15 *committees”; and*

16           (3) *by adding at the end the following new para-*  
 17 *graph:*

18           “(2) *In the case of a contract described in subsection*  
 19 *(a) with a cancellation ceiling described in paragraph (1),*  
 20 *if the budget for the contract does not include proposed*  
 21 *funding for the costs of contract cancellation up to the can-*  
 22 *cellation ceiling established in the contract, the head of the*  
 23 *agency concerned shall, as part of the certification required*  
 24 *by subsection (i)(1)(A), give written notification to the con-*  
 25 *gressional defense committees of—*



1           “(A) the cancellation ceiling amounts planned  
2           for each program year in the proposed multiyear pro-  
3           curement contract, together with the reasons for the  
4           amounts planned;

5           “(B) the extent to which costs of contract can-  
6           cellation are not included in the budget for the con-  
7           tract; and

8           “(C) a financial risk assessment of not including  
9           budgeting for costs of contract cancellation, including  
10          proposed funding sources to meet such cancellation  
11          costs if the contract is canceled.”.

12          (b) *MULTIYEAR CONTRACTS RELATING TO SERV-*  
13 *ICES.—Section 2306c(d) of title 10, United States Code, is*  
14 *amended—*

15           (1) *in paragraphs (1), (3), and (4), by striking*  
16           *“committees of Congress named in paragraph (5)”*  
17           *and inserting “congressional defense committees” each*  
18           *place it appears; and*

19           (2) *by amending paragraph (5) to read as fol-*  
20           *lows:*

21           “(5) *In the case of a contract described in subsection*  
22 *(a) with a cancellation ceiling described in paragraph (4),*  
23 *if the budget for the contract does not include proposed*  
24 *funding for the costs of contract cancellation up to the can-*  
25 *cellation ceiling established in the contract, the head of the*

1 *agency concerned shall give written notification to the con-*  
2 *gressional defense committees of—*

3           “(A) *the cancellation ceiling amounts planned*  
4 *for each program year in the proposed multiyear pro-*  
5 *curement contract, together with the reasons for the*  
6 *amounts planned;*

7           “(B) *the extent to which costs of contract can-*  
8 *cancellation are not included in the budget for the con-*  
9 *tract; and*

10           “(C) *a financial risk assessment of not including*  
11 *budgeting for costs of contract cancellation, including*  
12 *proposed funding sources to meet such cancellation*  
13 *costs if the contract is canceled.”*

14 **SEC. 805. INCREASED THRESHOLD FOR REQUIRING CON-**  
15 **TRACTORS TO PROVIDE SPECIFIED EM-**  
16 **PLOYEE INFORMATION TO COOPERATIVE**  
17 **AGREEMENT HOLDERS.**

18           *Section 2416(d) of title 10, United States Code, is*  
19 *amended by striking “\$500,000” and inserting*  
20 *“\$1,000,000”.*

21 **SEC. 806. EXTENSION OF AUTHORITY FOR USE OF SIM-**  
22 **PLIFIED ACQUISITION PROCEDURES.**

23           *Section 4202(e) of the Clinger-Cohen Act (division D*  
24 *of Public Law 104–106; 110 Stat. 652; 10 U.S.C. 2304*

1 *note) is amended by striking “January 1, 2006” and insert-*  
2 *ing “October 1, 2009”.*

3 **SEC. 807. AUTHORITY TO ADJUST ACQUISITION-RELATED**  
4 **DOLLAR THRESHOLDS FOR INFLATION.**

5 *(a) INFLATION ADJUSTMENT AUTHORITY.—The FAR*  
6 *Council and the heads of executive agencies may adjust the*  
7 *dollar thresholds in procurement laws in order to maintain*  
8 *the constant dollar value of the threshold, taking into ac-*  
9 *count the effect of inflation on the threshold.*

10 *(b) LIMITATION ON EXERCISE OF AUTHORITY.—Ad-*  
11 *justments of dollar thresholds under subsection (a) may be*  
12 *carried out—*

13 *(1) by the FAR Council only with respect to pro-*  
14 *urement laws that apply to executive agencies gen-*  
15 *erally; and*

16 *(2) by the head of an executive agency only with*  
17 *respect to procurement laws that apply to that agency*  
18 *exclusively.*

19 *(c) ADDITIONAL REQUIREMENTS.—In adjusting a*  
20 *threshold under subsection (a), the FAR Council and the*  
21 *head of an agency shall—*

22 *(2) consult with the Director of the Office of*  
23 *Management and Budget;*

24 *(3) round the threshold, to facilitate implementa-*  
25 *tion; and*

1           (4) *publish the adjusted threshold in the Federal*  
2 *Register.*

3           (d) *EXCLUSIONS.—This section does not apply to—*

4                 (1) *dollar thresholds in sections 3141 through*  
5 *3144, 3146, and 3147 of title 40, United States Code;*

6                 (2) *dollar thresholds in the Service Contract Act*  
7 *of 1965 (41 U.S.C. 351, et seq.); or*

8                 (3) *dollar thresholds established by the United*  
9 *States Trade Representative pursuant to title III of*  
10 *the Trade Agreements Act of 1979 (19 U.S.C. 2511 et*  
11 *seq.).*

12           (e) *DEFINITIONS.—In this section:*

13                 (1) *The term “procurement law” means any pro-*  
14 *vision of law that sets forth policies, procedures, re-*  
15 *quirements, or restrictions for the procurement of*  
16 *property or services by the Federal Government.*

17                 (2) *The terms “executive agency” and “procure-*  
18 *ment” have the meanings provided by section 4(1) of*  
19 *the Office of Federal Procurement Policy Act (41*  
20 *U.S.C. 403(1))*

21                 (3) *The term “FAR Council” means the Federal*  
22 *Acquisition Regulatory Council established under sec-*  
23 *tion 25 of the Office of Federal Procurement Policy*  
24 *Act (41 U.S.C. 421)).*

1     **Subtitle B—United States Defense**  
2             **Industrial Base Provisions**

3     **SEC. 811. DEFENSE TRADE RECIPROCITY.**

4             (a) *IN GENERAL.*—Chapter 148 of title 10, United  
5     States Code, is amended by inserting after section 2532 the  
6     following new section:

7     **“§ 2532a. Defense trade reciprocity**

8             “(a) *POLICY.*—(1) *It is the policy of Congress that pro-*  
9     *curement regulations used in the conduct of trade in defense*  
10    *articles and defense services shall be based on the principle*  
11    *of fair trade and reciprocity consistent with United States*  
12    *national security, including the need to ensure comprehen-*  
13    *sive manufacturing capability in the United States defense*  
14    *industrial base for military system essential items.*

15            “(2) *The Secretary of Defense shall make every effort*  
16    *to ensure that the policies and practices of the Department*  
17    *of Defense reflect the goal of establishing an equitable trad-*  
18    *ing relationship between the United States and its foreign*  
19    *defense trade partners, including ensuring that United*  
20    *States firms and United States employment in the defense*  
21    *sector are not disadvantaged by unilateral procurement*  
22    *practices by foreign governments, such as the imposition of*  
23    *offset agreements or similar requirements in defense pro-*  
24    *curements by those governments. In pursuing this goal, the*  
25    *Secretary shall—*

1           “(A) develop a comprehensive defense acquisition  
2           trade policy that provides the necessary guidance and  
3           incentives for the elimination of offset agreements as  
4           an accepted practice in defense trade; and

5           “(B) review and make necessary modifications to  
6           existing acquisition policies and strategies, and re-  
7           view and seek to make necessary modifications to ex-  
8           isting memoranda of understanding, cooperative  
9           project agreements, or related agreements with foreign  
10          defense trade partners, to reflect this goal.

11          “(b) *REQUIREMENT.*—*The Secretary of Defense may*  
12          *not enter into a contract, or approve or permit any sub-*  
13          *contract under a contract entered into by the Department*  
14          *of Defense, for the procurement of any defense article or*  
15          *defense service from a foreign firm unless the country in*  
16          *which the foreign firm performs substantially all of its*  
17          *manufacturing, production, and research and development*  
18          *activities in the performance of the contract (or sub-*  
19          *contract) agrees to apply offset agreements to the procure-*  
20          *ment of defense articles and defense services from the United*  
21          *States firms in the same manner and to the same degree*  
22          *as such agreements are applied by the Department of De-*  
23          *fense to the procurement of defense articles and defense serv-*  
24          *ices from that country.*

1       “(c) *EXCEPTION.*—*Subsection (b) does not apply to a*  
2 *contract or subcontract for the procurement of a defense ar-*  
3 *ticle or defense service from a foreign firm if the Secretary*  
4 *of Defense determines in writing, with respect to the specific*  
5 *contract or subcontract, that an exception to subsection (b)*  
6 *is necessary for the Department to be able to meet national*  
7 *security objectives.*

8       “(d) *NOTIFICATION REQUIRED WHEN EXCEPTION AP-*  
9 *PLIED.*—*The Secretary of Defense may not apply an excep-*  
10 *tion under subsection (c) until—*

11               “(1) *a notification of the intent to apply such ex-*  
12 *ception is submitted to the congressional defense com-*  
13 *mittees and published in the Federal Register; and*

14               “(2) *a period of 30 days has expired after the*  
15 *date on which such notification is so submitted and*  
16 *published.*

17       “(e) *AUTHORITY TO APPLY EXCEPTION NOT DELE-*  
18 *GABLE.*—*The authority of the Secretary to apply the excep-*  
19 *tion under subsection (c) may not be delegated to any officer*  
20 *or employee in a position at a level lower than the position*  
21 *of the Under Secretary of Defense for Acquisition, Tech-*  
22 *nology, and Logistics.*

23       “(f) *REGULATIONS.*—*The Secretary shall prescribe reg-*  
24 *ulations to implement this section in the Department of De-*  
25 *fense supplement to the Federal Acquisition Regulation.*

1       “(g) *EFFECTIVE DATE.*—*This section and the regula-*  
2 *tions prescribed under this section shall apply to contracts*  
3 *and subcontracts entered into on and after the date occur-*  
4 *ring one year after the date of the enactment of this Act.*

5       “(h) *DEFINITIONS.*—*In this section:*

6               “(1) *The term ‘foreign firm’ means a business*  
7 *entity that performs substantially all of its manufac-*  
8 *turing, production, and research and development ac-*  
9 *tivities outside of the United States.*

10              “(2) *The term ‘United States firm’ means a*  
11 *business entity that performs substantially all of its*  
12 *manufacturing, production, and research and develop-*  
13 *ment activities in the United States.*

14              “(3) *The term ‘foreign defense trade partner’*  
15 *means a foreign country with respect to which there*  
16 *is—*

17                      “(A) *a memorandum of understanding or*  
18 *related agreement described in section 2531(a) of*  
19 *title 10, United States Code; or*

20                      “(B) *a cooperative project agreement de-*  
21 *scribed in section 27 of the Arms Export Control*  
22 *Act (22 U.S.C. 2767).*

23              “(4) *The term ‘offset agreement’ has the meaning*  
24 *provided that term by section 36(e) of the Arms Ex-*  
25 *port Control Act (22 U.S.C. 2776(e)).*



1           “(5) *The terms ‘defense article’ and ‘defense serv-*  
 2           *ice’ have the meanings provided those terms by section*  
 3           *47(7) of the Arms Export Control Act (22 U.S.C.*  
 4           *2794(7)).*

5           “(6) *The term ‘military system essential item’*  
 6           *means an item on the military system essential item*  
 7           *breakout list produced pursuant to section 813(b) of*  
 8           *the National Defense Authorization Act for Fiscal*  
 9           *Year 2004 (P.L. 108–136; 117 Stat. 1544).”.*

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

*“2532a. Defense trade reciprocity.”.*

13          **SEC. 812. AMENDMENTS TO DOMESTIC SOURCE REQUIRE-**  
 14   **MENTS.**

15          **(a) NOTICE.**—*Section 2533a of title 10, United States*  
 16          *Code, is amended by adding at the end the following new*  
 17          *subsection:*

18               **“(k) NOTIFICATION REQUIRED WHEN CERTAIN EX-**  
 19               **CEPTIONS APPLIED.**—*(1) Funds appropriated or otherwise*  
 20               *available to the Department of Defense may not be used*  
 21               *to enter into a contract to procure an item described in*  
 22               *subsection (b) pursuant to an exception set forth in sub-*  
 23               *section (c) or (e) until—*

24                       *“(A) a notification of the intent to apply such*  
 25                       *exception is submitted to Congress and posted on the*

1 *website maintained by the General Services Adminis-*  
2 *tration known as FedBizOpps.gov (or any successor*  
3 *site); and*

4 *“(B) a period of 15 days has expired after the*  
5 *date on which such notification is so submitted and*  
6 *published.*

7 *“(2) In any case in which the Secretary of Defense*  
8 *or the Secretary of the military department concerned in-*  
9 *tends to apply or applies the exception set forth in sub-*  
10 *section (d)(1), the Secretary concerned shall submit to Con-*  
11 *gress a notification of such intent or such application dur-*  
12 *ing the period beginning six months before the date of appli-*  
13 *cation of such exception and ending six months after the*  
14 *date of application of such exception.”.*

15 *(b) CLOTHING MATERIALS AND COMPONENTS COV-*  
16 *ERED.—Subsection (b) of section 2533a of title 10, United*  
17 *States Code, is amended in paragraph (1)(B) by inserting*  
18 *before the semicolon the following: “and the materials and*  
19 *components thereof, other than sensors, electronics, or other*  
20 *items added to, and not normally associated with, clothing*  
21 *(and the materials and components thereof)”.*

1 **SEC. 813. THREE-YEAR EXTENSION OF RESTRICTION ON AC-**  
2 **QUISITION OF POLYACRYLONITRILE (PAN)**  
3 **CARBON FIBER FROM FOREIGN SOURCES.**

4 *The Secretary of Defense shall delay by three years the*  
5 *phase-out of the restriction on acquisition of*  
6 *polyacrylonitrile (PAN) carbon fiber from foreign sources*  
7 *(described in subpart 225.7103 of the Department of De-*  
8 *fense supplement to the Federal Acquisition Regulation). In*  
9 *implementing such delay, the Secretary shall revise the*  
10 *applicable regulations to ensure that such restriction ap-*  
11 *plies to—*

12 *(1) solicitations and contracts issued on or before*  
13 *May 31, 2006, for major systems that are not yet in*  
14 *production; and*

15 *(2) solicitations and contracts issued during the*  
16 *period beginning June 1, 2006, and ending May 31,*  
17 *2008, for major systems that are not yet in engineer-*  
18 *ing and manufacturing development.*

19 **SEC. 814. GRANT PROGRAM FOR DEFENSE CONTRACTORS**  
20 **TO IMPLEMENT STRATEGIES TO AVOID**  
21 **OUTSOURCING OF JOBS.**

22 *(a) GRANT PROGRAM AUTHORIZED.—The Secretary of*  
23 *Defense may make grants under this section for fiscal year*  
24 *2005 to qualified defense contractor groups for the purposes*  
25 *described in subsection (b).*

1           (b) *GRANT PURPOSES.*—A grant may be made under  
2 this section for the purpose of implementing a strategy to  
3 avoid the outsourcing of jobs by a defense contractor, includ-  
4 ing the following strategies:

5           (1) *Cost-cutting measures.*

6           (2) *Retraining programs.*

7           (3) *Technology development.*

8           (4) *Plant upgrades.*

9           (c) *APPLICATION.*—A grant may not be awarded under  
10 this section unless an application is submitted to, and ap-  
11 proved by, the Secretary. Such an application—

12           (1) shall be submitted by a qualified defense con-  
13 tractor group in such form and manner as the Sec-  
14 retary may require; and

15           (2) shall contain—

16           (A) a description of the strategy proposed  
17 for avoiding the outsourcing of at least 10 jobs  
18 in the performance of a defense contract by the  
19 defense contractor concerned; and

20           (B) such other information as the Secretary  
21 may require.

22           (d) *DEFINITIONS.*—In this section:

23           (1) The term “qualified defense contractor  
24 group”, with respect to a defense contractor, is a  
25 group or person representing—

1                   (A) management of the contractor;

2                   (B) a labor organization that represents em-  
3                   ployees of the contractor; or

4                   (C) employees of the contractor.

5                   (2) The term “outsourcing”, with respect to a de-  
6                   fense contract, includes the performance outside the  
7                   United States of work under the contract.

8                   (e) *FEDERAL SHARE*.—The Federal share of the costs  
9                   of the strategy carried out with a grant under this section  
10                  may not exceed 50 percent.

11                  (f) *USE OF DEFENSE INDUSTRIAL CAPABILITIES*  
12                  *FUND FOR GRANTS*.—(1) Notwithstanding section 814(c) of  
13                  the National Defense Authorization Act for Fiscal Year  
14                  2004 (P.L. 108–136; 117 Stat. 1545), amounts in the De-  
15                  fense Industrial Base Capabilities Fund may be used for  
16                  grants under this section.

17                  (2) For fiscal year 2005, up to \$50,000,000 of amounts  
18                  available in such Fund may be used to carry out this sec-  
19                  tion.

20                  (g) *AUTHORIZATION OF FUNDS*.—There are authorized  
21                  to be appropriated to the Defense Industrial Base Capabili-  
22                  ties Fund \$50,000,000 for purposes of providing grants  
23                  under this section.

1 **SEC. 815. PREFERENCE FOR DOMESTIC FREIGHT FOR-**  
2 **WARDING SERVICES.**

3 (a) *PREFERENCE.*—*In the procurement of transpor-*  
4 *tation services described in subsection (b), the Secretary of*  
5 *Defense shall give preference to any freight forwarder*  
6 *that—*

7 (1) *certifies to the Department of Defense that it*  
8 *is owned and controlled by citizens of the United*  
9 *States; and*

10 (2) *offers services at fair and reasonable rates.*

11 (b) *SERVICES COVERED.*—*Subsection (a) applies to*  
12 *transportation services to, from, or within Iraq or Afghani-*  
13 *stan, and warehousing, logistics, or other similar services*  
14 *performed within Iraq or Afghanistan.*

15 ***Subtitle C—Other Acquisition***  
16 ***Matters***

17 **SEC. 821. SUSTAINMENT AND MODERNIZATION PLANS FOR**  
18 ***EXISTING SYSTEMS WHILE REPLACEMENT***  
19 ***SYSTEMS ARE UNDER DEVELOPMENT.***

20 (a) *EXISTING SYSTEMS TO BE MAINTAINED WHILE*  
21 *REPLACEMENT SYSTEMS ARE UNDER DEVELOPMENT.*—(1)  
22 *Chapter 144 of title 10, United States Code, is amended*  
23 *by inserting after section 2436 the following new section:*

1 **“§2437. Development of major defense acquisition**  
2 **programs: sustainment and moderniza-**  
3 **tion of system to be replaced**

4 “(a) *REQUIREMENT FOR SUSTAINING AND MODERN-*  
5 *IZING EXISTING FORCES.*—(1) *The Secretary of Defense*  
6 *shall require that, whenever a new major defense acquisi-*  
7 *tion program begins development, the defense acquisition*  
8 *authority responsible for that program shall develop a plan*  
9 *(to be known as a sustainment and modernization plan)*  
10 *for the existing system that the system under development*  
11 *is intended to replace. Any such sustainment and mod-*  
12 *ernization plan shall provide for budgeting, sustaining, and*  
13 *modernizing the existing system until the replacement sys-*  
14 *tem to be developed under the major defense acquisition pro-*  
15 *gram is fielded and assumes the majority responsibility for*  
16 *the mission of the existing system. This section does not*  
17 *apply to a major defense acquisition that reaches initial*  
18 *operational capability before October 1, 2008.*

19 “(2) *In this section, the term “defense acquisition au-*  
20 *thority” means the Secretary of a military department or*  
21 *the commander of the United States Special Operations*  
22 *Command.*

23 “(b) *SUSTAINMENT AND MODERNIZATION PLAN.*—*The*  
24 *Secretary of Defense shall require that each sustainment*  
25 *and modernization plan under this section include, at a*  
26 *minimum, the following:*

1           “(1) *The milestone schedule for the development*  
2           *of the major defense acquisition program, including*  
3           *low-rate initial production, initial operational capa-*  
4           *bility, full-rate production, full operational capa-*  
5           *bility, and the date when the replacement system as-*  
6           *sumes the majority responsibility for the mission of*  
7           *the existing system.*

8           “(2) *An analysis of the existing system to deter-*  
9           *mine the following:*

10           “(A) *A sustainment plan and budget re-*  
11           *quirements necessary to provide service life ex-*  
12           *tension to the existing system at acceptable reli-*  
13           *ability and availability rates.*

14           “(B) *A modernization plan and budget re-*  
15           *quirements necessary to maintain mission capa-*  
16           *bility against the relevant threats.*

17           “(C) *A modernization plan and budget re-*  
18           *quirements necessary—*

19           “(i) *to transfer mature technologies*  
20           *from the new system or other systems so*  
21           *that the mission capability of the existing*  
22           *system is enhanced against relevant threats;*  
23           *and*

24           “(ii) *to provide interoperability with*  
25           *the new system during the period from ini-*



1                    *tial fielding until the new system assumes*  
2                    *the majority of responsibility for the mis-*  
3                    *sion of the existing system.*

4                    “(c) *ANNUAL REVIEW.*—*Each fiscal year, before the*  
5                    *submission to Congress of the President’s budget for the next*  
6                    *fiscal year, the Secretary of Defense shall review the sched-*  
7                    *ule performance of each replacement major defense acquisi-*  
8                    *tion program for which a sustainment and modernization*  
9                    *plan has been developed under this section to compare that*  
10                   *performance with the schedule set forth under subsection*  
11                   *(b)(1). If the schedule for the program has changed, then*  
12                   *the Secretary shall notify the congressional defense commit-*  
13                   *tees of such change.*

14                   “(d) *EXCEPTIONS.*—*Subsection (a) shall not apply to*  
15                   *a major defense acquisition program if the Secretary of De-*  
16                   *fense determines that—*

17                   “(1) *the existing system is no longer relevant to*  
18                   *the mission;*

19                   “(2) *the mission has been eliminated;*

20                   “(3) *the mission has been consolidated with an-*  
21                   *other mission in such a manner that another existing*  
22                   *system can adequately meet the mission requirements;*  
23                   *or*

24                   “(4) *the duration of time until the new system*  
25                   *assumes the majority of responsibility for the existing*

1        *system's mission is sufficiently short so that mission*  
2        *availability, capability, interoperability, and force*  
3        *protection requirements are maintained.*

4        “(e) *WAIVER.—The Secretary of Defense may waive*  
5        *the applicability of subsection (a) to a major defense acqui-*  
6        *sition program if the Secretary determines that, but for*  
7        *such a waiver, the Department would be unable to meet na-*  
8        *tional security objectives. Whenever the Secretary makes*  
9        *such a determination and authorizes such a waiver, the Sec-*  
10       *retary shall submit notice of such waiver and of the Sec-*  
11       *retary's determination and the reasons therefor in writing*  
12       *to the congressional defense committees.”.*

13       (2) *The table of sections at the beginning of such chap-*  
14       *ter is amended by inserting after the item relating to section*  
15       *2436 the following new item:*

*“2437. Development of major defense acquisition programs: sustainment and mod-*  
*ernization of system to be replaced .”.*

16       (b) *APPLICATION TO EXISTING PROGRAMS IN DEVEL-*  
17       *OPMENT.—Section 2437 of title 10, United States Code, as*  
18       *added by subsection (a), shall apply with respect to a major*  
19       *defense acquisition program that is under development as*  
20       *of the date of the enactment of this Act and is not expected*  
21       *to reach initial operational capability before October 1,*  
22       *2008. The Secretary of Defense shall require that a*  
23       *sustainment and modernization plan under that section be*  
24       *developed not later than one year after the date of the enact-*

1 *ment of this Act for the existing system that the system*  
2 *under development is intended to replace.*

3 **SEC. 822. REVIEW AND DEMONSTRATION PROJECT RELAT-**  
4 **ING TO CONTRACTOR EMPLOYEES.**

5 *(a) GENERAL REVIEW.—(1) The Secretary of Defense*  
6 *shall conduct a review of policies, procedures, practices, and*  
7 *penalties of the Department of Defense relating to employees*  
8 *of defense contractors for purposes of ensuring that the De-*  
9 *partment of Defense is in compliance with Executive Order*  
10 *No. 12989 (relating to a prohibition on entering into con-*  
11 *tracts with contractors that are not in compliance with the*  
12 *Immigration and Nationality Act).*

13 *(2) In conducting the review, the Secretary shall—*

14 *(A) identify potential weaknesses and areas for*  
15 *improvement in existing policies, procedures, prac-*  
16 *tices, and penalties;*

17 *(B) develop and implement reforms to strength-*  
18 *en, upgrade, and improve policies, procedures, prac-*  
19 *tices, and penalties of the Department of Defense and*  
20 *its contractors; and*

21 *(C) review and analyze reforms developed pursu-*  
22 *ant to this paragraph to identify for purposes of na-*  
23 *tional implementation those which are most efficient*  
24 *and effective.*

1       (3) *The review under this subsection shall be completed*  
2 *not later than 180 days after the date of the enactment of*  
3 *this Act.*

4       (b) *DEMONSTRATION PROJECT.—The Secretary of De-*  
5 *fense shall conduct a demonstration project in accordance*  
6 *with this section, in one or more regions selected by the Sec-*  
7 *retary, for purposes of promoting greater contracting oppor-*  
8 *tunities for contractors offering effective, reliable staffing*  
9 *plans to perform defense contracts that ensure all contract*  
10 *personnel employed for such projects, including manage-*  
11 *ment employees, professional employees, craft labor per-*  
12 *sonnel, and administrative personnel, are lawful residents*  
13 *or persons properly authorized to be employed in the United*  
14 *States and properly qualified to perform services required*  
15 *under the contract. The demonstration project shall focus*  
16 *on contracts for construction, renovation, maintenance, and*  
17 *repair services for military installations.*

18       (c) *DEMONSTRATION PROJECT PROCUREMENT PROCE-*  
19 *DURES.—As part of the demonstration project under sub-*  
20 *section (b), the Secretary of Defense shall conduct a com-*  
21 *petition in which there is a provision in contract sollicita-*  
22 *tions and request for proposal documents to require signifi-*  
23 *cant weight or credit be allocated to—*

24               (1) *reliable, effective workforce programs offered*  
25 *by prospective contractors that provide background*

1        *checks and other measures to ensure the contractor is*  
2        *in compliance with the Immigration and Nationality*  
3        *Act; and*

4            (2) *reliable, effective project staffing plans offered*  
5        *by prospective contractors that specify for all contract*  
6        *employees (including management employees, profes-*  
7        *sionals, and craft labor personnel) the skills, training,*  
8        *and qualifications of such persons and the labor sup-*  
9        *ply sources and hiring plans or procedures used for*  
10       *employing such persons.*

11        (d)    *IMPLEMENTATION        OF        DEMONSTRATION*  
12       *PROJECT.—The Secretary of Defense shall begin operation*  
13       *of the demonstration project required under this section*  
14       *after completion of the review under subsection (a), but in*  
15       *no event later than 270 days after the date of the enactment*  
16       *of this Act.*

17        (e) *REPORT ON DEMONSTRATION PROJECT.—Not later*  
18       *than six months after award of a contract under the dem-*  
19       *onstration project, the Secretary of Defense shall submit to*  
20       *the Committees on Armed Services of the Senate and House*  
21       *of Representatives a report setting forth a review of the*  
22       *demonstration project and recommendations on the actions,*  
23       *if any, that can be implemented to ensure compliance by*  
24       *the Department of Defense with Executive Order No. 12989.*

1           (f) *DEFINITION.*—*In this section, the term “military*  
2 *installation” means a base, camp, post, station, yard, cen-*  
3 *ter, homeport facility for any ship, or other activity under*  
4 *the jurisdiction of the Department of Defense, including any*  
5 *leased facility, which is located within any of the several*  
6 *States, the District of Columbia, the Commonwealth of*  
7 *Puerto Rico, American Samoa, the Virgin Islands, or*  
8 *Guam. Such term does not include any facility used pri-*  
9 *marily for civil works, rivers and harbors projects, or flood*  
10 *control projects.*

11 **SEC. 823. DEFENSE ACQUISITION WORKFORCE LIMITATION**  
12 **AND REPORTS.**

13           (a) *DEFENSE ACQUISITION AND SUPPORT PERSONNEL*  
14 *LIMITATION.*—(1) *Effective October 1, 2005, the number of*  
15 *defense acquisition and support personnel in the Depart-*  
16 *ment of Defense may not exceed 95 percent of the baseline*  
17 *number.*

18           (2) *For purposes of paragraph (1), the baseline number*  
19 *is the number of defense acquisition and support personnel*  
20 *as of October 1, 2004.*

21           (3) *All determinations of personnel strengths for pur-*  
22 *poses of this section shall be on the basis of full-time equiva-*  
23 *lent positions.*

24           (b) *GAO STUDY AND REPORT ON DEFENSE ACQUI-*  
25 *SITION AND SUPPORT PERSONNEL.*—(1) *The Comptroller*

1 *General shall conduct a study of Department of Defense*  
2 *management of defense acquisition and support personnel.*

3 *The study shall include—*

4           (A) *an analysis of the number and structure of*  
5 *defense acquisition and support personnel; and*

6           (B) *an assessment of the size, mission, composi-*  
7 *tion, and projected workload requirements of defense*  
8 *acquisition and support personnel.*

9           (2) *The Comptroller General shall submit to the Com-*  
10 *mittees on Armed Services of the Senate and the House of*  
11 *Representatives a report on the results of the study con-*  
12 *ducted under this subsection not later than March 1, 2005.*

13           (c) *DEFENSE ACQUISITION UNIVERSITY STUDY AND*  
14 *REPORT ON DEFENSE ACQUISITION AND SUPPORT PER-*  
15 *SONNEL.—(1) The Defense Acquisition University shall*  
16 *conduct a study of all the training programs offered to de-*  
17 *fense acquisition and support personnel.*

18           (2) *The Defense Acquisition University shall submit*  
19 *to the Committees on Armed Services of the Senate and the*  
20 *House of Representatives a report on the results of the study*  
21 *conducted under this subsection not later than March 1,*  
22 *2005. The report shall include—*

23           (A) *the number of individuals currently certified*  
24 *within the field they are working in; and*

1           (B) recommendations on how to improve edu-  
2           cation and productivity for defense acquisition and  
3           support personnel, including recommendations for ad-  
4           ditional training program requirements.

5           (d) DEFINITION.—In this section, the term “defense ac-  
6           quisition and support personnel” means members of the  
7           Armed Forces and civilian personnel (other than civilian  
8           personnel who are employed at a maintenance depot) who  
9           are assigned to, or employed in, acquisition organizations  
10          of the Department of Defense (as specified in Department  
11          of Defense Instruction numbered 5000.58, dated January  
12          14, 1992), and any other organization that, as determined  
13          by the Secretary, has acquisition as its predominant mis-  
14          sion.

15   **SEC. 824. PROVISION OF INFORMATION TO CONGRESS TO**  
16                           **ENHANCE TRANSPARENCY IN CONTRACTING.**

17          Upon request of the chairman or ranking member of  
18          the Committee on Armed Services of the Senate or House  
19          of Representatives, the Secretary of Defense shall provide,  
20          with respect to any contract or task or delivery order under  
21          a task or delivery order contract entered into by the Depart-  
22          ment of Defense, within 14 days after receipt of the request,  
23          unredacted copies of any documents required to be main-  
24          tained in the contracting office contract file, the contract  
25          administration office contract file, and the paying office



1 *contract file pursuant to subpart 4.8 of the Federal Acquisi-*  
2 *tion Regulation, including—*

3 *(1) copies of the contract and all modifications;*

4 *(2) orders issued under the contract;*

5 *(3) justifications and approvals;*

6 *(4) any government estimate of contract price;*

7 *(5) source selection documentation;*

8 *(6) cost or price analysis;*

9 *(7) audit reports;*

10 *(8) justification for type of contract;*

11 *(9) authority for deviations from regulations,*  
12 *statutory requirements, or other restrictions;*

13 *(10) bills, invoices, vouchers, and supporting*  
14 *documents; and*

15 *(11) records of payments or receipts.*

16 **TITLE IX—DEPARTMENT OF**  
17 **DEFENSE ORGANIZATION**  
18 **AND MANAGEMENT**

19 **SEC. 901. CHANGE IN TITLE OF SECRETARY OF THE NAVY**  
20 **TO SECRETARY OF THE NAVY AND MARINE**  
21 **CORPS.**

22 *(a) CHANGE IN TITLE.—The position of the Secretary*  
23 *of the Navy is hereby redesignated as the Secretary of the*  
24 *Navy and Marine Corps.*

1           (b) *REFERENCES.*—Any reference to the Secretary of  
2 the Navy in any law, regulation, document, record, or other  
3 paper of the United States shall be considered to be a ref-  
4 erence to the Secretary of the Navy and Marine Corps.

5 **SEC. 902. TRANSFER OF CENTER FOR THE STUDY OF CHI-**  
6                           **NESE MILITARY AFFAIRS FROM NATIONAL**  
7                           **DEFENSE UNIVERSITY TO UNITED STATES-**  
8                           **CHINA ECONOMIC AND SECURITY REVIEW**  
9                           **COMMISSION.**

10           (a) *TRANSFER.*—The Center for the Study of Chinese  
11 Military Affairs established by section 914 of the National  
12 Defense Authorization Act for Fiscal Year 2000 (10 U.S.C.  
13 2165 note) is transferred from the National Defense Univer-  
14 sity of the Department of Defense to the United States-  
15 China Economic and Security Review Commission.

16           (b) *CONFORMING AMENDMENT.*—Subsection (a) of sec-  
17 tion 914 of the National Defense Authorization Act for 2000  
18 (10 U.S.C. 2165 note) is amended to read as follows:

19           “(a) *ESTABLISHMENT.*—There shall be a Center for the  
20 Study of Chinese Military Affairs organized under the  
21 United States-China Economic and Security Review Com-  
22 mission established by section 1238 of the Floyd D. Spence  
23 National Defense Authorization Act for Fiscal Year 2001  
24 (22 U.S.C. 7002).”.

1           (c) *REPEAL OF OBSOLETE PROVISIONS.*—Such section  
2 is further amended by striking subsections (d) and (e).

3           (d) *TECHNICAL AMENDMENTS TO COMMISSION CHAR-*  
4 *TER.*—(1) Section 1238(c) of the *Floyd D. Spence National*  
5 *Defense Authorization Act for Fiscal Year 2001 (22 U.S.C.*  
6 *7002)* is amended—

7                   (1) in paragraph (1)—

8                           (A) by striking “(beginning in 2002)”; and

9                           (B) by adding at the end the following new  
10 sentence: “The report shall include a full discus-  
11 sion of the activities of the Commission under  
12 each of the subparagraphs of paragraph (2).”;  
13 and

14                   (2) in paragraph (2)—

15                           (A) by striking the matter preceding sub-  
16 paragraph (A) and inserting the following:

17                                   “(2) *AREAS OF FOCUS.*—The Commission shall  
18 focus, in lieu of any other area of work or study, on  
19 the following.”; and

20                           (B) by replacing subparagraphs (A) through  
21 (J) with the text of subparagraphs (A) through  
22 (I) of section 2(c)(2) of division P of Public Law  
23 108–7 (22 U.S.C. 7002 note).

24           (2) Section 2(c)(2) of division P of Public Law 108–  
25 7 (22 U.S.C. 7002 note) is repealed.

1           (e) *EFFECTIVE DATE.*—Subsection (a) and the amend-  
2   ment made by subsection (b) shall take effect at the end  
3   of the 90-day period beginning on the date of the enactment  
4   of this Act.

5   **SEC. 903. TRANSFER TO SECRETARY OF THE ARMY OF RE-**  
6                           **SPONSIBILITY FOR ASSEMBLED CHEMICAL**  
7                           **WEAPONS ALTERNATIVES PROGRAM.**

8           *Effective January 1, 2005, the text of section 142 of*  
9   *the Strom Thurmond National Defense Authorization Act*  
10 *for Fiscal Year 1999 (Public Law 105–261; 50 U.S.C. 1521*  
11 *note) is amended to read as follows:*

12           “(a) *PROGRAM MANAGEMENT.*—(1) *The program*  
13 *manager for the Assembled Chemical Weapons Alternatives*  
14 *program shall report to the Secretary of the Army.*

15           “(2) *The Secretary of the Army shall provide for that*  
16 *program to be managed as part of the management organi-*  
17 *zation within the Department of the Army specified in sec-*  
18 *tion 1412(e) of Public Law 99–145 (50 U.S.C. 1521(e)).*

19           “(b) *CONTINUED IMPLEMENTATION OF PREVIOUSLY*  
20 *SELECTED ALTERNATIVE TECHNOLOGIES.*—(1) *In car-*  
21 *rying out the destruction of lethal chemical munitions at*  
22 *Pueblo Chemical Depot, Colorado, the Secretary of the*  
23 *Army shall continue to implement fully the alternative tech-*  
24 *nology for such destruction at that depot selected by the*

1 *Under Secretary of Defense for Acquisition, Technology,*  
2 *and Logistics on July 16, 2002.*

3 “(2) *In carrying out the destruction of lethal chemical*  
4 *munitions at Blue Grass Army Depot, Kentucky, the Sec-*  
5 *retary of the Army shall continue to implement fully the*  
6 *alternative technology for such destruction at that depot se-*  
7 *lected by the Under Secretary of Defense for Acquisition,*  
8 *Technology, and Logistics on February 3, 2003.”*

9 **SEC. 904. MODIFICATION OF OBLIGATED SERVICE REQUIRE-**  
10 **MENTS UNDER NATIONAL SECURITY EDU-**  
11 **CATION PROGRAM.**

12 (a) *IN GENERAL.*—*Subsection (b)(2) of section 802 of*  
13 *the David L. Boren National Security Education Act of*  
14 *1991 (50 U.S.C. 1902) is amended by striking subpara-*  
15 *graphs (A) and (B), as added by section 925(a) of the Na-*  
16 *tional Defense Authorization Act for Fiscal Year 2004 (Pub-*  
17 *lic Law 108–136; 117 Stat. 1578), and inserting the fol-*  
18 *lowing:*

19 “(A) *in the case of a recipient of a scholar-*  
20 *ship, as soon as practicable but in no case later*  
21 *than three years after the completion by the re-*  
22 *recipient of the study for which scholarship assist-*  
23 *ance was provided under the program, the re-*  
24 *recipient shall work for a period of one year—*

1           “(i) in a national security position  
2           that the Secretary certifies is appropriate to  
3           use the unique language and region exper-  
4           tise acquired by the recipient pursuant to  
5           such study in the Department of Defense, in  
6           any element of the intelligence community,  
7           in the Department of Homeland Security,  
8           or in the Department of State; or

9           “(ii) in such a position in any other  
10          Federal department or agency not referred  
11          to in clause (i) if the recipient demonstrates  
12          to the Secretary that no position is avail-  
13          able in a Federal department or agency  
14          specified in clause (i); or

15          “(B) in the case of a recipient of a fellow-  
16          ship, as soon as practicable but in no case later  
17          than two years after the completion by the re-  
18          cipient of the study for which fellowship assist-  
19          ance was provided under the program, the re-  
20          cipient shall work for a period equal to the dura-  
21          tion of assistance provided under the program,  
22          but in no case less than one year—

23               “(i) in a position described in sub-  
24               paragraph (A)(i) that the Secretary certifies  
25               is appropriate to use the unique language

1                   and region expertise acquired by the recipi-  
2                   ent pursuant to such study; or

3                   “(ii) in such a position in any other  
4                   Federal department or agency not referred  
5                   to in clause (i) if the recipient demonstrates  
6                   to the Secretary that no position is avail-  
7                   able in a Federal department or agency  
8                   specified in clause (i); and”.

9           (b) *REGULATIONS.*—The Secretary of Defense shall  
10   prescribe regulations to carry out the amendment made by  
11   subsection (a). In prescribing such regulations, the Sec-  
12   retary shall establish standards that recipients of scholar-  
13   ship and fellowship assistance under the program under  
14   such section 802 are required to demonstrate to satisfy the  
15   requirement of a good faith effort to gain employment as  
16   required under subparagraphs (A) and (B) of subsection  
17   (b)(2) of such section.

18           (c) *APPLICABILITY.*—(1) The amendment made by sub-  
19   section (a) shall apply with respect to service agreements  
20   entered into under the David L. Boren National Security  
21   Education Act of 1991 on or after the date of the enactment  
22   of this Act.

