United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, SECOND SESSION

Vol. 144 WASHINGTON, TUESDAY, SEPTEMBER 22, 1998 No. 127

House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. PETRI).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 22, 1998.

I hereby designate the Honorable THOMAS E. PETRI to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

Reverend James R. Seale, Rector, All Saints Episcopal Church, Frederick, Maryland, offered the following prayer:

Let us pray. O God, Creator and Preserver of this world, we thank You for all the blessings we are so privileged to enjoy in this land. We give thanks for all who work at the local, State, and national levels to serve our citizens and uphold the freedoms we so cherish. We pray for a gentle heart and courage to prevail in all we do and say as we go about this day.

And now I ask Your blessing on this session of the House of Representatives and ask that today and each day You bestow on each Member and their staff wisdom and perseverance to work for justice and peace here at home and throughout the world. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from North Carolina (Mr. BALLENGER) come forward and lead the House in the Pledge of Allegiance.

Mr. BALLENGER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate having proceeded to reconsider the bill (H.R. 1122) ''An Act to amend title 18, United States Code, to ban partial-birth abortions,'' returned by the President of the United States with his objections, to the House, in which it originated, and passed by the House on reconsideration of the same, it was resolved, that the said bill do not pass, two-thirds of the Senators present not having voted in the affirmative.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2317. An act to improve the National Wildlife Refuge System, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2206) ''An Act to amend the Head Start Act, the Low-Income Home Energy Assistance Act of 1981, and the Community Services Block Grant Act to reauthorize and make improvements to those Acts, to establish demonstration projects that provide an opportunity for persons with limited means to accumulate assets, and for other purposes,'' requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JEFFORDS, Mr. COATS, Mr. GREGG, Mr. KENNEDY, and Mr. DODD, to be the conferees on the part of the Senate.

CONFERENCE REPORT ON H.R. 4112, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1999

Mr. LIVINGSTON submitted the following conference report and statement on the bill (H.R. 4112) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes:

CONFERENCE REPORT (H. REPT. 105–734)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4112) ''making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes'', having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

Strike all on page 2, line 5, of the House engrossed bill, H.R. 4112, down through and including all on page 10, line 7, and in lieu of the matter stricken and inserted by said amendment, insert the following:

TITLE I—CONGRESSIONAL OPERATIONS

SENATE

EXPENSE ALLOWANCES

For expense allowances of the Vice President, $10,000; the President Pro Tempore of the Senate, $10,000; Majority Leader of the Senate, $10,000; Minority Leader of the Senate, $10,000; Majority Whip of the Senate, $5,000; Minority Whip of the Senate, $5,000; and Chairmen of the Majority and Minority Conference Committees, $3,000 for each Chairman; in all, $56,000.

REPRESENTATION ALLOWANCES FOR THE MAJORITY AND MINORITY LEADERS

For representation allowances of the Majority and Minority Leaders of the Senate, $15,000 for each such Leader; in all, $30,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, and others as authorized by law, including agency contributions, $87,233,000, which shall be paid

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from this appropriation without regard to the below limitations, as follows:

OFFICE OF THE VICE PRESIDENT

For the Office of the Vice President, $1,659,000.

OFFICE OF THE PRESIDENT PRO TEMPORE

For the Office of the President Pro Tempore, $402,000.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For Offices of the Majority and Minority Leaders, $2,436,000.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For Offices of the Majority and Minority Whips, $1,416,000.

COMMITTEE ON APPROPRIATIONS

For salaries of the Committee on Appropriations, $6,050,000.

CONFERENCE COMMITTEES

For the Conference of the Majority and the Conference of the Minority, at rates of compensation to be fixed by the Chairman of each such committee, $1,092,000 for each such committee; in all, $2,184,000.

OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY AND THE CONFERENCE OF THE MINORITY

For Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority, $570,000.

POLICY COMMITTEES

For salaries of the Majority Policy Committee and the Minority Policy Committee, $1,109,000 for each such committee; in all, $2,218,000.

OFFICE OF THE CHAPLAIN

For Office of the Chaplain, $267,000.

OFFICE OF THE SECRETARY

For Office of the Secretary, $13,694,000.

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

For Office of the Sergeant at Arms and Doorkeeper, $33,805,000.

OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For Offices of the Secretary for the Majority and the Secretary for the Minority, $1,200,000.

AGENCY CONTRIBUTIONS AND RELATED EXPENSES

For agency contributions for employee benefits, as authorized by law, and related expenses, $21,332,000.

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the Office of the Legislative Counsel of the Senate, $3,753,000.

OFFICE OF SENATE LEGAL COUNSEL

For salaries and expenses of the Office of Senate Legal Counsel, $1,004,000.

EXPENSE ALLOWANCES OF THE SECRETARY OF THE SENATE, SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE, AND SECRETARIES FOR THE MAJORITY AND MINORITY OF THE SENATE

For expense allowances of the Secretary of the Senate, $3,000; Sergeant at Arms and Doorkeeper of the Senate, $3,000; Secretary for the Majority of the Senate, $3,000; Secretary for the Minority of the Senate, $3,000; in all, $12,000.

CONTINGENT EXPENSES OF THE SENATE

INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, as amended, section 112 of Public Law 96–304 and Senate Resolution 281, agreed to March 11, 1980, $66,800,000.

EXPENSES OF THE UNITED STATES SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

For expenses of the United States Senate Caucus on International Narcotics Control, $370,000.

SECRETARY OF THE SENATE

For expenses of the Office of the Secretary of the Senate, $1,511,000.

SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

For expenses of the Office of the Sergeant at Arms and Doorkeeper of the Senate, $60,511,000, of which $5,000,000 shall remain available until September 30, 2000.

MISCELLANEOUS ITEMS

For miscellaneous items, $8,655,000.

SENATORS' OFFICIAL PERSONNEL AND OFFICE EXPENSE ACCOUNT

For Senators' Official Personnel and Office Expense Account, $239,156,000.

OFFICIAL MAIL COSTS

For expenses necessary for official mail costs of the Senate, $300,000.

ADMINISTRATIVE PROVISIONS

SECTION 1. (a) Effective in the case of any fiscal year which begins on or after October 1, 1998, clause (iii) of paragraph (3)(A) of section 506(b) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(b)) is amended to read as follows:

''(iii) subject to subparagraph (B), in case the Senator represents Alabama, $183,565, Alaska, $252,505, Arizona, $197,409, Arkansas, $168,535, California, $470,272, Colorado, $187,366, Connecticut, $161,691, Delaware, $127,384, Florida, $302,307, Georgia, $211,784, Hawaii, $279,648, Idaho, $163,841, Illinois, $267,000, Indiana, $195,391, Iowa, $171,340, Kansas, $168,912, Kentucky, $176,975, Louisiana, $186,714, Maine, $148,205, Maryland, $172,455, Massachusetts, $196,819, Michigan, $235,846, Minnesota, $187,742, Mississippi, $168,587, Missouri, $198,365, Montana, $161,857, Nebraska, $160,550, Nevada, $171,208, New Hampshire, $142,497, New Jersey, $207,754, New Mexico, $166,721, New York, $328,586, North Carolina, $212,711, North Dakota, $150,225, Ohio, $262,252, Oklahoma, $181,913, Oregon, $189,258, Pennsylvania, $267,240, Rhode Island, $138,637, South Carolina, $171,731, South Dakota, $151,838, Tennessee, $192,508, Texas, $353,911, Utah, $168,959, Vermont, $136,315, Virginia, $193,935, Washington, $213,887, West Virginia, $149,135, Wisconsin, $191,314, Wyoming, $153,016, plus''.

(b) Subparagraph (B) of section 506(b)(3) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(b)(3)) is amended—

(1) by striking ''the amount referred to in subparagraph (A)(iii)'' and inserting ''that part of the amount referred to in subparagraph (A)(iii) that is not specifically allocated for official mail expenses''; and

(2) by inserting before the period at the end the following: ''; and the part of the amount referred to in subparagraph (A)(iii) that is allocated for official mail expenses shall be recalculated in accordance with regulations of the Committee on Rules and Administration''.

SEC. 2. (a) Section 2(b) of Public Law 104–53 (2 U.S.C. 61d–3(b)) is amended by striking ''$10,000'' and inserting ''$35,000''.

(b) The amendment made by subsection (a) is effective on and after October 1, 1998.

SEC. 3. Subsection (a) of the first section of Senate Resolution 149, agreed to October 5, 1993 (103d Congress, 1st Session), as amended by Senate Resolution 299, agreed to September 24, 1996 (104th Congress, 2d Session), is amended by striking ''until December 31, 1998'' and inserting ''until December 31, 2000''.

SEC. 4. (a) Section 101(a) of the Supplemental Appropriations Act, 1977 (2 U.S.C. 61h–6(a)) is amended—

(1) by inserting after the first sentence the following: ''The President pro tempore of the Senate is authorized to appoint and fix the compensation of 1 consultant, on a temporary or intermittent basis, at a daily rate of compensation not in excess of that specified in the first sentence of this subsection.''; and

(2) in the sentence that begins ''The provisions of'', by striking ''section 8344'' and inserting ''sections 8344 and 8468''.

(b) Section 101(b) of the Supplemental Appropriations Act, 1977 (2 U.S.C. 61h–6(b)) is amended by striking all after ''(b)'' through ''to such position'' and inserting ''Any or all appointments under this section may be''.

(c) This section is effective on and after the date of enactment of this Act.

SEC. 5. (a) There is established the Senate Leader's Lecture Series (hereinafter referred to as the ''lecture series''). Expenses incurred in connection with the lecture series shall be paid from the appropriations account ''Secretary of the Senate'' within the contingent fund of the Senate and shall not exceed $30,000 in any fiscal year.

(b) Payments for expenses in connection with the lecture series may cover expenses incurred by speakers, including travel, subsistence, and per diem, and the cost of receptions, including food, food related items, and hospitality.

(c) Payments for expenses of the lecture series shall be made on vouchers approved by the Secretary of the Senate.

(d) This section is effective on and after October 1, 1997.

SEC. 6. (a) The Sergeant at Arms and Doorkeeper of the Senate is authorized to appoint and fix the compensation of such employees as may be necessary to operate Senate Hair Care Services.

(b) There is established in the Treasury of the United States within the contingent fund of the Senate a revolving fund to be known as the Senate Hair Care Services Revolving Fund (hereafter in this section referred to as the ''revolving fund'').

(c)(1) All moneys received by Senate Hair Care Services from fees for services or from any other source shall be deposited in the revolving fund.

(2) Moneys in the revolving fund shall be available without fiscal year limitation for disbursement by the Secretary of the Senate—

(A) for the payment of salaries and agency contributions of employees of Senate Hair Care Services; and

(B) for necessary supplies, equipment, and other expenses of Senate Hair Care Services.

(d) Disbursements from the revolving fund shall be made upon vouchers signed by the Sergeant at Arms and Doorkeeper of the Senate, except that vouchers shall not be required for the disbursement of salaries paid at an annual rate.

(e) At the direction of the Committee on Rules and Administration, the Secretary of the Senate shall withdraw from the revolving fund and deposit in the Treasury of the United States as miscellaneous receipts all moneys in the revolving fund that the Committee may determine are in excess of the current and reasonably foreseeable needs of Senate Hair Care Services.

(f) The Sergeant at Arms and Doorkeeper of the Senate is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section, subject to the approval of the Committee on Rules and Administration.

(g) There is transferred to the revolving fund established by this section any unobligated balance in the fund established by section 106 of Public Law 94–440 on the effective date of this section.

(h)(1) Section 106 of Public Law 94–440 is repealed.

(2) Section 10(a) of Public Law 100–458 is repealed.

(i) This section shall be effective on and after October 1, 1998, or 30 days after the date of enactment of this Act, whichever is later.

SEC. 7. The amount available to the Committee on Rules and Administration for expenses under section 16(c) of Senate Resolution 54, agreed to February 13, 1997, is increased by $150,000.

SEC. 8. Effective on and after October 1, 1998, each of the dollar amounts contained in the table under section 105(d)(1)(A) of the Legislative Branch Appropriations Act, 1968 (2 U.S.C. 61–1(d)(1)(A)) shall be deemed to be the dollar amounts in that table, as increased by section 5

of Public Law 105–55, increased by an additional $50,000 each.

SEC. 9. (a) With the prior written approval of the Committee on Rules and Administration of the Senate, the Sergeant at Arms and Doorkeeper of the Senate may enter into agreements with public or private parties for the purpose of demonstrating the use of alternative fuel vehicles (as defined in section 301(2) of the Energy Policy Act of 1992 (Public Law 102–486)) in Senate fleet operations. Any such agreement may also provide for necessary fueling infrastructure in connection with the alternative fuel vehicles.

(b) A vehicle may be made available under subsection (a) for a period not exceeding 90 days.

SEC. 10. (a) The Committee on Appropriations is authorized in its discretion—

(1) to hold hearings, report such hearings, and make investigations as authorized by paragraph 1 of rule XXVI of the Standing Rules of the Senate;

(2) to make expenditures from the contingent fund of the Senate;

(3) to employ personnel;

(4) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration to use, on a reimbursable or nonreimbursable basis, the services of personnel of any such department or agency;

(5) to procure the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946 and Senate Resolution 140, agreed to May 14, 1975); and

(6) to provide for the training of the professional staff of such committee (under procedures specified by section 202(j) of such Act).

(b) Senate Resolution 54, agreed to February 13, 1997, is amended by striking section 4.

(c) This section shall be effective on and after October 1, 1998, or the date of enactment of this Act, whichever is later.

SEC. 11. (a)(1) The Chairman of the Appropriations Committee of the Senate may, during any fiscal year, at his or her election transfer funds from the appropriation account for salaries for the Appropriations Committee of the Senate, to the account, within the contingent fund of the Senate, from which expenses are payable for such committee.

(2) The Chairman of the Appropriations Committee of the Senate may, during any fiscal year, at his or her election transfer funds from the appropriation account for expenses, within the contingent fund of the Senate, for the Appropriations Committee of the Senate, to the account from which salaries are payable for such committee.

(b) Any funds transferred under this section shall be—

(1) available for expenditure by such committee in like manner and for the same purposes as are other moneys which are available for expenditure by such committee from the account to which the funds were transferred; and

(2) made at such time or times as the Chairman shall specify in writing to the Senate Disbursing Office.

(c) This section shall take effect on October 1, 1998, and shall be effective with respect to fiscal years beginning on or after that date.

SEC. 12. USE OF FREQUENT FLYER MILES BY MEMBERS OF THE SENATE. Section 507(a) of the Congressional Accountability Act of 1995 (2 U.S.C. 1436(a)) is amended—

(1) by striking ''Notwithstanding'' and inserting the following:

''(1) IN GENERAL.—Except as provided in paragraph (2), notwithstanding''; and

(2) by adding at the end the following:

''(2) TRAVEL BETWEEN THE WASHINGTON METROPOLITAN AREA AND A HOME STATE.—Paragraph (1) shall not apply to any travel award relating to air transportation for a Member of the Senate, the spouse of that Member, or a son or daughter of that Member, between the Washington metropolitan area and the State of that Member.''.

SEC. 13. Senate Resolution 286, 102d Congress, agreed to April 9, 1992, is amended by adding at the end of subsection (a) the following:

''Fees established under this subsection for services received from the Attending Physician by a Senator or an officer of the Senate shall be equal to the fees for such services received by a member of the House of Representatives.''.

HOUSE OF REPRESENTATIVES

PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

For payment to Marcia S. Schiff, widow of Steven H. Schiff, late a Representative from the State of New Mexico, $136,700.

SALARIES AND EXPENSES

For salaries and expenses of the House of Representatives, $733,971,000, as follows:

HOUSE LEADERSHIP OFFICES

For salaries and expenses, as authorized by law, $13,117,000, including: Office of the Speaker, $1,686,000, including $25,000 for official expenses of the Speaker; Office of the Majority Floor Leader, $1,652,000, including $10,000 for official expenses of the Majority Leader; Office of the Minority Floor Leader, $1,675,000, including $10,000 for official expenses of the Minority Leader; Office of the Majority Whip, including the Chief Deputy Majority Whip, $1,043,000, including $5,000 for official expenses of the Majority Whip; Office of the Minority Whip, including the Chief Deputy Minority Whip, $1,020,000, including $5,000 for official expenses of the Minority Whip; Speaker's Office for Legislative Floor Activities, $397,000; Republican Steering Committee, $738,000; Republican Conference, $1,199,000; Democratic Steering and Policy Committee, $1,295,000; Democratic Caucus, $642,000; nine minority employees, $1,190,000; training and program development—majority, $290,000; and training and program development—minority, $290,000.

MEMBERS' REPRESENTATIONAL ALLOWANCES INCLUDING MEMBERS' CLERK HIRE, OFFICIAL EXPENSES OF MEMBERS, AND OFFICIAL MAIL

For Members' representational allowances, including Members' clerk hire, official expenses, and official mail, $385,279,000.

COMMITTEE EMPLOYEES

STANDING COMMITTEES, SPECIAL AND SELECT

For salaries and expenses of standing committees, special and select, authorized by House resolutions, $89,743,000: Provided, That such amount shall remain available for such salaries and expenses until December 31, 2000.

COMMITTEE ON APPROPRIATIONS

For salaries and expenses of the Committee on Appropriations, $19,373,000, including studies and examinations of executive agencies and temporary personal services for such committee, to be expended in accordance with section 202(b) of the Legislative Reorganization Act of 1946 and to be available for reimbursement to agencies for services performed: Provided, That such amount shall remain available for such salaries and expenses until December 31, 2000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation and expenses of officers and employees, as authorized by law, $89,991,000, including: for salaries and expenses of the Office of the Clerk, including not more than $3,500, of which not more than $2,500 is for the Family Room, for official representation and reception expenses, $15,365,000; for salaries and expenses of the Office of the Sergeant at Arms, including the position of Superintendent of Garages, and including not more than $750 for official representation and reception expenses, $3,501,000; for salaries and expenses of the Office of the Chief Administrative Officer, $57,211,000, including $24,282,000 for salaries, expenses and temporary personal services of House Information Resources, of which $23,074,000 is provided herein: Provided, That of the amount provided for House Information Resources, $7,130,000 shall be for net expenses of telecommunications: Provided further, That House Information Resources is authorized to receive reimbursement from Members of the House of Representatives and other governmental entities for services provided and such reimbursement shall be deposited in the Treasury for credit to this account; for salaries and expenses of the Office of the Inspector General, $3,953,000; for salaries and expenses of the Office of General Counsel, $840,000; for the Office of the Chaplain, $133,000; for salaries and expenses of the Office of the Parliamentarian, including the Parliamentarian and $2,000 for preparing the Digest of Rules, $1,106,000; for salaries and expenses of the Office of the Law Revision Counsel of the House, $1,912,000; for salaries and expenses of the Office of the Legislative Counsel of the House, $4,980,000; for salaries and expenses of the Corrections Calendar Office, $799,000; and for other authorized employees, $191,000.

ALLOWANCES AND EXPENSES

For allowances and expenses as authorized by House resolution or law, $136,468,000, including: supplies, materials, administrative costs and Federal tort claims, $2,575,000; official mail for committees, leadership offices, and administrative offices of the House, $410,000; Government contributions for health, retirement, Social Security, and other applicable employee benefits, $132,832,000; and miscellaneous items including purchase, exchange, maintenance, repair and operation of House motor vehicles, interparliamentary receptions, and gratuities to heirs of deceased employees of the House, $651,000.

CHILD CARE CENTER

For salaries and expenses of the House of Representatives Child Care Center, such amounts as are deposited in the account established by section 312(d)(1) of the Legislative Branch Appropriations Act, 1992 (40 U.S.C. 184g(d)(1)), subject to the level specified in the budget of the Center, as submitted to the Committee on Appropriations of the House of Representatives.

ADMINISTRATIVE PROVISIONS

SEC. 101. (a) Section 2(a) of House Resolution 611, Ninety-seventh Congress, agreed to November 30, 1982, as enacted into permanent law by section 127 of Public Law 97–377 (2 U.S.C. 88b–3), is amended—

(1) by adding ''and'' at the end of paragraph (1);

(2) by striking ''; and'' at the end of paragraph (2) and inserting a period; and

(3) by striking paragraph (3).

(b) The amendment made by subsection (a) shall apply with respect to the One Hundred Sixth Congress and each succeeding Congress.

SEC. 102. Subsection (b) of the first section of House Resolution 1047, Ninety-fifth Congress, agreed to April 4, 1978, as enacted into permanent law by section 111 of the Legislative Branch Appropriations Act, 1979 (2 U.S.C. 130–1(b)), is amended by striking ''$55,000'' and inserting ''$80,000''.

SEC. 103. (a) There is hereby established an account in the House of Representatives for purposes of carrying out training and program development activities of the Republican Conference and the Democratic Steering and Policy Committee.

(b) Subject to the allocation described in subsection (c), funds in the account established under subsection (a) shall be paid—

(1) for activities of the Republican Conference in such amounts, at such times, and under such terms and conditions as the Speaker of the House of Representatives may direct; and

(2) for activities of the Democratic Steering and Policy Committee in such amounts, at such times, and under such terms and conditions as the Minority Leader of the House of Representatives may direct.

(c) Of the total amount in the account established under subsection (a)—

(1) 50 percent shall be allocated to the Speaker for payments for activities of the Republican Conference; and

(2) 50 percent shall be allocated to the Minority Leader for payments for activities of the Democratic Steering and Policy Committee.

(d) There are authorized to be appropriated to the account under this section for fiscal year 1999 and each succeeding fiscal year such sums as may be necessary for training and program development activities of the Republican Conference and the Democratic Steering and Policy Committee during the fiscal year.

SEC. 104. (a) Section 311(e)(2) of the Legislative Branch Appropriations Act, 1991 (2 U.S.C. 59(e)(2)) is amended—

(1) by adding ''and'' at the end of subparagraph (B);

(2) in subparagraph (C), by striking ''; and'' and inserting a period; and

(3) by striking subparagraph (D).

(b) Section 311(e) of such Act (2 U.S.C. 59e(e)) is amended by striking paragraph (4).

SEC. 105. Notwithstanding any other provision of law or any other rule or regulation, any information on payments made by the Committee on Standards of Official Conduct of the House of Representatives to an individual for attendance as a witness before the Committee in executive session during a Congress shall be reported not later than the second semiannual report filed under section 106 of the House of Representatives Administrative Reform Technical Corrections Act (2 U.S.C. 104b) in the following Congress.

SEC. 106. (a) Notwithstanding any other provision of law, the Committee on House Oversight may prescribe by regulation appropriate conditions for the incidental use, for other than official business, of equipment and supplies owned or leased by, or the cost of which is reimbursed by, the House of Representatives.

(b) The authority of the Committee on House Oversight to prescribe regulations pursuant to subsection (a) shall apply with respect to fiscal year 1999 and each succeeding fiscal year.

SEC. 107. (a) The Speaker, Majority Leader, and Minority Leader of the House of Representatives are each authorized to appoint and fix the compensation of one consultant, on a temporary or intermittent basis, at a daily rate of compensation not in excess of the per diem equivalent of the highest gross rate of annual compensation which may be paid to employees of a standing committee of the House.

(b) This section shall apply with respect to fiscal year 1999 and each succeeding fiscal year.

SEC. 108. Any amount appropriated in this Act for ''HOUSE OF REPRESENTATIVES—SALARIES AND EXPENSES—MEMBERS' REPRESENTATIONAL ALLOWANCES'' shall be available only for fiscal year 1999. Any amount remaining after all payments are made under such allowances for such fiscal year shall be deposited in the Treasury, to be used for deficit reduction.

SEC. 109. (a) Notwithstanding any other provision of law, official resources may be used during a fiscal year (beginning with fiscal year 1999), in accordance with regulations of the Committee on House Oversight, to reimburse a Member, officer, or employee of the House of Representatives for the ordinary and necessary expenses related to the official use of telecommunications lines in the residence of the Member, officer, or employee.

(b) The Committee on House Oversight shall promulgate such regulations as are necessary to implement this section.

SEC. 110. Section 121 of Public Law 104–99 is amended in subsection (b)(2)—

(1) by striking in subparagraph (B) ''and'' after the semicolon; and

(2) by striking the period at the end of subparagraph (C) and inserting ''; and'' therefor; and

(3) by adding after subparagraph (C) the following new subparagraph:

''(D) reimbursement of expenses incurred by the Chief Administrative Office of the House of Representatives to cover the costs of furnishings and furniture to accommodate the needs of the House of Representatives child care center.''

JOINT ITEMS

For Joint Committees, as follows:

JOINT ECONOMIC COMMITTEE

For salaries and expenses of the Joint Economic Committee, $3,096,000, to be disbursed by the Secretary of the Senate.

JOINT COMMITTEE ON PRINTING

For salaries and expenses of the Joint Committee on Printing, $202,000, together with an additional amount of $150,000 if there is enacted into law legislation which transfers the legislative and oversight responsibilities of the Joint Committee on Printing to the Committee on House Oversight of the House of Representatives: Provided, That such additional amount shall be transferred to the Committee on House Oversight of the House of Representatives and made available beginning January 1, 1999: Provided further, That all such funds are to be disbursed by the Secretary of the Senate.

JOINT COMMITTEE ON TAXATION

For salaries and expenses of the Joint Committee on Taxation, $5,965,400, to be disbursed by the Chief Administrative Officer of the House.

For other joint items, as follows:

OFFICE OF THE ATTENDING PHYSICIAN

For medical supplies, equipment, and contingent expenses of the emergency rooms, and for the Attending Physician and his assistants, including: (1) an allowance of $1,500 per month to the Attending Physician; (2) an allowance of $500 per month each to two medical officers while on duty in the Office of the Attending Physician; (3) an allowance of $500 per month to one assistant and $400 per month each to not to exceed nine assistants on the basis heretofore provided for such assistants; and (4) $893,000 for reimbursement to the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending Physician, which shall be advanced and credited to the applicable appropriation or appropriations from which such salaries, allowances, and other expenses are payable and shall be available for all the purposes thereof, $1,415,000, to be disbursed by the Chief Administrative Officer of the House.

CAPITOL POLICE BOARD

CAPITOL POLICE

SALARIES

For the Capitol Police Board for salaries of officers, members, and employees of the Capitol Police, including overtime, hazardous duty pay differential, clothing allowance of not more than $600 each for members required to wear civilian attire, and Government contributions for health, retirement, Social Security, and other applicable employee benefits, $76,844,000, of which $37,037,000 is provided to the Sergeant at Arms of the House of Representatives, to be disbursed by the Chief Administrative Officer of the House, and $39,807,000 is provided to the Sergeant at Arms and Doorkeeper of the Senate, to be disbursed by the Secretary of the Senate: Provided, That, of the amounts appropriated under this heading, such amounts as may be necessary may be transferred between the Sergeant at Arms of the House of Representatives and the Sergeant at Arms and Doorkeeper of the Senate, upon approval of the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.

GENERAL EXPENSES

For the Capitol Police Board for necessary expenses of the Capitol Police, including motor vehicles, communications and other equipment, security equipment and installation, uniforms, weapons, supplies, materials, training, medical services, forensic services, stenographic services, personal and professional services, the employee assistance program, not more than $2,000 for the awards program, postage, telephone service, travel advances, relocation of instructor and liaison personnel for the Federal Law Enforcement Training Center, and $85 per month for extra services performed for the Capitol Police Board by an employee of the Sergeant at Arms of the Senate or the House of Representatives designated by the Chairman of the Board, $6,237,000, to be disbursed by the Chief Administrative Officer of the House of Representatives: Provided, That, notwithstanding any other provision of law, the cost of basic training for the Capitol Police at the Federal Law Enforcement Training Center for fiscal year 1999 shall be paid by the Secretary of the Treasury from funds available to the Department of the Treasury.

ADMINISTRATIVE PROVISION

SEC. 111. Amounts appropriated for fiscal year 1999 for the Capitol Police Board for the Capitol Police may be transferred between the headings ''SALARIES'' and ''GENERAL EXPENSES'' upon the approval of—

(1) the Committee on Appropriations of the House of Representatives, in the case of amounts transferred from the appropriation provided to the Sergeant at Arms of the House of Representatives under the heading ''SALARIES'';

(2) the Committee on Appropriations of the Senate, in the case of amounts transferred from the appropriation provided to the Sergeant at Arms and Doorkeeper of the Senate under the heading ''SALARIES''; and

(3) the Committees on Appropriations of the Senate and the House of Representatives, in the case of other transfers.

CAPITOL GUIDE SERVICE AND SPECIAL SERVICES OFFICE

For salaries and expenses of the Capitol Guide Service and Special Services Office, $2,195,000, to be disbursed by the Secretary of the Senate: Provided, That no part of such amount may be used to employ more than forty-three individuals: Provided further, That the Capitol Guide Board is authorized, during emergencies, to employ not more than two additional individuals for not more than 120 days each, and not more than ten additional individuals for not more than six months each, for the Capitol Guide Service.

STATEMENTS OF APPROPRIATIONS

For the preparation, under the direction of the Committees on Appropriations of the Senate and the House of Representatives, of the statements for the second session of the One Hundred Fifth Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriations bills as required by law, $30,000, to be paid to the persons designated by the chairmen of such committees to supervise the work.

OFFICE OF COMPLIANCE

SALARIES AND EXPENSES

For salaries and expenses of the Office of Compliance, as authorized by section 305 of the Congressional Accountability Act of 1995 (2 U.S.C. 1385), $2,086,000.

CONGRESSIONAL BUDGET OFFICE

SALARIES AND EXPENSES

For salaries and expenses necessary to carry out the provisions of the Congressional Budget Act of 1974 (Public Law 93–344), including not more than $2,500 to be expended on the certification of the Director of the Congressional Budget Office in connection with official representation and reception expenses, $25,671,000: Provided, That no part of such amount may be used for the purchase or hire of a passenger motor vehicle.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

CAPITOL BUILDINGS

SALARIES AND EXPENSES

For salaries for the Architect of the Capitol, the Assistant Architect of the Capitol, and other personal services, at rates of pay provided by law; for surveys and studies in connection with activities under the care of the Architect of the Capitol; for all necessary expenses for the maintenance, care and operation of the Capitol and electrical substations of the Senate and House office buildings under the jurisdiction of the Architect of the Capitol, including furnishings and office equipment, including not more than $1,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve; for purchase or exchange, maintenance and operation of a passenger motor vehicle; and not to exceed $20,000 for attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol, $43,683,000, of which $8,175,000 shall remain available until expended.

CAPITOL GROUNDS

For all necessary expenses for care and improvement of grounds surrounding the Capitol, the Senate and House office buildings, and the Capitol Power Plant, $6,046,000, of which $525,000 shall remain available until expended.

SENATE OFFICE BUILDINGS

For all necessary expenses for maintenance, care and operation of Senate office buildings; and furniture and furnishings to be expended under the control and supervision of the Architect of the Capitol, $54,144,000, of which $14,615,000 shall remain available until expended.