23           (2) The amendment made by subsection (a) shall not  
24   affect the force, validity, or terms of any service agreement  
25   entered into under the David L. Boren National Security

1 *Education Act of 1991 before the date of the enactment of*  
2 *this Act that is in force as of that date.*

3 **SEC. 905. CHANGE OF MEMBERSHIP OF CERTAIN COUNCILS.**

4 (a) *MEMBERSHIP OF ARMED FORCES POLICY COUN-*  
5 *CIL.—Section 171(a) of title 10, United States Code, is*  
6 *amended by adding at the end the following new paragraph:*

7 “(14) *The Commandant of the Coast Guard, for*  
8 *discussion of matters pertaining to the Coast*  
9 *Guard.”.*

10 (b) *MEMBERSHIP OF COUNCIL UNDER SECTION 179.—*  
11 *Subsection (a) of section 179 of title 10, United States Code,*  
12 *is amended by adding at the end the following new para-*  
13 *graph:*

14 “(4) *The Under Secretary of Defense for Pol-*  
15 *icy.”.*

16 (b) *CONFORMING AND CLARIFYING AMENDMENTS.—*  
17 *Such subsection is further amended in the matter preceding*  
18 *paragraph (1)—*

19 (1) *by striking “Joint”; and*

20 (2) *by striking “composed of three members as*  
21 *follows:” and inserting “operated as a joint activity*  
22 *of the Department of Defense and the Department of*  
23 *Energy. The membership of the Council is comprised*  
24 *of the following officers of those departments:”.*



1       (c) *OTHER TECHNICAL AND CLARIFYING AMEND-*  
2 *MENTS.—Such section is further amended as follows:*

3           (1) *Subsection (c)(3)(B) is amended by striking*  
4 *“appointed” and inserting “designated”.*

5           (2) *Subsection (e) is amended by striking “In*  
6 *addition” and all that follows through “also” and in-*  
7 *serting “The Council shall”.*

8           (3) *Subsection (f) is amended by striking “Com-*  
9 *mittee on” the first place it appears and all that fol-*  
10 *lows through “Representatives” and inserting “con-*  
11 *gressional defense committees”.*

12       (d) *STYLISTIC AMENDMENTS.—Such section is further*  
13 *amended as follows:*

14           (1) *Subsection (a) is amended by inserting “ES-*  
15 *TABLISHMENT; MEMBERSHIP.—” after “(a)”.*

16           (2) *Subsection (b) is amended by inserting*  
17 *“CHAIRMAN; MEETINGS.—” after “(b)”.*

18           (3) *Subsection (c) is amended by inserting*  
19 *“STAFF AND ADMINISTRATIVE SERVICES; STAFF DI-*  
20 *RECTOR.—” after “(c)”.*

21           (4) *Subsection (d) is amended by inserting “RE-*  
22 *SPONSIBILITIES.—” after “(d)”.*

23           (5) *Subsection (e) is amended by inserting “RE-*  
24 *PORT ON DIFFICULTIES RELATING TO SAFETY OR*  
25 *RELIABILITY.—” after “(e)”.*

1           (6) *Subsection (f) is amended by inserting “AN-*  
2           *NUAL REPORT.—” after “(f)”.*

3           (e) *FURTHER CONFORMING AMENDMENT.—Section*  
4           *3212(e) of the National Nuclear Security Administration*  
5           *Act (50 U.S.C. 2402(e)) is amended—*

6           (1) *by striking “JOINT” in the subsection head-*  
7           *ing; and*

8           (2) *by striking “Joint”.*

9           **SEC. 906. ACTIONS TO PREVENT THE ABUSE OF DETAINEES.**

10          (a) *POLICIES REQUIRED.—The Secretary of Defense*  
11          *shall prescribe policies regarding procedures for the Armed*  
12          *Forces and other elements of the Department of Defense and*  
13          *contractor personnel of the Department of Defense intended*  
14          *to prevent the conditions leading to acts of abuse of detain-*  
15          *ees who are held by the United States as part of the Global*  
16          *War on Terrorism. Policies under this subsection shall be*  
17          *prescribed not later than 120 days after the date of the en-*  
18          *actment of this Act.*

19          (b) *MATTERS TO BE INCLUDED.—In order to achieve*  
20          *the objective stated in subsection (a), the policies on the pre-*  
21          *vention of abuse of detainees under that subsection shall*  
22          *specify, at a minimum, procedures for the following:*

23               (1) *Ensuring that commanders of detention fa-*  
24               *cilities and commanders of interrogation facilities*  
25               *provide all assigned personnel (including contractor*

1        *personnel) with training, and documented acknowl-*  
2        *edgement of receiving training, regarding the Geneva*  
3        *Convention Relative to the Treatment of Prisoners of*  
4        *War and established Standing Operating Procedures*  
5        *for the treatment of detainees. Training provided*  
6        *under this paragraph to contractor personnel shall be*  
7        *at least comparable in degree to that provided to*  
8        *members of the Armed Forces.*

9            *(2) Providing all detainees with information, in*  
10        *their own language, of the protections afforded under*  
11        *the Geneva Convention Relative to the Treatment of*  
12        *Prisoners of War.*

13            *(3) Conducting periodic unannounced and an-*  
14        *nounced inspections of prisons and other areas where*  
15        *detainees are held in order to provide continued over-*  
16        *sight of interrogation and detention operations.*

17            *(4) Prohibiting contact between male guards and*  
18        *female detainees and between female guards and male*  
19        *detainees, except under exigent circumstances.*

20        *(c) REPORTS TO CONGRESS.—The Secretary of Defense*  
21        *shall submit to the Committees on Armed Services of the*  
22        *Senate and House of Representatives—*

23            *(1) a copy of the policies prescribed pursuant to*  
24        *subsection (a), immediately after those policies are*  
25        *prescribed; and*

1           (2) *a report on the implementation of those poli-*  
2           *cies, not later than one year after the date on which*  
3           *those policies are prescribed.*

4 **SEC. 907. RESPONSES TO CONGRESSIONAL INQUIRIES.**

5           (a) *IN GENERAL.*—(1) *Chapter 3 of title 10, United*  
6 *States Code, is amended by inserting after section 113a the*  
7 *following new section:*

8 **“§ 113b. Response to congressional inquiries**

9           *“Whenever the Secretary of Defense or any other offi-*  
10 *cial of the Department of Defense is requested by the chair-*  
11 *man of the Committee on Armed Services of the Senate or*  
12 *the chairman of the Committee on Armed Services of the*  
13 *House of Representatives to respond to a question or in-*  
14 *quiry submitted by the chairman or another member of that*  
15 *committee pursuant to a committee hearing or other activ-*  
16 *ity, the Secretary (or other official) shall respond to the re-*  
17 *quest, in writing, within 21 days of the date on which the*  
18 *request is transmitted to the Secretary (or other official).”.*

19           (b) *CLERICAL AMENDMENT.*—*The table of sections at*  
20 *the beginning of such chapter is amended by inserting after*  
21 *the item relating to section 113a the following new item:*

*“113b. Response to congressional inquiries.”.*

1 **TITLE X—GENERAL PROVISIONS**

2 **Subtitle A—Financial Matters**

3 **SEC. 1001. TRANSFER AUTHORITY.**

4 (a) *AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1)*

5 *Upon determination by the Secretary of Defense that such*  
6 *action is necessary in the national interest, the Secretary*  
7 *may transfer amounts of authorizations made available to*  
8 *the Department of Defense in this division for fiscal year*  
9 *2005 between any such authorizations for that fiscal year*  
10 *(or any subdivisions thereof). Amounts of authorizations so*  
11 *transferred shall be merged with and be available for the*  
12 *same purposes as the authorization to which transferred.*

13 (2) *The total amount of authorizations that the Sec-*  
14 *retary may transfer under the authority of this section may*  
15 *not exceed \$3,000,000,000. Of such amount, \$500,000,000*  
16 *may be used only for a transfer from an account for an*  
17 *active component to an account for a reserve component,*  
18 *or from an account of a reserve component to an account*  
19 *of an active component, of the same Armed Force.*

20 (b) *LIMITATIONS.—The authority provided by this sec-*  
21 *tion to transfer authorizations—*

22 (1) *may only be used to provide authority for*  
23 *items that have a higher priority than the items from*  
24 *which authority is transferred;*

1           (2) *may not be used to provide authority for an*  
2 *item that has been denied authorization by Congress;*  
3 *and*

4           (3) *may not be combined with the authority pro-*  
5 *vided under section 1522.*

6           (c) *EFFECT ON AUTHORIZATION AMOUNTS.—A trans-*  
7 *fer made from one account to another under the authority*  
8 *of this section shall be deemed to increase the amount au-*  
9 *thorized for the account to which the amount is transferred*  
10 *by an amount equal to the amount transferred.*

11          (d) *NOTICE TO CONGRESS.—The Secretary shall*  
12 *promptly notify Congress of each transfer made under sub-*  
13 *section (a).*

14   **SEC. 1002. BUDGET JUSTIFICATION DOCUMENTS FOR OPER-**  
15                 **ATION AND MAINTENANCE.**

16          (a) *IN GENERAL.—(1) Chapter 9 of title 10, United*  
17 *States Code, is amended by adding at the end the following*  
18 *new section:*

19   **“§232. Operations and maintenance budget presen-**  
20                 **tation**

21                 *“(a) IN GENERAL.—In this section*

22                         *“(1) The term ‘O&M justification documents’*  
23                 *means Department of Defense budget justification*  
24                 *documents with respect to accounts for operation and*  
25                 *maintenance submitted to the congressional defense*

1        *committees in support of the Department of Defense*  
2        *component of the President’s budget for any fiscal*  
3        *year.*

4            “(2) *The term ‘President’s budget’ means the*  
5        *budget of the President submitted to Congress under*  
6        *section 1105 of title 31 for any fiscal year.*

7            “(3) *The term ‘current year’ means the fiscal*  
8        *year during which the President’s budget is submitted*  
9        *in any year.*

10          “(b) *IDENTIFICATION OF BASELINE AMOUNTS IN O&M*  
11        *JUSTIFICATION DOCUMENTS.—In any case in which the*  
12        *amount requested in the President’s budget for a fiscal year*  
13        *for a Department of Defense operations and maintenance*  
14        *program, project, or activity is different from the amount*  
15        *appropriated for that program, project, or activity for the*  
16        *current year, the O&M justification documents supporting*  
17        *that budget shall identify that appropriated amount and*  
18        *the difference between that amount and the amount re-*  
19        *quested in the budget, stated as an amount and as a per-*  
20        *centage.*

21          “(c) *PERSONAL SERVICE CONTRACTS.—In the O&M*  
22        *justification documents for any fiscal year, costs pro-*  
23        *grammed in the budget for that fiscal year for Department*  
24        *of Defense for personal service contracts, and the number*  
25        *of personal service contractors to be used by the Department*

1 of Defense during that fiscal year who will be compensated  
2 at an annual rate in excess of the annual rate of salary  
3 of the Vice President under section 104 of title 3, shall be  
4 separately set forth and identified.

5       “(d) NAVY SUBACTIVITIES FOR SHIP DEPOT MAINTENANCE AND FOR INTERMEDIATE SHIP MAINTENANCE.—In  
6 the O&M justification documents for the Navy for any fiscal  
7 year, amounts requested for ship depot maintenance and  
8 amounts requested for intermediate ship maintenance shall  
9 be set forth as separate budget subactivity groups.  
10

11       “(e) CIVILIAN AVERAGE SALARY COSTS.—In the O&M  
12 justification documents for any fiscal year, average civilian  
13 salary costs, shown by subactivity group, shall be set forth  
14 as a component of the personnel summary exhibit.”.

15       (2) The table of sections at the beginning of such chap-  
16 ter is amended by adding at the end the following new item:

“232. Operations and maintenance budget presentation.”.

17       (b) COMPONENTS OF LINE ITEMS FOR OTHER COSTS  
18 AND OTHER CONTRACTS.—Not later than March 1, 2005,  
19 the Secretary of Defense shall submit to the congressional  
20 defense committees a report setting forth the component ele-  
21 ments of the line items identified as “Other Costs” and  
22 “Other Contracts” in the exhibit identified as “Summary  
23 of Price and Program Changes” in the budget justification  
24 materials submitted to those committees in support of the  
25 budget for fiscal year 2006.



1 **SEC. 1003. RETENTION OF FEES FROM INTELLECTUAL**  
2 **PROPERTY LICENSES.**

3 (a) *IN GENERAL.*—Chapter 165 of title 10, United  
4 States Code, is amended by adding at the end the following  
5 new section:

6 **“§2788. Licensing of intellectual property of the mili-**  
7 **tary departments; authority to charge and**  
8 **retain fees**

9 “(a) *AUTHORITY TO RETAIN FEES.*—(1) Under regu-  
10 lations prescribed by the Secretary of Defense, the Secretary  
11 concerned may license trademarks, service marks, certifi-  
12 cation marks, and collective marks owned by a military de-  
13 partment and may retain and expend fees received from  
14 such licensing in accordance with subsection (b).

15 “(2) *In this section, the terms ‘trademark’, ‘service*  
16 *mark’, ‘certification mark’, ‘collective mark’, and ‘mark’*  
17 *have the meanings given those terms in section 45 of the*  
18 *Trademark Act of 1946 (15 U.S.C. 1127).*

19 “(b) *USE OF LICENSING FEES.*—(1) *Funds received by*  
20 *a military department from licensing under subsection*  
21 *(a)(1) shall be used for the expenses incurred by the depart-*  
22 *ment in securing the registration of marks owned by the*  
23 *department and in licensing those marks.*

24 “(2) *If the amount of fees received by a military de-*  
25 *partment during any fiscal year from the licensing of*  
26 *marks exceeds the anticipated expenses under paragraph (1)*

1 *during that year, the Secretary concerned may designate*  
 2 *those funds as excess and expend them as provided in para-*  
 3 *graph (3).*

4       “(3) *Not more than 50 percent of any such excess funds*  
 5 *shall be available for military personnel recruiting and re-*  
 6 *tention activities of the department. The remainder of such*  
 7 *funds shall be available for morale, welfare, and recreation*  
 8 *activities of the department.*

9       “(4) *Funds received pursuant to subsection (a)(1) shall*  
 10 *remain available for two years after the end of the fiscal*  
 11 *year during which the funds are received.*”

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

*“2788. Licensing of intellectual property of the military departments; authority to charge and retain fees.”.*

15 **SEC. 1004. AUTHORITY TO WAIVE CLAIMS OF THE UNITED**  
 16 **STATES WHEN AMOUNTS RECOVERABLE ARE**  
 17 **LESS THAN COSTS OF COLLECTION.**

18       (a) *AUTHORITY.—Chapter 165 of title 10, United*  
 19 *States Code, is amended by inserting after section 2780 the*  
 20 *following new section:*

21 **“§2780a. Debt collection: general waiver authority for**  
 22 **small amounts owed the United States**

23       “(a) *AUTHORITY.—In the case of an indebtedness to*  
 24 *the United States described in subsection (b) that is for an*

1 amount that is less than the threshold amount specified in  
2 subsection (c), the Secretary of Defense may, under regula-  
3 tions prescribed under this section, cancel the indebtedness  
4 and waive recovery of the amount owed. Such authority  
5 may be used only when, based on a cost-benefit analysis,  
6 the Secretary determines that the costs of collection are ex-  
7 pected to exceed the amount recoverable.

8       “(b) *COVERED DEBTS.*—(1) *Except as provided in*  
9 *paragraph (2), this section applies with respect to amounts*  
10 *owed to the United States that arise out of the activities*  
11 *of, or that are referred to, the Department of Defense (in-*  
12 *cluding amounts owed by members of the armed forces and*  
13 *Department of Defense civilian personnel).*

14       “(2) *The authority under this section does not apply*  
15 *to amounts owed to the United States arising out of activi-*  
16 *ties of the Department of Defense that have been referred*  
17 *to another executive agency for collection action or that are*  
18 *otherwise within the purview of another executive agency.*

19       “(c) *MAXIMUM AMOUNT WAIVABLE.*—*The threshold*  
20 *amount referred to in subsection (a) is the micropurchase*  
21 *threshold amount in effect under section 32 of the Office*  
22 *of Federal Procurement Policy Act (41 U.S.C. 428).*

23       “(d) *REGULATIONS.*—*The Secretary of Defense shall*  
24 *prescribe regulations for the purposes of this section.”.*

1       (b) *CLERICAL AMENDMENT.*—*The table of sections at*  
 2 *the beginning of such chapter is amended by inserting after*  
 3 *the item relating to section 2780 the following new item:*

*“2780a. Debt collection: general waiver authority for small amounts owed the United States.”.*

4 **SEC. 1005. REPEAL OF FUNDING RESTRICTIONS CON-**  
 5 **CERNING DEVELOPMENT OF MEDICAL COUN-**  
 6 **TERMEASURES AGAINST BIOLOGICAL WAR-**  
 7 **FARE THREATS.**

8       (a) *REPEAL.*—*Section 2370a of title 10, United States*  
 9 *Code, is repealed.*

10       (b) *CLERICAL AMENDMENT.*—*The table of sections at*  
 11 *the beginning of chapter 139 of such title is amended by*  
 12 *striking the item relating to that section.*

13 **SEC. 1006. REPORT ON BUDGETING FOR EXCHANGE RATES**  
 14 **FOR FOREIGN CURRENCY FLUCTUATIONS.**

15       (a) *SECRETARY OF DEFENSE REPORT.*—(1) *Not later*  
 16 *than December 1, 2004, the Secretary Defense shall submit*  
 17 *to the Committees on Armed Services of the Senate and*  
 18 *House of Representatives a report on the foreign currency*  
 19 *exchange rate projection used in annual Department of De-*  
 20 *fense budget presentations.*

21       (2) *In the report under paragraph (1), the Secretary*  
 22 *shall—*

23               (A) *identify alternative approaches for selecting*  
 24 *foreign currency exchange rates that would produce*

1        *more realistic estimates of amounts required to be ap-*  
2        *propriated or otherwise made available for the De-*  
3        *partment of Defense to accommodate foreign currency*  
4        *exchange rate fluctuations;*

5            *(B) address the advantages and disadvantages of*  
6        *each approach identified pursuant to subparagraph*  
7        *(A);*

8            *(C) identify the Secretary's preferred approach*  
9        *among the alternatives identified pursuant to sub-*  
10       *paragraph (A) and provide the Secretary's rationale*  
11       *for preferring that approach.*

12        *(3) In identifying alternative approaches pursuant to*  
13       *paragraph (2)(A), the Secretary shall examine—*

14            *(A) approaches used by other Federal depart-*  
15        *ments and agencies; and*

16            *(B) the feasibility of using private economic fore-*  
17        *casting.*

18        *(b) COMPTROLLER GENERAL REVIEW AND REPORT.—*  
19       *The Comptroller General of the United States shall review*  
20       *the report under subsection (a), including the basis for the*  
21       *Secretary's conclusions stated in the report, and shall sub-*  
22       *mit to the Committees on Armed Services of the Senate and*  
23       *House of Representatives a report containing the Comp-*  
24       *troller General's conclusions with respect to that report.*

1 *Such report shall be submitted not later than January 15,*  
2 *2005.*

3           ***Subtitle B—Naval Vessels and***  
4                           ***Shipyards***

5 ***SEC. 1011. AUTHORITY FOR AWARD OF CONTRACTS FOR***  
6                           ***SHIP DISMANTLING ON NET-COST BASIS.***

7           (a) *IN GENERAL.*—Chapter 633 of title 10, United  
8 *States Code, is amended by inserting after section 7305 the*  
9 *following new section:*

10 ***“§ 7305a. Vessels stricken from Naval Vessel Register:***  
11                           ***contracts for dismantling on net-cost***  
12                           ***basis***

13           “(a) *AUTHORITY FOR NET-COST BASIS CONTRACTS.*—  
14 *When the Secretary of the Navy awards a contract for the*  
15 *dismantling of a vessel stricken from the Naval Vessel Reg-*  
16 *ister, the Secretary may award the contract on a net-cost*  
17 *basis.*

18           “(b) *RETENTION BY CONTRACTOR OF PROCEEDS OF*  
19 *SALE OF SCRAP AND REUSABLE ITEMS.*—*When the Sec-*  
20 *retary awards a contract on a net-cost basis under sub-*  
21 *section (a), the Secretary shall provide in the contract that*  
22 *the contractor may retain the proceeds from the sale of*  
23 *scrap and reusable items removed from the vessel disman-*  
24 *tled under the contract.*

25           “(c) *DEFINITIONS.*—*In this section:*

1           “(1) The term ‘net-cost basis’, with respect to a  
2           contract for the dismantling of a vessel, means that  
3           the amount to be paid to the contractor under the  
4           contract for dismantling and for removal and dis-  
5           posal of hazardous waste material is discounted by  
6           the offeror’s estimate of the value of scrap and reus-  
7           able items that the contractor will remove from the  
8           vessel during performance of the contract.

9           “(2) The term ‘scrap’ means personal property  
10          that has no value except for its basic material con-  
11          tent.

12          “(3) The term ‘reusable item’ means a demili-  
13          tarized component or a removable portion of a vessel  
14          or equipment that the Secretary of the Navy has iden-  
15          tified as excess to the needs of the Navy but which has  
16          potential resale value on the open market.”.

17          (b) CLERICAL AMENDMENT.—The table of sections at  
18          the beginning of such chapter is amended by inserting after  
19          the item relating to section 7305 the following new item:

            “7305a. Vessels stricken from Naval Vessel Register: contracts for dismantling on  
            net-cost basis.”.

20      **SEC. 1012. INDEPENDENT STUDY TO ASSESS COST EFFEC-**  
21    **TIVENESS OF THE NAVY SHIP CONSTRUCTION**  
22    **PROGRAM.**

23          (a) STUDY.—The Secretary of Defense shall provide for  
24          a study, to be conducted by an entity independent of the

1 *Department of Defense, of the cost effectiveness of the ship*  
2 *construction program of the Navy. The purpose of the study*  
3 *shall be to examine both—*

4           (1) *a variety of approaches by which the Navy*  
5 *ship construction program could be made more effi-*  
6 *cient in the near term; and*

7           (2) *a variety of approaches by which, with a na-*  
8 *tionally integrated effort over the next decade, the*  
9 *United States shipbuilding industry might be made*  
10 *competitive globally.*

11       (b) *NEAR TERM IMPROVEMENTS IN EFFICIENCY.—*  
12 *With respect to the examination under subsection (a)(1) of*  
13 *approaches by which the Navy ship construction program*  
14 *could be made more efficient in the near term, the Secretary*  
15 *shall provide for the entity conducting the study—*

16           (1) *to determine, with respect to each approach*  
17 *so examined, the cost savings that could result from*  
18 *implementation of that approach over each of the next*  
19 *10 years;*

20           (2) *to recommend one or more of the approaches*  
21 *examined under subsection (a)(1) for implementation;*  
22 *and*

23           (3) *for each approach recommended under para-*  
24 *graph (2) for implementation, to develop a concept*  
25 *and implementation plan by which the recommended*



1        *improvements could best be phased into the naval*  
2        *ship construction program.*

3        *(c) GLOBAL COMPETITIVENESS OF UNITED STATES*  
4        *SHIPBUILDING INDUSTRY.—With respect to the examina-*  
5        *tion under subsection (a)(2) of approaches by which, with*  
6        *a nationally integrated effort over the next decade, the*  
7        *United States shipbuilding industry might be made com-*  
8        *petitive globally, the Secretary shall provide for the entity*  
9        *conducting the study—*

10            *(1) to develop a plan to modernize the United*  
11            *States shipbuilding infrastructure within the next*  
12            *decade in order to make the United States ship-*  
13            *building industry more competitive globally; and*

14            *(2) to estimate the resources required to carry*  
15            *out a modernization plan developed under paragraph*  
16            *(1).*

17        *(d) REPORT.—Not later than June 1, 2005, the Sec-*  
18        *retary of Defense shall submit to the congressional defense*  
19        *committees a report providing the results of the study under*  
20        *subsection (a). The report shall include the matters specified*  
21        *in subsections (b) and (c).*

1 **SEC. 1013. AUTHORITY TO TRANSFER SPECIFIED FORMER**  
2 **NAVAL VESSELS TO CERTAIN FOREIGN COUN-**  
3 **TRIES.**

4 (a) *AUTHORITY TO TRANSFER BY GRANT.*—*The*  
5 *President is authorized to transfer vessels to foreign countries*  
6 *on a grant basis under section 516 of the Foreign Assistance*  
7 *Act of 1961 (22 U.S.C. 2321j), as follows:*

8 (1) *CHILE.*—*The “SPRUANCE” class destroyer*  
9 *O’BANNON (DD-987) to the Government of Chile.*

10 (2) *PORTUGAL.*—*The “OLIVER HAZARD*  
11 *PERRY” class guided missile frigate GEORGE*  
12 *PHILIP (FFG-12) to the Government of Portugal.*

13 (b) *AUTHORITY TO TRANSFER BY SALE.*—*The Presi-*  
14 *dent is authorized to transfer on a sale basis under section*  
15 *21 of the Arms Export Control Act (22 U.S.C. 2761) the*  
16 *“ANCHORAGE” class dock landing ship ANCHORAGE*  
17 *(LSD-36) to the Taipei Economic and Cultural Represent-*  
18 *ative Office in the United States (which is the Taiwan in-*  
19 *strumentality designated pursuant to section 10(a) of the*  
20 *Taiwan Relations Act).*

21 (c) *GRANTS NOT COUNTED IN ANNUAL TOTAL OF*  
22 *TRANSFERRED EXCESS DEFENSE ARTICLES.*—*The value of*  
23 *a vessel transferred to another country on a grant basis*  
24 *under section 516 of the Foreign Assistance Act of 1961 (22*  
25 *U.S.C. 2321j) pursuant to authority provided by subsection*  
26 *(a) shall not be counted for the purposes of subsection (g)*

1 of that section in the aggregate value of excess defense arti-  
2 cles transferred to countries under that section in any fiscal  
3 year.

4 (d) *COSTS OF TRANSFERS.*—Any expense incurred by  
5 the United States in connection with a transfer authorized  
6 by this section shall be charged to the recipient (notwith-  
7 standing section 516(e) of the Foreign Assistance Act of  
8 1961 (22 U.S.C. 2321j (e)) in the case of a transfer author-  
9 ized to be made on a grant basis under subsection (a)).

10 (e) *REPAIR AND REFURBISHMENT IN UNITED STATES*  
11 *SHIPYARDS.*—To the maximum extent practicable, the  
12 President shall require, as a condition of the transfer of a  
13 vessel under this section, that the country to which the vessel  
14 is transferred have such repair or refurbishment of the vessel  
15 as is needed, before the vessel joins the naval forces of that  
16 country, performed at a shipyard located in the United  
17 States, including a United States Navy shipyard.

18 (f) *EXPIRATION OF AUTHORITY.*—The authority to  
19 transfer a vessel under this section shall expire at the end  
20 of the two-year period beginning on the date of the enact-  
21 ment of this Act.

1 **SEC. 1014. LIMITATION ON LEASING OF FOREIGN-BUILT**  
2 **VESSELS.**

3 (a) *IN GENERAL.*—(1) Chapter 141 of title 10, United  
4 States Code, is amended by inserting after section 2401a  
5 the following new section:

6 **“§2401b. Limitation on lease of foreign-built vessels**

7 “(a) *LIMITATION.*—The Secretary of a military de-  
8 partment may not make a contract for a lease or charter  
9 of a vessel for a term of more than 12 months (including  
10 all options to renew or extend the contract) if the hull, a  
11 major component of the hull, or superstructure of the vessel  
12 is constructed in a foreign shipyard.

13 “(b) *PRESIDENTIAL WAIVER FOR NATIONAL SECURITY*  
14 *INTEREST.*—(1) The President may authorize exceptions to  
15 the limitation in subsection (a) when the President deter-  
16 mines that it is in the national security interest of the  
17 United States to do so.

18 “(2) The President shall transmit notice to Congress  
19 of any such determination, and no contract may be made  
20 pursuant to the exception authorized until the end of the  
21 30-day period beginning on the date on which the notice  
22 of the determination is received by Congress.”.

23 (2) The table of sections at the beginning of such chap-  
24 ter is amended by inserting after the item relating to section  
25 2401a the following new item:

“2401b. Limitation on lease of foreign-built vessels.”.



1           (2) *any prohibition, rule, regulation, ordinance,*  
2 *or permit that applies under any other applicable*  
3 *Federal, foreign, or other law.*

4 *(c) LIMITATIONS ON APPLICATION.—*

5           (1) *ACTIONS BY UNITED STATES.—This section*  
6 *shall not apply to actions taken by, or at the direc-*  
7 *tion of, the United States.*

8           (2) *FOREIGN PERSONS.—This section shall not*  
9 *apply to any action by a person who is not a citizen,*  
10 *national, or resident alien of the United States, except*  
11 *in accordance with—*

12                   (A) *generally recognized principles of inter-*  
13 *national law;*

14                   (B) *an agreement between the United States*  
15 *and the foreign country of which the person is a*  
16 *citizen; or*

17                   (C) *in the case of an individual who is a*  
18 *crew member or other individual on a foreign*  
19 *vessel or foreign aircraft, an agreement between*  
20 *the United States and the flag State of the for-*  
21 *foreign vessel or aircraft that applies to the indi-*  
22 *vidual.*

23           (3) *LOAN OF SUNKEN MILITARY CRAFT.—This*  
24 *section does not prohibit the loan of United States*

1        *sunken military craft in accordance with regulations*  
2        *issued by the Secretary concerned.*

3        **SEC. 1023. PERMITS.**

4        *(a) IN GENERAL.—The Secretary concerned may issue*  
5        *a permit authorizing a person to engage in an activity oth-*  
6        *erwise prohibited by section 1022 with respect to a United*  
7        *States military craft, for archaeological, historical, or edu-*  
8        *cational purposes, in accordance with regulations issued by*  
9        *such Secretary that implement this section.*

10       *(b) CONSISTENCY WITH OTHER LAWS.—The Secretary*  
11       *concerned shall require that any activity carried out under*  
12       *a permit issued by such Secretary under this section must*  
13       *be consistent with all requirements and restrictions that*  
14       *apply under any other provision of Federal law.*

15       *(c) CONSULTATION.—In carrying out this section (in-*  
16       *cluding the issuance after the date of the enactment of this*  
17       *Act of regulations implementing this section), the Secretary*  
18       *concerned shall consult with the head of each Federal agency*  
19       *having authority under Federal law with respect to activi-*  
20       *ties directed at sunken military craft or the locations of*  
21       *such craft.*

22       **SEC. 1024. PENALTIES.**

23       *(a) IN GENERAL.—Any person who violates this sub-*  
24       *title, or any regulation or permit issued under this subtitle,*

1 *shall be liable to the United States for a civil penalty under*  
2 *this section.*

3 (b) *ASSESSMENT AND AMOUNT.*—*The Secretary con-*  
4 *cerned may assess a civil penalty under this section, after*  
5 *notice and an opportunity for a hearing, of not more than*  
6 *\$100,000 for each violation.*

7 (c) *CONTINUING VIOLATIONS.*—*Each day of a contin-*  
8 *ued violation of this subtitle or a regulation or permit*  
9 *issued under this subtitle shall constitute a separate viola-*  
10 *tion for purposes of this section.*

11 **SEC. 1025. LIABILITY FOR DAMAGES.**

12 (a) *IN GENERAL.*—*Any person who engages in an ac-*  
13 *tivity in violation of section 1022 or any regulation or per-*  
14 *mit issued under this subtitle that disturbs, removes, or in-*  
15 *juries any United States sunken military craft shall pay*  
16 *the United States enforcement costs and damages resulting*  
17 *from such disturbance, removal, or injury.*

18 (b) *INCLUDED DAMAGES.*—*Damages referred to in*  
19 *subsection (a) may include—*

20 (1) *the reasonable costs incurred in storage, res-*  
21 *toration, care, maintenance, conservation, and*  
22 *curation of any sunken military craft that is dis-*  
23 *turbed, removed, or injured in violation of section*  
24 *1022 or any regulation or permit issued under this*  
25 *subtitle; and*



1           (2) *the cost of retrieving, from the site where the*  
2           *sunken military craft was disturbed, removed, or in-*  
3           *jured, any information of an archaeological, histor-*  
4           *ical, or cultural nature.*

5 **SEC. 1026. RELATIONSHIP TO OTHER LAWS.**

6           (a) *IN GENERAL.*—*Except to the extent that an activ-*  
7           *ity is undertaken as a subterfuge for activities prohibited*  
8           *by this subtitle, nothing in this subtitle is intended to af-*  
9           *fect—*

10           (1) *any activity that is not directed at a sunken*  
11           *military craft; or*

12           (2) *the traditional high seas freedoms of naviga-*  
13           *tion, including—*

14                   (A) *the laying of submarine cables and*  
15                   *pipelines;*

16                   (B) *operation of vessels;*

17                   (C) *fishing; or*

18                   (D) *other internationally lawful uses of the*  
19                   *sea related to such freedoms.*

20           (b) *INTERNATIONAL LAW.*—*This subtitle and any reg-*  
21           *ulations implementing this subtitle shall be applied in ac-*  
22           *cordance with generally recognized principles of inter-*  
23           *national law and in accordance with the treaties, conven-*  
24           *tions, and other agreements to which the United States is*  
25           *a party.*

1           (c) *LAW OF FINDS.*—*The law of finds shall not apply*  
2 *to any United States sunken military craft, wherever lo-*  
3 *cated.*

4           (d) *LAW OF SALVAGE.*—*No salvage rights or awards*  
5 *shall be granted with respect to any sunken military craft*  
6 *without the express permission of the United States.*

7           (e) *LAW OF CAPTURE OR PRIZE.*—*Nothing in this sub-*  
8 *title is intended to alter the international law of capture*  
9 *or prize with respect to sunken military craft.*

10          (f) *LIMITATION OF LIABILITY.*—*Nothing in sections*  
11 *4281 through 4287 and 4289 of the Revised Statutes (46*  
12 *U.S.C. App. 181 et seq.) or section 3 of the Act of February*  
13 *13, 1893 (chapter 105; 27 Stat. 445; 46 U.S.C. App. 192),*  
14 *shall limit the liability of any person under this section.*

15          (g) *AUTHORITIES OF THE COMMANDANT OF THE*  
16 *COAST GUARD.*—*Nothing in this subtitle is intended to pre-*  
17 *clude or limit the application of any other law enforcement*  
18 *authorities of the Commandant of the Coast Guard.*

19          (h) *PRIOR DELEGATIONS, AUTHORIZATIONS, AND RE-*  
20 *LATED REGULATIONS.*—*Nothing in this subtitle shall inval-*  
21 *idate any prior delegation, authorization, or related regula-*  
22 *tion that is consistent with this subtitle.*

23          (i) *CRIMINAL LAW.*—*Nothing in this subtitle is in-*  
24 *tended to prevent the United States from pursuing criminal*

1 *sanctions for plundering of wrecks, larceny of Government*  
2 *property, or violation of any applicable criminal law.*

3 **SEC. 1027. ENCOURAGEMENT OF AGREEMENTS WITH FOR-**  
4 **EIGN COUNTRIES.**

5 *The Secretary of State, in consultation with the Sec-*  
6 *retary of Defense, is encouraged to negotiate and conclude*  
7 *bilateral and multilateral agreements with foreign countries*  
8 *with regard to sunken military craft consistent with this*  
9 *subtitle.*

10 **SEC. 1028. DEFINITIONS.**

11 *In this subtitle:*

12 (1) *ASSOCIATED CONTENTS.*—*The term “associ-*  
13 *ated contents” means—*

14 (A) *the equipment, cargo, and contents of a*  
15 *sunken military craft that are within its debris*  
16 *field; and*

17 (B) *the remains and personal effects of the*  
18 *crew and passengers of a sunken military craft*  
19 *that are within its debris field.*

20 (2) *SECRETARY.*—*The term “Secretary” means*  
21 *the Secretary of a military department.*

22 (3) *SUNKEN MILITARY AIRCRAFT.*—*The term*  
23 *“sunken military aircraft” means any sunken mili-*  
24 *tary aircraft that was owned or operated by the*  
25 *United States when it sank.*

1           (4) *SUNKEN MILITARY CRAFT.*—*The term “sunken*  
2 *en military craft” means any sunken military vessel,*  
3 *sunken military aircraft, or associated contents, or*  
4 *any portion thereof, the title to which has not been*  
5 *abandoned or transferred in a manner prescribed by*  
6 *the United States.*

7           (5) *SUNKEN MILITARY VESSEL.*—*The term*  
8 *“sunken military vessel” means any sunken warship*  
9 *or naval auxiliary of the United States that is a pub-*  
10 *lic vessel as that term is used in the Act of March 3,*  
11 *1925 (chapter 428; 46 U.S.C. App. 781 et seq.), popu-*  
12 *larly known as the Public Vessels Act.*

13           (6) *UNITED STATES CONTIGUOUS ZONE.*—*The*  
14 *term “United States contiguous zone” means the con-*  
15 *tiguous zone of the United States under Presidential*  
16 *Proclamation 7219, dated September 2, 1999.*

17           (7) *UNITED STATES INTERNAL WATERS.*—*The*  
18 *term “United States internal waters” means all wa-*  
19 *ters of the United States on the landward side of the*  
20 *baseline from which the breadth of the United States*  
21 *territorial sea is measured.*

22           (8) *UNITED STATES TERRITORIAL SEA.*—*The*  
23 *term “United States territorial sea” means the waters*  
24 *of the United States territorial sea under Presidential*  
25 *Proclamation 5928, dated December 27, 1988.*

1           (9) *UNITED STATES WATERS.*—*The term*  
2           *“United States waters” means United States internal*  
3           *waters, the United States territorial sea, and the*  
4           *United States contiguous zone.*

5           ***Subtitle D—Counter-Drug Activities***

6           ***SEC. 1031. CONTINUATION OF AUTHORITY TO USE DEPART-***  
7                           ***MENT OF DEFENSE FUNDS FOR UNIFIED***  
8                           ***COUNTERDRUG AND COUNTERTERRORISM***  
9                           ***CAMPAIGN IN COLOMBIA.***

10          (a) *AUTHORITY TO PROVIDE ASSISTANCE.*—*During*  
11          *fiscal years 2005 and 2006, the Secretary of Defense may*  
12          *use funds made available to the Department of Defense for*  
13          *drug interdiction and counter-drug activities to provide as-*  
14          *sistance to the Government of Colombia—*

15               (1) *to support a unified campaign against nar-*  
16               *cotics trafficking in Colombia;*

17               (2) *to support a unified campaign against ac-*  
18               *tivities by designated terrorist organizations, such as*  
19               *the Revolutionary Armed Forces of Colombia (FARC),*  
20               *the National Liberation Army (ELN), and the United*  
21               *Self-Defense Forces of Colombia (AUC); and*

22               (3) *to take actions to protect human health and*  
23               *welfare in emergency circumstances, including under-*  
24               *taking rescue operations.*

1       **(b) RELATION TO OTHER ASSISTANCE AUTHORITY.**—  
2 *The authority provided by subsection (a) is in addition to*  
3 *other provisions of law authorizing the provision of assist-*  
4 *ance to the Government of Colombia.*

5 **SEC. 1032. LIMITATION ON NUMBER OF UNITED STATES**  
6 **MILITARY PERSONNEL IN COLOMBIA.**

7       **(a) LIMITATION.**—*None of the funds available to the*  
8 *Department of Defense for any fiscal year may be used to*  
9 *support or maintain more than 500 members of the Armed*  
10 *Forces on duty in the Republic of Colombia at any time.*

11       **(b) EXCLUSION OF CERTAIN MEMBERS.**—*For purposes*  
12 *of determining compliance with the limitation in subsection*  
13 *(a), the Secretary of Defense may exclude the following mili-*  
14 *tary personnel:*

15               **(1)** *A member of the Armed Forces in the Repub-*  
16 *lic of Colombia for the purpose of rescuing or retriev-*  
17 *ing United States military or civilian Government*  
18 *personnel, except that the period for which such a*  
19 *member may be so excluded may not exceed 30 days*  
20 *unless expressly authorized by law.*

21               **(2)** *A member of the Armed Forces assigned to*  
22 *the United States Embassy in Colombia as an*  
23 *attaché, as a member of the security assistance office,*  
24 *or as a member of the Marine Corps security contin-*  
25 *gent.*

1           (3) *A member of the Armed Forces in Colombia*  
2           *to participate in relief efforts in responding to a nat-*  
3           *ural disaster.*

4           (4) *Nonoperational transient military personnel.*

5           (5) *A member of the Armed Forces making a*  
6           *port call from a military vessel in Colombia.*

7                           ***Subtitle E—Reports***

8   ***SEC. 1041. STUDY OF CONTINUED REQUIREMENT FOR TWO-***  
9                           ***CREW MANNING FOR BALLISTIC MISSILE SUB-***  
10                          ***MARINES.***

11           (a) *STUDY AND DETERMINATION.*—*The Secretary of*  
12 *Defense shall conduct a study of whether the practice of*  
13 *using two alternating crews (referred to as the “Gold Crew”*  
14 *and the “Blue Crew”) for manning of ballistic missile sub-*  
15 *marines (SSBNs) continues to be justified under the*  
16 *changed circumstances since the end of the Cold War and,*  
17 *based on that study, shall make a determination of whether*  
18 *that two-crew manning practice should be continued or*  
19 *should be modified or terminated.*

20           (b) *REPORT.*—*Not later than six months after the date*  
21 *of the enactment of this Act, the Secretary shall submit to*  
22 *the Committees on Armed Services of the Senate and House*  
23 *of Representatives a report providing notice of the Sec-*  
24 *retary’s determination under subsection (a) and the reasons*  
25 *for that determination.*

1 **SEC. 1042. STUDY OF EFFECT ON DEFENSE INDUSTRIAL**  
2 **BASE OF ELIMINATION OF UNITED STATES**  
3 **DOMESTIC FIREARMS MANUFACTURING**  
4 **BASE.**

5 *Not later than 60 days after the date of the enactment*  
6 *of this Act, the Secretary of Defense shall submit to the con-*  
7 *gressional defense committees a report describing in detail*  
8 *the effect on both military readiness and the defense indus-*  
9 *trial base that would result from the elimination of the*  
10 *United States domestic firearms manufacturing base.*

11 **SEC. 1043. STUDY OF EXTENT AND QUALITY OF TRAINING**  
12 **PROVIDED TO MEMBERS OF THE ARMED**  
13 **SERVICES TO PREPARE FOR POST-CONFLICT**  
14 **OPERATIONS.**

15 *(a) STUDY REQUIRED.—The Secretary of Defense shall*  
16 *conduct a study to determine the extent to which members*  
17 *of the Armed Forces assigned to duty in support of contin-*  
18 *gency operations receive training in preparation for post-*  
19 *conflict operations and to evaluate the quality of such train-*  
20 *ing*

21 *(b) MATTERS INCLUDED IN STUDY.—As part of the*  
22 *study under subsection (a), the Secretary shall specifically*  
23 *evaluate the following:*

24 *(1) The doctrine, training, and leader-develop-*  
25 *ment system necessary to enable members of the*



1 *Armed Forces to successfully operate in post-conflict*  
2 *operations.*

3 (2) *The adequacy of curricula at military edu-*  
4 *cational facilities to ensure that the Armed Forces has*  
5 *a cadre of members skilled in post-conflict duties, for-*  
6 *foreign languages, and foreign cultures.*

7 (3) *The training time and resources available to*  
8 *members and units to develop cultural awareness*  
9 *about ethnic backgrounds, religious beliefs, and polit-*  
10 *ical loyalties of the people living in areas in which*  
11 *the Armed Forces operate.*

12 (4) *The organization of the combatant commands*  
13 *to conduct post-conflict operations.*

14 (c) *SUBMISSION OF STUDY RESULTS.*—*Not later than*  
15 *March 15, 2005, the Secretary of Defense shall submit to*  
16 *the Committee on Armed Services of the Senate and the*  
17 *Committee on Armed Services of the House of Representa-*  
18 *tives a report containing the results of the study conducted*  
19 *under this section.*

## 20 ***Subtitle F—Security Matters***

### 21 ***SEC. 1051. USE OF NATIONAL DRIVER REGISTER FOR PER-*** 22 ***SONNEL SECURITY INVESTIGATIONS AND DE-*** 23 ***TERMINATIONS.***

24 *Section 30305(b) of title 49, United States Code, is*  
25 *amended—*

1           (1) by redesignating paragraphs (9) through (11)  
2           as paragraphs (10) through (12), respectively; and

3           (2) by inserting after paragraph (8) the fol-  
4           lowing new paragraph:

5           “(9) An individual who has or is seeking access to na-  
6           tional security information for purposes of Executive Order  
7           12968, or any successor Executive order, or an individual  
8           who is being investigated for Federal employment under au-  
9           thority of Executive Order 10450, or any successor Execu-  
10          tive order, may request the chief driver licensing official of  
11          a State to provide information about the individual pursu-  
12          ant to subsection (a) of this section to a Federal department  
13          or agency that is authorized to investigate the individual  
14          for the purpose of assisting in the determination of the eligi-  
15          bility of the individual for access to national security infor-  
16          mation or for Federal employment. A Federal department  
17          or agency that receives such information about an indi-  
18          vidual may use it in accordance with applicable law.”.

19       **SEC. 1052. STANDARDS FOR DISQUALIFICATION FROM ELI-**  
20                               **GIBILITY FOR DEPARTMENT OF DEFENSE SE-**  
21                               **CURITY CLEARANCE .**

22          (a) *DISQUALIFIED PERSONS.*—Subsection (c)(1) of sec-  
23          tion 986 of title 10, United States Code, is amended—

24               (1) by striking “and” and inserting “, was”; and

1           (2) and inserting before the period at the end the  
 2           following: “, and was incarcerated as a result of that  
 3           sentence for not less than one year”.

4           (b) WAIVER AUTHORITY.—Subsection (d) of such sec-  
 5           tion is amended to read as follows:

6           “(d) WAIVER AUTHORITY.—In a meritorious case, an  
 7           exception to the prohibition in subsection (a) may be au-  
 8           thorized for a person described in paragraph (1) or (4) of  
 9           subsection (c) if there are mitigating factors. Any such  
 10           waiver may be authorized only in accordance with stand-  
 11           ards and procedures prescribed by, or under the authority  
 12           of, an Executive order or other guidance issued by the Presi-  
 13           dent.”.

14           ***Subtitle G—Transportation-Related***  
 15   ***Matters***

16           ***SEC. 1061. USE OF MILITARY AIRCRAFT TO TRANSPORT***  
 17   ***MAIL TO AND FROM OVERSEAS LOCATIONS.***

18           (a) AUTHORITY FOR USE OF MILITARY AIRCRAFT.—  
 19           Section 3401 of title 39, United States Code, is amended—

20                                 (1) in subsection (b)—

21   (A) in the matter preceding paragraph  
 22   (1)(A), by striking “title 49,” and inserting  
 23   “title 49, or on military aircraft at rates not to  
 24   exceed those so fixed and determined for sched-  
 25   uled United States air carriers,”; and

1           (B) in the sentence following paragraph (3),  
2           by striking “carriers” each place it appears and  
3           inserting “carriers and military aircraft”; and  
4           (2) in subsection (c)—

5           (A) in the first sentence, by striking “title  
6           49,” and inserting “title 49, or on military air-  
7           craft at rates not to exceed those so fixed and de-  
8           termined for scheduled United States air car-  
9           riers,”; and

10          (B) in the second sentence—

11           (i) by inserting “and military air-  
12           craft” after “carriers” the first place it ap-  
13           pears; and

14           (ii) by striking “by air carriers other  
15           than scheduled United States air carriers”  
16           and inserting “by other than scheduled  
17           United States air carriers and military air-  
18           craft”.

19          (b) *DEFINITION.*—Such section is further amended by  
20          adding at the end the following new subsection:

21          “(g) In this section, the term ‘military aircraft’ means  
22          an aircraft owned, operated, or chartered by the Depart-  
23          ment of Defense.”.

1 **SEC. 1062. REORGANIZATION AND CLARIFICATION OF CER-**  
2 **TAIN PROVISIONS RELATING TO CONTROL**  
3 **AND SUPERVISION OF TRANSPORTATION**  
4 **WITHIN THE DEPARTMENT OF DEFENSE.**

5 (a) *TRANSFER OF CERTAIN TRANSPORTATION AU-*  
6 *THORITIES.*—Sections 4744, 4745, 4746, and 4747 of title  
7 10, United States Code, are transferred to chapter 157 of  
8 such title, inserted (in that order) at the end of such chap-  
9 ter, and redesignated as sections 2648, 2649, 2650, and  
10 2651, respectively.

11 (b) *CLARIFICATION OF APPLICABILITY OF TRANS-*  
12 *FERRED AUTHORITIES THROUGHOUT THE DEPARTMENT*  
13 *OF DEFENSE.*—(1) Section 2648 of such title, as transferred  
14 and redesignated by subsection (a), is amended—

15 (A) by striking “Secretary of the Army” in the  
16 matter preceding paragraph (1) and inserting “Sec-  
17 retary of Defense”;

18 (B) by striking “Army transport agencies” in  
19 the matter preceding paragraph (1) and all that fol-  
20 lows through “military transport agency of”; and

21 (C) by striking paragraphs (1), (2), and (3);

22 (D) by redesignating paragraph (4), (5), (6),  
23 and (7) as paragraphs (1), (2), (3), and (4), respec-  
24 tively;

25 (E) by redesignating paragraph (8) as para-  
26 graph (5) and in that paragraph striking “persons

1 *described in clauses (1), (2), (4), (5), and (7)” and*  
2 *inserting “members of the armed forces, officers and*  
3 *employees of the Department of Defense or the Coast*  
4 *Guard, and persons described i paragraphs (1), (2),*  
5 *and (4)”;* and

6 *(F) by striking “clause (7) or (8)” in the last*  
7 *sentence and inserting “paragraph (4) or (5)”.*

8 *(2) Section 2649 of such title, as transferred and reded-*  
9 *ignated by subsection (a), is amended—*

10 *(A) by striking the section heading and inserting*  
11 *the following:*

12 **“§2649. Civilian passengers and commercial cargoes:**  
13 ***transportation on Department of Defense***  
14 ***vessels”;***

15 *(B) by striking “(1) on vessels” and all that fol-*  
16 *lows through “Department of the Army”;*

17 *(C) by striking “any transport agency of”;* and

18 *(D) by striking “Secretary of the Army” and all*  
19 *that follows through “be transported” and inserting*  
20 *“Secretary of Defense, be transported”.*

21 *(3) Section 2650 of such title, as transferred and reded-*  
22 *ignated by subsection (a), is amended—*

23 *(A) in the matter preceding paragraph (1), by*  
24 *striking “Army transport agencies” and all that fol-*  
25 *lows through “military transport agency of”;*

1           (B) in paragraph (1), by striking “Secretary of  
2     the Army” and inserting “Secretary of Defense”; and

3           (C) in paragraph (4), by striking “by air—”  
4     and all that follows through “the transportation can-  
5     not” and inserting “by air, the transportation can-  
6     not”.

7           (4) Section 2651 of such title, as transferred and reded-  
8     ignated by subsection (a), is amended by striking “Army  
9     transport agencies” and all that follows and inserting “the  
10    Department of Defense, under regulations and at rates to  
11    be prescribed by the Secretary of Defense.”.

12          (c) *REPEAL OF SUPERSEDED AND OBSOLETE PROVI-*  
13     *SIONS.—The following sections of such title are repealed:*  
14     *sections 4741, 4743, 9741, 9743, and 9746.*

15          (d) *CLERICAL AMENDMENTS.—*

16           (1) *The table of sections at the beginning of*  
17     *chapter 157 of such title is amended by adding at the*  
18     *end the following new items:*

“2648. *Persons and supplies: sea transportation.*

“2649. *Civilian passengers and commercial cargoes: transportation on Depart-*  
      *ment of Defense vessels.*

“2650. *Civilian personnel in Alaska.*

“2651. *Passengers and merchandise to Guam: sea transport.”.*

19           (2) *The table of sections at the beginning of*  
20     *chapter 447 of such title is amended by striking the*  
21     *items relating to sections 4741, 4743, 4744, 4745,*  
22     *4746, and 4747.*

1           (3) *The table of sections at the beginning of*  
2           *chapter 947 of such title is amended by striking the*  
3           *items relating to sections 9741, 9743, and 9746.*

4 **SEC. 1063. DETERMINATION OF WHETHER PRIVATE AIR**  
5           **CARRIERS ARE CONTROLLED BY UNITED**  
6           **STATES CITIZENS FOR PURPOSES OF ELIGI-**  
7           **BILITY FOR GOVERNMENT CONTRACTS FOR**  
8           **TRANSPORTATION OF PASSENGERS OR SUP-**  
9           **PLIES.**

10          *Section 2710 of the Emergency Wartime Supplemental*  
11 *Appropriations Act, 2003 (Public Law 108–11; 117 Stat.*  
12 *601), is amended by adding at the end the following new*  
13 *sentence: “Any determination for purposes of this section*  
14 *of whether (in accordance with the first proviso of this sec-*  
15 *tion) an air carrier is effectively controlled by citizens of*  
16 *the United States shall be made by, or shall be based on*  
17 *determinations made by, the Secretary of Transportation.”.*

18 **SEC. 1064. EVALUATION OF WHETHER TO PROHIBIT CER-**  
19           **TAIN OFFERS FOR TRANSPORTATION OF SE-**  
20           **CURITY-SENSITIVE CARGO.**

21          (a) **EVALUATION REQUIREMENT.**—*The Secretary of*  
22 *Defense shall evaluate whether, and under what cir-*  
23 *cumstances, in the award of service contracts for domestic*  
24 *freight transportation for security-sensitive cargo (such as*  
25 *arms, ammunitions, explosive, and classified material), the*



1 *Secretary should not consider an offer or tender from more*  
2 *than one motor carrier that is part of a group of motor*  
3 *carriers under common financial or administrative control.*  
4 *In conducting the evaluation, the Secretary shall seek in-*  
5 *dustry comment.*

6 (b) *REPORT.*—*Not later than January 1, 2005, the*  
7 *Secretary of Defense shall submit to the Committees on*  
8 *Armed Services of the House of Representatives and the*  
9 *Senate a report on the results of the evaluation conducted*  
10 *under subsection (a).*

## 11 ***Subtitle H—Other Matters***

### 12 ***SEC. 1071. TWO-YEAR EXTENSION OF AUTHORITY OF THE*** 13 ***SECRETARY OF DEFENSE TO ENGAGE IN COM-*** 14 ***MERCIAL ACTIVITIES AS SECURITY FOR IN-*** 15 ***TELLIGENCE COLLECTION ACTIVITIES*** 16 ***ABROAD.***

17 *Section 431(a) of title 10, United States Code, is*  
18 *amended by striking “December 31, 2004” and inserting*  
19 *“December 31, 2006”.*

### 20 ***SEC. 1072. ASSISTANCE FOR STUDY OF FEASIBILITY OF BI-*** 21 ***ENNIAL INTERNATIONAL AIR TRADE SHOW IN*** 22 ***THE UNITED STATES AND FOR INITIAL IM-*** 23 ***PLEMENTATION.***

24 (a) *ASSISTANCE FOR COMMUNITY FEASIBILITY*  
25 *STUDY.*—(1) *The Secretary of Defense shall provide assist-*

1 *ance to a community selected under subsection (d) for ex-*  
2 *penses of a study by that community of the feasibility of*  
3 *the establishment and operation of a biennial international*  
4 *air trade show in the area of that community.*

5       (2) *The Secretary shall provide for the community to*  
6 *submit to the Secretary a report containing the results of*  
7 *the study not later than September 30, 2005. The Secretary*  
8 *shall promptly submit the report to Congress, together with*  
9 *such comments on the report as the Secretary considers ap-*  
10 *propriate.*

11       (b) *ASSISTANCE FOR IMPLEMENTATION.—If the com-*  
12 *munity conducting the study under subsection (a) deter-*  
13 *mines that the establishment and operation of such an air*  
14 *show is feasible and should be implemented, the Secretary*  
15 *shall provide assistance to the community for the initial*  
16 *expenses of implementing such an air show in the selected*  
17 *community.*

18       (c) *AMOUNT OF ASSISTANCE.—The amount of assist-*  
19 *ance provided by the Secretary under subsections (a) and*  
20 *(b)—*

21               (1) *may not exceed a total of \$1,000,000, to be*  
22 *derived from amounts available for operation and*  
23 *maintenance for the Air Force for fiscal year 2005 or*  
24 *later fiscal years; and*

1           (2) may not exceed one-half of the cost of the  
2           study and may not exceed one-half the cost of such  
3           initial implementation.

4           (d) *SELECTION OF COMMUNITY.*—The Secretary shall  
5           select a community for purposes of subsection (a) through  
6           the use of competitive procedures. In making such selection,  
7           the Secretary shall give preference to those communities that  
8           already sponsor an air show, have demonstrated a history  
9           of supporting air shows with local resources, and have a  
10          significant role in the aerospace community. The commu-  
11          nity shall be selected not later than March 1, 2005.

12          **SEC. 1073. TECHNICAL AND CLERICAL AMENDMENTS.**

13          (a) *CLARIFICATION OF DEFINITION OF “OPERATIONAL*  
14          *RANGE”.*—Section 101(e)(3) of title 10, United States Code,  
15          is amended by striking “Secretary of Defense” and insert-  
16          ing “Secretary of a military department”.

17          (b) *AMENDMENTS RELATING TO DEFINITION OF CON-*  
18          *GRESSIONAL DEFENSE COMMITTEES.*—

19                  (1) Chapter 169 of such title is amended as fol-  
20          lows:

21                          (A) Paragraph (4) of section 2801(c) is  
22                  amended to read as follows:

23                                  “(4) The term ‘congressional defense committees’  
24                  includes, with respect to any project to be carried out

1 *by, or for the use of, an intelligence component of the*  
2 *Department of Defense—*

3 *“(A) the Permanent Select Committee on*  
4 *Intelligence of the House of Representatives; and*

5 *“(B) the Select Committee on Intelligence of*  
6 *the Senate.”.*

7 *(B) The following sections are amended by*  
8 *striking “appropriate committees of Congress”*  
9 *each place it appears and inserting “congres-*  
10 *sional defense committees”: sections 2803(b),*  
11 *2804(b), 2805(b)(2), 2806(c)(2), 2807(b),*  
12 *2807(c), 2808(b), 2809(f)(1), 2811(d),*  
13 *2812(c)(1)(A), 2813(c), 2814(a)(2)(A),*  
14 *2814(g)(1), 2825(b)(1), 2827(b), 2828(f), 2835(g),*  
15 *2836(f), 2837(c)(2), 2853(c)(2), 2854(b),*  
16 *2854a(c)(1), 2865(e)(2), 2866(c)(2), 2875(e),*  
17 *2881a(d)(2), 2881a(e), 2883(f), and 2884(a).*

18 *(2) Section 2215 is amended—*

19 *(A) by striking “(a) CERTIFICATION RE-*  
20 *QUIRED.—”;*

21 *(B) by striking “congressional committees*  
22 *specified in subsection (b)” and inserting “con-*  
23 *gressional defense committees”; and*

24 *(C) by striking subsection (b).*

1           (3) *Section 2306b(g) is amended by striking*  
2           *“Committee on” the first place it appears and all*  
3           *that follows through “House of Representatives” and*  
4           *inserting “congressional defense committees”.*

5           (4) *Section 2515(d) is amended—*

6                   (A) *by striking “(1)” before “The Sec-*  
7                   *retary”;*

8                   (B) *by striking “congressional committees*  
9                   *specified in paragraph (2)” and inserting “con-*  
10                   *gressional defense committees”; and*

11                   (C) *by striking paragraph (2).*

12           (5) *Section 2676(d) is amended by striking “ap-*  
13           *propriate committees of Congress” at the end of the*  
14           *first sentence and inserting “congressional defense*  
15           *committees”.*

16           (6) *Section 2694a is amended by striking “ap-*  
17           *propriate committees of Congress” in subsections (e)*  
18           *and (i)(1) and inserting “congressional defense com-*  
19           *mittees”.*

20           (c) *AMENDMENTS RELATING TO DEFINITION OF BASE*  
21           *CLOSURE LAWS.—*

22                   (1) *Section 2694a(i) of title 10, United States*  
23                   *Code, is amended by striking paragraph (2).*

24                   (2) *Paragraph (1) of section 1333(i) of the Na-*  
25                   *tional Defense Authorization Act for Fiscal Year 1994*

1       *(Public Law 103–160; 10 U.S.C. 2701 note) is*  
2       *amended to read as follows:*

3               “(1) *BASE CLOSURE LAW.*—*The term ‘base clo-*  
4       *sure law’ has the meaning given such term in section*  
5       *101(a)(17) of title 10, United States Code.”*

6               (3) *Subsection (b) of section 2814 of the Military*  
7       *Construction Authorization Act for Fiscal Year 1995*  
8       *(division B of Public Law 103–337; 10 U.S.C. 2687*  
9       *note) is amended to read as follows:*

10              “(b) *BASE CLOSURE LAW DEFINED.*—*In this section,*  
11       *the term ‘base closure law’ has the meaning given such term*  
12       *in section 101(a)(17) of title 10, United States Code.”*

13              (4) *Subsection (c) of section 3341 of title 5,*  
14       *United States Code, is amended to read as follows:*

15              “(c) *For purposes of this section, the term ‘base closure*  
16       *law’ has the meaning given such term in section 101(a)(17)*  
17       *of title 10.”*

18              (5)(A) *Paragraph (1) of section 554(a) of title*  
19       *40, United States Code, is amended to read as follows:*

20              “(1) *BASE CLOSURE LAW.*—*The term ‘base clo-*  
21       *sure law’ has the meaning given that term in section*  
22       *101(a)(17) of title 10.”*

23              (B) *Subparagraph (B) of section 572(b)(1) of*  
24       *title 40 is amended to read as follows:*

1                   “(B) *BASE CLOSURE LAW*.—The term ‘base  
2                   closure law’ has the meaning given that term in  
3                   section 101(a)(17) of title 10.”.

4           (d) *DEFINITION OF STATE FOR PURPOSES OF SECTION*  
5 *2694A*.—Subsection (i) of section 2694a of title 10, United  
6 States Code, as amended by subsections (b)(6) and (c)(1),  
7 is further amended—

8                   (1) by inserting after paragraph (1) the fol-  
9                   lowing new paragraph (2):

10                   “(2) The term ‘State’ includes the District of Co-  
11                   lumbia, the Commonwealth of Puerto Rico, the Com-  
12                   monwealth of the Northern Mariana Islands, Guam,  
13                   the Virgin Islands, and American Samoa.”; and

14                   (2) by striking paragraph (4).

15           (e) *MISCELLANEOUS AMENDMENTS TO TITLE 10,*  
16 *UNITED STATES CODE*.—Title 10, United States Code, is  
17 amended as follows:

18                   (1) The tables of chapters at the beginning of  
19                   subtitle A, and at the beginning of part I of subtitle  
20                   A, are amended by striking “481” in the item relat-  
21                   ing to chapter 23 and inserting “480”.

22                   (2) Section 130a is amended—

23                           (A) by striking “Effective October 1, 2002,  
24                   the” in subsection (a) and inserting “The”;

1           (B) by striking “baseline number” in sub-  
2           section (a) and all that follows through “means  
3           the” in subsection (c);

4           (C) by transferring subsection (e) so as to  
5           appear before subsection (d) and redesignating  
6           that subsection as subsection (b);

7           (D) by redesignating subsections (d) and (f)  
8           as subsection (c) and (d), respectively; and

9           (E) by striking subsection (g).

10          (3) Section 437(c) is amended by inserting “(50  
11          U.S.C. 415b)” after “National Security Act of 1947”.

12          (4) Section 487(d) is amended by striking  
13          “OTHER DEFINITIONS” and inserting “INAPPLICA-  
14          BILITY TO COAST GUARD”.

15          (5) Section 503(c)(1)(B) is amended by striking  
16          “education” in the second sentence and inserting  
17          “educational”.

18          (6) Section 632(c)(1) is amended—

19               (A) by striking “paragraph (2)” and insert-  
20               ing “paragraph (3)”; and

21               (B) by striking “under that paragraph”  
22               and inserting “under that subsection”.

23          (7) The item relating to section 1076b in the  
24          table of sections at the beginning of chapter 55 is  
25          amended to read as follows:

“1076b. TRICARE program: coverage for members of the Ready Reserve.”.



1           (8) *Section 1108(e) is amended by striking*  
2           *“heath” and inserting “health”.*

3           (9) *Section 1406(g) is amended—*

4                   (A) *by striking “section 305” and inserting*  
5                   *“section 245”; and*

6                   (B) *by inserting “(33 U.S.C. 3045)” after*  
7                   *“of 2002”.*

8           (10) *Sections 1448(b)(1)(F), 1448(d)(2)(B),*  
9           *1448(d)(6)(A), and 1458(j) are amended by striking*  
10           *“on or after the date of the enactment of the National*  
11           *Defense Authorization Act for Fiscal Year 2004” and*  
12           *inserting “after November 23, 2003,”.*

13           (11) *Sections 1463(a), 1465(c)(1)(A),*  
14           *1465(c)(1)(B), 1465(c)(4)(A), 1465(c)(4)(B), and*  
15           *1466(b)(2)(D) are amended by striking “1413,*  
16           *1413a,” and inserting “1413a”.*

17           (12) *Section 1557(b) is amended “Effective Octo-*  
18           *ber 1, 2002, final” and inserting “Final”.*

19           (13) *Section 1566 is amended—*

20                   (A) *in subsection (g)(2), by striking “the*  
21                   *date that is 6 months after the date of the enact-*  
22                   *ment of the Help America Vote Act of 2002” in*  
23                   *the last sentence and inserting “April 29, 2003”;*  
24                   *and*

1           (B) in subsections (h), (i)(1), and (i)(3), by  
2           striking “Armed Forces” and inserting “armed  
3           forces”.

4           (14) Sections 1724(d) and 1732(d)(1) are  
5           amended by striking “its decision” in the second sen-  
6           tence and inserting “the decision of the Secretary”.

7           (15) Section 1761(b) is amended—

8           (A) in the matter preceding paragraph (1),  
9           by striking “provide for—” and inserting “pro-  
10          vide for the following:”;

11          (B) in paragraphs (1), (2), and (3), by cap-  
12          italizing the first letter of the first word;

13          (C) at the end of paragraphs (1) and (2),  
14          by striking the semicolon and inserting a period;

15          (D) at the end of paragraph (3), by striking  
16          “; and” and inserting a period; and

17          (E) by striking paragraph (4).

18          (16) Section 2193b(c)(2) is amended by striking  
19          “the date of the enactment of this section” and insert-  
20          ing “October 5, 1999”.

21          (17) Section 2224(c) is amended in the matter  
22          preceding paragraph (1) by striking “subtitle II of  
23          chapter 35” and inserting “subchapter II of chapter  
24          35”.

1           (18) *Section 2349(d) is amended by striking*  
2           *“section 2350a(i)(3)” and inserting “section*  
3           *2350a(i)(2)”.*

4           (19) *Section 2350b(g) is amended—*

5                   (A) *in the matter preceding paragraph (1),*  
6                   *by inserting “the Secretary of Defense” after*  
7                   *“authorizing”; and*

8                   (B) *in paragraph (1), by striking “the Sec-*  
9                   *retary of Defense”.*

10           (20) *Section 2540(b)(2) is amended by inserting*  
11           *“, as in effect on that date” before the period at the*  
12           *end.*

13           (21) *Section 2662(a)(2) is amended—*

14                   (A) *in the first sentence, by striking “must*  
15                   *include a summarization” and inserting “shall*  
16                   *include a summary”; and*

17                   (B) *in the second sentence, by inserting “of*  
18                   *paragraph (1)” after “in subparagraph (E)”.*

19           (22) *Section 2672a(a) is amended—*

20                   (A) *in the matter preceding paragraph (1),*  
21                   *by inserting “in any case in which the Secretary*  
22                   *determines” after “in land”;*

23                   (B) *in paragraph (1), by striking “the Sec-*  
24                   *retary determines” and inserting “the acquisi-*  
25                   *tion”; and*

1           (C) in paragraph (2), by inserting “the ac-  
2           quisition” after “(2)”.

3           (23) Section 2701 is amended—

4           (A) in subsection (a)(2), by inserting “(42  
5           U.S.C. 9620)” before the period at the end;

6           (B) in subsection (c)(2), by striking “of  
7           CERCLA (relating to settlements)” and insert-  
8           ing “(relating to settlements) of CERCLA (42  
9           U.S.C. 9622)”;

10          (C) in subsection (e), by inserting “(42  
11          U.S.C. 9619)” after “CERCLA”; and

12          (D) in subsection (j)(2), by striking “the  
13          Comprehensive” and all the follows through “of  
14          1980” and inserting “CERCLA”.

15          (24) Section 2702 is amended by inserting “(42  
16          U.S.C. 9660(a)(5))” in the second sentence of sub-  
17          section (a) before the period at the end.

18          (25) Section 2703(b) is amended by striking  
19          “The terms” at the beginning of the second sentence  
20          and inserting “For purposes of the preceding sentence,  
21          the terms”.

22          (26) Section 2704 is amended by inserting “(42  
23          U.S.C. 9604(i))” in subsections (c), (e), and (f) after  
24          “CERCLA”.

1           (27) *The second section 3755, added by section*  
2           *543(b)(1) of the Bob Stump National Defense Author-*  
3           *ization Act for Fiscal Year 2003 (Public Law 107-*  
4           *314; 116 Stat. 2549), is redesignated as section 3756,*  
5           *and the item relating to that section in the table of*  
6           *sections at the beginning of chapter 357 is revised to*  
7           *reflect such redesignation.*

8           (28) *Section 4689 is amended by striking*  
9           *“Building” after “Capitol”.*

10          (29) *The second section 6257, added by section*  
11          *543(c)(1) of the Bob Stump National Defense Author-*  
12          *ization Act for Fiscal Year 2003 (Public Law 107-*  
13          *314; 116 Stat. 2549), is redesignated as section 6258,*  
14          *and the item relating to that section in the table of*  
15          *sections at the beginning of chapter 567 is revised to*  
16          *reflect such redesignation.*

17          (30) *Section 7102 is amended—*

18                (A) *by striking “AUTHORITY” at the begin-*  
19                *ning of subsection (a) and inserting “MASTER*  
20                *OF MILITARY STUDIES”;*

21                (B) *by striking “MARINE CORPS WAR COL-*  
22                *LEGE” at the beginning of subsection (b) and in-*  
23                *serting “MASTER OF STRATEGIC STUDIES”;*

24                (C) *by striking “COMMAND AND STAFF COL-*  
25                *LEGE OF THE MARINE CORPS UNIVERSITY” at*

1           *the beginning of subsection (c) and inserting*  
2           *“MASTER OF OPERATIONAL STUDIES”; and*  
3           *(D) by striking “subsections (a) and (b)” in*  
4           *subsection (d) and inserting “this section”.*

5           *(31) Section 8084 is amended by striking*  
6           *“capabilty” and inserting “capability”.*

7           *(32) The second section 8755, added by section*  
8           *543(d)(1) of the Bob Stump National Defense Author-*  
9           *ization Act for Fiscal Year 2003 (Public Law 107–*  
10           *314; 116 Stat. 2550), is redesignated as section 8756,*  
11           *and the item relating to that section in the table of*  
12           *sections at the beginning of chapter 857 is revised to*  
13           *reflect such redesignation.*

14           *(33) The table in section 12012(a) is amended by*  
15           *inserting a colon after “Air National Guard”.*

16           *(f) TITLE 37, UNITED STATES CODE.—Section 323(h)*  
17           *of title 37, United States Code, is amended by striking “Sec-*  
18           *retary of Transportation” and inserting “Secretary of*  
19           *Homeland Security”.*

20           *(g) PUBLIC LAW 108–136.—Effective as of November*  
21           *24, 2003, and as if included therein as enacted, the Na-*  
22           *tional Defense Authorization Act for Fiscal Year 2004 (Pub-*  
23           *lic Law 108–136) is amended as follows:*

1           (1) Sections 832(a) and 834(a) (117 Stat. 1550)  
2           are each amended by striking “such title” and insert-  
3           ing “title 10, United States Code,”

4           (2) Section 931(a)(1) (117 Stat. 1580) is amend-  
5           ed by striking “and donations” in the first quoted  
6           matter and inserting “or donations”.

7           (3) Section 2204(b) (117 Stat. 1706) is amended  
8           by striking “section 2101(a)” each place it appears  
9           and inserting “section 2201(a)”.

10          (h) PUBLIC LAW 107–314.—Effective as of December  
11          2, 2002, and as if included therein as enacted, section  
12          1064(a)(2) of the Bob Stump National Defense Authoriza-  
13          tion Act for Fiscal Year 2003 (Public Law 107–314; 116  
14          Stat. 2654) is amended by inserting “the item relating to”  
15          after “is amended by inserting after”.

16          (i) PUBLIC LAW 101–510.—Section 2902(e)(2)(B) of  
17          the Defense Base Closure and Realignment Act of 1990  
18          (part A of title XXIX of Public Law 101–510; 10 U.S.C.  
19          2687 note) is amended—

20                 (1) in clause (i), by striking “Subcommittee on  
21                 Readiness, Sustainability, and Support” and insert-  
22                 ing “Subcommittee on Readiness and Management  
23                 Support”; and

1           (2) *in clause (ii), by striking “Subcommittee on*  
2           *Military Installations and Facilities” and inserting*  
3           *“Subcommittee on Readiness”.*

4           (j) *NATIONAL SECURITY ACT OF 1947.—Sections*  
5           *702(a)(6)(B)(iv)(I),           703(a)(6)(B)(iv)(I),           and*  
6           *704(f)(2)(D)(i) of the National Security Act of 1947 are*  
7           *amended by striking “responsible records” and inserting*  
8           *“responsive records”.*

9           (k) *CODIFICATION RELATING TO LEAVE FOR ATTEND-*  
10          *ANCE AT CERTAIN HEARINGS.—Subsection (b) of section*  
11          *363 of the Personal Responsibility and Work Opportunity*  
12          *Reconciliation Act of 1996 (10 U.S.C. 704 note) is—*

13                 (1) *transferred to section 704 of title 10, United*  
14                 *States Code;*

15                 (2) *inserted at the end of that section;*

16                 (3) *redesignated as subsection (c); and*

17                 (4) *amended—*

18                         (A) *by striking “Armed Forces” each place*  
19                         *it appears and inserting “armed forces”;*

20                         (B) *in paragraph (1)—*

21                                 (i) *by striking “Secretary of each” and*  
22                                 *all that follows through “in the Navy,” and*  
23                                 *inserting “Secretary concerned”; and*

24                                 (ii) *by striking “(as defined in section*  
25                                 *101 of title 10, United States Code)”;* and



1 (C) in paragraph (3)—

2 (i) by striking “For purposes of this  
3 subsection—” and inserting “In this sub-  
4 section:”;

5 (ii) in subparagraph (A), by striking  
6 “title 10, United States Code” and inserting  
7 “this title”; and

8 (iii) in subparagraph (B), by striking  
9 “such term” and inserting “that term”.

10 **SEC. 1074. COMMISSION ON THE LONG-TERM IMPLEMENTA-**  
11 **TION OF THE NEW STRATEGIC POSTURE OF**  
12 **THE UNITED STATES.**

13 (a) *ESTABLISHMENT OF COMMISSION.*—

14 (1) *ESTABLISHMENT.*—*There is hereby estab-*  
15 *lished a commission to be known as the “Commission*  
16 *on the Long-Term Implementation of the New Stra-*  
17 *tegic Posture of the United States”. The Secretary of*  
18 *Defense shall enter into a contract with a federally*  
19 *funded research and development center to provide for*  
20 *the organization, management, and support of the*  
21 *Commission. Such contract shall be entered into in*  
22 *consultation with the Secretary of Energy.*

23 (2) *COMPOSITION.*—(A) *The Commission shall be*  
24 *composed of 12 members who shall be appointed by*  
25 *the Secretary of Defense. In selecting individuals for*

1       *appointment to the Commission, the Secretary of De-*  
2       *fense shall consult with the chairman and ranking*  
3       *minority member of the Committee on Armed Services*  
4       *of the Senate and the chairman and ranking minor-*  
5       *ity member of the Committee on Armed Services of*  
6       *the House of Representatives.*

7               *(B) Members of the Commission shall be ap-*  
8       *pointed from among private United States citizens*  
9       *with knowledge and expertise in the political, mili-*  
10       *tary, operational, and technical aspects of nuclear*  
11       *strategy.*

12               *(3) CHAIRMAN OF THE COMMISSION.—The Sec-*  
13       *retary of Defense shall designate one of the members*  
14       *of the Commission to serve as chairman of the Com-*  
15       *mission.*

16               *(4) PERIOD OF APPOINTMENT; VACANCIES.—*  
17       *Members shall be appointed for the life of the Com-*  
18       *mission. Any vacancy in the Commission shall be*  
19       *filled in the same manner as the original appoint-*  
20       *ment.*

21               *(5) SECURITY CLEARANCES.—All members of the*  
22       *Commission shall hold appropriate security clear-*  
23       *ances.*

24               *(b) DUTIES OF COMMISSION.—*

1           (1) *REVIEW OF LONG-TERM IMPLEMENTATION*  
2           *OF THE NUCLEAR POSTURE REVIEW.*—*The Commis-*  
3           *sion shall examine long-term programmatic require-*  
4           *ments to achieve the goals set forth in the report of*  
5           *the Secretary of Defense submitted to Congress on De-*  
6           *cember 31, 2001, providing the results of the Nuclear*  
7           *Posture Review conducted pursuant to section 1041 of*  
8           *the Floyd D. Spence National Defense Authorization*  
9           *Act for Fiscal Year 2001 (as enacted into law by Pub-*  
10           *lic Law 106–398; 114 Stat. 1654, 1654A–262) and*  
11           *results of periodic assessments of the Nuclear Posture*  
12           *Review. Matters examined by the Commission shall*  
13           *include the following:*

14                   (A) *The process of establishing requirements*  
15                   *for strategic forces and how that process accom-*  
16                   *modates employment of nonnuclear strike plat-*  
17                   *forms and munitions in a strategic role.*

18                   (B) *How strategic intelligence, reconnais-*  
19                   *sance, and surveillance requirements differ from*  
20                   *nuclear intelligence, reconnaissance, and surveil-*  
21                   *lance requirements.*

22                   (C) *The ability of a limited number of stra-*  
23                   *tegic platforms to carry out a growing range of*  
24                   *nonnuclear strategic strike missions.*

1           (D) *The limits of tactical systems to per-*  
2 *form nonnuclear global strategic missions in a*  
3 *prompt manner.*

4           (E) *An assessment of the ability of the cur-*  
5 *rent nuclear stockpile to address the evolving*  
6 *strategic threat environment through 2025.*

7           (2) *RECOMMENDATIONS.—The Commission shall*  
8 *include in its report recommendations with respect to*  
9 *the following:*

10           (A) *Changes to the requirements process to*  
11 *employ nonnuclear strike platforms and muni-*  
12 *tions in a strategic role.*

13           (B) *Changes to the nuclear stockpile and in-*  
14 *frastructure required to preserve a nuclear capa-*  
15 *bility commensurate with the changes to the stra-*  
16 *tegic threat environment through 2025.*

17           (C) *Actions the Secretary of Defense and the*  
18 *Secretary of Energy can take to preserve flexi-*  
19 *bility of the defense nuclear complexes while reduc-*  
20 *ing the cost of a Cold War strategic infrastruc-*  
21 *ture.*

22           (D) *Identify shortfalls in the strategic mod-*  
23 *ernization programs of the United States that*  
24 *would undermine the ability of the United States*

1           to develop new nonnuclear strategic strike capa-  
2           bilities.

3           (3) COOPERATION FROM GOVERNMENT OFFI-  
4           CIALS.—(A) In carrying out its duties, the Commis-  
5           sion shall receive the full and timely cooperation of  
6           the Secretary of Defense, the Secretary of Energy, and  
7           any other United States Government official in pro-  
8           viding the Commission with analyses, briefings, and  
9           other information necessary for the fulfillment of its  
10          responsibilities.

11          (B) The Secretary of Energy and the Secretary  
12          of Defense shall each designate at least one officer or  
13          employee of the Department of Energy and the De-  
14          partment of Defense, respectively, to serve as a liaison  
15          officer between the department and the Commission.

16          (c) REPORTS.—

17          (1) COMMISSION REPORT.—The Commission  
18          shall submit to the Secretary of Defense and the Com-  
19          mittees on Armed Services of the Senate and House  
20          of Representatives a report on the Commission's find-  
21          ings and conclusions. Such report shall be submitted  
22          not later than 28 months after the date of the first  
23          meeting of the Commission.

24          (2) SECRETARY OF DEFENSE RESPONSE.—Not  
25          later than one year after the date on which the Com-

1        *mission submits its report under paragraph (1), the*  
2        *Secretary of Defense shall submit to Congress a re-*  
3        *port—*

4                *(A) commenting on the Commission’s find-*  
5                *ings and conclusions; and*

6                *(B) explaining what actions, if any, the*  
7                *Secretary intends to take to implement the rec-*  
8                *ommendations of the Commission and, with re-*  
9                *spect to each such recommendation, the Sec-*  
10               *retary’s reasons for implementing, or not imple-*  
11               *menting, the recommendation.*

12        *(d) HEARINGS AND PROCEDURES.—*

13               *(1) HEARINGS.—The Commission may, for the*  
14               *purpose of carrying out the purposes of this section,*  
15               *hold hearings and take testimony.*

16               *(2) PROCEDURES.—The federally funded re-*  
17               *search and development center with which a contract*  
18               *is entered into under subsection (a)(1) shall be re-*  
19               *sponsible for establishing appropriate procedures for*  
20               *the Commission.*

21               *(3) DETAIL OF GOVERNMENT EMPLOYEES.—*  
22               *Upon request of the chairman of the Commission, the*  
23               *head of any Federal department or agency may de-*  
24               *tail, on a nonreimbursable basis, personnel of that de-*

1        *partment or agency to the Commission to assist it in*  
2        *carrying out its duties.*

3        *(e) FUNDING.—Funds for activities of the Commission*  
4        *shall be provided from amounts appropriated for the De-*  
5        *partment of Defense.*

6        *(f) TERMINATION OF COMMISSION.—The Commission*  
7        *shall terminate 60 days after the date of the submission of*  
8        *its report under subsection (c)(1).*

9        *(g) IMPLEMENTATION.—*

10            *(1) FFRDC CONTRACT.—The Secretary of De-*  
11            *fense shall enter into the contract required under sub-*  
12            *section (a)(1) not later than 60 days after the date of*  
13            *the enactment of this Act.*

14            *(2) FIRST MEETING.—The Commission shall con-*  
15            *vene its first meeting not later than 60 days after the*  
16            *date as of which all members of the Commission have*  
17            *been appointed.*

18        **SEC. 1075. LIABILITY PROTECTION FOR CERTAIN DEPART-**  
19                    **MENT OF DEFENSE VOLUNTEERS WORKING**  
20                    **IN THE MARITIME ENVIRONMENT.**

21        *(a) AUTHORITY TO ACCEPT CERTAIN VOLUNTEER*  
22        *SERVICES.—Subsection (a) of section 1588 of title 10,*  
23        *United States Code, is amended by adding at the end the*  
24        *following new paragraph:*

1           “(8) *Voluntary services provided to the United*  
2           *States Military Academy, United States Naval Acad-*  
3           *emy, and United States Air Force Academy for the*  
4           *training of cadets and midshipmen.*”.