HOUSE OFFICE BUILDINGS

For all necessary expenses for the maintenance, care and operation of the House office buildings, $42,139,000, of which $11,449,000 shall remain available until expended: Provided, That of the total amount provided under this heading, not less than $100,000 shall be used exclusively for waste recycling programs.

CAPITOL POWER PLANT

For all necessary expenses for the maintenance, care and operation of the Capitol Power Plant; lighting, heating, power (including the purchase of electrical energy) and water and sewer services for the Capitol, Senate and House office buildings, Library of Congress buildings, and the grounds about the same, Botanic Garden, Senate garage, and air conditioning refrigeration not supplied from plants in any of such buildings; heating the Government Printing Office and Washington City Post Office, and heating and chilled water for air conditioning for the Supreme Court Building, the Union Station complex, the Thurgood Marshall Federal Judiciary Building and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol and amounts so received shall be deposited into the Treasury to the credit of this appropriation, $38,174,000, of which $5,100,000 shall remain available until expended: Provided, That not more than $4,000,000 of the funds credited or to be reimbursed to this appropriation as herein provided shall be available for obligation during fiscal year 1999.

LIBRARY OF CONGRESS

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States of America, $67,124,000: Provided, That no part of such amount may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Oversight of the House of Representatives or the Committee on Rules and Administration of the Senate: Provided further, That, notwithstanding any other provision of law, the compensation of the Director of the Congressional Research Service, Library of Congress, shall be at an annual rate which is equal to the annual rate of basic pay for positions at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

For authorized printing and binding for the Congress and the distribution of Congressional information in any format; printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (44 U.S.C. 902); printing and binding of Government publications authorized by law to be distributed to Members of Congress; and printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, $74,465,000: Provided, That this appropriation shall not be available for paper copies of the permanent edition of the Congressional Record for individual Representatives, Resident Commissioners or Delegates authorized under 44 U.S.C. 906: Provided further, That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years: Provided further, That notwithstanding the 2-year limitation under section 718 of title 44, United States Code, none of the funds appropriated or made available under this Act or any other Act for printing and binding and related services provided to Congress under chapter 7 of title 44, United States Code, may be expended to print a document, report, or publication after the 27-month period beginning on the date that such document, report, or publication is authorized by Congress to be printed, unless Congress reauthorizes such printing in accordance with section 718 of title 44, United States Code.

ADMINISTRATIVE PROVISION

SEC. 112. (a) The Legislative Branch Appropriations Act, 1998 (Public Law 105–55; 111 Stat. 1191) is amended in the item relating to ''CONGRESSIONAL PRINTING AND BINDING'' under the heading ''GOVERNMENT PRINTING OFFICE'' by striking ''$81,669,000'' and all that follows through ''Provided,'' and inserting the following: ''$70,652,000: Provided, That an additional amount of not more than $11,017,000 may be derived by transfer from the Government Printing Office revolving fund under section 309 of title 44, United States Code: Provided further,''.

(b) The amendment made by subsection (a) shall take effect as if included in the enactment of the Legislative Branch Appropriations Act, 1998.

This title may be cited as the ''Congressional Operations Appropriations Act, 1999''.

TITLE II—OTHER AGENCIES

BOTANIC GARDEN

SALARIES AND EXPENSES

For all necessary expenses for the maintenance, care and operation of the Botanic Garden and the nurseries, buildings, grounds, and collections; and purchase and exchange, maintenance, repair, and operation of a passenger motor vehicle; all under the direction of the Joint Committee on the Library, $3,052,000.

ADMINISTRATIVE PROVISION

SEC. 201. Section 307E(b) of the Legislative Branch Appropriations Act, 1989 (40 U.S.C. 216c(b)) is amended by—

(1) redesignating paragraph (2) as paragraph (3); and

(2) inserting after paragraph (1) the following: ''(2) The Secretary of the Treasury shall invest any portion of the account designated in paragraph (1) that, as determined by the Architect, is not required to meet current expenses. Each investment shall be made in an interest-bearing obligation of the United States or an obligation guaranteed both as to principal and interest by the United States that, as determined by the Architect, has a maturity date suitable for the purposes of the account. The Secretary of the Treasury shall credit interest earned on the obligations to the account.''.

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

For necessary expenses of the Library of Congress not otherwise provided for, including development and maintenance of the Union Catalogs; custody and custodial care of the Library buildings; special clothing; cleaning, laundering and repair of uniforms; preservation of motion pictures in the custody of the Library; operation and maintenance of the American Folklife Center in the Library; preparation and distribution of catalog records and other publications of the Library; hire or purchase of one passenger motor vehicle; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, $238,373,000, of which not more than $6,500,000 shall be derived from collections credited to this appropriation during fiscal year 1999, and shall remain available until expended, under the Act of June 28, 1902 (chapter 1301; 32 Stat. 480; 2 U.S.C. 150) and not more than $350,000 shall be derived from collections during fiscal year 1999 and shall remain available until expended for the development and maintenance of an international legal information database and activities related thereto: Provided, That the Library of Congress may not obligate or expend any funds derived from collections under the Act of June 28, 1902, in excess of the amount authorized for obligation or expenditure in appropriations Acts: Provided further, That the total amount available for obligation shall be reduced by the amount by which collections are less than the $6,850,000: Provided further, That of the total amount appropriated, $10,119,000 is to remain available until expended for acquisition of books, periodicals, newspapers, and all other materials including subscriptions for bibliographic services for the Library, including $40,000 to be available solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additions to the collections: Provided further, That of the total amount appropriated, $3,544,000 is to remain available until expended for the acquisition and partial support for implementation of an integrated library system (ILS): Provided further, That of the total amount appropriated, $2,000,000 is to remain available until expended for a project to digitize collections for the Meeting of the Frontiers United States-Russian digital library: Provided further, That of the total amount appropriated, $250,000 is to remain available until expended for the Library's efforts in connection with the commemoration of the Bicentennial of the Lewis and Clark expedition.

COPYRIGHT OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, including publication of the decisions of the United States courts involving copyrights, $34,891,000, of which not more than $16,000,000, to remain available until expended, shall be derived from collections credited to this appropriation during fiscal year 1999 under 17 U.S.C. 708(d): Provided, That the Copyright Office may not obligate or expend any funds derived from collections under 17 U.S.C. 708(d), in excess of the amount authorized for obligation or expenditure in appropriations Acts: Provided further, That not more than $5,170,000 shall be derived

from collections during fiscal year 1999 under 17 U.S.C. 111(d)(2), 119(b)(2), 802(h), and 1005: Provided further, That the total amount available for obligation shall be reduced by the amount by which collections are less than $21,170,000: Provided further, That not more than $100,000 of the amount appropriated is available for the maintenance of an ''International Copyright Institute'' in the Copyright Office of the Library of Congress for the purpose of training nationals of developing countries in intellectual property laws and policies: Provided further, That not more than $2,250 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for activities of the International Copyright Institute.

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

SALARIES AND EXPENSES

For salaries and expenses to carry out the Act of March 3, 1931 (chapter 400; 46 Stat. 1487; 2 U.S.C. 135a), $46,824,000, of which $13,744,000 shall remain available until expended.

FURNITURE AND FURNISHINGS

For necessary expenses for the purchase, installation, maintenance, and repair of furniture, furnishings, office and library equipment, $4,448,000.

ADMINISTRATIVE PROVISIONS

SEC. 202. Appropriations in this Act available to the Library of Congress shall be available, in an amount of not more than $194,290, of which $58,100 is for the Congressional Research Service, when specifically authorized by the Librarian, for attendance at meetings concerned with the function or activity for which the appropriation is made.

SEC. 203. (a) No part of the funds appropriated in this Act shall be used by the Library of Congress to administer any flexible or compressed work schedule which—

(1) applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS–15; and

(2) grants such manager or supervisor the right to not be at work for all or a portion of a workday because of time worked by the manager or supervisor on another workday.

(b) For purposes of this section, the term ''manager or supervisor'' means any management official or supervisor, as such terms are defined in section 7103(a) (10) and (11) of title 5, United States Code.

SEC. 204. Appropriated funds received by the Library of Congress from other Federal agencies to cover general and administrative overhead costs generated by performing reimbursable work for other agencies under the authority of 31 U.S.C. 1535 and 1536 shall not be used to employ more than 65 employees and may be expended or obligated—

(1) in the case of a reimbursement, only to such extent or in such amounts as are provided in appropriations Acts; or

(2) in the case of an advance payment, only—

(A) to pay for such general or administrative overhead costs as are attributable to the work performed for such agency; or

(B) to such extent or in such amounts as are provided in appropriations Acts, with respect to any purpose not allowable under subparagraph (A).

SEC. 205. Of the amounts appropriated to the Library of Congress in this Act, not more than $5,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the incentive awards program.

SEC. 206. Of the amount appropriated to the Library of Congress in this Act, not more than $12,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the Overseas Field Offices.

SEC. 207. (a) For fiscal year 1999, the obligational authority of the Library of Congress for the activities described in subsection (b) may not exceed $99,765,100.

(b) The activities referred to in subsection (a) are reimbursable and revolving fund activities that are funded from sources other than appropriations to the Library in appropriations Acts for the legislative branch.

SEC. 208. Effective October 1, 1998, the Library of Congress is authorized to receive funds from participants in and sponsors of an international legal information database led by the Law Library of Congress, and to credit any such funds to the Library of Congress appropriations, up to the extent authorized in appropriations Acts, for the development and maintenance of the database.

ARCHITECT OF THE CAPITOL

CONGRESSIONAL CEMETERY

For a grant for the perpetual care and maintenance of the historic Congressional Cemetery, $1,000,000, to remain available until expended.

LIBRARY BUILDINGS AND GROUNDS

STRUCTURAL AND MECHANICAL CARE

For all necessary expenses for the mechanical and structural maintenance, care and operation of the Library buildings and grounds, $12,672,000, of which $910,000 shall remain available until expended.

ADMINISTRATIVE PROVISIONS

SEC. 209. (a) GRANT FOR CARE AND MAINTENANCE OF CONGRESSIONAL CEMETERY.—In order to assist in the perpetual care and maintenance of the historic Congressional Cemetery, the Architect of the Capitol shall make a grant to the National Trust for Historic Preservation (hereafter in this section referred to as the ''National Trust'') in accordance with an agreement entered into by the Architect of the Capitol with the National Trust and the Association for the Preservation of Historic Congressional Cemetery (hereafter in this section referred to as the ''Association'') which contains the terms and conditions described in subsection (b) and such other provisions as the Architect may deem necessary or desirable for the implementation of this section or for the protection of the interests of the Federal Government.

(b) TERMS AND CONDITIONS OF AGREEMENT.—The terms and conditions described in this subsection are as follows:

(1) Upon receipt of the amounts provided under the grant made under subsection (a), the National Trust shall deposit the amounts in a permanently restricted account in its endowment and shall administer, invest, and manage such grant funds in the same manner as other National Trust endowment funds.

(2) The National Trust shall make distributions to the Association from the amounts deposited in the endowment pursuant to paragraph (1), in accordance with its regularly established spending rate, for the care and maintenance of the Cemetery (other than the cost of personnel), except that the National Trust may only make such distributions incrementally and proportionately upon receipt by the National Trust of contributions from the Association which incrementally match the amounts provided under the grant made under subsection (a) and which are to be added to the permanently restricted account described in paragraph (1).

(3) The Association shall use such distributions from the endowment and the match for the care and maintenance of Congressional Cemetery, except that the Association may not use such distributions for nonroutine restoration or capital projects.

(4) The Association, or any successor thereto, shall maintain adequate records and accounts of all financial transactions and operations carried out with such distributions, and such records shall be available at all times for audit and investigation by the Architect of the Capitol and the Comptroller General.

(c) NO TITLE IN UNITED STATES.—Nothing in this section shall be construed to vest title to the Congressional Cemetery in the United States.

SEC. 210. For fiscal year 1999, the amount available for expenditure by the Architect of the Capitol from the fund established under section 4 of the Act entitled ''An Act to authorize acquisition of certain real property for the Library of Congress, and for other purposes'', approved December 15, 1997 (Public Law 105–144; 111 Stat. 2688), may not exceed $2,500,000.

GOVERNMENT PRINTING OFFICE

OFFICE OF SUPERINTENDENT OF DOCUMENTS

SALARIES AND EXPENSES

For expenses of the Office of Superintendent of Documents necessary to provide for the cataloging and indexing of Government publications and their distribution to the public, Members of Congress, other Government agencies, and designated depository and international exchange libraries as authorized by law, $29,264,000: Provided, That travel expenses, including travel expenses of the Depository Library Council to the Public Printer, shall not exceed $150,000: Provided further, That amounts of not more than $2,000,000 from current year appropriations are authorized for producing and disseminating Congressional serial sets and other related publications for 1997 and 1998 to depository and other designated libraries.

GOVERNMENT PRINTING OFFICE REVOLVING FUND

The Government Printing Office is hereby authorized to make such expenditures, within the limits of funds available and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the programs and purposes set forth in the budget for the current fiscal year for the Government Printing Office revolving fund: Provided, That not more than $2,500 may be expended on the certification of the Public Printer in connection with official representation and reception expenses: Provided further, That the revolving fund shall be available for the hire or purchase of not more than twelve passenger motor vehicles: Provided further, That expenditures in connection with travel expenses of the advisory councils to the Public Printer shall be deemed necessary to carry out the provisions of title 44, United States Code: Provided further, That the revolving fund shall be available for temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level V of the Executive Schedule under section 5316 of such title: Provided further, That the revolving fund and the funds provided under the heading ''OFFICE OF SUPERINTENDENT OF DOCUMENTS'', ''SALARIES AND EXPENSES'' together may not be available for the full-time equivalent employment of more than 3,383 workyears: Provided further, That activities financed through the revolving fund may provide information in any format: Provided further, That the revolving fund shall not be used to administer any flexible or compressed work schedule which applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS–15: Provided further, That expenses for attendance at meetings shall not exceed $75,000.

GENERAL ACCOUNTING OFFICE

SALARIES AND EXPENSES

For necessary expenses of the General Accounting Office, including not more than $7,000 to be expended on the certification of the Comptroller General of the United States in connection with official representation and reception expenses; temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level IV of the Executive Schedule under section 5315 of such title; hire of one passenger motor vehicle; advance payments in foreign countries in accordance with 31 U.S.C. 3324;

benefits comparable to those payable under sections 901(5), 901(6) and 901(8) of the Foreign Service Act of 1980 (22 U.S.C. 4081(5), 4081(6) and 4081(8)); and under regulations prescribed by the Comptroller General of the United States, rental of living quarters in foreign countries, $354,268,000: Provided, That notwithstanding 31 U.S.C. 9105 hereafter amounts reimbursed to the Comptroller General pursuant to that section shall be deposited to the appropriation of the General Accounting Office then available and remain available until expended, and not more than $2,000,000 of such funds shall be available for use in fiscal year 1999: Provided further, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the Joint Financial Management Improvement Program (JFMIP) shall be available to finance an appropriate share of JFMIP costs as determined by the JFMIP, including the salary of the Executive Director and secretarial support: Provided further, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the National Intergovernmental Audit Forum or a Regional Intergovernmental Audit Forum shall be available to finance an appropriate share of either Forum's costs as determined by the respective Forum, including necessary travel expenses of non-Federal participants. Payments hereunder to either Forum or the JFMIP may be credited as reimbursements to any appropriation from which costs involved are initially financed: Provided further, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the American Consortium on International Public Administration (ACIPA) shall be available to finance an appropriate share of ACIPA costs as determined by the ACIPA, including any expenses attributable to membership of ACIPA in the International Institute of Administrative Sciences.