5           (b) *LIABILITY PROTECTION FOR VOLUNTEERS IN MAR-*  
6           *ITIME ENVIRONMENT.*—*Subparagraph (D) of subsection*  
7           *(d)(1) of such section is amended—*

8                     (1) *by striking “and” after “this title” and in-*  
9                     *serting a comma; and*

10                    (2) *by inserting before the period at the end the*  
11                    *following: “, and chapters 20 and 22 of title 46 (relat-*  
12                    *ing to claims for damages or loss on navigable wa-*  
13                    *ters)”.*

14           **SEC. 1076. TRANSFER OF HISTORIC F3A-1 BREWSTER COR-**  
15                               **SAIR AIRCRAFT.**

16           (a) *AUTHORITY TO CONVEY.*—*The Secretary of the*  
17           *Navy may convey, without consideration, to Lex Cralley,*  
18           *of Princeton Minnesota (in this section referred to as*  
19           *“transferee”), all right, title and interest of the United*  
20           *States in and to a F3A-1 Brewster Corsair aircraft (Bureau*  
21           *Number 04634). The conveyance shall be made by means*  
22           *of a deed of gift.*

23           (b) *CONDITION OF AIRCRAFT.*—*The aircraft shall be*  
24           *conveyed under subsection (a) in its current unflyable, “as*  
25           *is” condition. The Secretary is not required to repair or*



1 *alter the condition of the aircraft before conveying owner-*  
 2 *ship of the aircraft.*

3 (c) *CONVEYANCE AT NO COST TO THE UNITED*  
 4 *STATES.—The conveyance of the aircraft under subsection*  
 5 *(a) shall be made at no cost to the United States. Any costs*  
 6 *associated with the conveyance and costs of operation and*  
 7 *maintenance of the aircraft conveyed shall be borne by the*  
 8 *transferee.*

9 (d) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*  
 10 *retary may require such additional terms and conditions*  
 11 *in connection with a conveyance under this section as the*  
 12 *Secretary considers appropriate to protect the interests of*  
 13 *the United States.*

14 **TITLE XI—DEPARTMENT OF**  
 15 **DEFENSE CIVILIAN PERSONNEL**

16 **SEC. 1101. PAYMENT OF FEDERAL EMPLOYEE HEALTH BEN-**  
 17 **EFIT PREMIUMS FOR MOBILIZED FEDERAL**  
 18 **EMPLOYEES.**

19 (a) *AUTHORITY TO CONTINUE BENEFIT COVERAGE.—*  
 20 *Section 8905a of title 5, United States Code is amended—*

21 (1) *in subsection (a), by striking “paragraph (1)*  
 22 *or (2) of”;*

23 (2) *in subsection (b)—*

24 (A) *in paragraph (1)(B), by striking “and”*  
 25 *at the end;*

1           (B) in paragraph (2)(C), by striking the pe-  
2           riod at the end and inserting “; and”; and

3           (C) by adding at the end the following new  
4           paragraph:

5           “(3) any employee who—

6           “(A) is enrolled in a health benefits plan  
7           under this chapter;

8           “(B) is a member of a Reserve component  
9           of the armed forces;

10          “(C) is called or ordered to active duty in  
11          support of a contingency operation (as defined  
12          in section 101(a)(13) of title 10);

13          “(D) is placed on leave without pay or sep-  
14          arated from service to perform active duty; and

15          “(E) serves on active duty for a period of  
16          more than 30 consecutive days.”; and

17          (4) in subsection (e)(1)—

18          (A) in subparagraph (A), by striking “or”  
19          at the end;

20          (B) in subparagraph (B), by striking the  
21          period at the end and inserting “; or”; and

22          (C) by adding at the end the following new  
23          subparagraph:

24          “(C) in the case of an employee described in  
25          subsection (b)(3), the date which is 24 months

1           *after the employee is placed on leave without pay*  
2           *or separated from service to perform active*  
3           *duty.”.*

4           **(b) AUTHORITY FOR AGENCIES TO PAY PREMIUMS.—**  
5           *Subparagraph (C) of section 8906(e)(3) of such title is*  
6           *amended by striking “18 months” and inserting “24*  
7           *months”.*

8           **(c) EFFECTIVE DATE.—***The amendments made by this*  
9           *section shall apply with respect to Federal employees called*  
10          *or ordered to active duty on or after September 14, 2001.*

11          **SEC. 1102. FOREIGN LANGUAGE PROFICIENCY PAY.**

12          *Section 1596a of title 10, United States Code, is*  
13          *amended—*

14                 *(1) in subsection (a)(2), by striking “during a*  
15                 *contingency operation supported by the armed*  
16                 *forces”; and*

17                 *(2) in subsection (c), by inserting before the pe-*  
18                 *riod at the end the following: “and shall not be con-*  
19                 *sidered base pay for any purpose”.*

20          **SEC. 1103. PAY PARITY FOR CIVILIAN INTELLIGENCE PER-**  
21                         **SONNEL.**

22          *Section 1602 of title 10, United States Code, is amend-*  
23          *ed—*

24                 *(1) in subsection (a), by striking “in relation to*  
25                 *the rates of pay provided in subpart D of part III of*

1 *title 5 for positions subject to that subpart which have*  
2 *corresponding levels of duties and responsibilities”*  
3 *and inserting “in relation to the rates of pay pro-*  
4 *vided for Department of Defense Senior Executive,*  
5 *Senior Level, and other comparable positions”;* and

6 (2) *by amending subsection (b) to read as fol-*  
7 *lows:*

8 “(b) *PERFORMANCE APPRAISAL SYSTEM.—The posi-*  
9 *tions referred to in subsection (a) shall be subject to a per-*  
10 *formance appraisal system which, as designed and applied,*  
11 *is certified by the Secretary of Defense as making meaning-*  
12 *ful distinctions based on relative performance and may be*  
13 *the same performance appraisal system established and im-*  
14 *plemented within the Department for members of the Senior*  
15 *Executive Service.”.*

16 **SEC. 1104. PAY PARITY FOR SENIOR EXECUTIVES IN NON-**  
17 **APPROPRIATED FUND INSTRUMENTALITIES.**

18 (a) *IN GENERAL.—Chapter 81 of title 10, United*  
19 *States Code, is amended by adding at the end the following*  
20 *new section:*

21 **“§ 1599e. Senior executive compensation for non-**  
22 **appropriated fund instrumentalities**

23 “*Notwithstanding any provisions of title 5, the Sec-*  
24 *retary of Defense may regulate the amount of total com-*  
25 *ensation, including the rate of basic pay, of senior execu-*

1 *tives employed by Department of Defense nonappropriated*  
2 *fund instrumentalities, to provide for parity with the total*  
3 *compensation, including basic pay, of Department of De-*  
4 *fense employees in the Senior Executive Service and other*  
5 *similar senior executive positions.”.*

6 (b) *CLERICAL AMENDMENT.—The table of sections at*  
7 *the beginning of such chapter is amended by inserting after*  
8 *the item relating to section 1599d the following new item:*  
*“1599e. Senior executive compensation for nonappropriated fund instrumental-*  
*ities.”.*

9 **SEC. 1105. PROHIBITION OF UNAUTHORIZED WEARING OR**  
10 **USE OF CIVILIAN MEDALS OR DECORATIONS.**

11 *Chapter 57 of title 10, United States Code, is amended*  
12 *by adding at the end the following new section:*

13 **“§ 1134. Civilian medals or decorations of the Depart-**  
14 **ment of Defense**

15 *“(a) PROHIBITION.—Except with the written permis-*  
16 *sion of the Secretary of Defense or when authorized by regu-*  
17 *lations, no person may knowingly—*

18 *“(1) wear; or*

19 *“(2) use, in connection with any merchandise,*  
20 *retail product, impersonation, solicitation, or com-*  
21 *mercial activity;*

22 *medals, decorations, or other insignia awarded by the Sec-*  
23 *retary of Defense to recognize Department of Defense civil-*

1 *ian employees and other individuals who render service to*  
2 *the Department of Defense.*

3       “(b) *AUTHORITY TO ENJOIN VIOLATIONS.*—Whenever  
4 *it appears to the Attorney General that any person is en-*  
5 *gaged or is about to engage in an act or practice which*  
6 *constitutes or will constitute conduct prohibited by sub-*  
7 *section (a), the Attorney General may initiate a civil pro-*  
8 *ceeding in a district court of the United States to enjoin*  
9 *such act or practice. Such court shall proceed as soon as*  
10 *practicable to the hearing and determination of such action*  
11 *and may, at any time before final determination, enter such*  
12 *restraining orders or prohibitions, or take such other ac-*  
13 *tions as is warranted, including imposing a civil penalty*  
14 *not to exceed \$25,000 for each violation, to prevent injury*  
15 *to the United States or to any person or class of persons*  
16 *for whose protection the action is brought.”.*

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

*“1134. Civilian medals or decorations of the Department of Defense.”*

1 **TITLE XII—MATTERS RELATING**  
2 **TO OTHER NATIONS**  
3 **Subtitle A—Matters Relating to**  
4 **Iraq, Afghanistan, and Global**  
5 **War on Terrorism**

6 **SEC. 1201. DOCUMENTATION OF CONDITIONS IN IRAQ**  
7 **UNDER FORMER DICTATORIAL GOVERNMENT**  
8 **AS PART OF TRANSITION TO POST-DICTATO-**  
9 **RIAL GOVERNMENT.**

10 (a) *FINDINGS.—The Congress makes the following*  
11 *findings:*

12 (1) *The regime of Saddam Hussein in Iraq was*  
13 *a dictatorial regime prone to secrecy in the mainte-*  
14 *nance of its hold on power.*

15 (2) *The people of Iraq all suffered as a result of*  
16 *Saddam Hussein’s dictatorial control.*

17 (3) *Efforts in other post-dictatorial states to doc-*  
18 *ument the crimes and abuses of their predecessor dic-*  
19 *tatorial governments have contributed to the process*  
20 *of national reconciliation and have served as a re-*  
21 *minder about the importance of protecting individual*  
22 *rights.*

23 (b) *TRANSFER OF CERTAIN DOCUMENTS AND*  
24 *RECORDS.—The Secretary of Defense shall, to the extent*  
25 *practicable, establish a process for expeditiously transfer-*

1 *ring to indigenous Iraqi entities committed to documenting*  
2 *publicly the nature of the Saddam Hussein regime any doc-*  
3 *uments and records described in subsection (c) that are ob-*  
4 *tained by United States military forces in Iraq.*

5 *(c) COVERED DOCUMENTS AND RECORDS.—The docu-*  
6 *ments and records referred to in subsection (b) are docu-*  
7 *ments and records—*

8 *(1) that were created by—*

9 *(A) the Government of Iraq between 1968*  
10 *and May 1, 2003; or*

11 *(B) the Ba’ath Socialist Party in Iraq after*  
12 *1968; and*

13 *(2) that provide insight into—*

14 *(A) the functioning of the Government of*  
15 *Iraq or the Ba’ath Socialist Party in Iraq; or*

16 *(B) the crimes, atrocities, and brutal prac-*  
17 *tices of the Iraqi government towards the people*  
18 *of Iraq during the period between 1968 and May*  
19 *1, 2003.*

20 **SEC. 1202. SUPPORT OF MILITARY OPERATIONS TO COMBAT**  
21 **TERRORISM.**

22 *(a) AUTHORITY.—The Secretary of Defense may ex-*  
23 *pend up to \$25,000,000 during any fiscal year during*  
24 *which this subsection is in effect to provide support to for-*  
25 *eign forces, irregular forces, groups, or individuals engaged*



1 *in supporting or facilitating ongoing military operations*  
2 *by United States special operations forces to combat ter-*  
3 *rorism.*

4       **(b) INTELLIGENCE ACTIVITIES.**—*This section does not*  
5 *constitute authority to conduct a covert action, as such term*  
6 *is defined in section 503(e) of the National Security Act*  
7 *of 1947 (50 U.S.C. 413b(e)).*

8       **(c) ANNUAL REPORT.**—*Not later than 30 days after*  
9 *the close of each fiscal year during which subsection (a) is*  
10 *in effect, the Secretary of Defense shall submit to the con-*  
11 *gressional defense committees a report on support provided*  
12 *under this section during that fiscal year. Each such report*  
13 *shall describe the support provided, including a statement*  
14 *of the recipient of the support and the amount obligated*  
15 *to provide the support.*

16       **(d) FISCAL YEAR 2005 LIMITATION.**—*Support may be*  
17 *provided under subsection (a) during fiscal year 2005 only*  
18 *from funds made available for operations and maintenance*  
19 *pursuant to title XV of this Act.*

20       **(e) PERIOD OF AUTHORITY.**—*The authority under*  
21 *subsection (a) is in effect during each of fiscal years 2005*  
22 *through 2007.*

1 **SEC. 1203. COMMANDERS' EMERGENCY RESPONSE PRO-**  
2 **GRAM.**

3 (a) *FISCAL YEAR 2005 AUTHORITY.*—During fiscal  
4 year 2005, from funds made available to the Department  
5 of Defense for operation and maintenance pursuant to title  
6 XV of this Act, not to exceed \$300,000,000 may be used,  
7 notwithstanding any other provision of law, to provide  
8 funds for the Commanders' Emergency Response Program,  
9 established by the Administrator of the Coalition Provi-  
10 sional Authority for the purpose of enabling military com-  
11 manders in Iraq to respond to urgent humanitarian relief  
12 and reconstruction requirements within their areas of re-  
13 sponsibility by carrying out programs that will imme-  
14 diately assist the Iraqi people, and to provide funds for a  
15 similar program to assist the people of Afghanistan.

16 (b) *QUARTERLY REPORTS.*—The Secretary of Defense  
17 shall submit to the congressional defense committees a quar-  
18 terly report, beginning on January 15, 2005, regarding the  
19 source of funds and the allocation and use of funds made  
20 available pursuant to the authority provided in this section.

21 **SEC. 1204. STATUS OF IRAQI SECURITY FORCES.**

22 (a) *STRATEGIC PLAN.*—No later than 120 days after  
23 the date of the enactment of this Act, the Secretary of De-  
24 fense shall submit to the Committees on Armed Services of  
25 the Senate and House of Representatives a strategic plan  
26 setting forth the manner in which the United States will

1 *achieve the goal of establishing viable and professional Iraqi*  
2 *security forces able to provide for the long-term security of*  
3 *the Iraqi people.*

4 (b) *COMPONENTS.—The strategic plan established*  
5 *under subsection (a) shall include at least the following:*

6 (1) *Recruiting and retention goals, shown for*  
7 *each service of the Iraqi security forces.*

8 (2) *Training plans for each service of the Iraqi*  
9 *security forces.*

10 (3) *A description of metrics by which progress*  
11 *toward the goal of Iraqi provision for its own security*  
12 *can be measured.*

13 (4) *A description of equipment needs, shown for*  
14 *each service of the Iraqi security forces.*

15 (5) *A resourcing plan for achieving the goals of*  
16 *the strategic plan.*

17 (6) *Personnel plans in terms of United States*  
18 *military and contractor personnel to be used in train-*  
19 *ing each such service.*

20 (7) *A description of challenges faced and oppor-*  
21 *tunities presented in particular regions of Iraq and*  
22 *a plan for addressing those challenges.*

23 (8) *A discussion of training and deployment suc-*  
24 *cesses and failures to the date of the report and how*

1        *lessons from those successes and failures will be incor-*  
2        *porated into the strategic plan.*

3        (c) *SUBSEQUENT REPORTS.*—*Ninety days following*  
4        *the submission of the strategic plan to Congress under sub-*  
5        *section (a) and every 90 days thereafter, the Secretary shall*  
6        *submit to the Committees on Armed Services of the Senate*  
7        *and House of Representatives a report on progress toward*  
8        *meeting the goals established in the strategic plan. Each*  
9        *such report shall address the following:*

10            (1) *The number of forces recruited, currently*  
11            *serving, and that have left (along with a break-down*  
12            *of the reasons for leaving) by service over the period*  
13            *in question.*

14            (2) *Progress in meeting training goals.*

15            (3) *Progress in achieving other metrics as identi-*  
16            *fied in the strategic plan.*

17            (4) *A description and analysis of any training*  
18            *incidents and deployment successes and failures, with*  
19            *a discussion of how those incidents and successes will*  
20            *affect future efforts to achieve the goals of the strategic*  
21            *plan.*

22        (d) *IRAQI SECURITY FORCES DEFINED.*—*In this sec-*  
23        *tion, the term “Iraqi security forces” means the Iraqi*  
24        *Armed Forces (IAF), the Iraqi Civil Defense Corps (ICDC),*  
25        *the Iraqi Police Service (IPS), the Department of Border*

1 *Enforcement (DBE), and the Facilities Protection Services*  
2 *(FCS).*

3 **SEC. 1205. GUIDANCE AND REPORT REQUIRED ON CON-**  
4 **TRACTORS SUPPORTING DEPLOYED FORCES**  
5 **IN IRAQ.**

6 (a) *GUIDANCE.*—*Not later than 90 days after the date*  
7 *of the enactment of this Act, the Secretary of Defense shall*  
8 *issue guidance on how to manage contractors that support*  
9 *deployed forces and shall direct the Secretaries of the mili-*  
10 *tary departments to develop procedures to ensure implemen-*  
11 *tation of the guidance. The guidance shall—*

12 (1) *establish policies for the use of contractors to*  
13 *support deployed forces;*

14 (2) *delineate the roles and responsibilities of*  
15 *commanders regarding the management and oversight*  
16 *of contractors that support deployed forces; and*

17 (3) *integrate into a single document other guid-*  
18 *ance and doctrine that may affect Department of De-*  
19 *fense responsibilities to contractors in locations where*  
20 *members of the Armed Forces are deployed.*

21 (b) *REPORT.*—*Not later than 30 days after issuing the*  
22 *guidance required under subsection (a), the Secretary of De-*  
23 *fense shall submit to the Committees on Armed Services of*  
24 *the House of Representatives and the Senate a report con-*  
25 *taining a discussion of the following:*

1           (1) *A description of the process used by the De-*  
2 *partment of Defense for deciding which security func-*  
3 *tions in Iraq will be performed by military personnel*  
4 *and which by private security companies.*

5           (2) *A discussion of the overall chain of command*  
6 *and oversight mechanisms that are in place to ensure*  
7 *adequate command and supervision of contractor per-*  
8 *sonnel in critical security roles.*

9           (3) *An explanation of the rules of engagement for*  
10 *private security personnel throughout Iraq, along*  
11 *with how training in these rules of engagement is*  
12 *being carried out.*

13           (4) *A description of mechanisms that exist or*  
14 *that are under consideration to share intelligence and*  
15 *standardize communications procedures among pri-*  
16 *vate security companies.*

17           (5) *Casualty and fatality figures for each con-*  
18 *tractor in Iraq supporting deployed forces over the pe-*  
19 *riod beginning on May 1, 2003, and ending on the*  
20 *date of the issuance of the guidance.*

21           (6) *Disciplinary or criminal actions brought*  
22 *against such contractors during the period covered by*  
23 *the report.*

24           (7) *Any incidents of note in Iraq regarding such*  
25 *contractors during the period covered by the report.*

1           (8) *A plan for establishing and implementing a*  
2 *process for collecting data on individual contractors,*  
3 *the value of the contracts, and the number of per-*  
4 *sonnel in Iraq performing the following services:*

5                   (A) *Personal security details.*

6                   (B) *Non-military site security.*

7                   (C) *Non-military convoy security.*

8                   (D) *Interrogation services at interrogation*  
9 *centers operated by the Department of Defense.*

10 **SEC. 1206. FINDINGS AND SENSE OF CONGRESS CON-**  
11 **CERNING ARMY SPECIALIST JOSEPH DARBY.**

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

13                   (1) *The need to act in accord with one’s con-*  
14 *science, risking one’s career and even the esteem of*  
15 *one’s colleagues by pursuing what is right is espe-*  
16 *cially important today.*

17                   (2) *While the Department of Defense investigate*  
18 *the horrific abuses in American detention facilities in*  
19 *Iraq, the Nation should bear in mind that the abuses*  
20 *were only brought to light because of the courage of*  
21 *an American soldier.*

22                   (3) *By alerting his superiors to abuses at Abu*  
23 *Ghraib prison in Iraq, Army Specialist Joseph Darby*  
24 *demonstrated the courage to speak out and do what*  
25 *is right for his country.*

1           (4) *Such an action is especially important in*  
2           *light of the many challenges facing the country.*

3           (5) *Specialist Darby deserves the Nation's thanks*  
4           *for speaking up and for standing up for what is*  
5           *right.*

6           (b) *SENSE OF CONGRESS.—It is the sense of Congress*  
7           *that—*

8                   (1) *the Secretary of Defense should make every*  
9                   *protection available to Army Specialist Joseph Darby*  
10                   *and others who demonstrate such courage; and*

11                   (2) *Specialist Darby should be commended ap-*  
12                   *propriately by the Secretary of the Army.*

### 13                   ***Subtitle B—Other Matters***

#### 14           ***SEC. 1211. ASSIGNMENT OF ALLIED NAVAL PERSONNEL TO*** 15                   ***SUBMARINE SAFETY PROGRAMS.***

16           (a) *IN GENERAL.—Chapter 631 of title 10, United*  
17           *States Code, is amended by adding at the end the following*  
18           *new section:*

#### 19           ***“§ 7234. Submarine safety programs: participation of*** 20                   ***allied naval personnel***

21                   “(a) *ACCEPTANCE OF ASSIGNMENT OF FOREIGN*  
22           *NAVAL PERSONNEL.—In order to facilitate the development,*  
23           *standardization, and interoperability of submarine vessel*  
24           *safety and rescue systems and procedures, the Secretary of*  
25           *the Navy may conduct a program under which members*



1 *of the naval service of any of the member nations of the*  
2 *North Atlantic Treaty Organization and Australia, Japan,*  
3 *the Republic of Korea, and Sweden may be assigned to*  
4 *United States commands to work on such systems and pro-*  
5 *cedures.*

6       “(b) *COSTS FOR FOREIGN PERSONNEL.—(1) The*  
7 *United States may not pay the following costs for a member*  
8 *of a foreign naval service sent to the United States under*  
9 *the program authorized by this section:*

10           “(A) *Salary.*

11           “(B) *Per diem.*

12           “(C) *Cost of living.*

13           “(D) *Travel costs.*

14           “(E) *Cost of language or other training.*

15           “(F) *Other costs.*

16       “(2) *Paragraph (1) does not apply to the following*  
17 *costs, which may be paid by the United States:*

18           “(A) *The cost of temporary duty directed by the*  
19 *United States Navy.*

20           “(B) *The cost of training programs conducted to*  
21 *familiarize, orient, or certify members of foreign*  
22 *naval services regarding unique aspects of their as-*  
23 *signments.*

1           “(C) *Costs incident to the use of the facilities of*  
 2           *the United States Navy in the performance of as-*  
 3           *signed duties.*

4           “(d) *APPLICABILITY TO AUTHORITY TO ENTER INTO*  
 5           *AGREEMENTS.—The requirements of this section shall*  
 6           *apply in the exercise of any authority of the Secretary of*  
 7           *the Navy to enter into an agreement with the government*  
 8           *of a foreign country, subject to the concurrence of the Sec-*  
 9           *retary of State, to provide for the assignment of members*  
 10           *of the naval service of the foreign country to a United States*  
 11           *Navy submarine safety program.*

12           “(e) *REGULATIONS.—The Secretary of the Navy may*  
 13           *prescribe regulations for the application of this section in*  
 14           *the exercise of authority referred to in subsection (d).”.*

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

          “7234. *Submarine safety programs: participation of allied naval personnel.”.*

18           **SEC. 1212. EXPANSION OF ENTITIES OF THE PEOPLE’S RE-**  
 19                                   **PUBLIC OF CHINA SUBJECT TO CERTAIN**  
 20                                   **PRESIDENTIAL AUTHORITIES WHEN OPER-**  
 21                                   **ATING IN THE UNITED STATES.**

22           *Section 1237(b)(4)(B)(i) of the Strom Thurmond Na-*  
 23           *tional Defense Authorization Act for Fiscal Year 1999 (50*  
 24           *U.S.C. 1701 note) is amended by inserting after “the Peo-*  
 25           *ple’s Liberation Army” the following: “, by a ministry of*

1 *the government of the People's Republic of China, or by an*  
2 *entity affiliated with the defense industrial base of the Peo-*  
3 *ple's Republic of China''.*

4 **SEC. 1213. REPORT BY PRESIDENT ON GLOBAL PEACE OP-**  
5 **ERATIONS INITIATIVE.**

6 *Not later than one year after the date of the enactment*  
7 *of this Act, the President shall submit to the Congress a*  
8 *report on the Global Peace Operations Initiative. The report*  
9 *shall include the following elements:*

10 *(1) A summary of the goals of the Global Peace*  
11 *Operations Initiative and the timetable for achieving*  
12 *those goals.*

13 *(2) An examination of the mechanisms by which*  
14 *the United States will ensure that foreign countries*  
15 *acquiring new capabilities as a result of that Initia-*  
16 *tive will use those capabilities to the national security*  
17 *benefit of the United States.*

18 *(3) An examination of the mechanisms by which*  
19 *the United States will ensure that training and*  
20 *equipment provided under that Initiative are used*  
21 *solely for the purposes of peacekeeping and peace en-*  
22 *forcement operations.*

23 *(4) An examination of the human rights prac-*  
24 *tices of potential recipients under that Initiative, to*

1        *include a discussion of each potential recipient's com-*  
2        *mitment to representative government.*

3            (5) *As assessment of the financial resources re-*  
4        *quired to carry out that Initiative during fiscal years*  
5        *2005 through 2009.*

6            (6) *An assessment of the effectiveness of the pro-*  
7        *gram of the Department of State referred to as the Af-*  
8        *rican Contingency Operations and Training Assist-*  
9        *ance program and the capacity of that program to be*  
10       *expanded.*

11           (7) *A review that compares and contrasts the*  
12       *basic military skills required of warfighters and the*  
13       *skills needed for peacekeeping and peace enforcement*  
14       *operations.*

15           (8) *An assessment of the ability of military*  
16       *forces in the developing world to absorb, retain, and*  
17       *use the advanced skills and capabilities needed for ef-*  
18       *fective peacekeeping and peace enforcement oper-*  
19       *ations.*

20           (9) *A proposal for providing sufficient resources*  
21       *to the Department of State to conduct the Global*  
22       *Peace Operations Initiative without significant finan-*  
23       *cial contributions from the Department of Defense.*

24           (10) *An explanation of the reasons of the Admin-*  
25       *istration for proposing to exempt the Global Peace*

1        *Operations Initiative from existing law related to the*  
2        *type of military and police training the United*  
3        *States may provide to foreign countries.*

4            *(11) An examination of the costs and benefits of*  
5        *transferring responsibility for the training and equip-*  
6        *ping of foreign military and security forces from the*  
7        *Department of State to the Department of Defense,*  
8        *including an identification of any increased resources*  
9        *that will be provided to the Department of Defense*  
10       *should the Department of Defense become responsible*  
11       *for that activity.*

12    **SEC. 1214. PROCUREMENT SANCTIONS AGAINST FOREIGN**  
13                    **PERSONS THAT TRANSFER CERTAIN DE-**  
14                    **FENSE ARTICLES AND SERVICES TO THE PEO-**  
15                    **PLE'S REPUBLIC OF CHINA.**

16        *(a) DECLARATION OF POLICY.—Congress declares that*  
17        *it is the policy of the United States to deny the People's*  
18        *Republic of China such defense goods and defense technology*  
19        *that could be used to threaten the United States or under-*  
20        *mine the security of Taiwan or the stability of the Western*  
21        *Pacific region.*

22        *(b) PROCUREMENT SANCTION.—(1) The Secretary of*  
23        *Defense may not procure, by contract or otherwise, any*  
24        *goods or services from—*

1           (A) any foreign person the Secretary of Defense  
2           determines has, with actual knowledge, on or after the  
3           date of the enactment of this Act, exported, trans-  
4           ferred, or otherwise provided to governmental or non-  
5           governmental entities of the People's Republic of  
6           China any item or class of items on the United States  
7           Munitions List (or any item or class of items that are  
8           identical, substantially identical, or directly competi-  
9           tive to an item or class of items on the United States  
10          Munitions List); and

11          (B) any foreign person the Secretary of Defense  
12          determines—

13               (i) is a successor entity to a person referred  
14               to in paragraph (1);

15               (ii) is a parent or subsidiary of a person  
16               referred to in paragraph (1); or

17               (iii) is an affiliate of a person referred to  
18               in paragraph (1) if that affiliate is controlled in  
19               fact by such person.

20          (2) The prohibition under paragraph (1) with respect  
21          to a foreign person shall last for a period of five years after  
22          a determination is made by the Secretary of Defense with  
23          respect to that person under paragraph (1)(A).

24          (c) *PUBLIC AVAILABILITY OF LIST OF SANCTIONED*  
25          *PERSONS.*—(1) The Secretary of Defense shall annually

1 *publish in the Federal Register a current list of any foreign*  
2 *persons sanctioned under subsection (b). The removal of for-*  
3 *foreign persons from, and the addition of foreign persons to,*  
4 *the list shall also be so published.*

5 (2) *The Secretary shall maintain the list published*  
6 *under paragraph (1) on the Internet website of the Depart-*  
7 *ment of Defense.*

8 (d) *REMOVAL FROM LIST OF SANCTIONED PER-*  
9 *SONS.—The Secretary of Defense may remove a person from*  
10 *the list of sanctioned persons referred to in subsection (c)*  
11 *only after the five-year prohibition period imposed under*  
12 *subsection (b) with respect to the person has expired.*

13 (e) *EXCEPTIONS.—(1) Subsection (b) shall not*  
14 *apply—*

15 (A) *to contracts, or subcontracts under such con-*  
16 *tracts, in existence on the date of the enactment of*  
17 *this Act, including options under such contracts;*

18 (B) *if the Secretary of Defense determines in*  
19 *writing that the person to which the sanctions would*  
20 *otherwise be applied is a sole source supplier of the*  
21 *goods or services being procured, that the goods or*  
22 *services are essential, and that alternative sources are*  
23 *not readily or reasonably available;*

24 (C) *in the case of a contract for routine servicing*  
25 *and maintenance, if the Secretary of Defense deter-*

1 *mines in writing alternative sources for performing*  
 2 *the contract are not readily or reasonably available;*  
 3 *or*

4 *(D) if the Secretary of Defense determines in*  
 5 *writing that goods or services proposed to be procured*  
 6 *under the contract are essential to the national secu-*  
 7 *rity of the United States.*

8 *(2) Determinations under paragraph (1) shall be pub-*  
 9 *lished in the Federal Register.*

10 *(f) DEFINITIONS.—In this section:*

11 *(1) The term “foreign person” has the meaning*  
 12 *given the term in section 14 of the Iran and Libya*  
 13 *Sanctions Act of 1996 (50 U.S.C. 1701).*

14 *(2) The term “United States Munitions List”*  
 15 *means the list referred to in section 38(a)(1) of the*  
 16 *Arms Export Control Act (22 U.S.C. 2778(a)(1)).*

17 **TITLE XIII—COOPERATIVE**  
 18 **THREAT REDUCTION WITH**  
 19 **STATES OF THE FORMER SO-**  
 20 **VIET UNION**

21 **SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT RE-**  
 22 **DUCTION PROGRAMS AND FUNDS.**

23 *(a) SPECIFICATION OF CTR PROGRAMS.—For pur-*  
 24 *poses of section 301 and other provisions of this Act, Coop-*  
 25 *erative Threat Reduction programs are the programs speci-*



1 *fied in section 1501(b) of the National Defense Authoriza-*  
2 *tion Act for Fiscal Year 1997 (Public Law 104–201; 110*  
3 *Stat. 2731; 50 U.S.C. 2362 note).*

4       **(b) FISCAL YEAR 2005 COOPERATIVE THREAT REDUC-**  
5 *TION FUNDS DEFINED.—As used in this title, the term “fis-*  
6 *cal year 2005 Cooperative Threat Reduction funds” means*  
7 *the funds appropriated pursuant to the authorization of ap-*  
8 *propriations in section 301 for Cooperative Threat Reduc-*  
9 *tion programs.*

10       **(c) AVAILABILITY OF FUNDS.—Funds appropriated**  
11 *pursuant to the authorization of appropriations in section*  
12 *301 for Cooperative Threat Reduction programs shall be*  
13 *available for obligation for three fiscal years.*

14 **SEC. 1302. FUNDING ALLOCATIONS.**

15       **(a) FUNDING FOR SPECIFIC PURPOSES.—Of the**  
16 *amount authorized to be appropriated to the Department*  
17 *of Defense for fiscal year 2005 in section 301(19) for Coop-*  
18 *erative Threat Reduction programs, the following amounts*  
19 *may be obligated for the purposes specified:*

20               **(1) For strategic offensive arms elimination in**  
21 *Russia, \$58,522,000.*

22               **(2) For nuclear weapons transportation security**  
23 *in Russia, \$26,284,000.*

24               **(3) For nuclear weapons storage security in Rus-**  
25 *sia, \$48,720,000.*

1           (4) *For activities designated as Other Assess-*  
2           *ments/Administrative Support, \$14,267,000.*

3           (5) *For defense and military contacts,*  
4           *\$8,000,000.*

5           (6) *For chemical weapons destruction in Russia,*  
6           *\$158,400,000.*

7           (7) *For biological weapons proliferation preven-*  
8           *tion in the former Soviet Union, \$55,013,000.*

9           (8) *For weapons of mass destruction prolifera-*  
10          *tion prevention in the states of the former Soviet*  
11          *Union, \$40,030,000.*

12          (b) *REPORT ON OBLIGATION OR EXPENDITURE OF*  
13          *FUNDS FOR OTHER PURPOSES.—No fiscal year 2005 Coop-*  
14          *erative Threat Reduction funds may be obligated or ex-*  
15          *pended for a purpose other than a purpose listed in para-*  
16          *graphs (1) through (8) of subsection (a) until 30 days after*  
17          *the date that the Secretary of Defense submits to Congress*  
18          *a report on the purpose for which the funds will be obligated*  
19          *or expended and the amount of funds to be obligated or ex-*  
20          *pended. Nothing in the preceding sentence shall be construed*  
21          *as authorizing the obligation or expenditure of fiscal year*  
22          *2005 Cooperative Threat Reduction funds for a purpose for*  
23          *which the obligation or expenditure of such funds is specifi-*  
24          *cally prohibited under this title or any other provision of*  
25          *law.*

1           (c) *LIMITED AUTHORITY TO VARY INDIVIDUAL*  
2 *AMOUNTS.—(1) Subject to paragraphs (2) and (3), in any*  
3 *case in which the Secretary of Defense determines that it*  
4 *is necessary to do so in the national interest, the Secretary*  
5 *may obligate amounts appropriated for fiscal year 2005 for*  
6 *a purpose listed in any of the paragraphs in subsection (a)*  
7 *in excess of the specific amount authorized for that purpose.*

8           (2) *An obligation of funds for a purpose stated in any*  
9 *of the paragraphs in subsection (a) in excess of the specific*  
10 *amount authorized for such purpose may be made using*  
11 *the authority provided in paragraph (1) only after—*

12                 (A) *the Secretary submits to Congress notifica-*  
13 *tion of the intent to do so together with a complete*  
14 *discussion of the justification for doing so; and*

15                 (B) *15 days have elapsed following the date of*  
16 *the notification.*

17           (3) *The Secretary may not, under the authority pro-*  
18 *vided in paragraph (1), obligate amounts for a purpose*  
19 *stated in any of paragraphs (5) through (8) of subsection*  
20 *(a) in excess of 125 percent of the specific amount author-*  
21 *ized for such purpose.*

1 **SEC. 1303. TEMPORARY AUTHORITY TO WAIVE LIMITATION**  
2 **ON FUNDING FOR CHEMICAL WEAPONS DE-**  
3 **STRUCTION FACILITY IN RUSSIA.**

4 (a) *TEMPORARY AUTHORITY.*—Section 1305 of the Na-  
5 tional Defense Authorization Act for Fiscal Year 2000 (Pub-  
6 lic Law 106–65; 22 U.S.C. 5952 note) shall not apply if  
7 the President submits to Congress a written certification  
8 that includes—

9 (1) a statement as to why a waiver of the condi-  
10 tions described in such section 1305 is important to  
11 the national security interests of the United States;

12 (2) a full and complete justification for the waiv-  
13 er of the conditions; and

14 (3) a plan to promote a full and accurate disclo-  
15 sure by Russia regarding the size, content, status, and  
16 location of its chemical weapons stockpile.

17 (b) *EXPIRATION.*—The authority in subsection (a)  
18 shall expire on September 30, 2005.

19 **TITLE XIV—EXPORT CONTROLS**  
20 **AND COUNTERPROLIFER-**  
21 **ATION MATTERS**

22 **Subtitle A—Export Control Matters**

23 **SEC. 1401. DEFINITIONS UNDER ARMS EXPORT CONTROL**  
24 **ACT.**

25 Section 47 of the Arms Export Control Act (22 U.S.C.  
26 2794) is amended—

1           (1) *in paragraph (10)—*

2                   (A) *by moving the margin two ems to the*  
3           *left; and*

4                   (B) *by striking “and” at the end;*

5           (2) *in paragraph (11)—*

6                   (A) *by moving the margin two ems to the*  
7           *left; and*

8                   (B) *by striking the period at the end and*  
9           *inserting a semicolon; and*

10           (3) *by adding at the end the following:*

11           “(12) ‘license’ means a document bearing the word li-  
12 *cence issued by the United States Government agency*  
13 *charged with implementing section 38 of this Act, which*  
14 *permits the export or import of a defense article or defense*  
15 *service;*

16           “(13) ‘agent’ means a representative or emissary of a  
17 *government other than an officer or employee of the govern-*  
18 *ment; and*

19           “(14) ‘exporting agent’ means a freight forwarder or  
20 *other consignee designated on a license application who is*  
21 *authorized to act on behalf of and the control of the license*  
22 *applicant.”.*

1 **SEC. 1402. EXEMPTION FROM LICENSING REQUIREMENTS**  
2 **FOR EXPORT OF SIGNIFICANT MILITARY**  
3 **EQUIPMENT.**

4 *Section 38(b)(2) of the Arms Export Control Act (22*  
5 *U.S.C. 2778(b)(2)) is amended—*

6 *(1) by striking “(2) Except” and inserting*  
7 *“(2)(A) Except”;*

8 *(2) by striking “(A) for official” and inserting*  
9 *“(i) for official” and further by striking “(B) for car-*  
10 *rying out” and inserting “(ii) for carrying out”; and*

11 *(3) by adding at the end the following:*

12 *“(B) The President may not establish an exemption*  
13 *in regulation or otherwise from the license requirements of*  
14 *this section for the export of a defense article that is signifi-*  
15 *cant military equipment (other than a firearm that is in-*  
16 *tended for personal use).”.*

17 **SEC. 1403. COOPERATIVE PROJECTS WITH FRIENDLY FOR-**  
18 **EIGN COUNTRIES.**

19 *Section 27 of the Arms Export Control Act (22 U.S.C.*  
20 *2767) is amended—*

21 *(1) in subsection (g) to read as follows:*

22 *“(g) Unless the President states in his certification*  
23 *that an emergency exists which requires the immediate ap-*  
24 *proval of the cooperative agreement in the national security*  
25 *interests of the United States (in which case the President*  
26 *shall set forth in the certification a justification for this*

1 *determination), an agreement shall not be signed if, within*  
2 *the 30-day period specified in subsection (f), a joint resolu-*  
3 *tion prohibiting the agreement is enacted into law.”; and*

4 *(2) by adding at the end the following:*

5 *“(k) A license shall be required for the export of defense*  
6 *articles or defense services relating to a cooperative project*  
7 *by any person required to be registered under section*  
8 *38(b)(1)(A)(i) whenever such export is made pursuant to,*  
9 *or in furtherance of, a private contract, purchase order, or*  
10 *similar commercial arrangement with a foreign corpora-*  
11 *tion.”.*

12 **SEC. 1404. LICENSING REQUIREMENT FOR EXPORT OF MILI-**  
13 **TARILY CRITICAL TECHNOLOGIES.**

14 *(a) LICENSING REQUIREMENT.—The President shall*  
15 *require a license under the Export Administration Regula-*  
16 *tions of the Department of Commerce (15 C.F.R. part 730*  
17 *et seq.) or the International Traffic in Arms Regulations*  
18 *(22 C.F.R. part 120 et seq.), as the case may be, for the*  
19 *export of goods or technologies included on the Militarily*  
20 *Critical Technologies List.*

21 *(b) DEFINITION.—In this section, the term “Militarily*  
22 *Critical Technologies List” means the list required to be de-*  
23 *veloped by the Secretary of Defense pursuant to section*  
24 *5(d)(2) of the Export Administration Act of 1979 (50*  
25 *U.S.C. App. 2404(d)(2)), as such list was effect on January*

1 20, 2004, and includes any goods or technologies that have  
2 been added to the list after that date.

3 **SEC. 1405. CONTROL OF EXPORTS OF UNITED STATES**  
4 **WEAPONS TECHNOLOGY TO THE PEOPLE'S**  
5 **REPUBLIC OF CHINA.**

6 *A dual use good or technology subject to the jurisdic-*  
7 *tion of the Export Administration Regulations of the De-*  
8 *partment of Commerce (15 C.F.R. part 730 et seq.) and*  
9 *a defense article or defense service subject to the jurisdiction*  
10 *of the International Traffic in Arms Regulations (22 C.F.R.*  
11 *part 120 et seq.) may be exported to a foreign person or*  
12 *a foreign country that has previously exported any such*  
13 *item to the military, intelligence, police, or internal secu-*  
14 *rity services of the Government of the People's Republic of*  
15 *China that would be prohibited for export to China if sub-*  
16 *ject to United States export control laws only if—*

17 (1) *a license for such export is approved under*  
18 *the Export Administration Regulations or the Inter-*  
19 *national Traffic in Arms Regulations and the Sec-*  
20 *retary of Defense concurs in the approval of such li-*  
21 *cence; and*

22 (2) *the foreign person or foreign country agrees*  
23 *in writing not to transfer title to or possession of, or*  
24 *otherwise provide access to, the licensed items, unless*  
25 *the President provides written consent thereto.*



1 **SEC. 1406. STRENGTHENING INTERNATIONAL EXPORT CON-**  
2 **TROLS.**

3 (a) *FINDING.*—*The Congress recognizes that the inter-*  
4 *national export control system, as currently constituted, is*  
5 *insufficient to achieve the national security interests of the*  
6 *United States.*

7 (b) *NATIONAL EXPORT CONTROL POLICY.*—*It is the*  
8 *policy of the United States to seek continued negotiations*  
9 *of a strengthened international export control system for the*  
10 *control of arms and militarily-sensitive goods and tech-*  
11 *nology to countries of concern.*

12 (c) *PRESIDENTIAL REPORTING REQUIREMENT.*—(1)  
13 *Not later than 180 days after the date of the enactment of*  
14 *this Act, and every six months thereafter, the President shall*  
15 *submit to the committees referred to in subsection (d) a re-*  
16 *port setting forth the President's plan for effecting a*  
17 *strengthened international export control system capable of*  
18 *achieving the national security interests of the United*  
19 *States.*

20 (2) *The report shall include—*

21 (A) *an evaluation of the effectiveness of the cur-*  
22 *rent international export control system;*

23 (B) *a plan for negotiating and implementing a*  
24 *strengthened international export control system ca-*  
25 *pable of achieving the national security interests of*  
26 *the United States; and*



1 *other than a country specified in that subsection if the Sec-*  
2 *retary determines that there exists in that country a signifi-*  
3 *cant threat of the unauthorized transfer and transportation*  
4 *of nuclear, biological, or chemical weapons or related mate-*  
5 *rials.”.*

6 (b) *INTERNATIONAL TRAINING PROGRAM TO DETER*  
7 *WMD PROLIFERATION.*—Section 1504(e)(3)(A) of the Na-  
8 *tional Defense Authorization Act for Fiscal Year 1995 (Pub-*  
9 *lic Law 103–337; 108 Stat. 2918) is amended—*

10 (1) *by striking “The training program referred*  
11 *to in paragraph (1)(B) is a” and inserting “The Sec-*  
12 *retary of Defense may participate in a”;*

13 (2) *by inserting “of” after “acquisition”;*

14 (3) *by striking “and” after “countries”; and*

15 (4) *by inserting before the period at the end the*  
16 *following: “, and in other countries in which, as de-*  
17 *termined by the Secretary of Defense, there exists a*  
18 *significant threat of such proliferation and acquisi-*  
19 *tion”.*

20 **SEC. 1412. DEFENSE COUNTERPROLIFERATION FELLOW-**  
21 **SHIP PROGRAM.**

22 (a) *PROGRAM AUTHORIZED.*—Chapter 101 of title 10,  
23 *United States Code, is amended by adding at the end the*  
24 *following new section:*

1 **“§2015. Defense counterproliferation fellowship pro-**  
2 **gram**

3 “(a) *PROGRAM AUTHORITY.*—*The Secretary of Defense*  
4 *may carry out a program under which foreign military de-*  
5 *fense personnel are selected to attend Department of Defense*  
6 *courses and programs in counterproliferation and non-*  
7 *proliferation matters in order to improve the ability of the*  
8 *foreign military defense personnel to contribute to halting*  
9 *the illicit acquisition or transportation of weapons of mass*  
10 *destruction or of materials that support the development or*  
11 *use of such weapons.*

12 “(b) *AUTHORITY TO PAY FOR COSTS OF PARTICI-*  
13 *PANTS.*—*The Secretary of Defense may pay for all costs (in-*  
14 *cluding transportation, travel, and subsistence costs) associ-*  
15 *ated with the attendance by a participant at courses and*  
16 *programs in the program under this section.*

17 “(c) *PARTICIPANTS.*—(1) *The following persons may*  
18 *be selected for participation in the program under this sec-*  
19 *tion:*

20 “(A) *Foreign military officers.*

21 “(B) *Foreign ministry of defense officials.*

22 “(2) *Participants in the program shall be selected by*  
23 *the Secretary of Defense based upon recommendations made*  
24 *by the commanders of the regional unified combatant com-*  
25 *mands.*

1       “(d) *AUTHORIZED PROGRAM ACTIVITIES.*—Partici-  
2 *pants in the program may be selected for attendance at,*  
3 *and may be authorize to attend, any of the following:*

4               “(1) *Department of Defense professional military*  
5 *educational institutions.*

6               “(2) *Regional centers for security studies of the*  
7 *Department of Defense.*

8       “(e) *REGULATIONS.*—*The Secretary of Defense shall*  
9 *prescribe regulations for the administration of the program*  
10 *under this section.”.*

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

      “2015. *Defense counterproliferation fellowship program.”.*

14       ***Subtitle C—Initiatives Relating to***  
15       ***Countries of Former Soviet Union***

16       ***SEC. 1421. SILK ROAD INITIATIVE.***

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

18               “(1) *A number of independent states of the former*  
19 *Soviet Union have been helpful to the United States*  
20 *in the war on terrorism.*

21               “(2) *Such states are new and struggling democ-*  
22 *racies and would benefit considerably from assistance*  
23 *to create sustainable jobs for their underemployed or*  
24 *unemployed scientists, engineers, and technicians who*  
25 *were formerly engaged in activities to develop and*

1        *produce weapons of mass destruction for the Russian*  
2        *Federation or other such state.*

3        *(b) POLICIES.—(1) It is the policy of the United States*  
4        *to seek to establish and promote programs to prevent the*  
5        *proliferation, from scientists, engineers, and technicians of*  
6        *the Russian Federation and other independent states of the*  
7        *former Soviet Union to countries of proliferation concern,*  
8        *of expertise to develop and produce weapons of mass de-*  
9        *struction.*

10        *(2) It is also the policy of the United States to seek*  
11        *to assist independent states of the former Soviet Union that*  
12        *have been helpful to the United States in the war on ter-*  
13        *rorism so as to promote the creation of jobs that foster eco-*  
14        *nomie stability and democracy.*

15        *(c) PROGRAM AUTHORIZED.—(1) The Secretary of En-*  
16        *ergy may carry out a program, to be known as the Silk*  
17        *Road Initiative, to promote non-weapons-related employ-*  
18        *ment opportunities in the United States and in Silk Road*  
19        *nations for scientists, engineers, and technicians formerly*  
20        *engaged in activities to develop and produce weapons of*  
21        *mass destruction in Silk Road nations. The program*  
22        *should—*

23                *(A) incorporate best practices under the former*  
24        *Initiatives for Proliferation Prevention program; and*

1           (B) *facilitate commercial partnerships between*  
 2           *private entities in the United States and scientists,*  
 3           *engineers, and technicians in the Silk Road nations.*

4           (2) *Before implementing the program with respect to*  
 5           *multiple Silk Road nations, the Secretary of Energy shall*  
 6           *carry out a pilot program with respect to one Silk Road*  
 7           *nation selected by the Secretary. It is the sense of Congress*  
 8           *that the Secretary should select the Republic of Georgia.*

9           (d) *SILK ROAD NATIONS DEFINED.—In this section,*  
 10          *the Silk Road nations are Armenia, Azerbaijan, the Repub-*  
 11          *lic of Georgia, Kazakhstan, Kyrgyzstan, Tajikistan,*  
 12          *Turkmenistan, and Uzbekistan.*

13          (e) *FUNDING.—Of the funds authorized to be appro-*  
 14          *priated to the Department of Energy for nonproliferation*  
 15          *and international security for fiscal year 2005, \$10,000,000*  
 16          *may be used to carry out this section.*

17          **SEC. 1422. TELLER-KURCHATOV NONPROLIFERATION FEL-**  
 18                                 **LOWSHIPS.**

19          (a) *IN GENERAL.—(1) From amounts made available*  
 20          *to carry out this section, the Administrator for Nuclear Se-*  
 21          *curity may carry out a program under which the Adminis-*  
 22          *trator awards, to scientists employed at the Kurchatov In-*  
 23          *stitute of the Russian Federation and scientists employed*  
 24          *at Lawrence Livermore National Laboratory, international*  
 25          *exchange fellowships, to be known as Teller-Kurchatov Non-*

1 *proliferation Fellowships, in the nuclear nonproliferation*  
2 *sciences.*

3       (2) *The purpose of the program shall be to provide op-*  
4 *portunities for advancement in the field of nuclear non-*  
5 *proliferation to scientists who, as demonstrated by their*  
6 *academic or professional achievements, show particular*  
7 *promise of making significant contributions in that field.*

8       (3) *A fellowship awarded to a scientist under the pro-*  
9 *gram shall be for study and training at (and, where appro-*  
10 *priate, at an institution of higher education in the vicinity*  
11 *of)—*

12               (A) *the Kurchatov Institute, in the case of a sci-*  
13 *entist employed at Lawrence Livermore National*  
14 *Laboratory; and*

15               (B) *Lawrence Livermore National Laboratory,*  
16 *in the case of a scientist employed at the Kurchatov*  
17 *Institute.*

18       (4) *The duration of a fellowship under the program*  
19 *may not exceed two years, except that the Administrator*  
20 *may provide for a longer duration in an individual case*  
21 *to the extent warranted by extraordinary circumstances, as*  
22 *determined by the Administrator.*

23       (5) *In a calendar year, the Administrator may not*  
24 *award more than—*



1           (A) one fellowship to a scientist employed at the  
2           Kurchatov Institute; and

3           (B) one fellowship to a scientist employed at  
4           Lawrence Livermore National Laboratory.

5           (6) A fellowship under the program shall include—

6           (A) travel expenses;

7           (B) any tuition and fees at an institution of  
8           higher education for study or training under the fel-  
9           lowship; and

10          (C) any other expenses that the Administrator  
11          considers appropriate, such as room and board.

12          (b) DEFINITIONS.—In this section:

13           (1) The term “institution of higher education”  
14           means a college, university, or other educational in-  
15           stitution that is empowered by an appropriate au-  
16           thority, as determined by the Administrator, to  
17           award degrees higher than the baccalaureate level.

18           (2) The term “nuclear nonproliferation sciences”  
19           means bodies of scientific knowledge relevant to devel-  
20           oping or advancing the means to prevent or impede  
21           the proliferation of nuclear weaponry.

22           (3) The term “scientist” means an individual  
23           who has a degree from an institution of higher edu-  
24           cation in a science that has practical application in  
25           the field of nuclear nonproliferation.

1       (c) *FUNDING.*—Of the funds authorized to be appro-  
2       priated to the Department of Energy for nonproliferation  
3       and international security for fiscal year 2005, \$10,000,000  
4       may be used to carry out this section.

5       **SEC. 1423. COLLABORATION TO REDUCE THE RISKS OF A**  
6                               **LAUNCH OF RUSSIAN NUCLEAR WEAPONS.**

7       (a) *FINDINGS.*—Congress finds that, despite the ending  
8       of the Cold War more than a decade ago, the nuclear pos-  
9       tures and strategic command and control systems of the  
10      Russian Federation pose risks that a nuclear ballistic mis-  
11      sile could be launched as the result of an accident, misin-  
12      formation, miscalculation, or unauthorized use. Such risks  
13      are posed as a result of factors including the following:

14                   (1) *The high state of readiness of the Russian*  
15                   *Federation's nuclear forces.*

16                   (2) *The remote locations of much of the Russian*  
17                   *Federation's nuclear forces.*

18                   (3) *The inadequacy of the Russian Federation's*  
19                   *early-warning information.*

20                   (4) *The very short time that would be available*  
21                   *to the President of the Russian Federation if the*  
22                   *President were informed that a nuclear ballistic mis-*  
23                   *sile attack was or might be underway.*

24                   (5) *The possibility that the Russian Federation,*  
25                   *because of concerns that much of its nuclear forces*

1        *would not survive a nuclear attack, may have a nu-*  
2        *clear deterrence posture reliant upon launching a re-*  
3        *taliatory nuclear strike when it believes a nuclear bal-*  
4        *listic missile attack against it is or might be under-*  
5        *way.*

6            (6) *Deficiencies in the security and control of the*  
7        *nuclear forces of the Russian Federation that could*  
8        *result in unauthorized personnel gaining control of a*  
9        *nuclear-armed missile or warhead.*

10           (7) *The susceptibility of nuclear strategic com-*  
11        *mand and control systems and early-warning systems*  
12        *to an intrusion or accident that could create the false*  
13        *appearance that a nuclear ballistic missile attack is*  
14        *or might be underway.*

15           (b) *REPORT.—(1) Not later than November 1, 2005,*  
16        *the Secretary of Defense shall submit to Congress a report*  
17        *on the collaborative measures that the United States and*  
18        *the Russian Federation could take to reduce the risks that*  
19        *a nuclear ballistic missile could be launched as the result*  
20        *of an accident, misinformation, miscalculation, or unau-*  
21        *thorized use. For each such measure, the report shall pro-*  
22        *vide—*

23            (A) *specific comments on the advisability of the*  
24        *measure in terms of the potential contribution of the*  
25        *measure to the national security interests of the*

1 *United States, including the potential contribution of*  
2 *the measure in improving relations between the*  
3 *United States and the Russian Federation; and*

4 *(B) a description of the obstacles and opportuni-*  
5 *ties associated with pursuing the measure.*

6 *(2) In addition to any other measure that the Sec-*  
7 *retary considers appropriate, the report required by para-*  
8 *graph (1) shall cover the following measures:*

9 *(A) The future of the Joint Data Exchange Cen-*  
10 *ter.*

11 *(B) Potential topics for discussion between high-*  
12 *level military leaders of the United States and of the*  
13 *Russian Federation on reducing the risk that a nu-*  
14 *clear ballistic missile could be launched as the result*  
15 *of an accident, misinformation, miscalculation, or*  
16 *unauthorized use.*

17 **TITLE XV—AUTHORIZATION FOR**  
18 **INCREASED COSTS DUE TO**  
19 **OPERATION IRAQI FREEDOM**  
20 **AND OPERATION ENDURING**  
21 **FREEDOM**

22 **SEC. 1501. PURPOSE.**

23 *The purpose of this title is to authorize appropriations*  
24 *for the Department of Defense for fiscal year 2005, in addi-*  
25 *tion to amounts otherwise authorized by this Act, to provide*

1 *funds for additional costs due to Operation Iraqi Freedom*  
2 *and Operation Enduring Freedom.*

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

5 ***SEC. 1511. ARMY PROCUREMENT.***

6           *Funds are hereby authorized to be appropriated for fis-*  
7 *cal year 2005 for procurement accounts of the Army in*  
8 *amounts as follows:*

9                   (1) *For aircraft, \$498,300,000.*

10                   (2) *For missiles, \$42,800,000.*

11                   (3) *For weapons and tracked combat vehicles,*  
12 *\$201,900,000.*

13                   (4) *For ammunition, \$78,750,000.*

14                   (5) *For other procurement, \$1,567,410,000.*

15                   (6) *For National Guard and Reserve equipment,*  
16 *\$50,000,000.*

17 ***SEC. 1512. NAVY AND MARINE CORPS PROCUREMENT.***

18           (a) *MARINE CORPS.—Funds are hereby authorized to*  
19 *be appropriated for fiscal year 2005 for the procurement*  
20 *account for the Marine Corps in the amount of \$98,190,000.*

21           (b) *NAVY AND MARINE CORPS AMMUNITION.—Funds*  
22 *are hereby authorized to be appropriated for fiscal year*  
23 *2005 for the procurement account for ammunition for the*  
24 *Navy and the Marine Corps in the amount of \$38,402,000.*

1 **SEC. 1513. AIR FORCE PROCUREMENT.**

2 *Funds are hereby authorized to be appropriated for fis-*  
3 *cal year 2005 for the procurement account for aircraft for*  
4 *the Air Force in amount of \$99,000,000.*

5 **SEC. 1514. DEFENSE-WIDE ACTIVITIES PROCUREMENT.**

6 *Funds are hereby authorized to be appropriated for fis-*  
7 *cal year 2005 for the procurement account for Defense-wide*  
8 *procurement in the amount of \$720,000,000.*

9 **SEC. 1515. OPERATION AND MAINTENANCE.**

10 *Funds are hereby authorized to be appropriated for fis-*  
11 *cal year 2005 for the use of the Armed Forces for expenses,*  
12 *not otherwise provided for, for operation and maintenance,*  
13 *in amounts as follows:*

14 *(1) For the Army, \$9,607,113,000.*

15 *(2) For the Navy, \$256,500,000.*

16 *(3) For the Marine Corps, \$2,398,735,000.*

17 *(4) For the Air Force, \$1,635,000,000.*

18 *(5) For Defense-wide, \$2,327,900,000.*

19 **SEC. 1516. DEFENSE HEALTH PROGRAM.**

20 *Funds are hereby authorized to be appropriated for the*  
21 *Department of Defense for fiscal year 2005 for expenses, not*  
22 *otherwise provided for, for the Defense Health Program, in*  
23 *the amount of \$75,000,000, for Operation and Maintenance.*

1 **SEC. 1517. MILITARY PERSONNEL.**

2 *There is hereby authorized to be appropriated to the*  
3 *Department of Defense for military personnel accounts for*  
4 *fiscal year 2005 a total of \$5,305,000,000.*

5 **SEC. 1518. TREATMENT AS ADDITIONAL AUTHORIZATIONS.**

6 *The amounts authorized to be appropriated by this*  
7 *title are in addition to amounts otherwise authorized to be*  
8 *appropriated by this Act.*

9 **SEC. 1519. TRANSFER AUTHORITY.**

10 *(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1)*  
11 *Upon determination by the Secretary of Defense that such*  
12 *action is necessary in the national interest, the Secretary*  
13 *may transfer amounts of authorizations made available to*  
14 *the Department of Defense in this title for fiscal year 2005*  
15 *between any such authorizations for that fiscal year (or any*  
16 *subdivisions thereof). Amounts of authorizations so trans-*  
17 *ferred shall be merged with and be available for the same*  
18 *purposes as the authorization to which transferred.*

19 *(2) The total amount of authorizations that the Sec-*  
20 *retary may transfer under the authority of this section may*  
21 *not exceed \$2,500,000,000. The transfer authority provided*  
22 *in this section is in addition to any other transfer authority*  
23 *available to the Secretary of Defense.*

24 *(b) LIMITATIONS.—The authority provided by this sec-*  
25 *tion to transfer authorizations—*

1           (1) may only be used to provide authority for  
2           items that have a higher priority than the items from  
3           which authority is transferred;

4           (2) may not be used to provide authority for an  
5           item that has been denied authorization by Congress;  
6           and

7           (3) may not be combined with the authority  
8           under section 1001.

9           (c) **EFFECT ON AUTHORIZATION AMOUNTS.**—A trans-  
10          fer made from one account to another under the authority  
11          of this section shall be deemed to increase the amount au-  
12          thorized for the account to which the amount is transferred  
13          by an amount equal to the amount transferred.

14          (d) **NOTICE TO CONGRESS.**—The Secretary shall  
15          promptly notify Congress of each transfer made under sub-  
16          section (a).

17          **SEC. 1520. DESIGNATION OF EMERGENCY AUTHORIZA-**  
18          **TIONS.**

19          The amounts authorized to be appropriated by this  
20          title are designated for emergency contingency operations  
21          related to the global war on terrorism.



1     **Subtitle B—Personnel Provisions**

2     **SEC. 1531. THREE-YEAR INCREASE IN ACTIVE ARMY**  
3             **STRENGTH LEVELS.**

4             (a) *AUTHORIZED END STRENGTHS.*—(1) *The end*  
5 *strength level authorized for the Army for fiscal year 2005*  
6 *under section 401 is hereby increased by 10,000.*

7             (2) *For fiscal years 2006 and 2007, the Army is au-*  
8 *thorized strengths for active duty personnel as follows:*

9                 (A) *As of September 30, 2006, 502,400.*

10                (B) *As of September 30, 2007, 512,400.*

11             (b) *STATUTORY MINIMUM ACTIVE STRENGTH*  
12 *LEVEL.*—*The minimum strength for the Army under sec-*  
13 *tion 691(b) of title 10, United States Code (notwithstanding*  
14 *the number specified in paragraph (1) of that section)—*

15                 (1) *for the period beginning on October 1, 2004,*  
16 *and ending on September 30, 2005, shall be the num-*  
17 *ber specified in section 401(1) of this Act, increased*  
18 *by 10,000;*

19                 (2) *for the period beginning on October 1, 2005,*  
20 *and ending on September 30, 2006, shall be 502,400;*  
21 *and*

22                 (3) *for the period beginning on October 1, 2006,*  
23 *and ending on September 30, 2007, shall be 512,400.*

24             (c) *NOTICE TO CONGRESS.*—*If the Secretary of De-*  
25 *fense, in consultation with the Secretary of the Army, deter-*

1 *mines that adjustments are necessary to the minimum end-*  
 2 *strength level for the Army in effect at any time pursuant*  
 3 *to subsection (b), the Secretary of Defense shall submit to*  
 4 *the Committees on Armed Services of the Senate and House*  
 5 *of Representatives a report providing the Secretary's rec-*  
 6 *ommendations and rationale for such an adjustment. Such*  
 7 *a report must be submitted before the submission of the*  
 8 *budget request for the fiscal year for which the change would*  
 9 *be effective.*

10 **SEC. 1532. THREE-YEAR INCREASE IN ACTIVE MARINE**  
 11 **CORPS STRENGTH LEVELS.**

12 (a) **AUTHORIZED END STRENGTHS.**—(1) *The end*  
 13 *strength level authorized for the Marine Corps for fiscal*  
 14 *year 2005 under section 401 is hereby increased by 3,000.*

15 (2) *For fiscal years 2006 and 2007, the Marine Corps*  
 16 *is authorized strengths for active duty personnel as follows:*

17 (A) *As of September 30, 2006, 181,000.*

18 (B) *As of September 30, 2007, 184,000.*

19 (b) **STATUTORY MINIMUM ACTIVE STRENGTH**  
 20 **LEVEL.**—*The minimum strength for the Marine Corps*  
 21 *under section 691(b) of title 10, United States Code (not-*  
 22 *withstanding the number specified in paragraph (3) of that*  
 23 *section)—*

24 (1) *for the period beginning on October 1, 2004,*  
 25 *and ending on September 30, 2005, shall be the num-*

1        *ber specified in section 401(3) of this Act, increased*  
2        *by 3,000;*

3            *(2) for the period beginning on October 1, 2005,*  
4        *and ending on September 30, 2006, shall be 181,000;*  
5        *and*

6            *(3) for the period beginning on October 1, 2006,*  
7        *and ending on September 30, 2007, shall be 184,000.*

8        *(c) NOTICE TO CONGRESS.—If the Secretary of De-*  
9        *fense, in consultation with the Secretary of the Navy, deter-*  
10       *mines that adjustments are necessary to the minimum end-*  
11       *strength level for the Marine Corps in effect at any time*  
12       *pursuant to subsection (b), the Secretary of Defense shall*  
13       *submit to the Committees on Armed Services of the Senate*  
14       *and House of Representatives a report providing the Sec-*  
15       *retary's recommendations and rationale for such an adjust-*  
16       *ment. Such a report must be submitted before the submis-*  
17       *sion of the budget request for the fiscal year for which the*  
18       *change would be effective.*

19       **SEC. 1533. EXTENSION OF INCREASED RATES FOR IMMI-**  
20                            **NENT DANGER PAY AND FAMILY SEPARATION**  
21                            **ALLOWANCE.**

22        *(a) IMMINENT DANGER PAY.—(1) Subsection (e) of*  
23        *section 310 of title 37, United States Code, is amended by*  
24        *striking “December 31, 2004” and inserting “December 31,*  
25        *2005”.*

1       (2) *Effective January 1, 2006, such section is further*  
2 *amended—*

3           (A) *in subsection (a), by striking “\$150” and in-*  
4 *serting “\$225”; and*

5           (B) *by striking subsection (e).*

6       (b) *FAMILY SEPARATION ALLOWANCE.—(1) Subsection*  
7 *(e) of section 427 of such title is amended by striking “De-*  
8 *cember 31, 2004” and inserting “December 31, 2005”.*

9       (2) *Effective January 1, 2006, such section is further*  
10 *amended—*

11           (A) *in subsection (a)(1), by striking “\$100” and*  
12 *inserting “\$250”; and*

13           (B) *by striking subsection (e).*

14       ***Subtitle C—Financial Management***  
15                               ***Matters***

16       ***SEC. 1541. REVISED FUNDING METHODOLOGY FOR MILI-***  
17                               ***TARY RETIREE HEALTH CARE BENEFITS.***

18       (a) *REVISION.—Section 1116 of title 10, United States*  
19 *Code, is amended to read as follows:*

20       ***“§ 1116. Payments into the Fund***

21           “(a) *At the beginning of each fiscal year after Sep-*  
22 *tember 30, 2005, the Secretary of the Treasury shall*  
23 *promptly pay into the Fund from the General Fund of the*  
24 *Treasury—*

1           “(1) the amount certified to the Secretary by the  
2           Secretary of Defense under subsection (c), which shall  
3           be the contribution to the Fund for that fiscal year  
4           required by section 1115; and

5           “(2) the amount determined by each admin-  
6           istering Secretary under section 1111(c) as the con-  
7           tribution to the Fund on behalf of the members of the  
8           uniformed services under the jurisdiction of that Sec-  
9           retary.

10          “(b) At the beginning of each fiscal year, the Secretary  
11 of Defense shall determine the sum of the following:

12           “(1) The amount of the payment for that year  
13           under the amortization schedule determined by the  
14           Board of Actuaries under section 1115(a) of this title  
15           for the amortization of the original unfunded liability  
16           of the Fund.

17           “(2) The amount (including any negative  
18           amount) of the Department of Defense contribution  
19           for that year as determined by the Secretary of De-  
20           fense under section 1115(b) of this title.

21           “(3) The amount (including any negative  
22           amount) for that year under the most recent amorti-  
23           zation schedule determined by the Secretary of De-  
24           fense under section 1115(c)(2) of this title for the am-  
25           ortization of any cumulative unfunded liability (or

1       *any gain) to the Fund resulting from changes in ben-*  
2       *efits.*

3           *“(4) The amount (including any negative*  
4       *amount) for that year under the most recent amorti-*  
5       *zation schedule determined by the Secretary of De-*  
6       *fense under section 1115(c)(3) of this title for the am-*  
7       *ortization of any cumulative actuarial gain or loss to*  
8       *the Fund resulting from actuarial assumption*  
9       *changes.*

10          *“(5) The amount (including any negative*  
11       *amount) for that year under the most recent amorti-*  
12       *zation schedule determined by the Secretary of De-*  
13       *fense under section 1115(c)(4) of this title for the am-*  
14       *ortization of any cumulative actuarial gain or loss to*  
15       *the Fund resulting from actuarial experience.*

16          *“(c) The Secretary of Defense shall promptly certify*  
17       *the amount determined under subsection (b) each year to*  
18       *the Secretary of the Treasury.”.*

19          *(b) CONFORMING AMENDMENTS.—(1) Section 1111(c)*  
20       *of title 10, United States Code, is amended in the last sen-*  
21       *tence by striking “1116” and all that follows through the*  
22       *end of the sentence and inserting “1115(b) of this title, and*  
23       *such contributions shall be paid into the Fund as provided*  
24       *in section 1116(a).”.*

1       (2) Section 1115(a) of such title is amended by strik-  
2 ing “1116(c)” and inserting “1116”.

3       (3) Section 1115(b) of such title is amended—

4           (A) by striking “(1) The Secretary of Defense”  
5 and all that follows through “of this title.” and insert-  
6 ing “The Secretary of Defense shall determine, before  
7 the beginning of each fiscal year after September 30,  
8 2005, the total amount of the Department of Defense  
9 contribution to be made to the Fund for that fiscal  
10 year for purposes of section 1116(b)(2).”;

11           (B) by striking paragraph (2);

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

14           (D) in each of paragraphs (1) and (2), as so re-  
15 designated, by redesignating clauses (i) and (ii) as  
16 subparagraphs (A) and (B), respectively; and

17           (E) in paragraph (2)(B), as so redesignated, by  
18 striking “subparagraph (A)(ii)” and inserting “para-  
19 graph (1)(B)”.

20       (4) Section 1115(c)(1) of such title is amended by  
21 striking “and section 1116(a) of this title”.

22       (5) Section 1115(c)(5) of such title is amended by  
23 striking “1116(c)” and inserting “1116”.

24       (c) *EFFECTIVE DATE.*—The amendments made by this  
25 section shall take effect on October 1, 2005.

1 **DIVISION B—MILITARY CON-**  
 2 **STRUCTION AUTHORIZA-**  
 3 **TIONS**

4 **SECTION 2001. SHORT TITLE.**

5 *This division may be cited as the “Military Construc-*  
 6 *tion Authorization Act for Fiscal Year 2005”.*

7 **TITLE XXI—ARMY**

8 **SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND**  
 9 **ACQUISITION PROJECTS.**

10 *(a) INSIDE THE UNITED STATES.—Using amounts ap-*  
 11 *propriated pursuant to the authorization of appropriations*  
 12 *in section 2104(a)(1), the Secretary of the Army may ac-*  
 13 *quire real property and carry out military construction*  
 14 *projects for the installations or locations inside the United*  
 15 *States, and in the amounts, set forth in the following table:*

**Army: Inside the United States**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
<i>Alabama</i> .....	<i>Anniston Army Depot</i> .....	<i>\$23,690,000</i>
<i>Alaska</i> .....	<i>Fort Richardson</i> .....	<i>\$24,300,000</i>
	<i>Fort Wainwright</i> .....	<i>\$92,459,000</i>
<i>California</i> .....	<i>Fort Irwin</i> .....	<i>\$38,100,000</i>
<i>Colorado</i> .....	<i>Fort Carson</i> .....	<i>\$59,508,000</i>
<i>Georgia</i> .....	<i>Fort Benning</i> .....	<i>\$73,627,000</i>
	<i>Fort Gillem</i> .....	<i>\$5,800,000</i>
	<i>Fort McPherson</i> .....	<i>\$4,900,000</i>
	<i>Fort Stewart/Hunter Army Air</i> <i>Field</i> .....	<i>\$65,495,000</i>
<i>Hawaii</i> .....	<i>Helemano Military Reservation</i> ..	<i>\$75,300,000</i>
	<i>Hickam Air Force</i> .....	<i>\$11,200,000</i>
	<i>Schofield Barracks</i> .....	<i>\$241,792,000</i>
<i>Kansas</i> .....	<i>Fort Riley</i> .....	<i>\$44,050,000</i>
<i>Kentucky</i> .....	<i>Fort Campbell</i> .....	<i>\$89,600,000</i>
	<i>Fort Knox</i> .....	<i>\$73,850,000</i>
<i>Louisiana</i> .....	<i>Fort Polk</i> .....	<i>\$70,953,000</i>
<i>Maryland</i> .....	<i>Fort Detrick</i> .....	<i>\$4,000,000</i>



**Army: Inside the United States—Continued**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
Missouri .....	Fort Leonard Wood .....	\$21,450,000
New Jersey .....	Picatinny Arsenal .....	\$9,900,000
New Mexico .....	White Sands Missile Range .....	\$33,000,000
New York .....	Fort Drum .....	\$13,650,000
	Fort Hamilton .....	\$7,600,000
	Hancock Field .....	\$6,000,000
	Military Entrance Processing Station, Buffalo .....	\$6,200,000
	United States Military Academy, West Point .....	\$60,000,000
North Carolina .....	Fort Bragg .....	\$111,687,000
Oklahoma .....	Fort Sill .....	\$17,800,000
Texas .....	Camp Bullis .....	\$5,300,000
	Fort Bliss .....	\$19,400,000
	Fort Hood .....	\$88,888,000
Virginia .....	Fort A.P. Hill .....	\$3,975,000
	Fort Lee .....	\$4,250,000
	Fort Myer .....	\$49,526,000
Washington .....	Fort Lewis .....	\$48,000,000
	<i>Total</i> .....	\$1,505,250,000

1           (b) *OUTSIDE THE UNITED STATES.*—Using amounts  
2 appropriated pursuant to the authorization of appropri-  
3 ations in section 2104(a)(2), the Secretary of the Army may  
4 acquire real property and carry out military construction  
5 projects for the installations or locations outside the United  
6 States, and in the amounts, set forth in the following table:

**Army: Outside the United States**

<b>Country</b>	<b>Installation or Location</b>	<b>Amount</b>
Germany .....	Grafenwoehr .....	\$77,200,000
Italy .....	Livorno .....	\$26,000,000
Korea .....	Camp Humphreys .....	\$12,000,000
	<i>Total</i> .....	\$115,200,000

1 **SEC. 2102. FAMILY HOUSING.**

2 (a) *CONSTRUCTION AND ACQUISITION.*—Using  
 3 amounts appropriated pursuant to the authorization of ap-  
 4 propriations in section 2104(a)(5)(A), the Secretary of the  
 5 Army may construct or acquire family housing units (in-  
 6 cluding 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:

**Army: Family Housing**

<b>State</b>	<b>Installation or Location</b>	<b>Purpose</b>	<b>Amount</b>
Alaska .....	Fort Richardson .....	92 Units .....	\$42,000,000
	Fort Wainwright .....	246 Units .....	\$124,000,000
Arizona .....	Fort Huachuca .....	205 Units .....	\$41,000,000
	Yuma Proving Ground	55 Units .....	\$14,900,000
Kansas .....	Fort Riley .....	126 Units .....	\$33,000,000
New Mexico .....	White Sands Missile		
	Range .....	156 Units .....	\$31,000,000
Oklahoma .....	Fort Sill .....	247 Units .....	\$47,000,000
Virginia .....	Fort Lee .....	218 Units .....	\$46,000,000
	Fort Monroe .....	68 Units .....	\$16,000,000
	<i>Total</i> .....	.....	\$394,900,000

9 (b) *PLANNING AND DESIGN.*—Using amounts appro-  
 10 priated pursuant to the authorization of appropriations in  
 11 section 2104(a)(5)(A), the Secretary of the Army may carry  
 12 out architectural and engineering services and construction  
 13 design activities with respect to the construction or im-  
 14 provement of family housing units in an amount not to  
 15 exceed \$29,209,000.

1 **SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING**  
2 **UNITS.**

3 *Subject to section 2825 of title 10, United States Code,*  
4 *and using amounts appropriated pursuant to the author-*  
5 *ization of appropriations in section 2104(a)(5)(A), the Sec-*  
6 *retary of the Army may improve existing military family*  
7 *housing units in an amount not to exceed \$211,990,000.*

8 **SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.**

9 *(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are*  
10 *hereby authorized to be appropriated for fiscal years begin-*  
11 *ning after September 30, 2004, for military construction,*  
12 *land acquisition and military family housing functions of*  
13 *the Department of the Army in the total amount of*  
14 *\$3,428,815,000 as follows:*

15 *(1) For military construction projects inside the*  
16 *United States authorized by section 2101(a),*  
17 *\$1,335,750,000.*

18 *(2) For military construction projects outside the*  
19 *United States authorized by section 2101(b),*  
20 *\$115,200,000.*

21 *(3) For unspecified minor military construction*  
22 *projects authorized by section 2805 of title 10, United*  
23 *States Code, \$20,000,000.*

24 *(4) For architectural and engineering services*  
25 *and construction design under section 2807 of title*  
26 *10, United States Code, \$161,209,000.*

1           (5) *For military family housing functions:*

2                   (A) *For construction and acquisition, plan-*  
3                   *ning and design, and improvement of military*  
4                   *family housing and facilities, \$636,099,000.*

5                   (B) *For support of military family housing*  
6                   *(including the functions described in section*  
7                   *2833 of title 10, United States Code),*  
8                   *\$926,507,000.*

9           (6) *For the construction of phase 2 of a barracks*  
10           *complex, 5th & 16th Street, at Fort Stewart/Hunter*  
11           *Army Air Field, Georgia, authorized by section*  
12           *2101(a) of the Military Construction Authorization*  
13           *Act for Fiscal Year 2004 (division B of Public Law*  
14           *108–136; 117 Stat. 1697), \$32,950,000.*

15           (7) *For the construction of phase 3 of a barracks*  
16           *complex renewal, Capron Road, at Schofield Bar-*  
17           *racks, Hawaii, authorized by section 2101(a) of the*  
18           *Military Construction Authorization Act for Fiscal*  
19           *Year 2002 (division B of Public Law 107–107; 115*  
20           *Stat. 1283) and as amended by section 2105 of the*  
21           *Military Authorization Act for Fiscal Year 2004 (di-*  
22           *vision B of Public Law 108–136; 117 Stat. 1697),*  
23           *\$48,000,000.*

24           (8) *For the construction of phase 2 of the Lewis*  
25           *& Clark instructional facility at Fort Leavenworth,*

1 *Kansas, authorized by section 2101(a) of the Military*  
2 *Construction Authorization Act for Fiscal Year 2003*  
3 *(division B of Public Law 107–314; 116 Stat. 2681),*  
4 *\$44,000,000.*

5 (9) *For the construction of phase 2 of a barracks*  
6 *complex at Wheeler Sack Army Air Field at Fort*  
7 *Drum, New York, authorized by section 2101(a) of the*  
8 *Military Construction Authorization Act for Fiscal*  
9 *Year 2004 (division B of Public Law 108–136; 117*  
10 *Stat. 1697), \$48,000,000.*

11 (10) *For the construction of phase 2 of a bar-*  
12 *racks complex, Bastogne Drive, Fort Bragg, North*  
13 *Carolina, authorized by section 2101(a) of the Mili-*  
14 *tary Construction Authorization Act for Fiscal Year*  
15 *2004 (division B of Public Law 108–136; 117 Stat.*  
16 *1697), \$48,000,000.*

17 (11) *For the construction of phase 3 of a mainte-*  
18 *nance complex at Fort Sill, Oklahoma, authorized by*  
19 *section 2101(a) of the Military Construction Author-*  
20 *ization Act for Fiscal Year 2003 (division B of Public*  
21 *Law 107–314; 116 Stat. 2681), \$13,100,000.*

22 (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*  
23 *PROJECTS.—Notwithstanding the cost variations author-*  
24 *ized by section 2853 of title 10, United States Code, and*  
25 *any other cost variation authorized by law, the total cost*

1 *of all projects carried out under section 2101 of this Act*  
2 *may not exceed the sum of the following:*

3           (1) *The total amount authorized to be appro-*  
4 *propriated under paragraphs (1) and (2) of subsection*  
5 *(a).*

6           (2) *\$41,000,000 (the balance of the amount au-*  
7 *thorized under section 2101(a) to upgrade Drum*  
8 *Road, Helemano Military Reservation, Hawaii).*

9           (3) *\$25,000,000 (the balance of the amount au-*  
10 *thorized under section 2101(a) for construction of a*  
11 *vehicle maintenance facility, Schofield Barracks, Ha-*  
12 *waii).*

13           (3) *\$25,000,000 (the balance of the amount au-*  
14 *thorized under section 2101(a) for construction of a*  
15 *barracks complex, Fort Campbell, Kentucky).*

16           (4) *\$22,000,000 (the balance of the amount au-*  
17 *thorized under section 2101(a) for construction of*  
18 *trainee barracks, Basic Training Complex 1, Fort*  
19 *Knox, Kentucky).*

20           (5) *\$25,500,000 (the balance of the amount au-*  
21 *thorized under section 2101(a) for construction of a*  
22 *library and learning facility, United States Military*  
23 *Academy, West Point, New York).*

1           (6) \$31,000,000 (the balance of the amount au-  
2           thorized under section 2101(a) for a barracks complex  
3           renewal project, Fort Bragg, North Carolina).