ADMINISTRATIVE PROVISION

SEC. 211. The unexpended balance appropriated in Public Law 104–208 to the Secretary of Health and Human Services for carrying out section 301(l) of Public Law 104–191 is transferred to the ''Salaries and Expensees'' appropriation of Public Law 105–55 for necessary expenses of the General Accounting Office, to remain available until September 30, 1998.

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations relating to parking facilities for the House of Representatives issued by the Committee on House Oversight and for the Senate issued by the Committee on Rules and Administration.

SEC. 302. No part of the funds appropriated in this Act shall remain available for obligation beyond fiscal year 1999 unless expressly so provided in this Act.

SEC. 303. Whenever in this Act any office or position not specifically established by the Legislative Pay Act of 1929 is appropriated for or the rate of compensation or designation of any office or position appropriated for is different from that specifically established by such Act, the rate of compensation and the designation in this Act shall be the permanent law with respect thereto: Provided, That the provisions in this Act for the various items of official expenses of Members, officers, and committees of the Senate and House of Representatives, and clerk hire for Senators and Members of the House of Representatives shall be the permanent law with respect thereto.

SEC. 304. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 305. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ''Made in America'' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in section 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 306. Such sums as may be necessary are appropriated to the account described in subsection (a) of section 415 of Public Law 104–1 to pay awards and settlements as authorized under such subsection.

SEC. 307. Amounts available for administrative expenses of any legislative branch entity which participates in the Legislative Branch Financial Managers Council (LBFMC) established by charter on March 26, 1996, shall be available to finance an appropriate share of LBFMC costs as determined by the LBFMC, except that the total LBFMC costs to be shared among all participating legislative branch entities (in such allocations among the entities as the entities may determine) may not exceed $1,500.

SEC. 308. (a) SEVERANCE PAY FOR EMPLOYEES OF THE ARCHITECT OF THE CAPITOL.—Section 5595(a) of title 5, United States Code, as amended by section 310 of the Legislative Branch Appropriations Act, 1998, is amended—

(1) in paragraph (1)(F), by striking '', but only with respect to the United States Senate Restaurants''; and

(2) in paragraph (2), in clause (viii) in the matter following subparagraph (B), by striking ''of the United States Senate Restaurants''.

(b) EARLY RETIREMENT FOR EMPLOYEES OF THE ARCHITECT OF THE CAPITOL.—Section 310(b)(1) of the Legislative Branch Appropriations Act, 1998 (40 U.S.C. 174j–1(b)(1)) is amended—

(1) in the matter preceding subparagraph (A), by striking ''of the United States Senate Restaurants''; and

(2) in subparagraph (A), by striking ''1999;'' and inserting ''1999 (or, in the case of an individual who is not an employee of the United States Senate Restaurants, on or after the date of the enactment of the Legislative Branch Appropriations Act, 1999 and before October 1, 2001);''.

(c) VOLUNTARY SEPARATION INCENTIVE PAYMENTS FOR EMPLOYEES OF THE ARCHITECT OF THE CAPITOL.—Section 310(c) of the Legislative Branch Appropriations Act, 1998 (40 U.S.C. 174j–1(c)) is amended—

(1) in paragraph (1), by striking ''of the United States Senate Restaurants''; and

(2) in paragraph (2)—

(A) by striking ''not more than 50'';

(B) by striking ''1999'' and inserting ''1999 (or, in the case of an individual who is not an employee of the United States Senate Restaurants, on or after the date of the enactment of the Legislative Branch Appropriations Act, 1999 and before October 1, 2001)''; and

(C) by adding at the end the following new sentence: ''The number of employees of the United States Senate Restaurants to whom voluntary separation incentive payments may be offered under the program established under the previous sentence may not exceed 50.'';

(3) by redesignating paragraphs (4) and (5) as paragraphs (6) and (7), respectively; and

(4) by inserting after paragraph (3) the following:

''(4)(A) No voluntary separation incentive payment may be paid under this section on or after the date of enactment of the Legislative Branch Appropriations Act, 1999, unless the Architect of the Capitol submits a plan described under subparagraph (B) to the Committee on Rules and Administration of the Senate and the Committee on House Oversight of the House of Representatives and such committees approve the plan.

''(B) The plan referred to under subparagraph (A) shall include—

''(i) the positions and functions to be reduced or eliminated, identified by organizational unit, occupational category, and pay or grade level;

''(ii) the number and amounts of voluntary separation incentive payments to be offered; and

''(iii) a description of how the Architect of the Capitol will operate without the eliminated positions and functions.

''(5)(A) In addition to any other payments which the Architect of the Capitol is required to make under subchapter III of chapter 83 of title 5, United States Code, the Architect of the Capitol shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section. This subparagraph shall not apply to any employee of the United States Senate Restaurants.

''(B) For the purpose of this paragraph, the term 'final basic pay', with respect to an employee—

''(i) means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay; and

''(ii) includes an appropriate adjustment to the amount computed under clause (i) if the employee is last serving on other than a full-time basis.''.

(d) RETRAINING, JOB PLACEMENT, AND COUNSELING SERVICES FOR EMPLOYEES OF THE ARCHITECT OF THE CAPITOL.—Section 310(e) of the Legislative Branch Appropriations Act, 1998 (40 U.S.C. 174j–1(e)) is amended—

(1) in paragraph (1)(A), by striking ''of the United States Senate Restaurants''; and

(2) in paragraph (3)(A), by striking ''the United States Senate Restaurants of ''.

SEC. 309. (a) SEVERANCE PAY.—Section 5595 of title 5, United States Code, as amended by section 310 of the Legislative Branch Appropriations Act, 1998, is amended—

(1) in subsection (a)(2)—

(A) in clause (viii), by striking ''or'' after the semicolon; and

(B) by redesignating clause (ix) as clause (x) and inserting after clause (viii) the following new clause:

''(ix) an employee of the Government Printing Office, who is employed on a temporary when actually employed basis; or''; and

(2) in subsection (b) by adding at the end the following: ''The Public Printer may prescribe regulations to effect the application and operation of this section to the agency specified in subsection (a)(1)(G) of this section.''.

(b) EARLY RETIREMENT.—(1) This subsection applies to an employee of the Government Printing Office who—

(A) voluntarily separates from service on or after the date of enactment of this Act and before October 1, 2001; and

(B) on such date of separation—

(i) has completed 25 years of service as defined under section 8331(12) or 8401(26) of title 5, United States Code; or

(ii) has completed 20 years of such service and is at least 50 years of age.

(2) Notwithstanding any provision of chapter 83 or 84 of title 5, United States Code, an employee described under paragraph (1) is entitled to an annuity which shall be computed consistent with the provisions of law applicable to annuities under section 8336(d) or 8414(b) of title 5, United States Code.

(c) VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—(1) In this subsection, the term ''employee'' means an employee of the Government Printing Office, serving without limitation, who has been currently employed for a continuous period of at least 12 months, except that such term shall not include—

(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the Government;

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under any of the retirement systems referred to in subparagraph (A); or

(C) an employee who is employed on a temporary when actually employed basis.

(2) Notwithstanding any other provision of law, in order to avoid or minimize the need for involuntary separations due to a reduction in force, reorganization, transfer of function, or other similar action affecting the agency, the Public Printer shall establish a program under which voluntary separation incentive payments may be offered to encourage eligible employees to separate from service voluntarily (whether by retirement or resignation) during the period beginning on the date of the enactment of this Act through September 30, 2001.

(3) Such voluntary separation incentive payments shall be paid in accordance with the provisions of section 5597(d) of title 5, United States Code. Any such payment shall not be a basis of payment, and shall not be included in the computation, of any other type of Government benefit.

(4)(A) Not later than January 15, 1999, the Public Printer shall submit a plan described under subparagraph (C) to the Joint Committee on Printing (or any applicable successor committees).

(B) No voluntary separation incentive payment may be paid under this section unless the Public Printer submits a plan described under subparagraph (C) to the Joint Committee on Printing (or any applicable successor committees) and the Joint Committee on Printing approves the plan (or such successor committees approve the plan).

(C) The plan referred to under subparagraph (B) shall include—

(i) the positions and functions to be reduced or eliminated, identified by organizational unit, occupational category, and pay or grade level;

(ii) the number and amounts of voluntary separation incentive payments to be offered; and

(iii) a description of how the Government Printing Office will operate without the eliminated positions and functions.

(5)(A) In addition to any other payments which the Public Printer is required to make under subchapter III of chapter 83 of title 5, United States Code, the Public Printer shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section.

(B) For the purpose of this paragraph, the term ''final basic pay'', with respect to an employee—

(i) means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay; and

(ii) includes an appropriate adjustment to the amount computed under clause (i) if the employee is last serving on other than a full-time basis.

(6)(A) Subject to subparagraph (B), an employee who has received a voluntary separation incentive payment under this section and accepts employment with the Government of the United States within 5 years after the date of the separation on which the payment is based shall be required to repay the entire amount of the incentive payment to the agency that paid the incentive payment.

(B)(i) If the employment is with an Executive agency (as defined by section 105 of title 5, United States Code), the Director of the Office of Personnel Management may, at the request of the head of the agency, waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(ii) If the employment is with an entity in the legislative branch, the head of the entity or the appointing official may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(iii) If the employment is with the judicial branch, the Director of the Administrative Office of the United States Courts may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(C) For purposes of subparagraph (A) (but not subparagraph (B)), the term ''employment'' includes employment under a personal services contract with the United States.

(7) Not later than January 15, 1999, the Public Printer shall prescribe regulations to carry out this subsection.

(d) RETRAINING, JOB PLACEMENT, AND COUNSELING SERVICES.—(1) In this subsection, the term ''employee''—

(A) means an employee of the Government Printing Office; and

(B) shall not include—

(i) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the Government; or

(ii) an employee who is employed on a temporary when actually employed basis.

(2) The Public Printer may establish a program to provide retraining, job placement, and counseling services to employees and former employees.

(3) A former employee may not participate in a program established under this subsection, if—

(A) the former employee was separated from service with the Government Printing Office for more than 1 year; or

(B) the separation was by removal for cause on charges of misconduct or delinquency.

(4) Retraining costs for the program established under this subsection may not exceed $5,000 for each employee or former employee.

(e) ADMINISTRATIVE PROVISIONS.—(1) The Public Printer—

(A) may use employees of the Government Printing Office to establish and administer programs and carry out the provisions of this section; and

(B) may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, to carry out such provisions—

(i) not subject to the 1 year of service limitation under such section 3109(b); and

(ii) at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(2) Funds to carry out subsections (a) and (c) may be expended only from funds available for the basic pay of the employee who is receiving the applicable payment.

(3) Funds to carry out subsection (d) may be expended from any funds made available to the Public Printer.

SEC. 310. The Architect of the Capitol—

(1) shall develop and implement a cost-effective energy conservation strategy for all facilities currently administered by Congress to achieve a net reduction of 20 percent in energy consumption on the congressional campus compared to fiscal year 1991 consumption levels on a Btu-per-gross-square-foot basis not later than 7 years after the adoption of this resolution;

(2) shall submit to Congress no later than 10 months after the adoption of this resolution a comprehensive energy conservation and management plan which includes life cycle costs methods to determine the cost-effectiveness of proposed energy efficiency projects;

(3) shall submit to the Committee on Appropriations in the Senate and the House of Representatives a request for the amount of appropriations necessary to carry out this resolution;

(4) shall present to Congress annually a report on congressional energy management and conservation programs which details energy expenditures for each facility, energy management and conservation projects, and future priorities to ensure compliance with the requirements of this resolution;

(5) shall perform energy surveys of all congressional buildings and update such surveys as needed;

(6) shall use such surveys to determine the cost and payback period of energy and water conservation measures likely to achieve the required energy consumption levels;

(7) shall install energy and water conservation measures that will achieve the requirements through previously determined life cycle cost methods and procedures;

(8) may contract with nongovernmental entities and employ private sector capital to finance energy conservation projects and achieve energy consumption targets;

(9) may develop innovative contracting methods that will attract private sector funding for the installation of energy-efficient and renewable energy technology to meet the requirements of this resolution;

(10) may participate in the Department of Energy's Financing Renewable Energy and Efficiency (FREE Savings) contracts program for Federal Government facilities; and

(11) shall produce information packages and ''how-to'' guides for each Member and employing authority of the Congress that detail simple, cost-effective methods to save energy and taxpayer dollars.

SEC. 311. Section 316 of Public Law 101–302 is amended in the first sentence of subsection (a) by striking ''1998'' and inserting ''1999''.

SEC. 312. AMERICAN FOLKLIFE CENTER. (a) FINDINGS AND PURPOSE.—

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

(A) The American Folklife Center in the Library of Congress was created by Congress in 1976, building on the vast expertise and archival material existing at the Library since 1928.

(B) As an instrumentality of the Congress, it is fitting that the American Folklife Center should have a direct and close relationship with the representatives of the people, who are best able to oversee the ongoing activities of the Center to preserve and promote the cultural traditions of the people, and to ensure that the resources of the Center be readily available to all Americans.

(C) In over 20 years since its creation, the American Folklife Center in the Library of Congress has—

(i) increased the size of the Archive of Folk Culture from 500,000 to 1,500,000 multi-format ethnographic items;

(ii) engaged in 15 cultural surveys and field documentation projects in all regions of the country;

(iii) provided publications, documentary equipment on loan, and advisory and reference service to persons and institutions in all 50 States;

(iv) produced exhibitions and other educational programs on American Folklife at the Library and around the country;

(v) begun sharing its unique collections in digital form via the Internet; and

(vi) served as a national center for the professions of folklore, ethnomusicology, and cultural studies.

(D) Congress has consistently provided encouragement and support of American Folklife as an appropriate matter of concern to the Federal Government, passing legislation to reauthorize the Center 8 times since its creation in 1976.

(E) The American Folklife Center is the only unit in the Library of Congress which is not permanently authorized. Since its establishment in 1976, the Center's collections and activities have been fully and successfully integrated into the Library of Congress. It is useful to statutorily conform the American Folklife Center with the rest of the Library of Congress.

(2) PURPOSE.—It is the purpose of this section to authorize permanently the American Folklife Center in the Library of Congress to preserve and present American Folklife.

(b) REAUTHORIZATION AND AMENDMENT.—

(1) BOARD OF TRUSTEES; APPOINTMENT AND COMPENSATION OF DIRECTOR; ELIMINATION OF DEPUTY DIRECTOR POSITION.—Section 4 of the American Folklife Preservation Act (20 U.S.C. 2103) is amended—

(A) by striking subsection (b) and inserting the following:

''(b)(1) The Center shall be under the direction of a Board of Trustees. The Board shall be composed as follows—

''(A) four members appointed by the President from among individuals who are officials of Federal departments and agencies concerned with some aspect of American Folklife traditions and arts;

''(B) four members appointed by the President pro tempore of the Senate from among individuals from private life who are widely recognized by virtue of their scholarship, experience, creativity, or interest in American Folklife traditions and arts, and four members appointed by the Speaker of the House of Representatives from among such individuals;

''(C) four members appointed by the Librarian of Congress from among individuals who are widely recognized by virtue of their scholarship, experience, creativity, or interest in American folklife traditions and arts; and

''(D) seven ex officio members including—

''(i) the Librarian of Congress;

''(ii) the Secretary of the Smithsonian Institution;

''(iii) the Chairman of the National Endowment for the Arts;

''(iv) the Chairman of the National Endowment for the Humanities;

''(v) the President of the American Folklore Society;

''(vi) the President of the Society for Ethnomusicology; and

''(vii) the Director of the Center.

''(2) In making appointments from private life under paragraph (1) (B) and (C), the President pro tempore of the Senate, the Speaker of the House of Representatives, and the Librarian of Congress shall give due consideration to the appointment of individuals who collectively will provide appropriate diversity and regional balance on the Board. Not more than 3 of the members appointed by the President pro tempore of the Senate or by the Speaker of the House of Representatives may be affiliated with the same political party.

''(3) In making appointments under paragraph (1)(C), the Librarian of Congress shall include at least 2 members who direct or are members of the boards of major American folklife organizations other than the American Folklore Society and the Society for Ethnomusicology.'';

(B) by striking subsection (d) and inserting the following:

''(d) Members of the Board shall serve without pay, but members who are not regular full-time employees of the United States may, at the discretion of the Librarian, be reimbursed for the actual and necessary traveling and subsistence expenses incurred by them in the performance of the duties of the Board.'';

(C) in subsection (e)—

(i) in paragraph (2), by inserting ''currently serving'' after ''Board''; and

(ii) by adding at the end the following:

''(3) The Board shall meet at least once each fiscal year.'';

(D) by striking subsection (f) and inserting the following:

''(f) After consultation with the Board, the Librarian shall appoint the Director of the Center. The basic pay of the Director shall be at an annual rate that is not less than an amount equal to 120 percent of the minimum rate of basic pay payable for GS–15 of the General Schedule nor more than an amount equal to the pay payable under level IV of the Executive Schedule under section 5315 of title 5, United States Code.''; and

(E) in subsection (g)—

(i) in paragraph (1), by striking the paragraph designation; and

(ii) by striking paragraph (2).

(2) ADMINISTRATIVE PROVISIONS.—Section 7(a)(4) of the American Folklife Preservation Act (20 U.S.C. 2106(a)(4)) is amended by striking '', but no individual so appointed shall receive compensation in excess of the rate received by the Deputy Director of the Center''.

(c) PERMANENT AUTHORIZATION OF APPROPRIATIONS.—Section 8 of the American Folklife Preservation Act (20 U.S.C. 2107) is amended to read as follows:

''SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to the Center to carry out this Act such sums as may be necessary for each fiscal year.''.

(d) BOARD OF TRUSTEES, TRANSITION PERIOD.—The term of office of members of the Board of Trustees appointed by the Librarian of Congress under the amendments made by subsection (b)(1) shall be 6 years, except that of the 4 members first appointed by the Librarian, 1 shall serve for a term of 2 years, 2 for a term of 4 years, and 1 for a term of 6 years.

SEC. 313. For purposes of section 8147 of title 5, United States Code, the Government Printing Office is not considered an agency which is required by statute to submit an annual budget pursuant to or as provided by chapter 91 of title 31, United States Code, and is not required to pay an additional amount for the cost of administration.

And the Senate agree to the same.

JAMES T. WALSH,
C.W. BILL YOUNG,
RANDY ''DUKE'' CUNNINGHAM,
ZACH WAMP,
TOM LATHAM,
BOB LIVINGSTON,
JOSE SERRANO,
VIC FAZIO,
STENY HOYER,
DAVID OBEY,
Managers on the Part of the House.

ROBERT F. BENNETT,
TED STEVENS,
LARRY E. CRAIG,
THAD COCHRAN,
BYRON DORGAN,
BARBARA BOXER,
ROBERT C. BYRD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4112) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

Amendment No. 1: The Senate deleted several provisions of the House bill and inserted substitute provisions. Many items in both House and Senate bills are identical and are included in the conference agreement without change. With respect to those items in the conference agreement that differ between House and Senate bills, the conferees have agreed to the following:

TITLE I—CONGRESSIONAL OPERATIONS

SENATE

Appropriates $469,391,000 for Senate operations and contains several administrative provisions, including two additional provisions, regarding frequent flyer miles and reimbursements to the Attending Physician's office, and an adjustment to an allowance amount not included in the Senate amendment. A technical amendment to Administrative Provision Service 1 has been made to the Official Office Expense allowance of the State of Florida to correct a printing error reflected in the Senate tables. The State of Florida's Official Office Expense Allowance effective October 1, 1998 is $302,307. The State of Florida's total annual allowance effective October 1, 1998 is $2,381,991. The total Senate Official Office Expense Allowance effective October 1, 1998 is $19,997,232. The total Senators' Official Personnel and Office Expense Allowance effective October 1, 1998 is $190,654,592. Inasmuch as this item relates solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House, at the request of the managers on the part of the Senate, have receded to the Senate.

The managers on the part of the Senate note that concern has been expressed that the Senate Sergeant at Arms' proposed new computer information system could reduce the services available to individual offices currently provided through the office of the Sergeant at Arms. It is the understanding of the Committee on Appropriations of the Senate that this system will improve the research services available to the Senate. The Sergeant at Arms is directed to prepare a report on the proposed changes to the computer information services program for the Senate Committee on Rules and Administration and the Senate Committee on Appropriations thirty days in advance of implementing any new system. The report should detail the cost to the Senate of both the old and new systems, a comparison of the services available on the old and new systems, and the advantages and disadvantages between the old and new systems for users.

HOUSE OF REPRESENTATIVES

Provides a death gratuity and appropriates $733,971,000 for salaries and expenses, House of Representatives and includes several administrative provisions as proposed by the House. Two additional provisions have been included dealing with telecommunication regulations and authorizing reimbursement to the Chief Administrative Officer's budget for certain furniture and equipment expenses. Inasmuch as this item relates solely to the House, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the Senate, at the request of the managers on the part of the House, have receded to the House.

JOINT ITEMS

JOINT ECONOMIC COMMITTEE

Appropriates $3,096,000 for the Joint Economic Committee instead of $2,796,000 as proposed by the House and Senate.

JOINT COMMITTEE ON PRINTING

Appropriates $202,000 for the Joint Committee on Printing and an additional $150,000 for the Committee on House Oversight as proposed by the House instead of $202,000 for the Joint Committee on Printing as proposed by the Senate. The Senate has provided $150,000 for the Senate Committee on Rules and Administration elsewhere in the bill.

JOINT COMMITTEE ON TAXATION

Appropriates $5,965,400 for the Joint Committee on Taxation as proposed by the Senate instead of $6,018,000 as proposed by the House. The conferees agree that the Joint Committee on Taxation, a joint item that supports both the House and Senate equally, serves a critical role in preparing tax and revenue estimates for Members of Congress. The conferees expect the Joint Committee staff to be fully responsive in assisting with revenue estimates for Members of Congress who are not members of the tax committees. Upon the request of any Member of Congress, the Joint Committee shall expeditiously provide a revenue estimate, describe all assumptions it makes in performing its calculations and provide all primary and secondary source materials to Members or their designees. The Joint Committee shall also state the assumptions and source material in a manner that will allow the calculations for the revenue estimate to be replicated by Members or their designees. The conferees note that such revenue estimates are needed in a timely manner and are critical to the consideration of legislation and amendments. The conferees expect the Joint Committee to be both responsive and timely in its responses to Members of Congress who do not serve on the revenue committees.

OFFICE OF THE ATTENDING PHYSICIAN

Appropriates $1,415,000 for the Office of the Attending Physician as proposed by the Senate instead of $1,383,000 as proposed by the House.

CAPITOL POLICE BOARD

CAPITOL POLICE

SALARIES

Appropriates $76,844,000 for salaries of officers, members, and employees of the Capitol Police instead of $72,615,000 as proposed by the House and $74,281,000 as proposed by the Senate, of which $37,037,000 is provided to the Sergeant at Arms of the House of Representatives and $39,807,000 is provided to the Sergeant at Arms and Doorkeeper of the Senate. With respect to differences between the House and Senate bills, the conferees have agreed to the following changes from FY1998:

1. FTE's	−$100,000
2. Increase in benefits	+457,000
3. Attrition savings	−422,000
4. Sunday and holiday day differential	+1,119,031
5. Night differential	1,323,033
6. Longevity	1,687,284

The conferees have agreed to fund 1251 FTE's as proposed by the Senate instead of 1247 as proposed by the House. $267,000 is provided for ''comparability'' pay and is fenced pending approval of the appropriate authorities, including the Committee on House Oversight and the Senate Committee on Rules and Administration. In addition, the conferees have provided funds for pay parity ($2,442,064) and an adjustment to the longevity schedule ($1,687,284) but fence those amounts pending approval by the appropriate authorities, including the named authorizing committees.

The conferees commend the U.S. Capitol Police (USCP) for its desire to improve the management of its administrative operations. The Appropriations Committees will expect to hear from the Chief of the Capitol Police the details of steps taken to implement improvements during the presentation of the Police fiscal year 2000 budget, specifically the USCP's priorities and the schedule to accomplish those improvements.

GENERAL EXPENSES

Appropriates $6,237,000 for general expenses of the Capitol Police instead of $3,766,000 as proposed by House and $6,297,000 as proposed by the Senate. The conferees have added $500,000 to replenish funds used to defray unforeseen overtime expenditures. With respect to object class and program differences between the House and Senate bills, the conferees have agreed to the following changes from FY 1998:

1. Travel	−$23,000
2. Chemical/biological program	+160,000
3. Price level increases	.....
4. Start up costs, new computer system	+200,000
5. Information security systems	+720,000
6. Computer & telecommunications service costs	.....
7. Tuition	.....
8. Supplies	+4,000
9. Life-cycle replacement for physical security systems	+1,200,000
10. Replenish overtime expenses	+500,000

CAPITOL GUIDE SERVICE AND SPECIAL SERVICES OFFICE

Appropriates $2,195,000 for the Capitol Guide Service and Special Services Office as proposed by the Senate instead of $2,110,000 as proposed by the House and increases to 43 the limitation on the number of individuals that can be employed as proposed by the Senate.

OFFICE OF COMPLIANCE

SALARIES AND EXPENSES

Appropriates $2,086,000 for salaries and expenses, Office of Compliance as proposed by the House instead of $2,286,000 as proposed by the Senate. The conferees agree that the Office of Compliance should submit a request for its FY2000 budget that takes into account reduced workload of the Office.

CONGRESSIONAL BUDGET OFFICE

SALARIES AND EXPENSES

The conferees agree with language in the House report directing House Information Resources and the Library of Congress to work out an acceptable solution to the Congressional Budget Office's computing needs and directing CBO to post on the Internet, effective October 1, 1998, all CBO papers and publications available to the public and in index to such papers and publications.

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

CAPITOL BUILDINGS

SALARIES AND EXPENSES

Appropriates $43,683,000 for salaries and expenses, Capitol buildings instead of $40,347,000 as proposed by the House and $44,641,000 as proposed by the Senate. Of this amount, $8,175,000 shall remain available until expended as proposed by the Senate instead of $6,425,000 as proposed by the House. With respect to object class and project differences between the House and Senate bills, the conferees have agreed to the following operating and capital budget changes from FY 1998:

Operating Budget:	
1. Personnel compensation and benefits	+$1,947,000
2. Attrition savings	−146,000
3. Rental of warehouse space	.....
4. Hazardous materials abatement	.....
5. Postage and metered mail	+4,000
6. Contractual services for safety personnel	+30,000
7. Price level increases	+15,000
8. Uniforms	+80,000
9. Replace Senate restaurant equipment	+28,000
Capital Budget:	
10. Conservation of wall paintings	+100,000
11. Analysis & renovation of outside air intake tunnels	+50,000
12. Replace electrical wiring S–215 & stair by S–344	+25,000
13. Computer-aided facility management (CAFM)	+400,000
14. Capitol complex integrated security program	+475,000
15. Senate chamber improvements	+200,000
16. Upgrade cable television system	+1,000,000
17. Other police security designs	+1,000,000

The conferees agree with language in the House report directing the Architect to develop an energy savings plan that will use proceeds to fund needed maintenance.

CAPITOL GROUNDS

Appropriates $6,046,000 for care and improvement of grounds surrounding the Capitol, House and Senate office buildings, and the Capitol Power Plant instead of $5,803,000 as proposed by the House and $6,055,000 as proposed by the Senate. Of this amount, $525,000 shall remain available until expended as proposed by the Senate. With respect to object class and project differences between the House and Senate bills, the conferees have agreed to the following operating and capital budget changes from FY 1998:

Operating Budget:	
1. Personnel compensation and benefits	+$305,000
2. Attrition savings	−63,000
3. Fee, disposal of solid waste (contractual)	−100,000
4. Replace bituminous paving at various locations	−20,000
5. Supplies, price level increases	+1,000
6. Uniforms	+32,000
Capital Budget:	
7. Refurbishment of Taft Memorial Carillon	+130,000
8. ADA handicapped ramps, terraces	+500,000

SENATE OFFICE BUILDINGS

Appropriates $54,144,000 instead of $53,644,000 as proposed by the Senate, of which $14,615,000 shall remain available until expended, for the operations of the Senate office buildings. Inasmuch as this item relates solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House, at the request of the managers on the part of the Senate, have receded to the Senate, including an additional amount above the amount in the Senate bill.

CAPITOL POWER PLANT

Appropriates $38,174,000 for plant operations instead of $33,145,000 as proposed by the House and $38,222,000 as proposed by the Senate. Of this amount, $5,100,000 shall remain available until expended as proposed by the Senate instead of $100,000 as proposed by the House. With respect to object class and project differences between the House and Senate bills, the conferees have agreed to the following operating and capital budget changes from FY1998:

Operating Budget:	
1. Personnel compensation and benefits	+$347,000
2. Attrition savings	−98,000
3. Uniforms	+33,000
4. Personal protective/safety equipment	+7,000
Capital Budget:	
5. Optimization of chilled water distribution system	+150,000
6. East plant chiller replacement	+4,000,000

LIBRARY OF CONGRESS

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

Appropriates $67,124,000 for salaries and expenses, Congressional Research Service, Library of Congress instead of $66,688,000 as proposed by the House and $67,877,483 as proposed by the Senate. The conferees agree with language in the House report that the Congressional Research Service should replace departing staff with lower level professionals to even out grade distribution. The conferees direct that the Congressional Research Service not increase its full-time equivalent (FTE) employment level above the current level.

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

Appropriates $74,465,000 for Congressional printing and binding as proposed by the House instead of $75,500,000 as proposed by the Senate. The conferees have agreed to the House provision regarding the use of this appropriation for obligations incurred in other years, and have substituted a provision allowing 27 months to perform a printing job in lieu of a provision in the Senate amendment that adjusted current billing procedures.

The conferees have agreed to language in the House report directing the Clerk of the House, in consultation with the Secretary of the Senate and the Public Printer, to evaluate ways to improve the cost-effectiveness of printing Congressional documents and to make appropriate recommendations. The conferees request that the Secretary of the Senate work with the Clerk of the House of Representatives on this project.

ADMINISTRATIVE PROVISION

The conferees have agreed to an administrative provision in the House bill that amends the Legislative Branch Appropriations Act, 1998 to authorize ''not to exceed'' $11,017,000 to be transferred from the revolving fund.

TITLE II—OTHER AGENCIES

BOTANIC GARDEN

SALARIES AND EXPENSES

Appropriates $3,052,000 for salaries and expenses, Botanic Garden instead of $3,032,000 as proposed by the House and $3,180,000 as proposed by the Senate. With respect to object class and project differences between the House and Senate bills, the conferees have agreed to the following operating budget changes from FY 1998:

1. Personnel compensation and benefits	+$133,000
2. Attrition savings	−117,000
3. Uniforms	+16,000
4. Safety apparel	+4,000
5. Roof fall protection	.....