4 **SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT**  
5 **CERTAIN FISCAL YEAR 2004 PROJECTS.**

6           (a) *MODIFICATION OF INSIDE THE UNITED STATES*  
7 *PROJECTS.*—The table in section 2101(a) of the Military  
8 *Construction Authorization Act for Fiscal Year 2004* (divi-  
9 *sion B of Public Law 108–136; 117 Stat. 1697*) is amend-  
10 *ed—*

11           (1) *in the item relating to Fort Stewart/Hunter*  
12 *Army Air Field, Georgia, by striking “\$113,500,000”*  
13 *in the amount column and inserting “\$114,450,000”;*

14           (2) *in the item relating to Fort Drum, New*  
15 *York, by striking “\$130,700,000” in the amount col-*  
16 *umn and inserting “\$135,700,000”; and*

17           (3) *by striking the amount identified as the total*  
18 *in the amount column and inserting*  
19 *“\$1,043,150,000”.*

20           (b) *CONFORMING AMENDMENTS.*—Section 2104(b) of  
21 *that Act (117 Stat. 1700) is amended—*

22           (1) *in paragraph (2), by striking “\$32,000,000”*  
23 *and inserting “\$32,950,000”; and*

24           (2) *in paragraph (4), by striking “\$43,000,000”*  
25 *and inserting “\$48,000,000”.*

1 **SEC. 2106. MODIFICATION OF AUTHORITY TO CARRY OUT**  
2 **CERTAIN FISCAL YEAR 2003 PROJECT.**

3 (a) *MODIFICATION OF INSIDE THE UNITED STATES*  
4 *PROJECT.*—*The table in section 2101(a) of the Military*  
5 *Construction Authorization Act for Fiscal Year 2003 (divi-*  
6 *sion B of Public Law 107–314; 116 Stat. 2681), as amended*  
7 *by section 2105(a) of the Military Construction Authoriza-*  
8 *tion Act for Fiscal Year 2004 (division B of Public Law*  
9 *108–136; 117 Stat. 1700), is further amended—*

10 (1) *in the item relating to Fort Sill, Oklahoma,*  
11 *by striking “\$39,652,000” in the amount column and*  
12 *inserting “\$40,752,000”; and*

13 (2) *by striking the amount identified as the total*  
14 *in the amount column and inserting*  
15 *“\$1,157,267,000”.*

16 (b) *CONFORMING AMENDMENT.*—*Section 2104(b)(6) of*  
17 *the Military Construction Authorization Act for Fiscal Year*  
18 *2003 (division B of Public Law 107–314; 116 Stat. 2684)*  
19 *is amended by striking “\$25,000,000” and inserting*  
20 *“\$26,100,000”.*

21 **TITLE XXII—NAVY**

22 **SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND**  
23 **ACQUISITION PROJECTS.**

24 (a) *INSIDE THE UNITED STATES.*—*Using amounts ap-*  
25 *propriated pursuant to the authorization of appropriations*  
26 *in section 2204(a)(1), the Secretary of the Navy may ac-*



- 1 *quire real property and carry out military construction*  
 2 *projects for the installations or locations inside the United*  
 3 *States, and in the amounts, set forth in the following table:*

***Navy: Inside the United States***

<b><i>State</i></b>	<b><i>Installation or Location</i></b>	<b><i>Amount</i></b>
<i>Arizona</i> .....	<i>Marine Corps Air Station, Yuma ...</i>	<i>\$26,670,000</i>
<i>California</i> .....	<i>Marine Corps Air-Ground Task Force Training Center, Twentynine Palms .....</i>	<i>\$15,700,000</i>
	<i>Marine Corps Air Station, Camp Pendleton .....</i>	<i>\$11,540,000</i>
	<i>Marine Corps Base, Camp Pen- dleton .....</i>	<i>\$26,915,000</i>
	<i>Marine Corps Logistics Base, Bar- stow .....</i>	<i>\$4,930,000</i>
	<i>Naval Air Facility, El Centro .....</i>	<i>\$54,331,000</i>
	<i>Naval Air Station, North Island ....</i>	<i>\$10,180,000</i>
	<i>Naval Surface Warfare Center, Di- vision Corona .....</i>	<i>\$9,850,000</i>
<i>Connecticut</i> .....	<i>Naval Submarine Base, New Lon- don .....</i>	<i>\$50,302,000</i>
<i>District of Columbia</i> ....	<i>Naval Observatory, Washington .....</i>	<i>\$3,239,000</i>
<i>Florida</i> .....	<i>Eglin Air Force Base .....</i>	<i>\$2,060,000</i>
	<i>Naval Station, Mayport .....</i>	<i>\$6,200,000</i>
<i>Georgia</i> .....	<i>Strategic Weapons Facility Atlan- tic, Kings Bay .....</i>	<i>\$16,000,000</i>
<i>Hawaii</i> .....	<i>Naval Shipyard, Pearl Harbor .....</i>	<i>\$5,100,000</i>
<i>Illinois</i> .....	<i>Naval Training Center, Great Lakes .....</i>	<i>\$74,781,000</i>
<i>Indiana</i> .....	<i>Naval Surface Warfare Center, Crane .....</i>	<i>\$10,580,000</i>
<i>Louisiana</i> .....	<i>Joint Reserve Base/Naval Air Sta- tion, New Orleans .....</i>	<i>\$6,030,000</i>
<i>Maryland</i> .....	<i>Naval Surface Warfare Center, In- dian Head .....</i>	<i>\$23,000,000</i>
<i>North Carolina</i> .....	<i>Marine Corps Air Station, New River .....</i>	<i>\$35,140,000</i>
	<i>Marine Corps Base, Camp Lejeune</i>	<i>\$11,030,000</i>
<i>Nevada</i> .....	<i>Naval Air Station, Fallon .....</i>	<i>\$4,980,000</i>
<i>South Carolina</i> .....	<i>Marine Corps Air Station, Beaufort</i>	<i>\$5,480,000</i>
<i>Virginia</i> .....	<i>Camp Elmore Marine Corps De- tachment .....</i>	<i>\$13,500,000</i>
	<i>Marine Corps Air Facility, Quantico .....</i>	<i>\$21,180,000</i>
	<i>Marine Corps Combat Development Command, Quantico .....</i>	<i>\$24,140,000</i>
	<i>Naval Air Station, Oceana .....</i>	<i>\$2,770,000</i>
	<i>Naval Amphibious Base, Little Creek .....</i>	<i>\$9,550,000</i>
	<i>Naval Station, Norfolk .....</i>	<i>\$4,330,000</i>

**Navy: Inside the United States—Continued**

<b>State</b>	<b>Installation or Location</b>	<b>Amount</b>
Washington .....	Naval Weapons Station, Yorktown	\$9,870,000
	Naval Air Station, Whidbey Island	\$1,990,000
	Naval Shipyard, Puget Sound .....	\$23,455,000
	Naval Station, Bremerton .....	\$74,125,000
	Strategic Weapons Facility Pacific, Bangor .....	\$131,090,000
	<i>Total</i> .....	\$730,038,000

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 United  
6 States, and in the amounts, set forth in the following table:

**Navy: Outside the United States**

<b>Country</b>	<b>Installation or Location</b>	<b>Amount</b>
Bahamas .....	Naval Undersea Warfare Center, Andros Islands .....	\$20,750,000
Diego Garcia .....	Naval Support Facility, Diego Gar- cia .....	\$17,500,000
Guam .....	Naval Public Works Center, Guam	\$20,700,000
	Naval Station, Guam .....	\$12,500,000
Italy .....	Sigonella .....	\$22,550,000
Spain .....	Naval Station, Rota .....	\$32,700,000
	<i>Total</i> .....	\$126,700,000

7           (c) *UNSPECIFIED WORLDWIDE.*—Using the amounts  
8 appropriated pursuant to the authorization of appropria-  
9 tions in section 2204(a)(3), the Secretary of the Navy may  
10 acquire real property and carry out military construction  
11 projects for the installations or locations and in the amount,  
12 set forth in the following table:

**Navy: Unspecified Worldwide**

<b>Location</b>	<b>Installation or Location</b>	<b>Amount</b>
	<i>Unspecified Worldwide</i> .....	\$148,640,000
	<i>Total</i> .....	\$148,640,000

1 **SEC. 2202. FAMILY HOUSING.**

2       *Using amounts appropriated pursuant to the author-*  
3 *ization of appropriations in section 2204(a)(6)(A), the Sec-*  
4 *retary of the Navy may construct or acquire family housing*  
5 *units (including land acquisition and supporting facilities)*  
6 *at the installations or locations, for the purposes and in*  
7 *the amounts, set forth in the following table:*

**Navy: Family Housing**

<b>State</b>	<b>Installation or Location</b>	<b>Purpose</b>	<b>Amount</b>
<i>North Carolina</i>	<i>Marine Corps Air Station, Cherry Point</i> ....	<i>198 Units</i> .....	\$27,002,000
	<i>Total</i> .....	.....	\$27,002,000

8 **SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING**  
9 **UNITS.**

10       *Subject to section 2825 of title 10, United States Code,*  
11 *and using amounts appropriated pursuant to the author-*  
12 *ization of appropriations in section 2204(a)(6)(A), the Sec-*  
13 *retary of the Navy may improve existing military family*  
14 *housing units in an amount not to exceed \$112,105,000.*

15 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

16       *(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are*  
17 *hereby authorized to be appropriated for fiscal years begin-*

1 *ning after September 30, 2004, for military construction,*  
2 *land acquisition, and military family housing functions of*  
3 *the Department of the Navy in the total amount of*  
4 *\$1,913,273,000, as follows:*

5 *(1) For military construction projects inside the*  
6 *United States authorized by section 2201(a),*  
7 *\$631,908,000.*

8 *(2) For military construction projects outside the*  
9 *United States authorized by section 2201(b),*  
10 *\$126,700,000.*

11 *(3) For the military construction projects at un-*  
12 *specified worldwide locations authorized by section*  
13 *2201(c), \$98,560,000.*

14 *(4) For unspecified minor military construction*  
15 *projects authorized by section 2805 of title 10, United*  
16 *States Code, \$12,000,000.*

17 *(5) For architectural and engineering services*  
18 *and construction design under section 2807 of title*  
19 *10, United States Code, \$93,804,000.*

20 *(6) For military family housing functions:*

21 *(A) For construction and acquisition, plan-*  
22 *ning and design, and improvement of military*  
23 *family housing and facilities, \$139,107,000.*

1                   (B) *For support of military family housing*  
2                   *(including functions described in section 2833 of*  
3                   *title 10, United States Code), \$696,304,000.*

4                   (7) *For the construction of increment 2 of the*  
5                   *tertiary sewage treatment plant at Marine Corps*  
6                   *Base, Camp Pendleton, California, authorized by sec-*  
7                   *tion 2201(a) of the Military Construction Authoriza-*  
8                   *tion Act for Fiscal Year 2004 (division B of Public*  
9                   *Law 108–136; 117 Stat. 1703), \$25,690,000.*

10                  (8) *For the construction of increment 2 of the*  
11                  *general purpose berthing pier at Naval Weapons Sta-*  
12                  *tion, Earle, New Jersey, authorized by section*  
13                  *2201(a) of the Military Construction Authorization*  
14                  *Act of Fiscal Year 2004 (division B of Public Law*  
15                  *108–136; 117 Stat. 1704), \$49,200,000.*

16                  (9) *For the construction of increment 2 of pier*  
17                  *11 replacement at Naval Station, Norfolk, Virginia,*  
18                  *authorized by section 2201(a) of the Military Con-*  
19                  *struction Authorization Act of Fiscal Year 2004 (divi-*  
20                  *sion B of Public Law 108–136; 117 Stat. 1704),*  
21                  *\$40,000,000.*

22                  (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*  
23                  *PROJECTS.—Notwithstanding the cost variations author-*  
24                  *ized by section 2853 of title 10, United States Code, and*  
25                  *any other cost variation authorized by law, the total cost*

1 *of all projects carried out under section 2201 of this Act*  
2 *may not exceed the sum of the following:*

3           (1) *The total amount authorized to be appro-*  
4 *propriated under paragraphs (1), (2) and (3) of sub-*  
5 *section (a).*

6           (2) *\$21,000,000 (the balance of the amount au-*  
7 *thorized under section 2201(a) for apron and hangar*  
8 *recapitalization, Naval Air Facility, El Centro, Cali-*  
9 *fornia).*

10           (3) *\$40,000,000 (the balance of the amount au-*  
11 *thorized under section 2201(a) for construction of*  
12 *bachelor enlisted quarters, Naval Station, Bremerton,*  
13 *Washington).*

14           (4) *\$95,320,000 (the balance of the amount au-*  
15 *thorized under section 2201(a) for construction of a*  
16 *limited area processing and storage complex, Stra-*  
17 *tegic Weapons Facility Pacific, Bangor, Washington).*

18           (5) *\$34,098,000 (the balance of the amount au-*  
19 *thorized under section 2201(c) for construction of a*  
20 *White Side complex at an unspecified location world-*  
21 *wide).*

22           (6) *\$15,982,000 (the balance of the amount au-*  
23 *thorized under section 2201(c) for construction of a*  
24 *presidential helicopter programs support facility at*  
25 *an unspecified location).*

## **TITLE XXIII—AIR FORCE**

### **SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.**

(a) *INSIDE THE UNITED STATES.*—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations or locations inside the United States, and in the amounts, set forth in the following table:

#### ***Air Force: Inside the United States***

<b><i>State</i></b>	<b><i>Installation or Location</i></b>	<b><i>Amount</i></b>
<i>Alaska</i> .....	<i>Elmendorf Air Force Base</i> .....	\$26,057,000
<i>Arizona</i> .....	<i>Davis-Monthan Air Force Base</i> .....	\$17,029,000
	<i>Luke Air Force Base</i> .....	\$17,900,000
<i>Arkansas</i> .....	<i>Little Rock Air Force Base</i> .....	\$8,931,000
<i>California</i> .....	<i>Beale Air Force Base</i> .....	\$10,186,000
	<i>Edwards Air Force Base</i> .....	\$9,965,000
	<i>Travis Air Force Base</i> .....	\$18,894,000
<i>Colorado</i> .....	<i>Buckley Air Force Base</i> .....	\$12,247,000
<i>Florida</i> .....	<i>Tyndall Air Force Base</i> .....	\$29,162,000
<i>Georgia</i> .....	<i>Moody Air Force Base</i> .....	\$9,600,000
	<i>Robins Air Force Base</i> .....	\$15,000,000
<i>Hawaii</i> .....	<i>Hickam Air Force Base</i> .....	\$25,900,000
<i>Louisiana</i> .....	<i>Barksdale Air Force Base</i> .....	\$13,800,000
<i>Maryland</i> .....	<i>Andrews Air Force Base</i> .....	\$17,100,000
<i>Mississippi</i> .....	<i>Columbus Air Force Base</i> .....	\$7,700,000
<i>Missouri</i> .....	<i>Whiteman Air Force Base</i> .....	\$7,600,000
<i>New Mexico</i> .....	<i>Kirtland Air Force Base</i> .....	\$9,200,000
<i>North Carolina</i> .....	<i>Pope Air Force Base</i> .....	\$15,150,000
<i>Ohio</i> .....	<i>Wright-Patterson Air Force Base</i> .....	\$9,200,000
<i>South Carolina</i> .....	<i>Shaw Air Force Base</i> .....	\$7,000,000
<i>Tennessee</i> .....	<i>Arnold Air Force Base</i> .....	\$24,500,000
<i>Texas</i> .....	<i>Dyess Air Force Base</i> .....	\$3,300,000
	<i>Lackland Air Force Base</i> .....	\$2,596,000
	<i>Laughlin Air Force Base</i> .....	\$6,900,000
	<i>Sheppard Air Force Base</i> .....	\$50,284,000
<i>Utah</i> .....	<i>Hill Air Force Base</i> .....	\$18,013,000
<i>Wyoming</i> .....	<i>F.E. Warren Air Force Base</i> .....	\$5,500,000
	<i>Total</i> .....	<b>\$398,714,000</b>

1           (b) *OUTSIDE THE UNITED STATES.*—Using amounts  
 2 appropriated pursuant to the authorization of appropria-  
 3 tions in section 2304(a)(2), the Secretary of the Air Force  
 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 following  
 7 table:

**Air Force: Outside the United States**

<b>Country</b>	<b>Installation or Location</b>	<b>Amount</b>
<i>Germany</i> .....	<i>Ramstein Air Base</i> .....	\$25,404,000
<i>Greenland</i> .....	<i>Thule Air Base</i> .....	\$19,800,000
<i>Guam</i> .....	<i>Andersen Air Force Base</i> .....	\$19,593,000
<i>Italy</i> .....	<i>Aviano Air Base</i> .....	\$6,760,000
<i>Japan</i> .....	<i>Misawa Air Base</i> .....	\$6,700,000
<i>Korea</i> .....	<i>Kunsan Air Base</i> .....	\$37,100,000
	<i>Osan Air Base</i> .....	\$18,600,000
<i>Portugal</i> .....	<i>Lajes Field, Azores</i> .....	\$5,689,000
<i>Spain</i> .....	<i>Naval Station, Rota</i> .....	\$14,153,000
<i>United Kingdom</i> .....	<i>Royal Air Force Lakenheath</i> .....	\$5,500,000
	<i>Total</i> .....	\$159,299,000

8           (c) *UNSPECIFIED WORLDWIDE.*—Using the amounts  
 9 appropriated pursuant to the authorization of appropria-  
 10 tions in section 2304(a)(3), the Secretary of the Air Force  
 11 may acquire real property and carry out military construc-  
 12 tion projects for the installations or locations, and in the  
 13 amount, set forth in the following table:

**Air Force: Unspecified Worldwide**

<b>Location</b>	<b>Installation or Location</b>	<b>Amount</b>
	<i>Classified Locations</i> .....	\$26,121,000
	<i>Unspecified Worldwide</i> .....	\$28,794,000
	<i>Total</i> .....	\$54,915,000



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  
 7 the installations or locations, for the purposes and in the  
 8 amounts, set forth in the following table:

**Air Force: Family Housing**

<b>State</b>	<b>Installation or Location</b>	<b>Purpose</b>	<b>Amount</b>
Arizona .....	Davis-Monthan Air Force Base .....	250 Units .....	\$48,500,000
California .....	Edwards Air Force Base .....	218 Units .....	\$41,202,000
	Vandenberg Air Force Base .....	120 Units .....	\$30,906,000
Florida .....	MacDill Air Force Base .....	61 Units .....	\$21,723,000
	MacDill Air Force Base .....	Housing Maintenance Facility .....	\$1,250,000
Idaho .....	Mountain Home Air Force Base .....	147 Units .....	\$39,333,000
Mississippi .....	Columbus Air Force Base .....	Housing Management Facility .....	\$711,000
Missouri .....	Whiteman Air Force Base .....	160 Units .....	\$37,087,000
Montana .....	Malmstrom Air Force Base .....	115 Units .....	\$29,910,000
North Carolina .....	Seymour Johnson Air Force Base .....	167 Units .....	\$32,693,000
North Dakota ....	Grand Forks Air Force Base .....	90 Units .....	\$26,169,000
	Minot Air Force Base ...	142 Units .....	\$37,087,000
South Carolina .....	Charleston Air Force Base .....	Fire Station ....	\$1,976,000
South Dakota ....	Ellsworth Air Force Base .....	75 Units .....	\$21,482,000
Texas .....	Dyess Air Force Base ...	127 Units .....	\$28,664,000
	Goodfellow Air Force Base .....	127 Units .....	\$20,604,000
Germany .....	Ramstein Air Base .....	144 Units .....	\$57,691,000

***Air Force: Family Housing—Continued***

<b><i>State</i></b>	<b><i>Installation or Location</i></b>	<b><i>Purpose</i></b>	<b><i>Amount</i></b>
<i>Italy .....</i>	<i>Aviano Air Base .....</i>	<i>Housing Office</i>	<i>\$2,542,000</i>
<i>Korea .....</i>	<i>Osan Air Base .....</i>	<i>117 Units .....</i>	<i>\$46,834,000</i>
<i>United Kingdom</i>	<i>Royal Air Force</i>		
	<i>Lakenheath .....</i>	<i>154 Units .....</i>	<i>\$43,976,000</i>
	<i>Total .....</i>	<i>.....</i>	<i>\$570,340,000</i>

1       (b) *PLANNING AND DESIGN.*—Using amounts appro-  
2       priated pursuant to the authorization of appropriations in  
3       section 2304(a)(6)(A), the Secretary of the Air Force may  
4       carry out architectural and engineering services and con-  
5       struction design activities with respect to the construction  
6       or improvement of military family housing units in an  
7       amount not to exceed \$38,266,000.

8       ***SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING***  
9       ***UNITS.***

10       Subject to section 2825 of title 10, United States Code,  
11       and using amounts appropriated pursuant to the author-  
12       ization of appropriations in section 2304(a)(6)(A), the Sec-  
13       retary of the Air Force may improve existing military fam-  
14       ily housing units in an amount not to exceed \$238,353,000.

15       ***SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR***  
16       ***FORCE.***

17       (a) *AUTHORIZATION OF APPROPRIATIONS.*—Funds are  
18       hereby authorized to be appropriated for fiscal years begin-  
19       ning after September 30, 2004, for military construction,  
20       land acquisition, and military family housing functions of

1 *the Department of the Air Force in the total amount of*  
2 *\$2,493,679,000, as follows:*

3 *(1) For military construction projects inside the*  
4 *United States authorized by section 2301(a),*  
5 *\$398,714,000.*

6 *(2) For military construction projects outside the*  
7 *United States authorized by section 2301(b),*  
8 *\$159,299,000.*

9 *(3) For the military construction projects at un-*  
10 *specified worldwide locations authorized by section*  
11 *2301(c), \$54,915,000.*

12 *(4) For unspecified minor military construction*  
13 *projects authorized by section 2805 of title 10, United*  
14 *States Code, \$13,000,000.*

15 *(5) For architectural and engineering services*  
16 *and construction design, under section 2807 of title*  
17 *10, United States Code, \$166,126,000.*

18 *(6) For military family housing functions:*

19 *(A) For construction and acquisition, plan-*  
20 *ning and design and improvement of military*  
21 *family housing and facilities, \$846,959,000.*

22 *(B) For support of military family housing*  
23 *(including functions described in section 2833 of*  
24 *title 10, United States Code), \$854,666,000.*

1 (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*  
 2 *PROJECTS.*—*Notwithstanding the cost variations author-*  
 3 *ized by section 2853 of title 10, United States Code, and*  
 4 *any other cost variation authorized by law, the total cost*  
 5 *of all projects carried out under section 2301 of this Act*  
 6 *may not exceed the total amount authorized to be appro-*  
 7 *priated under paragraphs (1), (2), and (3) of subsection*  
 8 *(a).*

9 **TITLE XXIV—DEFENSE**  
 10 **AGENCIES**

11 **SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUC-**  
 12 **TION AND LAND ACQUISITION PROJECTS.**

13 (a) *INSIDE THE UNITED STATES.*—*Using amounts ap-*  
 14 *propriated pursuant to the authorization of appropriations*  
 15 *in section 2404(a)(1), the Secretary of Defense may acquire*  
 16 *real property and carry out military construction projects*  
 17 *for the installations or locations inside the United States,*  
 18 *and in the amounts, set forth in the following table:*

***Defense Agencies: Inside the United States***

<b>Agency</b>	<b>Installation or Location</b>	<b>Amount</b>
<i>Defense Intelligence Agency .....</i>	<i>Bolling Air Force Base, District of Columbia .....</i>	<i>\$6,000,000</i>
<i>Defense Logistics Agency .....</i>	<i>Defense Distribution Depot, New Cumberland, Pennsylvania .....</i>	<i>\$22,300,000</i>
	<i>Defense Distribution Depot, Richmond, Virginia .....</i>	<i>\$10,100,000</i>
	<i>Defense Fuel Support Point, Naval Air Station, Oceana, Virginia ....</i>	<i>\$3,589,000</i>
	<i>Defense Supply Center, Columbus, Ohio .....</i>	<i>\$5,500,000</i>

**Defense Agencies: Inside the United States**—Continued

<b>Agency</b>	<b>Installation or Location</b>	<b>Amount</b>	
<i>Missile Defense Agency National Security Agency ..... Special Operations Command .....</i>	<i>Marina Corps Air Station, Cherry Point, North Carolina .....</i>	<i>\$22,700,000</i>	
	<i>Naval Air Station, Kingsville, Texas .....</i>	<i>\$3,900,000</i>	
	<i>Naval Station, Pearl Harbor, Ha- wii .....</i>	<i>\$3,500,000</i>	
	<i>Tinker Air Force Base, Oklahoma ..</i>	<i>\$5,400,000</i>	
	<i>Travis Air Force Base, California ..</i>	<i>\$15,100,000</i>	
	<i>Huntsville, Alabama .....</i>	<i>\$19,560,000</i>	
	<i>Fort Meade, Maryland .....</i>	<i>\$15,007,000</i>	
	<i>Corona, California .....</i>	<i>\$13,600,000</i>	
	<i>Fleet Combat Training Center, Dam Neck, Virginia .....</i>	<i>\$5,700,000</i>	
	<i>Fort A.P. Hill, Virginia .....</i>	<i>\$1,500,000</i>	
	<i>Fort Bragg, North Carolina .....</i>	<i>\$42,888,000</i>	
	<i>Fort Stewart/Hunter Army Air Field, Georgia .....</i>	<i>\$17,600,000</i>	
	<i>Hurlburt Field, Florida .....</i>	<i>\$2,500,000</i>	
	<i>Naval Amphibious Base, Little Creek, Virginia .....</i>	<i>\$33,200,000</i>	
	<i>Naval Air Station, North Island, California .....</i>	<i>\$1,000,000</i>	
	<i>TRICARE Management Activity .....</i>	<i>Buckley Air Force Base, Colorado ..</i>	<i>\$2,100,000</i>
		<i>Defense Language Institute, Pre- sidio, Monterey .....</i>	<i>\$6,700,000</i>
	<i>Fort Belvoir, Virginia .....</i>	<i>\$100,000,000</i>	
	<i>Fort Benning, Georgia .....</i>	<i>\$7,100,000</i>	
	<i>Langley Air Force Base, Virginia ..</i>	<i>\$50,800,000</i>	
	<i>Marine Corps Recruit Depot, Par- ris Island, South Carolina .....</i>	<i>\$25,000,000</i>	
	<i>Naval Air Station, Jacksonville, Florida .....</i>	<i>\$28,438,000</i>	
	<i>Total .....</i>	<i>\$470,782,000</i>	

1           (b) *OUTSIDE THE UNITED STATES.*—Using amounts  
2 appropriated pursuant to the authorization of appropria-  
3 tions in section 2404(a)(2), the Secretary of Defense may  
4 acquire real property and carry out military construction  
5 projects for the installations or locations outside the United  
6 States, and in the amounts, set forth in the following table:

**Defense Agencies: Outside the United States**

<b>Agency</b>	<b>Installation or Location</b>	<b>Amount</b>
<i>Defense Education Activity</i> .....	<i>Grafenwoehr, Germany</i> .....	\$36,247,000
	<i>Naval Station, Guam</i> .....	\$26,964,000
	<i>Vilseck, Germany</i> .....	\$9,011,000
<i>Defense Logistics Agency</i> .....	<i>Defense Fuel Support Point, Lajes Field, Portugal</i> .....	\$19,113,000
	<i>Misawa Air Base, Japan</i> .....	\$19,900,000
<i>Special Operations Command</i> .....	<i>Naval Station, Guam, Marianas Islands</i> .....	\$2,200,000
	<i>Royal Air Force Mildenhall, United Kingdom</i> .....	\$10,200,000
<i>TRICARE Management Activity</i> .....	<i>Diego Garcia</i> .....	\$3,800,000
	<i>Grafenwoehr, Germany</i> .....	\$13,000,000
	<i>Total</i> .....	\$140,435,000

1           (c) *UNSPECIFIED WORLDWIDE*.—Using the amounts  
2 appropriated pursuant to the authorization of appropri-  
3 ations in section 2404(a)(3), the Secretary of Defense may  
4 acquire real property and carry out military construction  
5 projects for the installations or locations, and in the  
6 amount, set forth in the following table:

**Defense Agencies: Unspecified Worldwide**

<b>Location</b>	<b>Installation or Location</b>	<b>Amount</b>
<i>Special Operations Command</i> .....	<i>Classified Locations</i> .....	\$7,400,000
	<i>Unspecified Worldwide</i> .....	\$2,900,000
	<i>Total</i> .....	\$10,300,000

**7 SEC. 2402. IMPROVEMENTS TO MILITARY FAMILY HOUSING****8 UNITS.**

9           Subject to section 2825 of title 10, United States Code,  
10 and using amounts appropriated pursuant to the author-

1 ization of appropriations in section 2404(a)(9)(A), the Sec-  
2 retary of Defense may improve existing military family  
3 housing units in an amount not to exceed \$49,000.

4 **SEC. 2403. ENERGY CONSERVATION PROJECTS.**

5       Using amounts appropriated pursuant to the author-  
6 ization of appropriations in section 2404(a)(7), the Sec-  
7 retary of Defense may carry out energy conservation  
8 projects under section 2865 of title 10, United States Code,  
9 in the amount of \$50,000,000.

10 **SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE**  
11 **AGENCIES.**

12       (a) *MODIFICATION OF INSIDE THE UNITED STATES*  
13 *PROJECTS.—Funds are hereby authorized to be appro-*  
14 *priated for fiscal years beginning after September 30, 2004,*  
15 *for military construction, land acquisition, and military*  
16 *family housing functions of the Department of Defense*  
17 *(other than the military departments) in the total amount*  
18 *of \$1,089,063,000, as follows:*

19           (1) *For military construction projects inside the*  
20 *United States authorized by section 2401(a),*  
21 *\$413,782,000.*

22           (2) *For military construction projects outside the*  
23 *United States authorized by section 2401(b),*  
24 *\$140,435,000.*

1           (3) *For the military construction projects at un-*  
2 *specified worldwide locations authorized by section*  
3 *2401(c), \$10,300,000.*

4           (4) *For unspecified minor military construction*  
5 *projects under section 2805 of title 10, United States*  
6 *Code, \$20,938,000.*

7           (5) *For contingency construction projects of the*  
8 *Secretary of Defense under section 2804 of title 10,*  
9 *United States Code, \$10,000,000.*

10          (6) *For architectural and engineering services*  
11 *and construction design under section 2807 of title*  
12 *10, United States Code, \$63,482,000.*

13          (7) *For Energy Conservation projects authorized*  
14 *by section 2404 of this Act, \$50,000,000.*

15          (8) *For base closure and realignment activities*  
16 *as authorized by the Defense Base Closure and Re-*  
17 *alignment Act of 1990 (part A of title XXIX of Public*  
18 *Law 101–510; 10 U.S.C. 2687 note), \$246,116,000.*

19          (9) *For military family housing functions:*

20                (A) *For improvement of military family*  
21 *housing and facilities, \$49,000.*

22                (B) *For support of military family housing*  
23 *(including functions described in section 2833 of*  
24 *title 10, United States Code), \$49,575,000.*



1           (C) For credit to the Department of Defense  
2           Family Housing Improvement Fund established  
3           by section 2883(a)(1) of title 10, United States  
4           Code, \$2,500,000.

5           (10) For the construction of phase 6 of an am-  
6           munition demilitarization facility at Pueblo Depot  
7           Activity, Colorado, authorized by section 2401(a) of  
8           the Military Construction Authorization Act for Fis-  
9           cal Year 1997 (division B of Public Law 104–201;  
10          110 Stat. 2775), as amended by section 2406 of the  
11          Military Construction Authorization Act for Fiscal  
12          Year 2000 (division B of Public Law 106–65; 113  
13          Stat. 839), and section 2407 of the Military Construc-  
14          tion Authorization Act for Fiscal Year 2003 (division  
15          B of Public Law 107–314; 116 Stat. 2698),  
16          \$44,792,000.

17          (11) For the construction of phase 5 of an am-  
18          munition demilitarization facility at Blue Grass  
19          Army Depot, Kentucky, authorized by section 2401(a)  
20          of the Military Construction Authorization Act for  
21          Fiscal Year 2000 (division B of Public Law 106–65;  
22          113 Stat. 835), as amended by section 2405 of the  
23          Military Construction Authorization Act of 2002 (di-  
24          vision B of Public Law 107–107; 115 Stat. 1298),  
25          and section 2405 of the Military Construction Author-

1        *ization Act for Fiscal Year 2003 (division B of Public*  
2        *Law 107–314; 116 Stat. 2698), \$37,094,000.*

3        *(b) LIMITATION ON TOTAL COST OF CONSTRUCTION*  
4        *PROJECTS.—Notwithstanding the cost variations author-*  
5        *ized by section 2853 of title 10, United States Code, and*  
6        *any other cost variation authorized by law, the total cost*  
7        *of all projects carried out under section 2401 of this Act*  
8        *may not exceed the sum of the following:*

9                *(1) The total amount authorized to be appro-*  
10              *priated under paragraphs (1), (2) and (3) of sub-*  
11              *section (a).*

12              *(2) \$57,000,000 (the balance of the amount au-*  
13              *thorized under section 2401(a) for hospital replace-*  
14              *ment, Fort Belvoir, Virginia).*

15        **TITLE XXV—NORTH ATLANTIC**  
16        **TREATY ORGANIZATION SE-**  
17        **CURITY INVESTMENT PRO-**  
18        **GRAM**

19        **SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND**  
20                      **ACQUISITION PROJECTS.**

21        *The Secretary of Defense may make contributions for*  
22        *the North Atlantic Treaty Organization Security Invest-*  
23        *ment Program as provided in section 2806 of title 10,*  
24        *United States Code, in an amount not to exceed the sum*  
25        *of the amount authorized to be appropriated for this pur-*

1 *pose in section 2502 and the amount collected from the*  
2 *North Atlantic Treaty Organization as a result of construc-*  
3 *tion previously financed by the United States.*

4 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

5 *Funds are hereby authorized to be appropriated for fis-*  
6 *cal years beginning after September 30, 2004, for contribu-*  
7 *tions by the Secretary of Defense under section 2806 of title*  
8 *10, United States Code, for the share of the United States*  
9 *of the cost of projects for the North Atlantic Treaty Organi-*  
10 *zation Security Investment Program authorized by section*  
11 *2501, in the amount of \$165,800,000.*

12 **TITLE XXVI—GUARD AND**  
13 **RESERVE FORCES FACILITIES**

14 **SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUC-**  
15 **TION AND LAND ACQUISITION PROJECTS.**

16 *Funds are hereby authorized to be appropriated for fis-*  
17 *cal years beginning after September 30, 2004, for the costs*  
18 *of acquisition, architectural and engineering services, and*  
19 *construction of facilities for the Guard and Reserve Forces,*  
20 *and for contributions therefor, under chapter 1803 of title*  
21 *10, United States Code (including the cost of acquisition*  
22 *of land for those facilities), the following amounts:*

23 *(1) For the Department of the Army—*

24 *(A) for the Army National Guard of the*  
25 *United States, \$393,225,000; and*

1                   (B) for the Army Reserve, \$116,955,000.

2                   (2) For the Department of the Navy, for the  
3                   Naval and Marine Corps Reserve, \$30,955,000.

4                   (3) For the Department of the Air Force—

5                   (A) for the Air National Guard of the  
6                   United States, \$184,620,000; and

7                   (B) for the Air Force Reserve, \$114,090,000.

8                   **TITLE XXVII—EXPIRATION AND**  
9                   **EXTENSION OF AUTHORIZA-**  
10                  **TIONS**

11                  **SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND**  
12                  **AMOUNTS REQUIRED TO BE SPECIFIED BY**  
13                  **LAW.**

14                  (a) *EXPIRATION OF AUTHORIZATIONS AFTER THREE*  
15                  *YEARS.*—*Except as provided in subsection (b), all author-*  
16                  *izations contained in titles XXI through XXVI for military*  
17                  *construction projects, land acquisition, family housing*  
18                  *projects and facilities, and contributions to the North At-*  
19                  *lantic Treaty Organization Security Investment Program*  
20                  *(and authorizations of appropriations therefor) shall expire*  
21                  *on the later of—*

22                         (1) *October 1, 2007; or*

23                         (2) *the date of the enactment of an Act author-*  
24                         *izing funds for military construction for fiscal year*  
25                         *2008.*

1           (b) *EXCEPTION.*—Subsection (a) shall not apply to au-  
2 thorizations for military construction projects, land acqui-  
3 sition, family housing projects and facilities, and contribu-  
4 tions to the North Atlantic Treaty Organization Security  
5 Investment program (and authorizations of appropriations  
6 therefor), for which appropriated funds have been obligated  
7 before the later of—

8           (1) October 1, 2007; or

9           (2) the date of the enactment of an Act author-  
10 izing funds for fiscal year 2008 for military construc-  
11 tion projects, land acquisition, family housing  
12 projects and facilities, or contributions to the North  
13 Atlantic Treaty Organization Security Investment  
14 program.

15 **SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN**  
16 **FISCAL YEAR 2002 PROJECTS.**

17           (a) *EXTENSION.*—Notwithstanding section 2701 of the  
18 Military Construction Authorization Act for Fiscal Year  
19 2002 (division B of Public Law 107–107; 115 Stat. 1301),  
20 authorizations set forth in the tables in subsection (b), as  
21 provided in section 2101 or 2302 of that Act, shall remain  
22 in effect until October 1, 2005, or the date of the enactment  
23 of an Act authorizing funds for military construction for  
24 fiscal year 2006, whichever is later.

1       (b) TABLES.—The tables referred to in subsection (a)  
2 are as follows:

**Army: Extension of 2002 Project Authorizations**

<b>State</b>	<b>Installation or Location</b>	<b>Project</b>	<b>Amount</b>
Alaska .....	Fort Wainwright ..	Power plant cooling tower .....	\$23,000,000
Hawaii .....	Pohakuloa Training Area .....	Parker Ranch land acquisition	\$1,500,000

**Air Force: Extension of 2002 Project Authorizations**

<b>State</b>	<b>Installation or Location</b>	<b>Project</b>	<b>Amount</b>
Colorado .....	Buckley Air Force Base .....	Family housing (55 Units) .....	\$11,400,000
Louisiana .....	Barksdale Air Force Base .....	Family housing (56 Units) .....	\$7,300,000

3 **SEC. 2703. EXTENSION AND RENEWAL OF AUTHORIZATIONS**  
4 **OF CERTAIN FISCAL YEAR 2001 PROJECTS.**

5       (a) EXTENSION AND RENEWAL.—Notwithstanding section  
6 tion 2701 of the Military Construction Authorization Act  
7 for Fiscal Year 2001 (division B of the Floyd D. Spence  
8 National Defense Authorization Act for Fiscal Year 2001  
9 (as enacted into law by Public Law 106–398; 114 Stat.  
10 1654A–407)), authorizations set forth in the tables in sub-  
11 section (b), as provided in section 2102 or 2401 of that Act  
12 and, in the case of the authorization set forth in the first  
13 table in subsection (b), extended by section 2702 of the Mili-  
14 tary Construction Authorization Act for Fiscal Year 2004

1 (division B of Public Law 108–136; 117 Stat. 1716), shall  
 2 remain in effect until October 1, 2005, or the date of the  
 3 enactment of an Act authorizing funds for military con-  
 4 struction for fiscal year 2006, whichever is later.

5 (b) TABLES.—The tables referred to in subsection (a)  
 6 are as follows:

**Army: Extension of 2001 Project Authorization**

<b>State</b>	<b>Installation or Location</b>	<b>Project</b>	<b>Amount</b>
South Carolina .....	Fort Jackson .....	Family housing (1 unit) .....	\$250,000

**Defense Agencies: Extension of 2001 Project Authorizations**

<b>Agency</b>	<b>Installation or Location</b>	<b>Project</b>	<b>Amount</b>
Defense Finance and Accounting Service .....	Kleber Kaserne, Germany .....	Building renovation .....	\$7,400,000
Defense Education Activity .....	Osan Air Base, Korea .....	Osan Elementary School addition	\$843,000

7 **SEC. 2704. EFFECTIVE DATE.**

8 Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI of  
 9 this Act shall take effect on the later of—

10 (1) October 1, 2004; or

11 (2) the date of the enactment of this Act.

1                   **TITLE XXVIII—GENERAL**  
2                                   **PROVISIONS**  
3       **Subtitle A—Military Construction**  
4           **Program and Military Family**  
5           **Housing Changes**

6       **SECTION 2801. INCREASE IN CERTAIN THRESHOLDS FOR**  
7                                   **CARRYING OUT UNSPECIFIED MINOR MILI-**  
8                                   **TARY CONSTRUCTION PROJECTS.**

9           (a) *ADVANCE APPROVAL AND CONGRESSIONAL NOTIFI-*  
10       *CATION THRESHOLD.*—Subsection (b)(1) of section 2805 of  
11       *title 10, United States Code, is amended by striking*  
12       *“\$750,000” and inserting “\$1,000,000”.*

13           (b) *USE OF OPERATION AND MAINTENANCE FUNDS*  
14       *THRESHOLD.*—Subsection (c) of such section is amended—  
15                   (1) *by striking paragraph (1) and inserting the*  
16       *following new paragraph:*

17                   “*(1) Except as provided in paragraphs (2) and (3),*  
18       *the Secretary concerned may spend from appropriations*  
19       *available for operation and maintenance amounts necessary*  
20       *to carry out an unspecified minor military construction*  
21       *project costing not more than \$1,500,000.”; and*

22                   (2) *in paragraph (3), by striking “limitations”*  
23       *and inserting “limitation”.*



1 **SEC. 2802. ASSESSMENT OF VULNERABILITY OF MILITARY**  
2 **INSTALLATIONS TO TERRORIST ATTACK AND**  
3 **ANNUAL REPORT ON MILITARY CONSTRU-**  
4 **CTION REQUIREMENTS RELATED TO**  
5 **ANTITERRORISM AND FORCE PROTECTION.**

6 (a) *ANNUAL ASSESSMENT AND REPORT.*—Section  
7 2808 of title 10, United States Code, is amended by adding  
8 at the end the following new subsection:

9 “(d) *ANTITERRORISM AND FORCE PROTECTION AS-*  
10 *SESSMENTS AND MILITARY CONSTRUCTION REQUIRE-*  
11 *MENTS.*—(1) *The Secretary of Defense shall develop com-*  
12 *mon guidance and criteria to be used by the Secretary con-*  
13 *cerned—*

14 “(A) *to assess the vulnerability of military in-*  
15 *stallations located inside and outside of the United*  
16 *States to terrorist attack;*

17 “(B) *to develop construction standards designed*  
18 *to reduce the vulnerability of structures to terrorist*  
19 *attack and improve the security of the occupants of*  
20 *such structures;*

21 “(C) *to prepare and carry out military construc-*  
22 *tion projects, such as gate and fenceline construction,*  
23 *to improve the physical security of military installa-*  
24 *tions; and*

1           “(D) to assist in prioritizing such projects with-  
2           in the military construction budget of each of the  
3           armed forces.

4           “(2) The Secretary of Defense shall require vulner-  
5           ability assessments of military installations to be con-  
6           ducted, at regular intervals, using the criteria developed  
7           under paragraph (1).

8           “(3) As part of the budget materials submitted to Con-  
9           gress in connection with the submission of the budget for  
10          a fiscal year pursuant to section 1105 of title 31, but in  
11          no case later than March 15 of each year, the Secretary  
12          of Defense shall submit a report describing—

13                 “(A) the location and results of the vulnerability  
14                 assessments conducted during the preceding fiscal  
15                 year;

16                 “(B) the military construction requirements an-  
17                 ticipated to be necessary during the next three fiscal  
18                 years to improve the physical security of military in-  
19                 stallations; and

20                 “(C) the extent to which funds are not requested  
21                 in the Department of Defense budget for the next fis-  
22                 cal year to meet those requirements.