ADMINISTRATIVE PROVISION

The conferees have included an administrative provision amending Section 307E(b) of the Legislative Branch Appropriations Act, 1989, which established a fund for private donations supporting a National Garden at the Botanic Garden. The amendment provides for the investment of such funds in Treasury securities or other Federally-guaranteed obligations and credit of the investments and investment proceeds to the account.

LIBRARY OF CONGRESS

Salaries and Expenses

Provies $238,373,000 for salaries and expenses, Library of Congress instead of $234,822,00 as proposed by the House and $239,176,542 as proposed by the Senate. Of this amount, $6,850,000 is made available from receipts collected by the Library as proposed by the House instead of $6,500,000 as proposed by the Senate; and $10,119,000 is to remain available until expended for acquisition of library materials as proposed by the Senate instead of $9,869,000 as proposed by the House. With respect to differences between the House and Senate bills, the conferees have agreed to the following budget changes from FY 1998:

1. Mandatory pay increases	+$6,448,000
2. Attrition savings	−1,032,000
3. Price level increases	+1,668,000
Growing workload increases:	
4. Fort Meade Storage	+551,000
5. Meeting of the Frontiers—Russia and Alaska	+2,000,000
6. Bicentennial of Lewis and Clark Expedition	+250,000
7. Law Library	+253,775
8. International legal information database (receipts)	+350,000
9. Automation	+691,771
10. Security Office	+335,331

The conferees agree with language in the House bill limiting to $350,000 the amount available from collections relating to an international legal information database. The conferees have also agreed to a provision in the Senate bill providing $2,000,000, to remain available until expended, for a four-year project to digitize collections for the ''Meeting of the Frontiers'' United States-Russian digital collection and to a Senate provision of $250,000, also to remain available until expended, for the Library's efforts in connection with the commemoration of the bicentennial of the Lewis and Clark expedition.

The conferees agree with the directives in the Senate report concerning full-time equivalent jobs and direct that the funds provided may only be expended within current FTE levels.

The conferees agree with language in the House report directing the Library to develop measurements of the extent of the collections security problem and with language in the Senate report urging the Library to continue efforts to assist the Senate with a legislative information retrieval system.

The conferees direct the Library to develop a strategic plan no later than January 15, 1999, coordinating all aspects of the Library's interior and exterior physical security. The plan should identify the Library's central requirements and detail how those requirements are proposed to be met in the short term and in the long term. The Library should consult with the Architect of the Capitol and include in the report those aspects of building security currently provided by the Architect. The Library should also consider the U.S. Capitol Police as a source of information and should consult with the Capitol Police for advice on the best industry practices.

COPYRIGHT OFFICE

SALARIES AND EXPENSES

Provides $34,891,000 for salaries and expense, Copyright Office instead of $33,897,000 as proposed by the House and $35,269,000 as proposed by the Senate. The conferees have agreed to provide an additional $993,500 to the Copyright Office for theft detection devices to be inserted into materials delivered to the Copyright Office for deposit. The conferees have agreed to language in the House bill making the amounts collected under 17 U.D.C. 708(d) available until expended and subject to appropriations. With respect to differences between the House and Senate bills, the conferees have agreed to the following budget changes from FY1998:

1. Attrition savings	−106,000
2. Workload	−346,500

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

SALARIES AND EXPENSES

Appropriates $46,824,000 for salaries and expenses, Books for the Blind and Physically Handicapped as proposed by the House instead of $46,895,000 as proposed by the Senate. Of this amount, $13,744,000 shall remain available until expended.

FURNITURE AND FURNISHINGS

Appropriates $4,448,000 for furniture and furnishings at the Library of Congress instead of $4,178,000 as proposed by the House and $4,458,000 as proposed by the Senate. With respect to differences between the House and Senate bills, the conferees have agreed to the following budget change from FY1998:

Security equipment	+270,000

ADMINISTRATIVE PROVISIONS

The conferees have agreed to a provision in the House bill authorizing the Library to receive funds from participants in and sponsors of an international legal information database for the development and maintenance of the database, subject to appropriations.

ARCHITECT OF THE CAPITOL

CONGRESSIONAL CEMETERY

Appropriates $1,000,000 to the Architect of the Capitol for a grant, to be matched by donations, for perpetual care and maintenance of Congressional Cemetery as proposed by the House.

LIBRARY BUILDINGS AND GROUNDS

STRUCTURAL AND MECHANICAL CARE

Appropriates $12,672,000 for structural and mechanical care, Library buildings and grounds, Architect of the Capitol instead of $11,933,000 as proposed by the House and $12,566,000 as proposed by the Senate. Of this amount, $910,000 shall remain available until expended. With respect to object class and project differences between the House and Senate bills, the conferees have agreed to the following operating and capital budget changes from FY 1998:

Operating Budget	
1. Personnel compensation and benefits	+$299,000
2. Attrition savings	−39,000
3. Annual maintenance, price level increases	.....
4. Supplies and materials, price level increases	+6,500

5. Uniforms	+43,000
6. Safety apparel	+9,000
7. Equipment, price level increases	.....
Capital Budget:	
8. Install additional readers	+300,000
9. Design, roof-fall protection	.....
10. Design, lightning protection, Madison Building	.....
11. Bookstack lighting controls, Jefferson and Adams	+200,000
12. Exterior security improvements	+600,000

The conferees direct that the Architect of the Capitol obtain the concurrence of the Capitol Police Board in the submission of budget requests involving the physical security of the Library buildings and grounds.

ADMINISTRATIVE PROVISIONS

The conferees have agreed to a provision in the House bill authorizing the Architect of the Capitol to make a grant of $1,000,000 to the National Trust for Historic Preservation, to be placed in a restricted account and to be matched by donations to the Association for the Preservation of Historic Congressional Cemetery. Earnings of the account, to the extent that the grant is matched by private donations, will be available to the Association for care and maintenance of Congressional Cemetery, excluding costs of nonroutine restoration or capital projects.

The conferees have included language authorizing up to $2,500,000 for improvements to the National Audio Visual Conservation Center in Culpepper, Virginia. The conferees note that when the acquisition of the National Audio Visual Conservation Center was authorized, the Library announced a goal of funding improvements to the facility on a three-to-one private/public match over the life of the improvement project. The conferees direct the Library to develop a funding strategy, similar to that utilized for the National Digital Library, which will achieve its stated goal.

GOVERNMENT PRINTING OFFICE

OFFICE OF SUPERINTENDENT OF DOCUMENTS

SALARIES AND EXPENSES

Appropriates $29,264,000 for salaries and expenses, Office of the Superintendent of Documents as proposed by the House instead of $29,600,000 as proposed by the Senate.

GOVERNMENT PRINTING OFFICE REVOLVING FUND

The conferees agree to a 3,383 workyear limitation at the Government Printing Office instead of 3,416 as proposed by the House and 3,350 as proposed by the Senate. The conferees agree with language in the House report regarding the coordination of the implementation of a commercial off-the-shelf financial management system with the Legislative Branch Financial Managers Council and further direct that the Public Printer implement the recommendations of the recent management audit conducted by Booz-Allen and Hamilton, Inc., as appropriate, and submit an annual report. The first report is due with the submission of the fiscal year 2000 appropriation request.

The conferees agree with language in the Senate report regarding a total plan for capital upgrades and obtaining approvals of the plan by the appropriate committees.

As part of ongoing concern over the efforts of Legislative branch agencies to be Year 2000 compliant, the conferees direct the Government Printing Office to complete all assessments of its mission-critical systems, all planning for the time and resources necessary to complete critical renovation, validation and implementation activities, and take all actions necessary to make the agency Year 2000 compliant during fiscal year 1999. The conferees are particularly concerned that certain key elements of the agency's Year 2000 preparation may not be installed until May of 1999 or later, leaving the agency with little time to test mission-critical applications associated with these elements. The conferees direct GPO management to take whatever steps are necessary to prevent any major Year 2000 failures resulting from the agency's inability or unwillingness to cooperate fully in this vital endeavor.

GENERAL ACCOUNTING OFFICE

SALARIES AND EXPENSES

Appropriates $354,268,000 for salaries and expenses, General Accounting Office instead of $354,238,000 as proposed by the House and $363,298,000 as proposed by the Senate. With respect to differences between the House and Senate bills, the conferees have agreed to the following budget changes from FY1998:

1. Attrition savings	−$3,091,000
2. Other compensation	+250,000
3. Price level increases	+976,500
4. Program changes	+6,610,000

The $6,610,000 provided for program changes allows for not to exceed 50 full time equivalent (FTE) employees. The conferees expect that a minimum of one-third of the program funding increase will be used by GAO to support information technology (IT) work, particularly in support of issues related to the Year 2000 computing crisis. Any funds in excess of the amount required for additional FTE's should be allocated to program contract support. The conferees direct the Comptroller General to include in the agency's FY2000 budget presentation an accounting of how this increase has been used, including how many additional FTE's have been added and how much of the program increase has been used to acquire mission-related contract services.

ADMINISTRATIVE PROVISION

The conferees have included an administrative provision that transfers unexpended balances from funds transferred by the Department of Health and Human Services to the Comptroller General for a study. The study has been completed and the funds are no longer necessary for their intended purpose.

TITLE III—GENERAL PROVISIONS

In Title III, General Provisions, section numbers have been changed to conform to the conference agreement. The conferees have agreed to include section 305, a sense of Congress provision relating to purchase of American-made products. The conferees have included authority for ''buyout'' incentive programs for the Architect of the Capitol and for the Government Printing Office. The conferees have amended the language of the House bill that contains these provisions. The amended language requires the Architect of the Capitol and the Government Printing Office to make payments to the Civil Service Retirement and Disability Fund equal to 15% of the annual gross salary of each employee electing voluntary separation, a provision comparable to other Federal buyout authority. In addition, each agency is required to submit a plan for utilizing this authority and to make periodic progress reports.

The Architect of the Capitol presented justification for this authority, explaining it will facilitate reengineering and reinvesting in the agency to meet both mission requirements and fiduciary responsibility. The conferees direct that before the Architect offers each buyout/earlyout program, the Architect inform the House of Representatives Committees on House Oversight and Appropriations and the Senate Committees on Rules and Administration and Appropriations of the areas to be affected by the buyout/earlyout program and the planned for result. Following each buyout/earlyout program that proceeds, but no later than July 1 of each year, the Architect must report on the annual results and compare them with the planned for results. An estimate for resulting savings due to the reengineered functions must accompany each final buyout/earlyout report.

The conferees have included a provision in the House bill that directs the Architect of the Capitol to develop and implement an energy savings strategy and a provision in the Senate bill that amends section 316 of Public Law 101–302. The conferees have included language amending the American Folklife Preservation Act to permanently authorize the Center, to restructure the Board of Trustees, to eliminate payment to Board members (excepting reimbursement for travel and subsistence while on Board business), and to eliminate the long-vacant Deputy Director position. The conference agreement amends the provision in the Senate bill regarding payments made by the Government Printing Office to the Employees' Compensation Fund. The amended language will only apply prospectively and removes the requirement for any future reimbursements by the Government Printing Office under section 8147(c) of title 5, United States Code.

TITLE IV—TRADE DEFICIT REVIEW COMMISSION

The conferees have deleted a provision in the Senate bill regarding a trade deficit review commission.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1999 recommended by the Committee of Conference, with comparisons to the fiscal year 1998 amount, the 1999 budget estimates, and the House and Senate bills for 1999 follow:

New budget (obligational) authority, fiscal year 1998	$2,287,951,800
Budget estimates of new (obligational) authority, fiscal year 1999	2,466,766,600
House bill, fiscal year 1999	1,804,689,700
Conference agreement, fiscal year 1999	2,349,937,100
Senate bill, fiscal year 1999	2,361,488,125
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1998	+61,985,300
Budget estimates of new (obligational) authority, fiscal year 1999	−116,829,500
House bill, fiscal year 1999	+545,247,400
Senate bill, fiscal year 1999	−11,551,025

Managers on the Part of the House.

JAMES T. WALSH,
C.W. BILL YOUNG, OF FLORIDA,
RANDY ''DUKE'' CUNNINGHAM,
ZACH WAMP,
TOM LATHAM,
BOB LIVINGSTON,
JOSE SERRANO,
VIC FAZIO,
STENY HOYER,
DAVID OBEY:

Managers on the Part of the Senate.

ROBERT F. BENNETT,
TED STEVENS,
LARRY E. CRAIG,
THAD COCHRAN,
BYRON DORGAN,
BARBARA BOXER,
ROBERT C. BYRD,

IT IS A CLEAR CHOICE

(Mr. BALLLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, Congress has a little less than 1 month to conduct the people's business. I think Congress should focus on the issue of tax cuts.

Republicans believe that Americans are overtaxed. Democrats believe that Americans are not overtaxed, and some of them actually believe that Americans are not taxed enough. Republicans talk about tax cuts for all Americans, and Democrats speak in terms of targeted tax cuts, which is a great way of saying that the middle class, the backbone of America, will not be getting a tax cut.

Now, let us make a distinction between Democrats and so-called new Democrats. Democrats will raise your taxes. New Democrats will talk about cutting your taxes, but they will end up raising them once they get into office.

Mr. Speaker, the choice is clear. If you believe taxes are fundamentally a freedom issue, then Republicans are on your side. If you think the government knows best, then the Democrats are your friend. It is a clear choice.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. PETRI). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each:

DEFUNDING AN ELECTED BODY IS A BLOW TO DEMOCRACY ITSELF

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, a serious step was taken last week when the House defunded an elected body that had only a token amount in the D.C. appropriation, a 100th of 1 percent amount in a $6.8 billion consensus budget that had been approved by the control board and the elected officials.

This may be because the group involved, Advisory Neighborhood Commissions, are perhaps not routinely found in other jurisdictions, and there is little understanding of the vital role they play in our urban environment.

Many members seem to think that ANCs, as we call our Advisory Neighborhood Commissions, are like civic organizations in their own home towns. In one important way, they are. The ANC commissioners are volunteers and are never paid. But, unlike traditional civic organizations, ANCs perform official government duties.

For example, they must be notified 30 days before any neighborhood action is taken. They must hold hearings and receive comments. Then they must transmit their comments to the agency involved, and then the mayor and the city council must give great weight to the comments of the ANCs. These are unusual officials. Aside from their official duties, they perform tasks that have become indispensable to maintaining the quality of life in the District of Columbia.

Let me give just a few examples. ANC commissioners cleaned streets and alleys when the city was unable to deliver services during the fiscal crisis. Commissioners notified the city of declining properties when city inspectors were unable to inspect deteriorating housing. An ANC used the notification process to require developers to include infrastructure improvements, like sidewalks, when building new housing.

Upon receiving notification for liquor license renewal, an ANC was able to force a store owner to stem public intoxication. An ANC uses its funds to operate a youth center, placing teens in jobs with neighborhood vendors.

Our ANCs have taken a 50 percent cut since the fiscal crisis began in 1994. Thus, giving them just a small amount of that back helps our neighborhoods in indescribable ways.

Ironically, these neighborhood institutions were placed in the home rule charter by the House of Representatives itself. Now, they are being defunded by the House. The Senate has not defunded them.

The House chose not to leave to chance grass roots participation in local government when it approved the charter of the District of Columbia, believing that a cadre of front-line elected officials could be the veins and arteries leading out into the neighborhoods to other parts of the government and to the mayor and the city council.

The truth is that the 37 commissions, consisting of 299 commissioners, have the most thankless job in the District. This volunteer job has so few rewards that many single-member districts are without candidates. It is a real labor of love. It is difficult enough without eviscerating ANC by depriving commissioners of the basics, such as phones and faxes.

Defunding an elected body is a blow to democracy itself. The ANC contribution to the city is an important example of the link between democratic grass roots participation and the quality of life. This contribution deserves to be applauded, not defunded.

In the District, we get much more out of the ANCs than we put in. I ask that their funding be returned.

CONFERENCE REPORT ON H.R. 3616

Mr. SPENCE submitted the following conference report and statement on the bill (H.R. 3616) to authorize appropriations for fiscal year 1999 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:

CONFERENCE REPORT (H. REPT. 105–736)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3616) to authorize appropriations for fiscal year 1999 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, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE; FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the ''Strom Thurmond National Defense Authorization Act for Fiscal Year 1999''.

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

(1) Senator Strom Thurmond of South Carolina first became a member of the Committee on Armed Services of the United States Senate on January 19, 1959. Senator Thurmond's continuous service on that committee covers more than 75 percent of the period of the existence of the committee, which was established immediately after World War II, and more than 20 percent of the period of the existence of military and naval affairs committees of Congress, the original bodies of which were formed in 1816.

(2) Senator Thurmond came to Congress and the committee as a distinguished veteran of service, including combat service, in the Armed Forces of the United States.

(3) Senator Thurmond was commissioned as a reserve second lieutenant of infantry in 1924. He served with great distinction with the First Army in the European Theater of Operations during World War II, landing in Normandy in a glider with the 82nd Airborne Division on D-Day. He was transferred to the Pacific Theater of Operations at the end of the war in Europe and was serving in the Philippines when Japan surrendered.

(4) Having reverted to Reserve status at the end of World War II, Senator Thurmond was promoted to brigadier general in the United States Army Reserve in 1954. He served as President of the Reserve Officers Association beginning that same year and ending in 1955. Senator Thurmond was promoted to major general in the United States Army Reserve in 1959. He transferred to the Retired Reserve on January 1, 1965, after 36 years of commissioned service.

(5) The distinguished character of Senator Thurmond's military service has been recognized by awards of numerous decorations that include the Legion of Merit, the Bronze Star medal with ''V'' device, the Army Commendation Medal, the Belgian Cross of the Order of the Crown, and the French Croix de Guerre.

(6) Senator Thurmond has served as chairman of the Committee on Armed Services of the United States Senate since 1995 and served as the ranking minority member of the committee from 1993 to 1995. Senator Thurmond concludes his service as chairman at the end of the One Hundred Fifth Congress, but is to continue to serve the committee as a member in successive Congresses.

(7) This Act is the fortieth annual authorization bill for the Department of Defense for which Senator Thurmond has taken a major responsibility as a member of the Committee on Armed Services of the Senate.

(8) Senator Thurmond, as an Army officer and a legislator, has made matchless contributions to the national security of the United States that, in duration and in quality, are unique.

(9) It is altogether fitting and proper that this Act, the last annual authorization Act for the national defense that Senator Thurmond manages in and for the United States Senate as chairman of the Committee on Armed Services, be named in his honor, as provided in subsection (a).

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) DIVISIONS.—This Act is organized into three divisions as follows:

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

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

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

Sec. 1. Short title; findings.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Reserve components.
Sec. 106. Defense Inspector General.
Sec. 107. Chemical demilitarization program.
Sec. 108. Defense health programs.
Sec. 109. Defense Export Loan Guarantee program.

Subtitle B—Army Programs

Sec. 111. Multiyear procurement authority for Longbow Hellfire Missile program.
Sec. 112. Conditions for award of a second-source procurement contract for the Family of Medium Tactical Vehicles.
Sec. 113. Armored system modernization.
Sec. 114. Reactive armor tiles.
Sec. 115. Extension of authority to carry out Armament Retooling and Manufacturing Support Initiative.

Subtitle C—Navy Programs

Sec. 121. CVN–77 nuclear aircraft carrier program.
Sec. 122. Increase in amount authorized to be excluded from cost limitation for Seawolf submarine program.
Sec. 123. Multiyear procurement authority for the Department of the Navy.
Sec. 124. Annual GAO review of F/A–18E/F aircraft program.

Subtitle D—Air Force Programs

Sec. 131. F–22 aircraft program.
Sec. 132. C–130J aircraft program.

Subtitle E—Other Matters

Sec. 141. Chemical stockpile emergency preparedness program.
Sec. 142. Alternative technologies for destruction of assembled chemical weapons.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic and applied research.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Management responsibility for Navy mine countermeasures programs.
Sec. 212. Future aircraft carrier transition technologies.
Sec. 213. Manufacturing technology program.
Sec. 214. Sense of Congress on the Defense Science and Technology Program.
Sec. 215. Next Generation Internet Program.
Sec. 216. Crusader self-propelled artillery system program.
Sec. 217. Airborne Laser Program.
Sec. 218. Enhanced Global Positioning System program.

Subtitle C—Ballistic Missile Defense

Sec. 231. Sense of Congress on National Missile Defense coverage.
Sec. 232. Limitation on funding for the Medium Extended Air Defense System.
Sec. 233. Limitation on funding for Cooperative Ballistic Missile Defense programs.
Sec. 234. Sense of Congress with respect to Ballistic Missile Defense cooperation with Russia.
Sec. 235. Ballistic Missile Defense program elements.
Sec. 236. Restructuring of acquisition strategy for Theater High-Altitude Area Defense (THAAD) system.

Subtitle D—Other Matters

Sec. 241. Extension of authority to carry out certain prototype projects.
Sec. 242. NATO alliance ground surveillance concept definition.
Sec. 243. NATO common-funded Civil Budget.
Sec. 244. Executive agent for cooperative research program of the Department of Defense and the Department of Veterans Affairs.
Sec. 245. Review of pharmacological interventions for reversing brain injury.
Sec. 246. Pilot program for revitalizing the laboratories and test and evaluation centers of the Department of Defense.
Sec. 247. Chemical warfare defense.
Sec. 248. Landmine alternatives.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Transfer from National Defense Stockpile Transaction Fund.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 311. Refurbishment of M1–A1 tanks.
Sec. 312. Operation of prepositioned fleet, National Training Center, Fort Irwin, California.
Sec. 313. Berthing space at Norfolk Naval Shipyard, Virginia.
Sec. 314. NATO common-funded military budget.

Subtitle C—Environmental Provisions

Sec. 321. Settlement of claims of foreign governments for environmental cleanup of overseas sites formerly used by the Department of Defense.
Sec. 322. Authority to pay negotiated settlement for environmental cleanup of formerly used defense sites in Canada.
Sec. 323. Removal of underground storage tanks.
Sec. 324. Report regarding polychlorinated biphenyl waste under Department of Defense control overseas.
Sec. 325. Modification of deadline for submittal to Congress of annual reports on environmental activities.
Sec. 326. Submarine solid waste control.
Sec. 327. Arctic Military Environmental Cooperation Program.
Sec. 328. Sense of Congress regarding oil spill prevention training for personnel on board Navy vessels.

Subtitle D—Information Technology Issues

Sec. 331. Additional information technology responsibilities of Chief Information Officers.
Sec. 332. Defense-wide electronic mall system for supply purchases.
Sec. 333. Priority funding to ensure year 2000 compliance of information technology and national security systems.
Sec. 334. Evaluation of year 2000 compliance as part of training exercises programs.
Sec. 335. Continuity of essential operations at risk of failure because of information technology and national security systems that are not year 2000 compliant.

Subtitle E—Defense Infrastructure Support Improvement

Sec. 341. Clarification of definition of depot-level maintenance and repair.
Sec. 342. Reporting and analysis requirements before change of commercial and industrial type functions to private sector performance.
Sec. 343. Notifications of determinations of military items as being commercial items for purposes of the exception to requirements regarding core logistics capabilities.
Sec. 344. Oversight of development and implementation of automated identification technology.
Sec. 345. Contractor-operated civil engineering supply stores program.
Sec. 346. Conditions on expansion of functions performed under prime vendor contracts for depot-level maintenance and repair.
Sec. 347. Best commercial inventory practices for management of secondary supply items.
Sec. 348. Personnel reductions in Army Materiel Command.
Sec. 349. Inventory management of in-transit items.
Sec. 350. Review of Defense Automated Printing Service functions.
Sec. 351. Development of plan for establishment of core logistics capabilities for maintenance and repair of C–17 aircraft.

Subtitle F—Commissaries and Nonappropriated Fund Instrumentalities

Sec. 361. Continuation of management and funding of Defense Commissary Agency through the Office of the Secretary of Defense.
Sec. 362. Expansion of current eligibility of Reserves for commissary benefits.
Sec. 363. Costs payable to the Department of Defense and other Federal agencies for services provided to the Defense Commissary Agency.
Sec. 364. Collection of dishonored checks presented at commissary stores.
Sec. 365. Restrictions on patron access to, and purchases in, overseas commissaries and exchange stores.
Sec. 366. Repeal of requirement for Air Force to sell tobacco products to enlisted personnel.
Sec. 367. Prohibition on consolidation or other organizational changes of Department of Defense retail systems.
Sec. 368. Defense Commissary Agency telecommunications.
Sec. 369. Survey of commissary store patrons regarding satisfaction with commissary store merchandise.

Subtitle G—Other Matters

Sec. 371. Eligibility requirements for attendance at Department of Defense domestic dependent elementary and secondary schools.
Sec. 372. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 373. Department of Defense readiness reporting system.
Sec. 374. Specific emphasis of program to investigate fraud, waste, and abuse within Department of Defense.
Sec. 375. Condition for providing financial assistance for support of additional duties assigned to the Army National Guard.
Sec. 376. Demonstration program to improve quality of personal property shipments of members.
Sec. 377. Pilot program for acceptance and use of landing fees charged for use of domestic military airfields by civil aircraft.
Sec. 378. Strategic plan for expansion of distance learning initiatives.
Sec. 379. Public availability of operating agreements between military installations and financial institutions.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.
Sec. 402. Revision in permanent end strength levels.
Sec. 403. Date for submission of annual manpower requirements report.
Sec. 404. Additional exemption from percentage limitation on number of lieutenant generals and vice admirals.
Sec. 405. Extension of authority for Chairman of the Joint Chiefs of Staff to designate up to 12 general and flag officer positions to be excluded from general and flag officer grade limitations.
Sec. 406. Exception for Chief, National Guard Bureau, from limitation on number of officers above major general.
Sec. 407. Limitation on daily average of personnel on active duty in grades E–8 and E–9.

Subtitle B—Reserve Forces

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for Reserves on active duty in support of the reserves.
Sec. 413. End strengths for military technicians (dual status).
Sec. 414. Increase in number of members in certain grades authorized to serve on active duty in support of the reserves.
Sec. 415. Consolidation of strength authorizations for active status Naval Reserve flag officers of the Navy Medical Department Staff Corps.

Subtitle C—Authorization of Appropriations

Sec. 421. Authorization of appropriations for military personnel.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. Codification of eligibility of retired officers and former officers for consideration by special selection boards.
Sec. 502. Involuntary separation pay denied for officer discharged for failure of selection for promotion requested by the officer.
Sec. 503. Streamlined selective retention process for regular officers.
Sec. 504. Permanent applicability of limitations on years of active naval service of Navy limited duty officers in grades of commander and captain.
Sec. 505. Tenure of Chief of the Air Force Nurse Corps.
Sec. 506. Grade of Air Force Assistant Surgeon General for Dental Services.
Sec. 507. Review regarding allocation of Naval Reserve Officers' Training Corps scholarships among participating colleges and universities.

Subtitle B—Reserve Component Matters

Sec. 511. Use of Reserves for emergencies involving weapons of mass destruction.
Sec. 512. Service required for retirement of National Guard officer in higher grade.
Sec. 513. Reduced time-in-grade requirement for reserve general and flag officers involuntarily transferred from active status.
Sec. 514. Active status service requirement for promotion consideration for Army and Air Force reserve component brigadier generals.
Sec. 515. Composition of selective early retirement boards for rear admirals of the Naval Reserve and major generals of the Marine Corps Reserve.
Sec. 516. Authority for temporary waiver for certain Army Reserve officers of baccalaureate degree requirement for promotion of reserve officers.
Sec. 517. Furnishing of burial flags for deceased members and former members of the Selected Reserve.

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SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term ''congressional defense committees'' means—

(1) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

(2) the Committee on National Security and the Committee on Appropriations of the House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Reserve components.
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Sec. 111. Multiyear procurement authority for Longbow Hellfire Missile program.
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Sec. 121. CVN–77 nuclear aircraft carrier program.
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Subtitle E—Other Matters

Sec. 141. Chemical stockpile emergency preparedness program.
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Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1999 for procurement for the Army as follows:

(1) For aircraft, $1,396,047,000.

(2) For missiles, $1,228,229,000.

(3) For weapons and tracked combat vehicles, $1,507,551,000.

(4) For ammunition, $1,016,255,000.

(5) For other procurement, $3,344,932,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1999 for procurement for the Navy as follows:

(1) For aircraft, $7,642,200,000.

(2) For weapons, including missiles and torpedoes, $1,223,903,000.

(3) For shipbuilding and conversion, $6,033,480,000.

(4) For other procurement, $4,042,975,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1999 for procurement for the Marine Corps in the amount of $881,896,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for procurement of ammunition for the Navy and the Marine Corps in the amount of $463,339,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1999 for procurement for the Air Force as follows:

(1) For aircraft, $8,350,617,000.

(2) For missiles, $2,210,640,000.

(3) For ammunition, $383,161,000.

(4) For other procurement, $6,950,372,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 1999 for Defense-wide procurement in the amount of $1,954,828,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1999 for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For the Army National Guard, $10,000,000.

(2) For the Air National Guard, $10,000,000.

(3) For the Army Reserve, $10,000,000.

(4) For the Naval Reserve, $10,000,000.

(5) For the Air Force Reserve, $10,000,000.

(6) For the Marine Corps Reserve, $10,000,000.

SEC. 106. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1999 for procurement for the Inspector General of the Department of Defense in the amount of $1,300,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 1999 the amount of $803,000,000 for—

(1) the destruction of lethal chemical agents and munitions in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521); and

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

SEC. 108. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 1999 for the Department of Defense for procurement for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of $402,387,000.

SEC. 109. DEFENSE EXPORT LOAN GUARANTEE PROGRAM.

Funds are hereby authorized to be appropriated for fiscal year 1999 for the Department of Defense for carrying out the Defense Export Loan Guarantee Program under section 2540 of title 10, United States Code, in the total amount of $1,250,000.

Subtitle B—Army Programs

SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR LONGBOW HELLFIRE MISSILE PROGRAM.

Beginning with the fiscal year 1999 program year, the Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear procurement contract for procurement of the AGM–114 Longbow Hellfire missile.

SEC. 112. CONDITIONS FOR AWARD OF A SECOND-SOURCE PROCUREMENT CONTRACT FOR THE FAMILY OF MEDIUM TACTICAL VEHICLES.

The Secretary of the Army may award a second-source procurement contract for the production of the Family of Medium Tactical Vehicles only after the Secretary certifies in writing to the congressional defense committees—

(1) that the total quantity of vehicles within the Family of Medium Tactical Vehicles program that the Secretary will require to be delivered (under all contracts) in any 12-month period will be sufficient to enable the prime contractor to maintain a minimum economic production level;

(2) that the total cost to the Army of the procurements under the prime and second-source contracts over the period of those contracts will be the same as or lower than the amount that would be the total cost of the procurements if only one such contract were awarded; and

(3) that the vehicles to be produced under those contracts will be produced with common components that will be interchangeable among similarly configured models.