23           “(4) In the case of the report required under para-  
24          graph (3) to be submitted in 2006, the Secretary of Defense  
25          shall include a certification by the Secretary that since Sep-

1 *tember 11, 2001, vulnerability assessments have been under-*  
2 *taken at all major military installations. The Secretary*  
3 *shall indicate the basis by which the Secretary differen-*  
4 *tiated between major and nonmajor military installations*  
5 *for purposes of making the certification.”.*

6 (b) *STYLISTIC AND CLERICAL AMENDMENTS.—(1) The*  
7 *heading of such section is amended to read as follows:*

8 **“§2808. Construction authority related to declaration**  
9 **of war or national emergency; construc-**  
10 **tion requirements related to antiterrorism**  
11 **and force protection”.**

12 (2) *Such section is further amended—*

13 (A) *in subsection (a), by inserting “CONSTRUC-*  
14 *TION AUTHORITY; LIMITATION.—” after “(a)”;*

15 (B) *in subsection (b), by inserting “CONGRES-*  
16 *SIONAL NOTIFICATION.—” after “(b)”;* and

17 (C) *in subsection (c), by inserting “TERMI-*  
18 *NATION.—” after “(c)”.*

19 (3) *The table of sections at the beginning of chapter*  
20 *169 of such title is amended by striking the item relating*  
21 *to section 2808 and inserting the following new item:*

*“2808. Construction authority related to declaration of war or national emer-*  
*gency; construction requirements related to antiterrorism and*  
*force protection.”.*

1 **SEC. 2803. CHANGE IN THRESHOLD FOR CONGRESSIONAL**  
2 **NOTIFICATION REGARDING USE OF OPER-**  
3 **ATION AND MAINTENANCE FUNDS FOR FACIL-**  
4 **ITY REPAIR.**

5 *Section 2811(d) of title 10, United States Code, is*  
6 *amended by striking “\$10,000,000” and inserting*  
7 *“\$7,500,000”.*

8 **SEC. 2804. REPORTING REQUIREMENTS REGARDING MILI-**  
9 **TARY FAMILY HOUSING REQUIREMENTS FOR**  
10 **GENERAL OFFICERS AND FLAG OFFICERS.**

11 *(a) ANNUAL REPORT ON COST OF GENERAL AND FLAG*  
12 *OFFICERS QUARTERS.—Section 2831 of title 10, United*  
13 *States Code, is amended by adding at the end the following*  
14 *new subsection:*

15 *“(e) ANNUAL REPORT OF COST OF GENERAL OFFI-*  
16 *CERS AND FLAG OFFICERS QUARTERS.—As part of the*  
17 *budget materials submitted to Congress in connection with*  
18 *the submission of the budget for a fiscal year pursuant to*  
19 *section 1105 of title 31, but in no case later than March*  
20 *30 of each year, the Secretary of Defense shall submit a*  
21 *report—*

22 *“(1) identifying family housing units used, or*  
23 *intended for use, as quarters for general officers or*  
24 *flag officers for which the total operation and mainte-*  
25 *nance costs, utility costs, and repair costs are antici-*  
26 *ipated to exceed \$20,000 in the next fiscal year; and*

1           “(2) specifying the total of such costs for each  
2           unit of family housing identified under paragraph  
3           (1).”.

4           **(b) REPORT ON NEED FOR SUCH QUARTERS IN NA-**  
5           **TIONAL CAPITAL REGION.**—*The Secretary of Defense shall*  
6           *prepare a report analyzing anticipated needs in the Na-*  
7           *tional Capital Region for family housing units for general*  
8           *officers and flag officers. In conducting the analysis, the*  
9           *Secretary shall consider the extent of available housing in*  
10           *the National Capital Region and the necessity of providing*  
11           *housing for general officers and flag officers in secure loca-*  
12           *tions.*

13           **(c) REPORT ON WORLD-WIDE INVENTORY OF SUCH**  
14           **QUARTERS.**—*The Secretary of Defense shall prepare a re-*  
15           *port containing a worldwide inventory of family housing*  
16           *units for general officers and flag officers and identifying*  
17           *annual expenditures for each such unit for operation and*  
18           *maintenance, utilities, and repair for each for the fiscal*  
19           *years 2000 through 2004.*

20           **(d) SUBMISSION OF REPORTS.**—*The reports required*  
21           *by subsections (b) and (c) shall be submitted to the congres-*  
22           *sional defense committees not later than March 30, 2005.*

23           **(e) DEFINITIONS.**—*In this section:*

1           (1) *The terms “general officer” and “flag officer”*  
2           *have the meanings given such terms in section 101(b)*  
3           *of title 10, United States Code.*

4           (2) *The term “National Capital Region” has the*  
5           *meaning given such term in section 2674(f) of such*  
6           *title.*

7   **SEC. 2805. CONGRESSIONAL NOTIFICATION OF DEVIATIONS**  
8                           **FROM AUTHORIZED COST VARIATIONS FOR**  
9                           **MILITARY CONSTRUCTION PROJECTS AND**  
10                          **MILITARY FAMILY HOUSING PROJECTS.**

11           *Section 2853(c)(3) of title 10, United States Code, is*  
12           *amended by inserting before the period at the end the fol-*  
13           *lowing: “or, if over sooner, a period of 14 days has elapsed*  
14           *after the date on which a copy of the notification is pro-*  
15           *vided in an electronic medium pursuant to section 480 of*  
16           *this title”.*

17   **SEC. 2806. REPEAL OF LIMITATION ON USE OF ALTER-**  
18                           **NATIVE AUTHORITY FOR ACQUISITION AND**  
19                           **IMPROVEMENT OF MILITARY FAMILY HOUS-**  
20                          **ING.**

21           *Effective October 1, 2005, subsection (g) of section 2883*  
22           *of title 10, United States Code, is amended to read as fol-*  
23           *lows:*

24           “(g) **LIMITATION ON USE OF AUTHORITY TO ACQUIRE**  
25           **OR CONSTRUCT MILITARY UNACCOMPANIED HOUSING.—**

1 *The total value in budget authority of all contracts and in-*  
2 *vestments undertaken using the authorities provided in this*  
3 *subchapter for the acquisition or construction of military*  
4 *unaccompanied housing shall not exceed \$150,000,000.”.*

5 **SEC. 2807. TEMPORARY AUTHORITY TO ACCELERATE DE-**  
6 **SIGN EFFORTS FOR MILITARY CONSTRUC-**  
7 **TION PROJECTS CARRIED OUT USING DE-**  
8 **SIGN-BUILD SELECTION PROCEDURES.**

9 *Section 2305a of title 10, United States Code, is*  
10 *amended by adding at the end the following new subsection:*

11 *“(f) SPECIAL AUTHORITY FOR MILITARY CONSTRUC-*  
12 *TION PROJECTS.—(1) The Secretary of a military depart-*  
13 *ment, and the Secretary of Defense with respect to matters*  
14 *concerning the Defense Agencies, may use funds available*  
15 *to the Secretary under section 2807(a) or 18233(e) of this*  
16 *title to accelerate the design effort in connection with a*  
17 *military construction project for which the two-phase selec-*  
18 *tion procedures described in subsection (c) are used to select*  
19 *the contractor for both the design and construction portion*  
20 *of the project before the project is specifically authorized by*  
21 *law and before funds are appropriated for the construction*  
22 *portion of the project. Notwithstanding the limitations con-*  
23 *tained in such sections, use of such funds for the design*  
24 *portion of a military construction project may continue de-*  
25 *spite the subsequent authorization of the project. The ad-*

1 *vance notice requirement of section 2807(b) of this title shall*  
2 *continue to apply whenever the estimated cost of the design*  
3 *portion of the project exceeds the amount specified in such*  
4 *section.*

5       “(2) *Any military construction contract that provides*  
6 *for an accelerated design effort, as authorized by paragraph*  
7 *(1), shall include as a condition of the contract that the*  
8 *liability of the United States in a termination for conven-*  
9 *ience may not exceed costs above the costs attributable to*  
10 *the final design of the project.*

11       “(3) *Not more than 36 military construction projects*  
12 *containing the accelerated design effort authorized by para-*  
13 *graph (1) may be carried out.*

14       “(4) *Not later than March 1, 2007, the Secretary of*  
15 *Defense shall submit to the congressional defense committees*  
16 *a report evaluating the usefulness of the authority provided*  
17 *by this subsection in expediting the design and construction*  
18 *of military construction projects. The authority provided by*  
19 *this subsection expires September 30, 2008, except that, if*  
20 *the report required by this paragraph is not submitted by*  
21 *March 1, 2007, the authority shall expire on that date.”.*



1 **SEC. 2808. EXCHANGE OR SALE OF RESERVE COMPONENT**  
2 **FACILITIES TO ACQUIRE REPLACEMENT FA-**  
3 **CILITIES.**

4 *Section 18233 of title 10, United States Code, is*  
5 *amended by adding at the end the following new subsection:*

6 *“(g)(1) The Secretary of Defense may convey, by ex-*  
7 *change or sale, an existing facility of a reserve component*  
8 *of the armed forces for the purpose of acquiring a replace-*  
9 *ment facility under this section or using the proceeds from*  
10 *the sale to acquire a replacement facility under this section,*  
11 *if the Secretary determines it is in the best interests of the*  
12 *United States to acquire the replacement facility by such*  
13 *exchange or sale. The United States shall receive funds or*  
14 *a replacement facility, or a combination of both, having a*  
15 *total value at least equal to the fair market value of the*  
16 *conveyed facility.*

17 *“(2) Acquisition of a replacement facility under this*  
18 *subsection may be accomplished by construction, expansion,*  
19 *rehabilitation, or conversion and must result in a fully*  
20 *equipped and operational replacement facility. Nothing in*  
21 *this subsection prohibits the Secretary of Defense from con-*  
22 *tributing additional funds, in accordance with this section,*  
23 *to obtain a fully equipped and operational replacement fa-*  
24 *cility.*

25 *“(3) Funds received under this subsection shall be de-*  
26 *posited in a separate account and remain available to the*

1 *Secretary of Defense, without appropriation, for use in ac-*  
 2 *cordance with this subsection. Any funds received under this*  
 3 *subsection in connection with a conveyance in excess of the*  
 4 *funds required to obtain a fully equipped and operational*  
 5 *replacement facility for the conveyed facility may be used*  
 6 *by the Secretary for the purposes of subsection (a).”.*

7 **SEC. 2809. ONE-YEAR EXTENSION OF TEMPORARY, LIMITED**  
 8 **AUTHORITY TO USE OPERATION AND MAIN-**  
 9 **TENANCE FUNDS FOR CONSTRUCTION**  
 10 **PROJECTS OUTSIDE THE UNITED STATES.**

11 *Section 2808 of the Military Construction Authoriza-*  
 12 *tion Act for Fiscal Year 2004 (division B of Public Law*  
 13 *108–136; 117 Stat. 1723) is amended—*

14 *(1) in subsections (a) and (d), by striking “fiscal*  
 15 *year 2004” both places it appears and inserting “fis-*  
 16 *cal years 2004 and 2005”; and*

17 *(2) in subsection (c)(1), by striking “in fiscal*  
 18 *year 2004” and inserting “in a fiscal year”.*

19 ***Subtitle B—Real Property and***  
 20 ***Facilities Administration***

21 **SEC. 2811. INCREASE IN CERTAIN THRESHOLDS FOR RE-**  
 22 **PORTING REAL PROPERTY TRANSACTIONS.**

23 *(a) GENERAL NOTICE AND WAIT THRESHOLD.—Sub-*  
 24 *section (a) of section 2662 of title 10, United States Code,*

1 *is amended by striking “\$750,000” each place it appears*  
2 *and inserting “\$1,500,000”.*

3       **(b) ANNUAL REPORT ON MINOR TRANSACTIONS**  
4 *THRESHOLD.—Subsection (b) of such section is amended by*  
5 *striking “subsection (a) that involve an estimated value of*  
6 *more than \$250,000, but not more than \$750,000” and in-*  
7 *serting “such subsection that involve an estimated value of*  
8 *more than \$500,000, but not more than the amount speci-*  
9 *fied in such subsection”.*

10       **(c) NOTICE AND WAIT THRESHOLD FOR CERTAIN GSA**  
11 *LEASES.—Subsection (e) of such section is amended by*  
12 *striking “\$750,000” and inserting “\$1,500,000”.*

13       **(d) THRESHOLD FOR ACQUISITION OF LOW-COST IN-**  
14 *TERESTS IN LAND.—Subsection (a) of section 2672 of such*  
15 *title is amended to read as follows:*

16       **“(a) ACQUISITION AUTHORITY.—The Secretary of a**  
17 *military department may acquire any interest in land*  
18 *that—*

19               **“(1) the Secretary determines is needed in the**  
20 *interest of national defense; and*

21               **“(2) does not cost more than \$1,500,000, exclu-**  
22 *sive of administrative costs and the amounts of any*  
23 *deficiency judgments.”.*

1           (e) *TREATMENT MULTIPLE PARCELS UNDER LOW-*  
 2 *COST ACQUISITION AUTHORITY.*—*Subsection (b) of such*  
 3 *section is amended to read as follows:*

4           “(b) *TREATMENT OF MULTIPLE PARCELS.*—*This sec-*  
 5 *tion does not authorize the acquisition, as a part of the*  
 6 *same project, of more than one parcel of land unless—*

7                   “(1) *the parcels are noncontiguous; or*

8                   “(2) *if contiguous, the total cost for the acquisi-*  
 9 *tion of all of the contiguous parcels does not cost more*  
 10 *than the amount specified in subsection (a)(2).”.*

11 **SEC. 2812. REORGANIZATION OF EXISTING ADMINISTRA-**  
 12 **TIVE PROVISIONS RELATING TO REAL PROP-**  
 13 **ERTY TRANSACTIONS.**

14           (a) *LIMITATION ON COMMISSIONS.*—(1) *Section 2661*  
 15 *of title 10, United States Code, is amended by adding at*  
 16 *the end the following new subsection:*

17           “(c) *COMMISSIONS ON LAND PURCHASE CON-*  
 18 *TRACTS.*—*The maximum amount payable as a commission*  
 19 *on a contract for the purchase of land from funds appro-*  
 20 *priated for the Department of Defense is two percent of the*  
 21 *purchase price.”.*

22           (2) *Section 2666 of such title is repealed.*

23           (b) *REPEAL OF OBSOLETE AUTHORITY TO ACQUIRE*  
 24 *LAND FOR TIMBER PRODUCTION.*—*Section 2664 of such*  
 25 *title is repealed.*

1       (c) *AVAILABILITY OF FUNDS FOR ACQUISITION OF*  
2 *CERTAIN INTERESTS IN REAL PROPERTY.*—(1) *Section*  
3 *2672 of such title is amended by adding at the end the fol-*  
4 *lowing new subsection:*

5       “(d) *AVAILABILITY OF FUNDS.*—*Appropriations avail-*  
6 *able to the Department of Defense for operation and mainte-*  
7 *nance or construction may be used for the acquisition of*  
8 *land or interests in land under this section.”.*

9       (2) *Section 2673 of such title is repealed.*

10      (3) *Section 2675 of such title is amended—*

11           (A) *by inserting before “The Secretary” the fol-*  
12 *lowing “(a) LEASE AUTHORITY; DURATION.—”; and*

13           (B) *by adding at the end the following new sub-*  
14 *section:*

15       “(b) *AVAILABILITY OF FUNDS.*—*Appropriations avail-*  
16 *able to the Department of Defense for operation and mainte-*  
17 *nance or construction may be used for the acquisition of*  
18 *interests in land under this section.”.*

19      (d) *STYLISTIC AND CLERICAL AMENDMENTS.*—(1) *Sec-*  
20 *tion 2661 of such title is further amended—*

21           (A) *in subsection (a), by inserting “AVAIL-*  
22 *ABILITY OF OPERATION AND MAINTENANCE FUNDS.—*  
23 *” after “(a)” ; and*

24           (B) *in subsection (b), by inserting “LEASING*  
25 *AND ROAD MAINTENANCE AUTHORITY.—” after “(b)”.*

1       (2) *The table of sections at the beginning of chapter*  
2 *159 of such title is amended by striking the items relating*  
3 *to sections 2664, 2666, and 2673.*

4 **SEC. 2813. TREATMENT OF MONEY RENTALS FROM GOLF**  
5 **COURSE AT ROCK ISLAND ARSENAL, ILLI-**  
6 **NOIS.**

7       (a) *SUPPORT OF MWR ACTIVITIES.*—Section 2667(d)  
8 *of title 10, United States Code, is amended—*

9           (1) *in paragraph (1)(B)—*

10               (A) *by redesignating clause (ii) as clause*  
11 *(iii); and*

12               (B) *by inserting after clause (i) the fol-*  
13 *lowing new clause:*

14                   “(ii) *Money rentals deposited in a non-*  
15 *appropriated morale, welfare, and recreation account*  
16 *under paragraph (3).”;* and

17           (2) *by inserting after paragraph (2) the fol-*  
18 *lowing new paragraph:*

19                   “(3) *The Secretary of the Army may deposit up to 50*  
20 *percent of the money rentals received by the United States*  
21 *from a lease involving the golf course at Rock Island Arse-*  
22 *nal, Illinois, in the nonappropriated morale, welfare, and*  
23 *recreation account for that installation, to be used for qual-*  
24 *ity-of-life programs at that installation.”.*

1       (b) *EFFECTIVE DATE.*—Paragraph (3) of section  
2 2667(d) of title 10, United States Code, as added by sub-  
3 section (a), shall apply to money rentals referred to in such  
4 paragraph received by the United States after September  
5 30, 2004.

6 **SEC. 2814. NUMBER OF CONTRACTS AUTHORIZED DEPART-**  
7                   **MENT-WIDE UNDER DEMONSTRATION PRO-**  
8                   **GRAM ON REDUCTION IN LONG-TERM FACIL-**  
9                   **ITY MAINTENANCE COSTS.**

10       Section 2814 of the National Defense Authorization  
11 Act for Fiscal Year 2002 (Public Law 107–107; 10 U.S.C.  
12 2809 note) is amended—

13               (1) in subsection (a), by striking “or the Sec-  
14 retary of a military department” and inserting “and  
15 the Secretaries of the military departments”;

16               (2) in subsection (b)(1), by striking “12 con-  
17 tracts per military department” and inserting “36  
18 contracts”; and

19               (3) in subsection (b)(2), by striking “the date of  
20 the enactment of the Bob Stump National Defense Au-  
21 thorization Act for Fiscal Year 2003” and inserting  
22 “December 2, 2002”.

1 **SEC. 2815. REPEAL OF COMMISSION ON REVIEW OF OVER-**  
2 **SEAS MILITARY FACILITY STRUCTURE OF THE**  
3 **UNITED STATES.**

4 *Section 128 of the Military Construction Appropria-*  
5 *tions Act, 2004 (Public Law 108–132; 117 Stat. 1382; 10*  
6 *U.S.C. 111 note), is repealed.*

7 **SEC. 2816. DESIGNATION OF AIRMEN LEADERSHIP SCHOOL**  
8 **AT LUKE AIR FORCE BASE, ARIZONA, IN**  
9 **HONOR OF JOHN J. RHODES, A FORMER MI-**  
10 **NORITY LEADER OF THE HOUSE OF REP-**  
11 **RESENTATIVES.**

12 *The Airmen Leadership School at Luke Air Force*  
13 *Base, Arizona, building 156, shall be known and designated*  
14 *as the “John J. Rhodes Airmen Leadership School”. Any*  
15 *reference to such facility in any law, regulation, map, docu-*  
16 *ment, record, or other paper of the United States shall be*  
17 *considered to be a reference to the John J. Rhodes Airmen*  
18 *Leadership School.*

19 **SEC. 2817. ELIMINATION OF REVERSIONARY INTERESTS**  
20 **CLOUDING UNITED STATES TITLE TO PROP-**  
21 **ERTY USED AS NAVY HOMEPORTS.**

22 *(a) AUTHORITY TO ACQUIRE COMPLETE TITLE.—If*  
23 *real property owned by the United States and used as a*  
24 *Navy homeport is subject to a reversionary interest of any*  
25 *kind, the Secretary of the Navy may enter into an agree-*  
26 *ment with the holder of the reversionary interest to acquire*



1 *the reversionary interest and thereby secure for the United*  
2 *States all right, title, and interest in and to the property.*

3       **(b) CONSIDERATION.**—(1) *As consideration for the ac-*  
4 *quisition of a reversionary interest under subsection (a), the*  
5 *Secretary shall provide the holder of the reversionary inter-*  
6 *est with in-kind consideration, to be determined pursuant*  
7 *to negotiations between the Secretary and the holder of the*  
8 *reversionary interest. In determining the type and value of*  
9 *any in-kind consideration to be provided for the acquisition*  
10 *of a reversionary interest under subsection (a), the Sec-*  
11 *retary shall take into account the nature of the reversionary*  
12 *interest, including whether it would require the holder of*  
13 *the reversionary interest to pay for any improvements ac-*  
14 *quired by the holder as part of the reversion of the real*  
15 *property, and the long-term use and ultimate disposition*  
16 *of the real property if the United States were to acquire*  
17 *all right, title, and interest in and to the real property sub-*  
18 *ject to the reversionary interest.*

19       (2) *Cash payments are not authorized as consideration*  
20 *for the acquisition of reversionary interests under sub-*  
21 *section (a).*

1 **SEC. 2818. REPORT ON REAL PROPERTY DISPOSAL AT MA-**  
 2 **RINE CORPS AIR STATION, EL TORO, CALI-**  
 3 **FORNIA.**

4 *Not later than 180 days after the date of the enactment*  
 5 *of this Act, the Secretary of the Navy shall submit to Con-*  
 6 *gress a report describing—*

7 *(1) the progress being made with regard to the*  
 8 *disposal of real property at Marine Corps Air Sta-*  
 9 *tion, El Toro, California, including any challenges*  
 10 *arising from plans to dispose of property at the in-*  
 11 *stallation by auction;*

12 *(2) the anticipated future uses of the property;*  
 13 *and*

14 *(3) the requests received from other Federal agen-*  
 15 *cies (including other military departments) for prop-*  
 16 *erty at the installation.*

17 ***Subtitle C—Base Closure and***  
 18 ***Realignment***

19 **SEC. 2821. TWO-YEAR POSTPONEMENT OF 2005 BASE CLO-**  
 20 **SURE AND REALIGNMENT ROUND AND SUB-**  
 21 **MISSION OF REPORTS REGARDING FUTURE**  
 22 **INFRASTRUCTURE REQUIREMENTS FOR THE**  
 23 **ARMED FORCES.**

24 *(a) TWO-YEAR POSTPONEMENT IN SUBMITTAL OF*  
 25 *BASE CLOSURE AND REALIGNMENT RECOMMENDATIONS.—*  
 26 *Section 2914 of the Defense Base Closure and Realignment*

1 *Act of 1990 (part A of title XXIX of Public Law 101–510;*  
2 *10 U.S.C. 2687 note), as added by section 3003 of the Na-*  
3 *tional Defense Authorization Act for Fiscal Year 2002 (Pub-*  
4 *lic Law 107–107; 115 Stat. 1345), is amended—*

5           (1) *in the section heading, by striking “2005”*  
6 *and inserting “2007”; and*

7           (2) *in subsection (a), by striking “May 16,*  
8 *2005,” and inserting “May 16, 2007.”*

9           (b) *COMMISSION REVIEW AND RECOMMENDATIONS.—*  
10 *Subsection (d) of section 2914 of the Defense Base Closure*  
11 *and Realignment Act of 1990 is amended—*

12           (1) *in paragraphs (1) and (2), by striking “Sep-*  
13 *tember 8, 2005” both places it appears and inserting*  
14 *“September 8, 2007”; and*

15           (2) *in paragraph (6)—*

16           (A) *by striking “in 2005” and inserting*  
17 *“under this section”; and*

18           (B) *by striking “July 1, 2005” and insert-*  
19 *ing “July 1, 2007.”*

20           (c) *REVIEW BY PRESIDENT AND TRANSMITTAL TO*  
21 *CONGRESS.—Subsection (e) of section 2914 of the Defense*  
22 *Base Closure and Realignment Act of 1990 is amended—*

23           (1) *in paragraph (1)—*

24           (A) *by striking “in 2005” and inserting*  
25 *“under this section”; and*

1           (B) by striking “September 23, 2005” and  
2           inserting “September 23, 2007”;

3           (2) in paragraph (2), by striking “October 20,  
4           2005” and inserting “October 20, 2007”; and

5           (3) in paragraph (3)—

6           (A) by striking “November 7, 2005” and in-  
7           serting “November 7, 2007”; and

8           (B) by striking “in 2005” and inserting “in  
9           2007”.

10          (d) *NEW FORCE STRUCTURE PLAN AND INFRASTRUC-*  
11 *TURE INVENTORY; RECERTIFICATION OF NEED FOR ADDI-*  
12 *TIONAL ROUND.*—Section 2912 of the Defense Base Closure  
13 *and Realignment Act of 1990 (part A of title XXIX of Pub-*  
14 *lic Law 101–510; 10 U.S.C. 2687 note), as added by section*  
15 *3001 of the National Defense Authorization Act for Fiscal*  
16 *Year 2002 (Public Law 107–107; 115 Stat. 1342), is*  
17 *amended—*

18           (1) in the section heading, by striking “**2005**”  
19           and inserting “**2007**”;

20           (2) by striking “fiscal year 2005” each place it  
21           appears and inserting “fiscal year 2007”;

22           (3) in subsection (b)(1), by inserting “for fiscal  
23           year 2007” after “subsection (a)”;

1           (4) *in subsections (b)(2) and (d), by striking “in*  
2           *2005” each place it appears and inserting “under sec-*  
3           *tion 2914”;*

4           (5) *in subsection (d), by striking “March 15,*  
5           *2005” both places it appears and inserting “March*  
6           *15, 2007”;*

7           (6) *in subsection (d)(4), by striking “calendar*  
8           *year 2005 and shall terminate on April 15, 2006”*  
9           *and inserting “calendar year 2007 and shall termi-*  
10          *nate on April 15, 2008”;* and

11          (7) *in subsection (d)(5), by striking “second ses-*  
12          *sion of the 108th Congress for the activities of the*  
13          *Commission in 2005” and inserting “second session*  
14          *of the 109th Congress for the activities of the Commis-*  
15          *sion under section 2914”.*

16          (e) *INFRASTRUCTURE-RELATED REPORTING REQUIRE-*  
17          *MENTS; TERMINATION OF BASE CLOSURE ROUND.—Section*  
18          *2912 of the Defense Base Closure and Realignment Act of*  
19          *1990 is further amended by adding at the end the following*  
20          *new subsection:*

21          “(e) *INFRASTRUCTURE-RELATED REPORTS.—*

22                 “(1) *REQUIRED REPORTS.—The Secretary shall*  
23                 *prepare the following reports related to infrastructure*  
24                 *requirements for the Armed Forces:*

1           “(A) A report containing the Integrated  
2           Global Presence and Basing Strategy of the De-  
3           partment of Defense, including the location of  
4           long-term overseas installations, installations to  
5           be used for rotational purposes, and forward op-  
6           erating locations, anticipated rotational plans  
7           and policies, and domestic and overseas infra-  
8           structure requirements associated with the strat-  
9           egy.

10           “(B) A report describing the anticipated in-  
11           frastructure requirements associated with the  
12           probable end-strength levels and major military  
13           force units (including land force divisions, car-  
14           rier and other major combatant vessels, air  
15           wings, and other comparable units) for each of  
16           the Armed Forces resulting from force trans-  
17           formation.

18           “(C) A report describing the anticipated in-  
19           frastructure requirements related to expected  
20           changes in the active component versus reserve  
21           component personnel mix of the Armed Forces.

22           “(D) A report describing the anticipated in-  
23           frastructure requirements associated with the so-  
24           called ‘10–30–30 objective’ of the Secretary to en-  
25           sure that military forces are capable of deploy-

1           *ment overseas within 10 days in sufficient*  
2           *strength to defeat an enemy within 30 days and*  
3           *be ready for redeployment within 30 days after*  
4           *the end of combat operations.*

5           “(E) *A report containing the results of a*  
6           *complete reassessment of the infrastructure nec-*  
7           *essary to support the force structure described in*  
8           *the force-structure plan prepared under para-*  
9           *graph (1) of subsection (a) and describing any*  
10          *resulting excess infrastructure and infrastructure*  
11          *capacity, which were previously required by*  
12          *paragraph (2) of such subsection. The reassess-*  
13          *ment shall be based on actual infrastructure, fa-*  
14          *ility, and space requirements for the Armed*  
15          *Forces rather than a comparative study between*  
16          *1989 and 2003.*

17          “(F) *A report describing the anticipated in-*  
18          *frastructure requirements associated with the as-*  
19          *essment prepared by the Secretary pursuant to*  
20          *section 2822 of the National Defense Authoriza-*  
21          *tion Act for Fiscal Year 2004 (Public Law 108–*  
22          *136; 117 Stat. 1726), in which Congress required*  
23          *the Secretary to assess the probable threats to na-*  
24          *tional security and determine the potential, pru-*

1           *dent, surge requirements for the Armed Forces*  
2           *and military installations to meet those threats.*

3           “(2) *TIME FOR SUBMISSION OF REPORTS.*—*The*  
4           *reports required by paragraph (1) shall be submitted*  
5           *to the congressional defense committees only during*  
6           *the period beginning on January 1, 2006, and ending*  
7           *on March 15, 2006.*

8           “(3) *TERMINATION OF ROUND FOR FAILURE TO*  
9           *SUBMIT REPORTS AS REQUIRED.*—*If the reports re-*  
10          *quired by paragraph (1) are not submitted during the*  
11          *period specified in paragraph (2), the process for the*  
12          *making of recommendations to the Congress for the*  
13          *closure or realignment of military installations and*  
14          *the selection of installations for closure or realignment*  
15          *under this part in 2007 shall be terminated.”.*

16          (f) *CONFORMING AMENDMENTS.*—(1) *Section*  
17          *2904(a)(3) of the Defense Base Closure and Realignment*  
18          *Act of 1990 is amended by striking “in the 2005 report”*  
19          *and inserting “in a report submitted after 2001”.*

20          (2) *Section 2906(e) of such Act is amended by striking*  
21          *“2005” and inserting “2007”.*

22          (3) *Section 2906A of such Act is amended—*

23                  (A) *in the section heading, by striking “2005”*  
24                  *and inserting “2007”; and*



1           (B) by striking “2005” each place it appears  
2           and inserting “2007”.

3           (4) Section 2909(a) of such Act is amended by striking  
4           “2006” and inserting “2008”.

5   **SEC. 2822. ESTABLISHMENT OF SPECIFIC DEADLINE FOR**  
6                   **SUBMISSION OF REVISIONS TO FORCE-**  
7                   **STRUCTURE PLAN AND INFRASTRUCTURE IN-**  
8                   **VENTORY FOR NEXT BASE CLOSURE ROUND.**

9           Section 2912(a)(4) of the Defense Base Closure and Re-  
10          alignment Act of 1990 (part A of title XXIX of Public Law  
11          101–510; 10 U.S.C. 2687 note) is amended by striking “as  
12          part of the budget justification document submitted to Con-  
13          gress for fiscal year 2006.” and inserting “not later than  
14          March 15 of the year in which the Secretary will submit,  
15          consistent with subsection (e) of this section, the list of the  
16          military installations inside the United States that the Sec-  
17          retary recommends for closure or realignment. No revision  
18          of the force-structure plan or infrastructure inventory is au-  
19          thorized after that March 15 date.”.

20   **SEC. 2823. SPECIFICATION OF FINAL SELECTION CRITERIA**  
21                   **FOR NEXT BASE CLOSURE ROUND.**

22          (a) *FINDINGS.*—Congress finds the following:

23                  (1) Title XXX of the National Defense Authoriza-  
24                  tion Act for Fiscal Year 2002 (Public Law 107–107;  
25                  115 Stat. 1342) amended the Defense Base Closure

1 *and Realignment Act of 1990 (part A of title XXIX*  
2 *of Public Law 101–510; 10 U.S.C. 2687 note) to au-*  
3 *thorize the Secretary of Defense to conduct an addi-*  
4 *tional round of base realignments and closures.*

5 *(2) In section 2822 of the National Defense Au-*  
6 *thorization Act for Fiscal Year 2004 (Public Law*  
7 *108–136; 117 Stat. 1726), approved November 24,*  
8 *2003, Congress required the Secretary of Defense to*  
9 *assess the probable threats to national security and*  
10 *determine the potential, prudent, surge requirements*  
11 *for the Armed Forces and military installations to*  
12 *meet those threats. Such section specifically requires*  
13 *the Secretary of Defense to use the determination of*  
14 *surge requirements in exercising the authority of the*  
15 *Secretary to conduct the next round of base realign-*  
16 *ments and closures.*

17 *(3) Section 2913 of the Defense Base Closure and*  
18 *Realignment Act of 1990, as added by title XXX of*  
19 *the National Defense Authorization Act for Fiscal*  
20 *Year 2002, specified the process by which the Sec-*  
21 *retary of Defense was to prepare the criteria to be*  
22 *used by the Secretary in making recommendations for*  
23 *the next round of base realignments and closures and*  
24 *listed certain requirements the Secretary had to com-*  
25 *ply with as part of the process, including the advance*

1        *publication of the proposed criteria and the sollicita-*  
2        *tion and consideration of public comments.*

3            *(4) In subsection (e) of such section, Congress re-*  
4        *quired the Secretary of Defense to publish in the Fed-*  
5        *eral Register and transmit to Congress not later than*  
6        *February 16, 2004, the final criteria intended to be*  
7        *used by the Secretary in making recommendations for*  
8        *the next round of base realignments and closures.*  
9        *Pursuant to such subsection, the Secretary of Defense*  
10       *published the final selection criteria in the Federal*  
11       *Register on February 12, 2004 (69 Fed. Reg. 6948).*

12           *(5) In addition to specifically reserving its right*  
13       *to disapprove the final selection criteria, Congress*  
14       *may modify or otherwise amend the criteria by Act*  
15       *of Congress.*

16        *(b) CONGRESSIONAL SPECIFICATION OF FINAL BRAC*  
17       *SELECTION CRITERIA.—Section 2913 of the Defense Base*  
18       *Closure and Realignment Act of 1990 (part A of title XXIX*  
19       *of Public Law 101–510; 10 U.S.C. 2687 note), as added*  
20       *by section 3002 of the National Defense Authorization Act*  
21       *for Fiscal Year 2002 (Public Law 107–107; 115 Stat.*  
22       *1344), is amended to read as follows:*

1 **“SEC. 2913. FINAL SELECTION CRITERIA FOR ADDITIONAL**  
2 **ROUND OF BASE CLOSURES AND REALIGN-**  
3 **MENTS.**

4 *“(a) FINAL SELECTION CRITERIA.—The final criteria*  
5 *to be used by the Secretary in making recommendations for*  
6 *the closure or realignment of military installations inside*  
7 *the United States under this part in any additional round*  
8 *of base closures and realignments are as follows:*

9 *“(1) The current and future mission require-*  
10 *ments and the impact on operational readiness of the*  
11 *total force of the Department of Defense, including the*  
12 *impact on joint warfighting, training, readiness, and*  
13 *research, development, test, and evaluation of weapons*  
14 *systems and equipment.*

15 *“(2) The availability and condition of land, fa-*  
16 *cilities, infrastructure, and associated air and water*  
17 *space (including preservation of training areas suit-*  
18 *able for maneuver by ground, naval, or air forces*  
19 *throughout a diversity of climate and terrain areas,*  
20 *the preservation of testing ranges able to accommo-*  
21 *date current or future military weapons systems and*  
22 *equipment, and the preservation of staging areas for*  
23 *the use of the Armed Forces in homeland defense mis-*  
24 *sions) at both existing and potential receiving loca-*  
25 *tions.*

1           “(3) *The ability to accommodate contingency,*  
2           *mobilization, and future total force requirements at*  
3           *both existing and potential receiving locations to sup-*  
4           *port operations, training, maintenance, and repair.*

5           “(4) *Preservation of land, air, and water space,*  
6           *facilities, and infrastructure necessary to support*  
7           *training and operations of military forces determined*  
8           *to be surge requirements by the Secretary of Defense,*  
9           *as required by section 2822 of the National Defense*  
10           *Authorization Act for Fiscal Year 2004 (Public Law*  
11           *108–136; 117 Stat. 1726).*

12           “(5) *The extent and timing of potential costs and*  
13           *savings of base realignment and closure actions on the*  
14           *entire Federal budget, as well as the Department of*  
15           *Defense, including the number of years, beginning*  
16           *with the date of completion of the closure or realign-*  
17           *ment, for the savings to exceed the costs. Costs shall*  
18           *include those costs related to potential environmental*  
19           *restoration, waste management, and environmental*  
20           *compliance activities.*

21           “(6) *The economic impact on existing commu-*  
22           *nities in the vicinity of military installations.*

23           “(7) *The ability of the infrastructure of both the*  
24           *existing and potential receiving communities to sup-*  
25           *port forces, missions, and personnel, including qual-*

1        *ity of living standards for members of the Armed*  
2        *Forces and their dependents.*

3            “(8) *The environmental impact on receiving lo-*  
4        *cations.*

5            “(b) *PRIORITY GIVEN TO MILITARY VALUE.—In rec-*  
6        *ommending military installations for closure or realign-*  
7        *ment, the Secretary shall give priority consideration to the*  
8        *first four criteria specified in subsection (a).*

9            “(c) *RELATION TO OTHER MATERIALS.—The final se-*  
10       *lection criteria specified in subsection (a) shall be the only*  
11       *criteria to be used, along with the force-structure plan and*  
12       *infrastructure inventory referred to in section 2912, in*  
13       *making recommendations for the closure or realignment of*  
14       *military installations inside the United States under this*  
15       *part after December 31, 2003.*

16           “(d) *RELATION TO CRITERIA FOR EARLIER*  
17       *ROUNDS.—Section 2903(b), and the selection criteria pre-*  
18       *pared under such section, shall not apply with respect to*  
19       *the process of making recommendations for the closure or*  
20       *realignment of military installations after December 31,*  
21       *2003.”.*

22           (c) *CONFORMING AMENDMENTS.—The Defense Base*  
23       *Closure and Realignment Act of 1990 is amended—*

1           (1) *in section 2912(c)(1)(A), by striking “cri-*  
2           *teria prepared under section 2913” and inserting*  
3           *“criteria specified in section 2913”; and*

4           (2) *in section 2914(a), by striking “criteria pre-*  
5           *pared by the Secretary under section 2913” and in-*  
6           *serting “criteria specified in section 2913”.*

7   **SEC. 2824. REQUIREMENT FOR UNANIMOUS VOTE OF DE-**  
8           **FENSE BASE CLOSURE AND REALIGNMENT**  
9           **COMMISSION TO ADD TO OR OTHERWISE EX-**  
10          **PAND CLOSURE AND REALIGNMENT REC-**  
11          **COMMENDATIONS MADE BY SECRETARY OF DE-**  
12          **FENSE.**

13          *Section 2914(d) of the Defense Base Closure and Re-*  
14          *alignment Act of 1990 (part A of title XXIX of Public Law*  
15          *101–510; 10 U.S.C. 2687 note), as added by section 3003*  
16          *of the Military Construction Authorization Act for Fiscal*  
17          *Year 2002 (division B of Public Law 107–107; 155 Stat,*  
18          *1346) and amended by section 2854 of the Bob Stump Na-*  
19          *tional Defense Authorization Act for Fiscal Year 2003 (Pub-*  
20          *lic Law 107–314; 116 Stat. 2728), is amended—*

21                 (1) *in paragraph (3), by striking “TO ADD” and*  
22                 *inserting “TO CONSIDER ADDITIONS”; and*

23                 (2) *by striking paragraph (5) and inserting the*  
24                 *following new paragraph:*

1           “(5) *REQUIREMENTS TO EXPAND CLOSURE OR*  
2           *REALIGNMENT RECOMMENDATIONS.*—*In the report re-*  
3           *quired under section 2903(d)(2)(A) that is to be*  
4           *transmitted under paragraph (1), the Commission*  
5           *may not make a change in the recommendations of*  
6           *the Secretary that would close a military installation*  
7           *not recommended for closure by the Secretary, would*  
8           *realign a military installation not recommended for*  
9           *closure or realignment by the Secretary, or would ex-*  
10          *pend the extent of the realignment of a military in-*  
11          *stallation recommended for realignment by the Sec-*  
12          *retary unless—*

13                   “(A) *at least two members of the Commis-*  
14                   *sion visit the military installation before the*  
15                   *date of the transmittal of the report; and*

16                   “(B) *the decision of the Commission to*  
17                   *make the change to recommend the closure of the*  
18                   *military installation, the realignment of the in-*  
19                   *stallation, or the expanded realignment of the in-*  
20                   *stallation is unanimous.”.*



1 **SEC. 2825. ADHERENCE TO CERTAIN AUTHORITIES ON**  
2 **PRESERVATION OF MILITARY DEPOT CAPA-**  
3 **BILITIES DURING ANY SUBSEQUENT ROUND**  
4 **OF BASE CLOSURES AND REALIGNMENTS.**

5 *The Defense Base Closure and Realignment Act of*  
6 *1990 (part A of title XXIX of Public Law 101–510; 10*  
7 *U.S.C. 2687 note) is amended by adding at the end the fol-*  
8 *lowing new section:*

9 **“SEC. 2915. ADHERENCE TO CERTAIN AUTHORITIES ON**  
10 **PRESERVATION OF MILITARY DEPOT CAPA-**  
11 **BILITIES DURING ANY SUBSEQUENT ROUND**  
12 **OF BASE CLOSURES AND REALIGNMENTS.**

13 *“(a) ADHERENCE REQUIRED.—(1) Any base closure*  
14 *and realignment actions under section 2914 or subsequent*  
15 *round of base closure and realignment, and any actions to*  
16 *carry out the closure or realignment of military installa-*  
17 *tions as a result of such actions, shall reflect a strict adher-*  
18 *ence to the provisions of title 10, United States Code, for*  
19 *the maintenance of government-owned, government-oper-*  
20 *ated depot-level maintenance, repair, and logistics capabili-*  
21 *ties within the Department of Defense, including the provi-*  
22 *sions of chapter 146 of such title and other applicable provi-*  
23 *sions.*

24 *“(2) No action to carry out the closure or realignment*  
25 *of military installations in any base closures and realign-*  
26 *ments under this part after the date of the enactment of*

1 *this section may include a waiver authorized by paragraph*  
2 *(2) or (3) of section 2464(b) or section 2466(b) of title 10,*  
3 *United States Code.*

4 “(b) *BASE CLOSURE AND REALIGNMENT ACTIONS DE-*  
5 *FINED.*—*In this section, the term ‘base closure and realign-*  
6 *ment actions’ means the following:*