SEC. 113. ARMORED SYSTEM MODERNIZATION.

(a) FUNDING.—Of the funds appropriated pursuant to the authorization of appropriations in section 101(3) for M1 Abrams Tank Modifications—

(1) $14,300,000 shall be obligated for procurements associated with the M1A1D Appliqué Integration Program, of which no more than $11,400,000 may be obligated before the end of the 30-day period beginning on the date on which the Secretary of the Army submits the report required under subsection (b); and

(2) $6,000,000 shall be obligated to develop a M1A2 risk reduction program.

(b) REPORT.—(1) Not later than January 31, 1999, the Secretary of the Army shall submit to the congressional defense committees a report on Army armored system modernization programs. The report shall include—

(A) an assessment of the current acquisition and fielding strategy of the Army for the M1 Abrams Tank and M2A3 Bradley Fighting Vehicle; and

(B) a description and assessment of alternatives to that strategy, including an assessment of an alternative fielding strategy that provides for placing all of the armored vehicles configured in the latest variant into one heavy corps.

(2) The assessment of each alternative acquisition and fielding strategy under paragraph (1)(B) shall include the following:

(A) The relative effects of that strategy on warfighting capabilities in terms of operational effectiveness and training and support efficiencies, taking into consideration the joint warfighting context.

(B) How that strategy would facilitate the transition to the Future Scout and Cavalry System, the Future Combat System, or other armored systems for the future force structure known as the Army After Next.

(C) How that strategy fits into the context of overall armored system modernization through 2020.

(D) Budgetary implications.

(E) Implications for the national technology and industrial base.

(F) Innovative techniques and alternatives for maintaining M1A2 System Enhancement Program production.

(3) The Secretary shall include in the report a draft of any legislation that may be required to execute a given alternative for M1A2 System Enhancement Program production.

(c) GAO EVALUATION.—The Comptroller General shall review the report of the Secretary of the Army under subsection (b) and, not later than 30 days after the date on which that report is submitted to the congressional defense committees, shall submit to those committees a report providing the Comptroller General's views on the conclusions of the Secretary of the Army set forth in that report.

SEC. 114. REACTIVE ARMOR TILES.

(a) LIMITATION.—None of the funds authorized to be appropriated under section 101(3) or 102(b) may be obligated for the procurement of reactive armor tiles until 30 days after the date on which the Secretary of Defense submits to the congressional defense committees the matters specified in subsection (d).

(b) EXCEPTION.—The limitation in subsection (a) does not apply to the obligation of any funds for the procurement of armor tiles for an armored vehicle for which the Secretary of the Army or, in the case of the Marine Corps, the Secretary of the Navy, had established a requirement for such tiles before the date of the enactment of this Act.

(c) STUDY REQUIRED.—(1) The Secretary of Defense shall contract with an entity independent of the Department of Defense to conduct a study of the operational requirements of the Army and the Marine Corps for reactive armor tiles for armored vehicles and to submit to the Secretary a report on the results of the study.

(2) The study shall include the following:

(A) A detailed assessment of the operational requirements of the Army and the Marine Corps for reactive armor tiles for each of the armored vehicles presently in use, including the requirements for each vehicle in its existing configurations and in configurations proposed for the vehicle.

(B) For each armored vehicle, an analysis of the costs and benefits of the procurement and installation of the tiles, including a comparison of those costs and benefits with the costs and benefits of any existing upgrade program for the armored vehicle.

(3) The entity carrying out the study shall request the views of the Secretary of the Army and the Secretary of the Navy.

(d) SUBMISSION TO CONGRESSIONAL COMMITTEES.—Not later than April 1, 1999, the Secretary of Defense shall submit to the congressional defense committees—

(1) the report on the study submitted to the Secretary by the entity carrying out the study;

(2) the comments of the Secretary of the Army and the Secretary of the Navy on the study; and

(3) for each vehicle for which there is a requirement for reactive armor tiles, as indicated by the results of the study, the Secretary's recommendations as to the number of vehicles to be equipped with such tiles.

SEC. 115. EXTENSION OF AUTHORITY TO CARRY OUT ARMAMENT RETOOLING AND MANUFACTURING SUPPORT INITIATIVE.

Section 193(a) of the Armament Retooling and Manufacturing Support Act of 1992 (subtitle H of title I of Public Law 102–484; 10 U.S.C. 2501 note) is amended by striking out ''During fiscal years 1993 through 1998'' and inserting in lieu thereof ''During fiscal years 1993 through 1999''.

Subtitle C—Navy Programs

SEC. 121. CVN–77 NUCLEAR AIRCRAFT CARRIER PROGRAM.

Of the amount authorized to be appropriated under section 102(a)(3) for fiscal year 1999, $124,500,000 is available for the advance procurement and advance construction of components (including nuclear components) for the CVN–77 nuclear aircraft carrier program.

SEC. 122. INCREASE IN AMOUNT AUTHORIZED TO BE EXCLUDED FROM COST LIMITATION FOR SEAWOLF SUBMARINE PROGRAM.

Section 123(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1650) is amended by striking out ''$272,400,000'' and inserting in lieu thereof ''$557,600,000''.

SEC. 123. MULTIYEAR PROCUREMENT AUTHORITY FOR THE DEPARTMENT OF THE NAVY.

(a) AUTHORITY FOR SPECIFIED NAVY AIRCRAFT PROGRAMS.—Beginning with the fiscal year 1999 program year, the Secretary of the Navy may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear procurement contract for procurement for the following programs:

(1) The AV–8B aircraft program.

(2) The T–45TS aircraft program.

(3) The E–2C aircraft program.

(b) AUTHORITY FOR MARINE CORPS MEDIUM TACTICAL VEHICLE REPLACEMENT.—Beginning with the fiscal year 1999 program year, the Secretary of the Navy may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear procurement contract to procure the Marine Corps Medium Tactical Vehicle Replacement.

SEC. 124. ANNUAL GAO REVIEW OF F/A–18E/F AIRCRAFT PROGRAM.

(a) REVIEW AND REPORT REQUIRED.—Not later than June 15 of each year, the Comptroller General shall review the F/A–18E/F aircraft program and submit to Congress a report on the results of the review. The Comptroller General shall submit to Congress with each such report a certification as to whether the Comptroller General has had access to sufficient information to make informed judgments on the matters covered by the report.

(b) CONTENT OF REPORT.—The report submitted on the program each year shall include the following:

(1) The extent to which engineering and manufacturing development and operational test and evaluation under the program are meeting the goals established for engineering and manufacturing development and operational test and evaluation under the program, including the performance, cost, and schedule goals.

(2) The status of modifications expected to have a significant effect on the cost or performance of the F/A–18E/F aircraft.

(c) DURATION OF REQUIREMENT.—No report is required under this section after the full-rate production contract is awarded under the program.

(d) REQUIREMENT TO SUPPORT ANNUAL GAO REVIEW.—The Secretary of Defense and the prime contractors under the F/A–18E/F program shall timely provide the Comptroller General with such information on the program, including information on program performance, as the Comptroller General considers necessary to carry out this section.

Subtitle D—Air Force Programs

SEC. 131. F–22 AIRCRAFT PROGRAM.

(a) LIMITATION ON ADVANCE PROCUREMENT.—(1) Amounts available for the Department of Defense for any fiscal year for the F–22 aircraft program may not be obligated for advance procurement for the six Lot II F–22 aircraft before the applicable date under paragraph (2) or (3).

(2) The applicable date for the purposes of paragraph (1) is the date on which the Secretary of Defense submits a certification under subsection (b)(1) unless the Secretary submits a report under subsection (b)(2).

(3) If the Secretary submits a report under subsection (b)(2), the applicable date for the purposes of paragraph (1) is the later of—

(A) the date on which the Secretary of Defense submits the report; or

(B) the date on which the Director of Operational Test and Evaluation submits the certification required under subsection (c).

(b) CERTIFICATION BY SECRETARY OF DEFENSE.—(1) Upon the completion of 433 hours of flight testing of F–22 flight test vehicles, the Secretary of Defense shall submit to the congressional defense committees a certification of the completion of that amount of flight testing. A certification is not required under this paragraph if the Secretary submits a report under paragraph (2).

(2) If the Secretary determines that a number of hours of flight testing of F–22 flight test vehicles less than 433 hours provides the Defense Acquisition Board with a sufficient basis for deciding to proceed into production of Lot II F–22 aircraft, the Secretary may submit a report to the congressional defense committees upon the completion of that lesser number of hours of flight testing. A report under this paragraph shall contain the following:

(A) A certification of the number of hours of flight testing completed.

(B) The reasons for the Secretary's determination that the lesser number of hours is a sufficient basis for a decision by the board.

(C) A discussion of the extent to which the Secretary's determination is consistent with each decision made by the Defense Acquisition Board since January 1997 in the case of a major aircraft acquisition program that the amount of flight testing completed for the program was sufficient or not sufficient to justify a decision to proceed into low-rate initial production.

(D) A determination by the Secretary that it is more financially advantageous for the Department to proceed into production of Lot II F–22 aircraft than to delay production until completion of 433 hours of flight testing, together with the reasons for that determination.

(c) CERTIFICATION BY THE DIRECTOR OF OPERATIONAL TEST AND EVALUATION.—Upon the completion of 183 hours of the flight testing of F–22 flight test vehicles provided for in the test and evaluation master plan for the F–22 aircraft program, as in effect on October 1, 1997, the Director of Operational Test and Evaluation shall submit to the congressional defense committees a certification of the completion of that flight testing.

SEC. 132. C–130J AIRCRAFT PROGRAM.

Not later than March 1, 1999, the Secretary of Defense shall review the C–130J aircraft program and submit a report on the program to the congressional defense committees. The report shall include at least the following:

(1) A discussion of the testing planned and the testing conducted under the program, including—

(A) the testing schedule intended at the beginning of the program;

(B) the testing schedule as of when the testing commenced; and

(C) an explanation of the time taken for the testing.

(2) The cost and schedule of the program, including—

(A) whether the Department has exercised or plans to exercise contract options for fiscal years 1996, 1997, 1998, and 1999;

(B) when the Department expects the aircraft to be delivered and how the delivery dates compare to the delivery dates specified in the contract;

(C) whether the Department expects to make any modification to the negotiated contract price for these aircraft, and the amount and basis for any such modification; and

(D) whether the Department expects the reported delays and overruns in the development of the aircraft to have any other impact on the cost, schedule, or performance of the aircraft.

Subtitle E—Other Matters

SEC. 141. CHEMICAL STOCKPILE EMERGENCY PREPAREDNESS PROGRAM.

(a) ASSISTANCE TO STATE AND LOCAL GOVERNMENTS.—Section 1412 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 50 U.S.C. 1521), is amended by adding at the end of subsection (c) the following:

''(4)(A) In coordination with the Secretary of the Army and in accordance with agreements between the Secretary of the Army and the Director of the Federal Emergency Management Agency, the Director shall carry out a program to provide assistance to State and local governments in developing capabilities to respond to emergencies involving risks to the public health or safety within their jurisdictions that are identified by the Secretary as being risks resulting from—

''(i) the storage of lethal chemical agents and munitions referred to in subsection (a) at military installations in the continental United States; or

''(ii) the destruction of such agents and munitions at facilities referred to in paragraph (1)(B).

''(B) No assistance may be provided under this paragraph after the completion of the destruction of the United States' stockpile of lethal chemical agents and munitions.

''(C) Not later than December 15 of each year, the Director shall transmit a report to Congress on the activities carried out under this paragraph during the fiscal year preceding the fiscal year in which the report is submitted.''.

(b) PROGRAM FUNDING.—Section 1412(f) of such Act (51 U.S.C. 1521(f)) is amended—

(1) by striking out ''IDENTIFICATION OF FUNDS.—Funds'' and inserting in lieu thereof ''IDENTIFICATION OF FUNDS.—(1) Funds''; and

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

''(2) Amounts appropriated to the Secretary for the purpose of carrying out subsection (c)(4) shall be promptly made available to the Director of the Federal Emergency Management Agency.''.

(c) PERIODIC REPORTS.—Section 1412(g) of such Act (50 U.S.C. 1521(g)) is amended—

(1) in paragraph (2)(B)—

(A) by striking out ''and'' at the end of clause (v);

(B) by striking out the period at the end of clause (vi) and inserting in lieu thereof ''; and''; and

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

''(vii) grants to State and local governments to assist those governments in carrying out functions relating to emergency preparedness and response in accordance with subsection (c)(3).'';

(2) by redesignating subparagraph (B) (as amended by paragraph (1)) and subparagraph (C) of paragraph (2) as subparagraphs (C) and (D), respectively; and

(3) by inserting after paragraph (2)(A) the following new subparagraph (B):

''(B) A site-by-site description of actions taken to assist State and local governments (either directly or through the Federal Emergency Management Agency) in carrying out functions relating to emergency preparedness and response in accordance with subsection (c)(3).''.

SEC. 142. ALTERNATIVE TECHNOLOGIES FOR DESTRUCTION OF ASSEMBLED CHEMICAL WEAPONS.

(a) PROGRAM MANAGEMENT.—The program manager for the Assembled Chemical Weapons Assessment shall continue to manage the development and testing (including demonstration and pilot-scale testing) of technologies for the destruction of lethal chemical munitions that are potential or demonstrated alternatives to the baseline incineration program. In performing such management, the program manager shall act independently of the program manager for Chemical Demilitarization and shall report to the Under Secretary of Defense for Acquisition and Technology.

(b) POST-DEMONSTRATION ACTIVITIES.—(1) The program manager for the Assembled Chemical Weapons Assessment may carry out those activities necessary to ensure that an alternative technology for the destruction of lethal chemical munitions can be implemented immediately after—

(A) the technology has been demonstrated to be successful; and

(B) the Under Secretary of Defense for Acquisition and Technology has submitted a report on the demonstration to Congress that includes a decision to proceed with the pilot-scale facility phase for an alternative technology.

(2) To prepare for the immediate implementation of any such technology, the program manager may, during fiscal years 1998 and 1999, take the following actions:

(A) Establish program requirements.

(B) Prepare procurement documentation.

(C) Develop environmental documentation.

(D) Identify and prepare to meet public outreach and public participation requirements.

(E) Prepare to award a contract for the design, construction, and operation of a pilot facility for the technology to the provider team for the technology not later than December 30, 1999.

(c) INDEPENDENT EVALUATION.—The Under Secretary of Defense for Acquisition and Technology shall provide for an independent evaluation of the cost and schedule of the Assembled Chemical Weapons Assessment, which shall be performed and submitted to the Under Secretary not later than September 30, 1999. The evaluation shall be performed by a nongovernmental organization qualified to make such an evaluation.

(d) PILOT FACILITIES CONTRACTS.—(1) The Under Secretary of Defense for Acquisition and Technology shall determine whether to proceed with pilot-scale testing of a technology referred to in paragraph (2) in time to award a contract for the design, construction, and operation of a pilot facility for the technology to the provider team for the technology not later than December 30, 1999. If the Under Secretary determines to proceed with such testing, the Under Secretary shall (exercising the acquisition authority of the Secretary of Defense) so award a contract not later than such date.

(2) Paragraph (1) applies to an alternative technology for the destruction of lethal chemical munitions, other than incineration, that the Under Secretary—

(A) certifies in writing to Congress is—

(i) as safe and cost effective for disposing of assembled chemical munitions as is incineration of such munitions; and

(ii) is capable of completing the destruction of such munitions on or before the later