7 “(1) *The preparation by the Secretary of Defense*  
8 *of recommendations on installations for closure or re-*  
9 *alignment under this part or any subsequent base clo-*  
10 *sure law.*

11 “(2) *The review by the Commission of the rec-*  
12 *ommendations referred to in paragraph (1).*

13 “(3) *The review by the President of the rec-*  
14 *ommendations referred to in paragraphs (1) and*  
15 *(2).”.*

## 16 ***Subtitle D—Land Conveyances***

### 17 ***PART I—ARMY CONVEYANCES***

#### 18 ***SEC. 2831. TRANSFER OF ADMINISTRATIVE JURISDICTION,***

#### 19 ***DEFENSE SUPPLY CENTER, COLUMBUS, OHIO.***

20 (a) *TRANSFER REQUIRED.*—*As soon as practicable*  
21 *after the date of the enactment of this Act, the Secretary*  
22 *of the Army shall transfer, without reimbursement, to the*  
23 *administrative jurisdiction of the Secretary of Veterans Af-*  
24 *fairs a parcel of real property consisting of approximately*  
25 *20 acres and comprising a portion of the Defense Supply*

1 *Center in Columbus, Ohio, for the purpose of permitting*  
2 *the Secretary of Veterans Affairs to use the property as the*  
3 *site for an outpatient clinic.*

4       **(b) PAYMENT OF COSTS OF CONVEYANCE.**—(1) *The*  
5 *Secretary of the Army shall require the Secretary of Vet-*  
6 *erans Affairs to cover costs to be incurred by the Secretary*  
7 *of the Army, or to reimburse the Secretary of the Army for*  
8 *costs incurred by the Secretary of the Army, to carry out*  
9 *the conveyance under subsection (a), including survey costs,*  
10 *costs related to environmental documentation, and other ad-*  
11 *ministrative costs related to the conveyance. If amounts are*  
12 *collected from the Secretary of Veterans Affairs in advance*  
13 *of the Secretary of the Army incurring the actual costs, and*  
14 *the amount collected exceeds the costs actually incurred by*  
15 *the Secretary of the Army to carry out the conveyance, the*  
16 *Secretary of the Army shall refund the excess amount to*  
17 *the Secretary of Veterans Affairs.*

18       (2) *Amounts received as reimbursement under para-*  
19 *graph (1) shall be credited to the fund or account that was*  
20 *used to cover the costs incurred by the Secretary of the*  
21 *Army in carrying out the conveyance. Amounts so credited*  
22 *shall be merged with amounts in such fund or account, and*  
23 *shall be available for the same purposes, and subject to the*  
24 *same conditions and limitations, as amounts in such fund*  
25 *or account.*

1       (c) *DESCRIPTION OF REAL PROPERTY.*—*The exact*  
2 *acreage and legal description of the real property to be*  
3 *transferred under subsection (a) shall be determined by a*  
4 *survey satisfactory to the Secretary of the Army.*

5 **SEC. 2832. LAND CONVEYANCE, FORT HOOD, TEXAS.**

6       (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*  
7 *Army may convey to the Texas A&M University System*  
8 *of the State of Texas (in this section referred to as the “Uni-*  
9 *versity System”), all right, title, and interest of the United*  
10 *States in and to a parcel of real property, including im-*  
11 *provements thereon, consisting of approximately 662 acres*  
12 *at Fort Hood, Texas, for the sole purpose of permitting the*  
13 *University System to establish on the property an upper*  
14 *level (junior, senior and graduate) university that will be*  
15 *State-supported, separate from other universities of the*  
16 *University System, and designated as Texas A&M Univer-*  
17 *sity, Central Texas.*

18       (b) *CONSIDERATION.*—(1) *As consideration for the con-*  
19 *veyance under subsection (a), the University System shall*  
20 *pay to the United States an amount equal to the fair mar-*  
21 *ket value of the conveyed property, as determined pursuant*  
22 *to an appraisal acceptable to the Secretary.*

23       (2) *In lieu of all or a portion of the cash consideration*  
24 *required by paragraph (1), the Secretary may accept in-*

1 *kind consideration, including the conveyance by the Univer-*  
2 *sity System of real property acceptable to the Secretary.*

3 (c) *CONDITION OF CONVEYANCE.—The conveyance*  
4 *under subsection (a) shall be subject to the condition that*  
5 *the Secretary determine that the conveyance of the property*  
6 *and the establishment of a university on the property will*  
7 *not adversely impact the operation of Robert Grey Army*  
8 *Airfield, which is located on Fort Hood approximately one*  
9 *mile from the property authorized for conveyance.*

10 (d) *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 borne*  
14 *by the University System.*

15 (e) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*  
16 *retary may require such additional terms and conditions*  
17 *in connection with the conveyance under subsection (a) as*  
18 *the Secretary considers appropriate to protect the interests*  
19 *of the United States.*

20 **SEC. 2833. LAND CONVEYANCE, ARMY NATIONAL GUARD FA-**  
21 **CILITY, SEATTLE, WASHINGTON.**

22 (a) *CONVEYANCE AUTHORIZED.—The Secretary of the*  
23 *Army may convey, without consideration, to the State of*  
24 *Washington (in this section referred to as the “State”) all*  
25 *right, title, and interest of the United States in and to a*

1 *parcel of real property, including any improvements there-*  
2 *on, consisting of approximately 9.747 acres in Seattle,*  
3 *Washington, and comprising a portion of the National*  
4 *Guard Facility, Pier 91, for the purpose of permitting the*  
5 *State to convey the facility unencumbered for economic de-*  
6 *velopment purposes.*

7       **(b) ADMINISTRATIVE EXPENSES.**—(1) *The State shall*  
8 *reimburse the Secretary for the administrative expenses in-*  
9 *curred by the Secretary in carrying out the conveyance*  
10 *under subsection (a), including expenses related to surveys*  
11 *and legal descriptions, boundary monumentation, environ-*  
12 *mental surveys, necessary documentation, travel, and deed*  
13 *preparation.*

14       (2) *Section 2695(c) of title 10, United States Code,*  
15 *shall apply to any amounts received by the Secretary as*  
16 *reimbursement under this subsection.*

17       **(c) EXEMPTION FROM FEDERAL SCREENING.**—*The*  
18 *conveyance authorized by subsection (a) is exempt from the*  
19 *requirement to screen the property for other Federal use*  
20 *pursuant to sections 2693 and 2696 of title 10, United*  
21 *States Code.*

22       **(d) DESCRIPTION OF PROPERTY.**—*The exact acreage*  
23 *and legal description of the property to be conveyed under*  
24 *subsection (a) shall be determined by a survey satisfactory*  
25 *to the Secretary. The cost of the survey shall be borne by*

1 *the United States, subject to the requirement for reimburse-*  
2 *ment under subsection (b).*

3 *(e) ADDITIONAL TERMS AND CONDITIONS.—The Sec-*  
4 *retary may require such additional terms and conditions*  
5 *in connection with the conveyance under subsection (a) as*  
6 *the Secretary considers appropriate to protect the interests*  
7 *of the United States.*

8 **PART II—NAVY CONVEYANCES**

9 **SEC. 2841. TRANSFER OF JURISDICTION, NEBRASKA AVE-**  
10 **NUE NAVAL COMPLEX, DISTRICT OF COLUM-**  
11 **BIA.**

12 *(a) TRANSFER REQUIRED.—Except as provided in*  
13 *subsection (b), the Secretary of the Navy shall transfer to*  
14 *the administrative jurisdiction of the Administrator of Gen-*  
15 *eral Services the parcel of Department of the Navy real*  
16 *property in the District of Columbia known as the Nebraska*  
17 *Avenue Complex for the purpose of permitting the Adminis-*  
18 *trator to use the Complex to accommodate the Department*  
19 *of Homeland Security. The Complex shall be transferred in*  
20 *its existing condition.*

21 *(b) AUTHORITY TO RETAIN MILITARY FAMILY HOUS-*  
22 *ING.—At the option of the Secretary of the Navy, the Sec-*  
23 *retary may retain administrative jurisdiction over that*  
24 *portion of the Complex that, as of the date of the enactment*  
25 *of this Act, is being used to provide Navy family housing.*

1           (c) *TIME FOR TRANSFER.*—Not later than January 1,  
2 2005, the Secretary of the Navy shall complete the transfer  
3 of administrative jurisdiction over the portion of the Com-  
4 plex required to be transferred under subsection (a).

5           (d) *RELOCATION OF NAVY ACTIVITIES.*—As part of the  
6 transfer of the Complex under subsection (a), the Secretary  
7 of the Navy shall relocate Department of the Navy activities  
8 at the Complex to other locations.

9           (e) *PAYMENT OF INITIAL RELOCATION COSTS.*—Sub-  
10 ject to the availability of appropriations for this purpose,  
11 the Secretary of the Department of Homeland Security shall  
12 be responsible for the payment of—

13               (1) all reasonable costs, including costs to move  
14 furnishings and equipment, related to the initial relo-  
15 cation of Department of the Navy activities from the  
16 Complex under subsection (d); and

17               (2) all reasonable costs incident to the initial oc-  
18 cupancy by such activities of interim leased space, in-  
19 cluding rental costs for the first year.

20           (f) *PAYMENT OF LONG-TERM RELOCATION COSTS.*—

21               (1) *SENSE OF CONGRESS REGARDING PAY-*  
22 *MENT.*—It is the sense of the Congress that the Sec-  
23 retary of the Navy should receive, from Federal agen-  
24 cies other than the Department of Defense, funds au-  
25 thorized and appropriated for the purpose of covering



1        *all reasonable costs, not paid under subsection (e),*  
2        *that are incurred or will be incurred by the Secretary*  
3        *to permanently relocate Department of the Navy ac-*  
4        *tivities from the Complex under subsection (d).*

5                (2) *SUBMISSION OF COST ESTIMATES.—As soon*  
6        *as practicable after the date of the enactment of this*  
7        *Act , the Secretary of the Navy shall submit to the*  
8        *Director of the Office of Management and Budget and*  
9        *the Congress an initial estimate of the amounts that*  
10        *will be necessary to cover the costs to permanently re-*  
11        *locate Department of the Navy activities from the*  
12        *portion of the Complex to be transferred under sub-*  
13        *section (a). The Secretary shall include in the esti-*  
14        *mate anticipated land acquisition and construction*  
15        *costs. The Secretary shall revise the estimate as nec-*  
16        *essary whenever information regarding the actual*  
17        *costs for the relocation is obtained.*

18                (g) *TREATMENT OF FUNDS.—(1) Funds received by the*  
19        *Secretary of the Navy, from sources outside the Department*  
20        *of Defense, to relocate Department of the Navy activities*  
21        *from the Complex shall be used to pay the costs incurred*  
22        *by the Secretary to permanently relocate Department of the*  
23        *Navy activities from the Complex. A military construction*  
24        *project carried out using such funds is deemed to be an au-*  
25        *thorized military construction project for purposes of sec-*

1 *tion 2802 of title 10, United States Code. Section 2822 of*  
2 *such title shall continue to apply to any military family*  
3 *housing unit proposed to be constructed or acquired using*  
4 *such funds.*

5       (2) *When a decision is made to carry out a military*  
6 *construction project using such funds, the Secretary of the*  
7 *Navy shall notify Congress in writing of that decision, in-*  
8 *cluding the justification for the project and the current esti-*  
9 *mate of the cost of the project. The project may then be car-*  
10 *ried out only after the end of the 21-day period beginning*  
11 *on the date the notification is received by Congress or, if*  
12 *earlier, the end of the 14-day period beginning on the date*  
13 *on which a copy of the notification is provided in an elec-*  
14 *tronic medium pursuant to section 480 of title 10, United*  
15 *States Code.*

16       (h) *EFFECT OF FAILURE TO RECEIVE SUFFICIENT*  
17 *FUNDS FOR RELOCATION COSTS.—*

18               (1) *CONGRESSIONAL NOTIFICATION.—At the end*  
19 *of the three-year period beginning on the date of the*  
20 *transfer of the Complex under subsection (a), the Sec-*  
21 *retary of the Navy shall submit to Congress a re-*  
22 *port—*

23                       (A) *specifying the total amount needed to*  
24 *cover both the initial and permanent costs of re-*  
25 *locating Department of the Navy activities from*

1           *the portion of the Complex transferred under*  
2           *subsection (a);*

3                   *(B) specifying the total amount of the ini-*  
4                   *tial relocation costs paid by the Secretary of the*  
5                   *Department of Homeland Security under sub-*  
6                   *section (e); and*

7                   *(C) specifying the total amount of appro-*  
8                   *priated funds received by the Secretary of the*  
9                   *Navy, from sources outside the Department of*  
10                  *Defense, to cover the permanent relocation costs.*

11                  *(2) ROLE OF OMB.—The Secretary of the Navy*  
12                  *shall obtain the assistance and concurrence of the Di-*  
13                  *rector of the Office of Management and Budget in de-*  
14                  *termining the total amount needed to cover both the*  
15                  *initial and permanent costs of relocating Department*  
16                  *of the Navy activities from the portion of the Complex*  
17                  *transferred under subsection (a), as required by para-*  
18                  *graph (1)(A).*

19                  *(3) CERTIFICATION REGARDING RELOCATION*  
20                  *COSTS.—Not later than 30 days after the date on*  
21                  *which the report under paragraph (1) is required to*  
22                  *be submitted to Congress, the President shall certify*  
23                  *to Congress whether the amounts specified in the re-*  
24                  *port pursuant to subparagraphs (B) and (C) of such*  
25                  *paragraph are sufficient to cover both the initial and*

1        *permanent costs of relocating Department of the Navy*  
2        *activities from the portion of the Complex transferred*  
3        *under subsection (a). The President shall make this*  
4        *certification only after consultation with the Chair-*  
5        *man and ranking minority member of the Committee*  
6        *on Armed Services and the Committee on Appropria-*  
7        *tions of the House of Representatives and the Chair-*  
8        *man and ranking minority member of the Committee*  
9        *on Armed Services and the Committee on Appropria-*  
10       *tions of the Senate.*

11            (4) *RESTORATION OF COMPLEX TO NAVY.—If the*  
12        *President certifies under paragraph (3) that amounts*  
13        *referred to in subparagraphs (B) and (C) of para-*  
14        *graph (1) are insufficient to cover Navy relocation*  
15        *costs, the Administrator of General Services, at the re-*  
16        *quest of the Secretary of the Navy, shall restore the*  
17        *Complex to the administrative jurisdiction of the Sec-*  
18        *retary of the Navy.*

19            (5) *NAVY SALE OF COMPLEX.—If administrative*  
20        *jurisdiction over the Complex is restored to the Sec-*  
21        *retary of the Navy, the Secretary shall convey the*  
22        *Complex by competitive sale. Amounts received by the*  
23        *United States as consideration from any sale under*  
24        *this paragraph shall be deposited in the special ac-*

1        *count in the Treasury established pursuant to section*  
2        *572(b) of title 40, United States Code.*

3    **SEC. 2842. LAND CONVEYANCE, NAVY PROPERTY, FORMER**  
4                                    **FORT SHERIDAN, ILLINOIS.**

5        *(a) CONVEYANCE AUTHORIZED.—The Secretary of the*  
6        *Navy may convey, without consideration, to the State of*  
7        *Illinois, a political subdivision of the State, or a nonprofit*  
8        *land conservation organization (in this section collectively*  
9        *referred to as the “grantee”), all right, title, and interest*  
10       *of the United States in and to certain environmentally sen-*  
11       *sitive land at the former Fort Sheridan, Illinois, consisting*  
12       *of mostly bluffs and ravines, for the purpose of ensuring*  
13       *the permanent protection of the lands.*

14       *(b) REVERSIONARY INTEREST.—If the Secretary deter-*  
15       *mines at any time that the real property conveyed under*  
16       *subsection (a) is not being used or maintained in accord-*  
17       *ance with the purpose of the conveyance specified in such*  
18       *subsection, all right, title, and interest in and to all or any*  
19       *portion of the property shall revert, at the option of the*  
20       *Secretary, to the United States, and the United States shall*  
21       *have the right of immediate entry onto the property. Any*  
22       *determination of the Secretary under this subsection shall*  
23       *be made on the record after an opportunity for a hearing.*

24       *(c) RECONVEYANCE AUTHORIZED.—The Secretary*  
25       *may permit the grantee to convey the real property con-*

1 *veyed under subsection (a) to another eligible entity de-*  
2 *scribed in such subsection, subject to the same covenants and*  
3 *terms and conditions as provided in the deed from the*  
4 *United States.*

5       *(d) PAYMENT OF COSTS OF CONVEYANCE.—(1) The*  
6 *Secretary shall require the grantee to cover costs to be in-*  
7 *curred by the Secretary, or to reimburse the Secretary for*  
8 *costs incurred by the Secretary, to carry out the conveyance*  
9 *under subsection (a), including survey costs, costs related*  
10 *to environmental documentation, and other administrative*  
11 *costs related to the conveyance. If amounts are collected*  
12 *from the grantee in advance of the Secretary incurring the*  
13 *actual costs, and the amount collected exceeds the costs actu-*  
14 *ally incurred by the Secretary to carry out the conveyance,*  
15 *the Secretary shall refund the excess amount to the grantee.*

16       *(2) Amounts received as reimbursement under para-*  
17 *graph (1) shall be credited to the fund or account that was*  
18 *used to cover the costs incurred by the Secretary in carrying*  
19 *out the conveyance. Amounts so credited shall be merged*  
20 *with amounts in such fund or account, and shall be avail-*  
21 *able for the same purposes, and subject to the same condi-*  
22 *tions and limitations, as amounts in such fund or account.*

23       *(e) EXEMPTION FROM FEDERAL SCREENING.—The*  
24 *conveyance authorized by subsection (a) is exempt from the*  
25 *requirement to screen the property for other Federal use*

1 pursuant to sections 2693 and 2696 of title 10, United  
2 States Code.

3 (f) *DESCRIPTION OF PROPERTY.*—The exact acreage  
4 and legal description of the real property to be conveyed  
5 under subsection (a) shall be determined by a survey satis-  
6 factory to the Secretary.

7 (g) *ADDITIONAL TERMS AND CONDITIONS.*—The Sec-  
8 retary may require such additional terms and conditions  
9 in connection with the conveyance under subsection (a) as  
10 the Secretary considers appropriate to protect the interests  
11 of the United States.

12 (h) *USE OF ALTERNATE CONVEYANCE AUTHORITY.*—  
13 In lieu of using the authority provided by this section to  
14 convey the real property described in subsection (a), the  
15 Secretary may elect to include the property in a conveyance  
16 authorized by section 2878 of title 10, United States Code,  
17 subject to such terms, reservations, restrictions, and condi-  
18 tions as may be necessary to ensure the permanent protec-  
19 tion of the property, if the Secretary determines that a con-  
20 veyance under such section is advantageous to the interests  
21 of the United States.

22 **SEC. 2843. LAND EXCHANGE, NAVAL AIR STATION, PATUX-**  
23 **ENT RIVER, MARYLAND.**

24 (a) *CONVEYANCE AUTHORIZED.*—The Secretary of the  
25 Navy may convey to the State of Maryland (in this section

1 referred to as “State”), all right, title, and interest of the  
2 United States in and to a parcel of real property, including  
3 improvements thereon, consisting of approximately five  
4 acres at Naval Air Station, Patuxent River, Maryland, and  
5 containing the Point Lookout Lighthouse, other structures  
6 related to the lighthouse, and an archaeological site per-  
7 taining to the military hospital that was located on the  
8 property during the Civil War. The conveyance shall in-  
9 clude artifacts pertaining to the military hospital recovered  
10 by the Navy and held at the installation.

11 (b) *PROPERTY RECEIVED IN EXCHANGE.*—As consid-  
12 eration for the conveyance of the real property under sub-  
13 section (a), the State shall convey to the United States a  
14 parcel of real property consisting of approximately five  
15 acres located in Point Lookout State Park, St. Mary’s  
16 County, Maryland.

17 (c) *PAYMENT OF COSTS OF CONVEYANCE.*—(1) The  
18 Secretary may require the State to cover costs to be incurred  
19 by the Secretary, or to reimburse the Secretary for costs  
20 incurred by the Secretary, to carry out the conveyance  
21 under subsection (a), including survey costs, costs related  
22 to environmental documentation, relocation expenses in-  
23 curred under subsection (b), and other administrative costs  
24 related to the conveyance. If amounts are collected from the  
25 State in advance of the Secretary incurring the actual costs,



1 *and the amount collected exceeds the costs actually incurred*  
2 *by the Secretary to carry out the conveyance, the Secretary*  
3 *shall refund the excess amount to State.*

4       *(2) Amounts received as reimbursement under para-*  
5 *graph (1) shall be credited to the fund or account that was*  
6 *used to cover the costs incurred by the Secretary in carrying*  
7 *out the conveyance. Amounts so credited shall be merged*  
8 *with amounts in such fund or account, and shall be avail-*  
9 *able for the same purposes, and subject to the same condi-*  
10 *tions and limitations, as amounts in such fund or account.*

11       *(d) DESCRIPTION OF PROPERTY.—The exact acreage*  
12 *and legal description of the properties to be conveyed under*  
13 *this section shall be determined by surveys satisfactory to*  
14 *the Secretary.*

15       *(e) EXEMPTION FROM FEDERAL SCREENING.—The*  
16 *conveyance authorized by subsection (a) is exempt from the*  
17 *requirement to screen the property for other Federal use*  
18 *pursuant to sections 2693 and 2696 of title 10, United*  
19 *States Code.*

20       *(f) ADDITIONAL TERMS AND CONDITIONS.—The Sec-*  
21 *retary may require such additional terms and conditions*  
22 *in connection with the conveyances under this section as*  
23 *the Secretary considers appropriate to protect the interests*  
24 *of the United States.*

1           **PART III—AIR FORCE CONVEYANCES**

2   **SEC. 2851. LAND EXCHANGE, MAXWELL AIR FORCE BASE,**  
3                   **ALABAMA.**

4           (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*  
5 *Air Force may convey to the City of Montgomery, Alabama*  
6 *(in this section referred to as the “City”), all right, title,*  
7 *and interest of the United States in and to a parcel of real*  
8 *property, including improvements thereon, consisting of all*  
9 *of the Maxwell Heights Housing site at Maxwell Air Force*  
10 *Base, Alabama.*

11          (b) *CONSIDERATION.*—(1) *As consideration for the con-*  
12 *veyance of the real property under subsection (a), the City*  
13 *shall convey to the United States a parcel of real property,*  
14 *including improvements thereon, consisting of approxi-*  
15 *mately 35 acres designated as project AL 6–4 that is owned*  
16 *by the City and is contiguous to Maxwell Air Force Base.*  
17 *The Secretary shall have jurisdiction over the real property*  
18 *received under this paragraph.*

19          (2) *If the fair market value of the real property re-*  
20 *ceived under paragraph (1) is less than the fair market*  
21 *value of the real property conveyed under subsection (a),*  
22 *the Secretary may require the City to make up the dif-*  
23 *ference through the payment of cash, the provision of in-*  
24 *kind consideration, or a combination thereof, to be deter-*  
25 *mined pursuant to negotiations between the Secretary and*  
26 *the City.*

1       (3) *The fair market values of the real property to be*  
 2 *exchanged under this section shall be determined by ap-*  
 3 *praisals acceptable to the Secretary and the City.*

4       (c) *DESCRIPTION OF PROPERTY.*—*The exact acreage*  
 5 *and legal description of the property to be conveyed under*  
 6 *this section shall be determined by surveys satisfactory to*  
 7 *the Secretary.*

8       (d) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*  
 9 *retary may require such additional terms and conditions*  
 10 *in connection with the conveyances under this section as*  
 11 *the Secretary considers appropriate to protect the interests*  
 12 *of the United States.*

13 ***DIVISION C—DEPARTMENT OF***  
 14 ***ENERGY NATIONAL SECURITY***  
 15 ***AUTHORIZATIONS AND***  
 16 ***OTHER AUTHORIZATIONS***  
 17 ***TITLE XXXI—DEPARTMENT OF***  
 18 ***ENERGY NATIONAL SECURITY***  
 19 ***PROGRAMS***  
 20 ***Subtitle A—National Security***  
 21 ***Programs Authorizations***

22 ***SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRA-***  
 23 ***TION.***

24       (a) *AUTHORIZATION OF APPROPRIATIONS.*—*Funds are*  
 25 *hereby authorized to be appropriated to the Department of*

1 *Energy for fiscal year 2005 for the activities of the National*  
2 *Nuclear Security Administration in carrying out programs*  
3 *necessary for national security in the amount of*  
4 *\$9,047,700,000, to be allocated as follows:*

5 (1) *For weapons activities, \$6,577,953,000.*

6 (2) *For defense nuclear nonproliferation activi-*  
7 *ties, \$1,338,147,000.*

8 (3) *For naval reactors, \$797,900,000.*

9 (4) *For the Office of the Administrator for Nu-*  
10 *clear Security, \$333,700,000.*

11 (b) *AUTHORIZATION OF NEW PLANT PROJECTS.—*

12 *From funds referred to in subsection (a) that are available*  
13 *for carrying out plant projects, the Secretary of Energy*  
14 *may carry out, for weapons activities, the following new*  
15 *plant projects:*

16 *Project 05–D–140, project engineering and de-*  
17 *sign, various locations, \$11,600,000.*

18 *Project 05–D–160, facilities and infrastructure*  
19 *recapitalization program, project engineering and de-*  
20 *sign, various locations, \$8,700,000.*

21 *Project 05–D–170, project engineering and de-*  
22 *sign, safeguards and security, various locations,*  
23 *\$17,000,000.*

24 *Project 05–D–401, production bays upgrade,*  
25 *Pantex Plant, Amarillo, Texas, \$25,100,000.*

1           *Project 05–D–402, beryllium capability project,*  
2           *Y–12 national security complex, Oak Ridge, Ten-*  
3           *nessee, \$3,627,000.*

4           *Project 05–D–601, compressed air upgrades*  
5           *project, Y–12 national security complex, Oak Ridge,*  
6           *Tennessee, \$4,400,000.*

7           *Project 05–D–602, power grid infrastructure up-*  
8           *grade, Los Alamos National Laboratory, Los Alamos,*  
9           *New Mexico, \$10,000,000.*

10          *Project 05–D–603, new master substation,*  
11          *Sandia National Laboratories, Albuquerque, New*  
12          *Mexico, \$600,000.*

13          *Project 05–D–701, security perimeter, Los Ala-*  
14          *mos National Laboratory, Los Alamos, New Mexico,*  
15          *\$20,000,000.*

16 **SEC. 3102. DEFENSE ENVIRONMENTAL MANAGEMENT.**

17          *Funds are hereby authorized to be appropriated to the*  
18          *Department of Energy for fiscal year 2005 for environ-*  
19          *mental management activities in carrying out programs*  
20          *necessary for national security in the amount of*  
21          *\$6,863,307,000, to be allocated as follows:*

22                 (1) *For defense site acceleration completion,*  
23                 *\$5,876,837,000.*

24                 (2) *For defense environmental services,*  
25                 *\$986,470,000.*

1 **SEC. 3103. OTHER DEFENSE ACTIVITIES.**

2 *Funds are hereby authorized to be appropriated to the*  
3 *Department of Energy for fiscal year 2005 for other defense*  
4 *activities in carrying out programs necessary for national*  
5 *security in the amount of \$658,618,000.*

6 **SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.**

7 *Funds are hereby authorized to be appropriated to the*  
8 *Department of Energy for fiscal year 2005 for defense nu-*  
9 *clear waste disposal for payment to the Nuclear Waste Fund*  
10 *established in section 302(c) of the Nuclear Waste Policy*  
11 *Act of 1982 (42 U.S.C. 10222(c)) in the amount of*  
12 *\$131,000,000.*

13 **Subtitle B—Program Authoriza-**  
14 **tions, Restrictions, and Limita-**  
15 **tions**

16 **SEC. 3111. EXTENSION OF AUTHORITY FOR APPOINTMENT**  
17 **OF CERTAIN SCIENTIFIC, ENGINEERING, AND**  
18 **TECHNICAL PERSONNEL.**

19 *Section 4601 of the Atomic Energy Defense Act (50*  
20 *U.S.C. 2701) is amended by striking “September 30, 2004”*  
21 *and inserting “September 30, 2006”.*

1 **SEC. 3112. REQUIREMENTS FOR BASELINE OF PROJECTS**  
2 **UNDER FACILITIES AND INFRASTRUCTURE**  
3 **RECAPITALIZATION PROGRAM.**

4 *Subsection (a) of section 3114 of the National Defense*  
5 *Authorization Act for Fiscal Year 2004 (Public Law 108-*  
6 *136; 117 Stat. 1744; 50 U.S.C. 2453 note) is amended—*

7 *(1) in paragraph (1) by inserting “of a baseline”*  
8 *after “selection”; and*

9 *(2) by amending paragraph (2) to read as fol-*  
10 *lows:*

11 *“(2)(A) After December 31, 2004, a project may*  
12 *be added to or removed from the Facilities and Infra-*  
13 *structure Recapitalization Program only after the Ad-*  
14 *ministrator submits to the congressional defense com-*  
15 *mittees a notice that the Administrator has identified*  
16 *such project for addition or removal and has ap-*  
17 *proved such addition or removal as a modification to*  
18 *the baseline for that program.*

19 *“(B) The Administrator may not obligate funds*  
20 *for any project added under subparagraph (A) until*  
21 *a period of 60 days has elapsed after the date on*  
22 *which such committees receive the notice under sub-*  
23 *paragraph (A) with respect to that project.*

24 *“(C) The authority of the Administrator to iden-*  
25 *tify and approve under subparagraph (A) may not be*  
26 *delegated.”.*

1                   ***Subtitle C—Other Matters***

2   ***SEC. 3131. TRANSFERS AND REPROGRAMMINGS OF NA-***  
3                   ***TIONAL NUCLEAR SECURITY ADMINISTRA-***  
4                   ***TION FUNDS.***

5           *Section 3252 of the National Nuclear Security Admin-*  
6   *istration Act (50 U.S.C. 2452) is amended by adding at*  
7   *the end the following new subsection:*

8           “(d) *TRANSFER AND REPROGRAMMING PROCESS.—(1)*  
9   *The Administrator shall have sole jurisdiction within the*  
10   *Department of Energy to submit to Congress or the appro-*  
11   *priate congressional committees a notice of, or request for,*  
12   *a transfer or reprogramming of funds of the Administra-*  
13   *tion.*

14           “(2) *The functions of the Chief Financial Officer of*  
15   *the Department of Energy shall not apply to a notice or*  
16   *request described in paragraph (1), except to certify whether*  
17   *the funds covered by such notice or request are available.”.*

18   ***SEC. 3132. NATIONAL ACADEMY OF SCIENCES STUDY ON***  
19                   ***MANAGEMENT BY DEPARTMENT OF ENERGY***  
20                   ***OF HIGH-LEVEL RADIOACTIVE WASTE.***

21           (a) *REVIEW REQUIRED.—The Secretary of Energy*  
22   *shall enter into an arrangement with the National Research*  
23   *Council of the National Academy of Sciences to carry out*  
24   *a study of the plans of the Department of Energy to manage*



1 *the waste streams specified in subsection (b) that are not*  
2 *currently planned for disposal in a high-level repository.*

3 (b) *COVERED WASTE STREAMS.—The waste streams*  
4 *referred to in subsection (a) are the streams of high-level*  
5 *radioactive waste at—*

6 (1) *the Savannah River Site, South Carolina;*

7 (2) *the Idaho National Engineering Laboratory,*  
8 *Idaho; and*

9 (3) *the Hanford Reservation, Washington.*

10 (c) *MATTERS INCLUDED.—The study required by sub-*  
11 *section (a) shall evaluate—*

12 (1) *the physical, chemical, and radiological char-*  
13 *acteristics of the waste referred to in subsection (b),*  
14 *including specifically the waste proposed to be left in-*  
15 *definitely in storage tanks;*

16 (2) *the probability that such waste, if left indefi-*  
17 *nately in storage tanks, will leak into the environment*  
18 *and the range of potential dangers such leakage would*  
19 *represent;*

20 (3) *the plans of the Department for the disposal*  
21 *of the high-level radioactive waste that the Depart-*  
22 *ment had planned, before certain litigation in Federal*  
23 *district court in 2003 on “Waste Incidental to Re-*  
24 *processing”, to reclassify as low-level waste;*

1           (4) *treatment and disposal alternatives to the*  
2           *plans referred to in paragraph (3), including, for*  
3           *each such alternative, assessments of the technology*  
4           *approaches and of the implications with respect to*  
5           *cost, worker safety, and long-term environmental and*  
6           *human health;*

7           (5) *the adequacy of the plans referred to in sub-*  
8           *section (a), including Department of Energy Order*  
9           *No. 435.1, to protect, for the long term, the environ-*  
10          *ment and population surrounding each site referred*  
11          *to in subsection (b); and*

12          (6) *any other matters that the National Research*  
13          *Council considers appropriate and directly related to*  
14          *the subject matter of the study.*

15          (d) *RECOMMENDATIONS REQUIRED.*—*In carrying out*  
16          *the study, the National Research Council shall develop rec-*  
17          *ommendations relating to the subject matter of the study.*  
18          *The recommendations shall include—*

19                 (1) *recommendations for improving the scientific*  
20                 *basis for managing the waste covered by the study,*  
21                 *including alternative criteria for determining what*  
22                 *waste should be managed as “Waste Incidental to Re-*  
23                 *processing”;* *and*

1           (2) *any other recommendations that the National*  
2           *Research Council considers appropriate and directly*  
3           *related to the subject matter of the study.*

4           (e) *REPORTS.—The National Research Council shall*  
5           *submit to the Secretary of Energy and the congressional*  
6           *defense committees—*

7           (1) *not later than six months after entering into*  
8           *the arrangement required by subsection (a), an in-*  
9           *terim report on the study with respect to the waste*  
10           *proposed to be left indefinitely in storage tanks, in-*  
11           *cluding the tentative findings, conclusions, and rec-*  
12           *ommendations with respect to such waste; and*

13           (2) *not later than one year after entering into*  
14           *the arrangement required by subsection (a), a final*  
15           *report on the study, including all findings, conclu-*  
16           *sions, and recommendations.*

17           (f) *PROVISION OF INFORMATION.—The Secretary shall*  
18           *make available to the National Research Council all infor-*  
19           *mation that the National Research Council considers nec-*  
20           *essary to carry out, in a timely manner, its responsibilities*  
21           *under this section.*

22           (g) *FUNDING.—Of the amounts authorized to be appro-*  
23           *priated to the Department of Energy by section 3102,*  
24           *\$1,500,000 shall be available only for carrying out the study*  
25           *required by this section.*

1 **SEC. 3133. CONTRACT TO REVIEW WASTE ISOLATION PILOT**  
2 **PLANT, NEW MEXICO.**

3 *The Secretary of Energy shall enter into a contract*  
4 *to conduct independent reviews and evaluations of the de-*  
5 *sign, construction, and operations of the Waste Isolation*  
6 *Pilot Plant in New Mexico as they relate to the protection*  
7 *of the public health and safety and the environment. The*  
8 *contract shall be for a period of one year and shall be renew-*  
9 *able for four additional one-year periods, subject to the au-*  
10 *thorization and appropriation of funds for such purpose.*

11 **TITLE XXXII—DEFENSE NU-**  
12 **CLEAR FACILITIES SAFETY**  
13 **BOARD**

14 **SEC. 3201. AUTHORIZATION.**

15 *There are authorized to be appropriated for fiscal year*  
16 *2005, \$21,268,000 for the operation of the Defense Nuclear*  
17 *Facilities Safety Board under chapter 21 of the Atomic En-*  
18 *ergy Act of 1954 (42 U.S.C. 2286 et seq.).*

19 **TITLE XXXIII—NATIONAL**  
20 **DEFENSE STOCKPILE**

21 **SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE**  
22 **STOCKPILE FUNDS.**

23 *(a) OBLIGATION OF STOCKPILE FUNDS.—During fis-*  
24 *cal year 2005, the National Defense Stockpile Manager may*  
25 *obligate up to \$59,700,000 of the funds in the National De-*  
26 *fense Stockpile Transaction Fund established under sub-*

1 *section (a) of section 9 of the Strategic and Critical Mate-*  
2 *rials Stock Piling Act (50 U.S.C. 98h) for the authorized*  
3 *uses of such funds under subsection (b)(2) of such section,*  
4 *including the disposal of hazardous materials that are envi-*  
5 *ronmentally sensitive.*

6 (b) *ADDITIONAL OBLIGATIONS.—The National Defense*  
7 *Stockpile Manager may obligate amounts in excess of the*  
8 *amount specified in subsection (a) if the National Defense*  
9 *Stockpile Manager notifies Congress that extraordinary or*  
10 *emergency conditions necessitate the additional obligations.*  
11 *The National Defense Stockpile Manager may make the ad-*  
12 *ditional obligations described in the notification after the*  
13 *end of the 45-day period beginning on the date on which*  
14 *Congress receives the notification.*

15 (c) *LIMITATIONS.—The authorities provided by this*  
16 *section shall be subject to such limitations as may be pro-*  
17 *vided in appropriations Acts.*

18 **SEC. 3302. RELAXATION OF QUANTITY RESTRICTIONS ON**  
19 **DISPOSAL OF MANGANESE FERRO IN NA-**  
20 **TIONAL DEFENSE STOCKPILE.**

21 *Section 3306(a) of the National Defense Authorization*  
22 *Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat.*  
23 *1391; 50 U.S.C. 98d note) is amended—*

1           (1) in paragraph (3), by striking “each of the  
2           *fiscal years 2004 and 2005*” and inserting “*fiscal*  
3           *year 2004*”; and

4           (2) by adding at the end the following new para-  
5           *graph:*

6           “(4) *During fiscal year 2005, 100,000 short tons*  
7           *of high carbon manganese ferro of the highest grade.*

8           **SEC. 3303. REVISION OF EARLIER AUTHORITY TO DISPOSE**  
9                                   **OF CERTAIN MATERIALS IN NATIONAL DE-**  
10                                   **FENSE STOCKPILE.**

11           *Section 3303(a) of the Strom Thurmond National De-*  
12           *fense Authorization Act for Fiscal Year 1999 (Public Law*  
13           *105–261; 50 U.S.C. 98d note) is amended by striking para-*  
14           *graphs (4) and (5) and inserting the following new para-*  
15           *graphs:*

16           “(4) *\$785,000,000 by the end of fiscal year 2005;*  
17           *and*

18           “(5) *\$870,000,000 by the end of fiscal year*  
19           *2009.*”.

20                                   **TITLE XXXIV—NAVAL**  
21                                   **PETROLEUM RESERVES**

22           **SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.**

23           (a) *AUTHORIZATION OF APPROPRIATIONS.—There are*  
24           *hereby authorized to be appropriated to the Secretary of*  
25           *Energy \$20,000,000 for fiscal year 2005 for the purpose of*

1 *carrying out activities under chapter 641 of title 10, United*  
2 *States Code, relating to the naval petroleum reserves.*

3 *(b) PERIOD OF AVAILABILITY.—Funds appropriated*  
4 *pursuant to the authorization of appropriations in sub-*  
5 *section (a) shall remain available until expended.*

6 ***TITLE XXXV—MARITIME***  
7 ***ADMINISTRATION***

8 ***SEC. 3501. AUTHORIZATION OF APPROPRIATIONS FOR MAR-***  
9 ***ITIME ADMINISTRATION.***

10 *There are authorized to be appropriated to the Sec-*  
11 *retary of Transportation for the Maritime Administration*  
12 *for fiscal year 2005 (in lieu of amounts authorized for the*  
13 *same purposes by section 3511 of the National Defense Au-*  
14 *thorization Act for Fiscal Year 2004)—*

15 *(1) for expenses necessary for operations and*  
16 *training activities, \$109,300,000;*

17 *(2) for administrative expenses under the loan*  
18 *guarantee program authorized by title XI of the Mer-*  
19 *chant Marine Act, 1936 (46 U.S.C. App. 1271 et*  
20 *seq.), \$4,764,000; and*

21 *(3) for ship disposal, \$35,000,000, of which*  
22 *\$2,000,000 shall be for decommissioning, removal,*  
23 *and disposal of the nuclear reactor and hazardous*  
24 *materials on board the vessel SAVANNAH.*

1 **SEC. 3502. EXTENSION OF AUTHORITY TO PROVIDE WAR**  
2 **RISK INSURANCE FOR MERCHANT MARINE**  
3 **VESSELS.**

4 (a) *EXTENSION.*— *Section 1214 of the Merchant Ma-*  
5 *rine Act, 1936 (46 U.S.C. App. 1294), is amended by strik-*  
6 *ing “June 30, 2005” and inserting “December 31, 2010”.*

7 (b) *INVESTMENT OF ASSETS IN INSURANCE FUND.*—  
8 *Section 1208(a) of such Act (46 U.S.C. App. 1288), is*  
9 *amended by striking the third sentence and inserting the*  
10 *following: “The Secretary of Transportation may request*  
11 *the Secretary of the Treasury to invest such portion of the*  
12 *Fund as is not, in the judgment of the Secretary of Trans-*  
13 *portation, required to meet the current needs of the fund.*  
14 *Such investments shall be made by the Secretary of the*  
15 *Treasury in public debt securities of the United States, with*  
16 *maturities suitable to the needs of the fund, and bearing*  
17 *interest rates determined by the Secretary of the Treasury,*  
18 *taking into consideration current market yields on out-*  
19 *standing marketable obligations of the United States of*  
20 *comparable maturity.”.*

Amend the title so as to read: “A bill to authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.”.





Union Calendar No. 278

108<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 4200**

[Report No. 108-491]

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**A BILL**

To authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2005, and for other purposes.

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MAY 14, 2004

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed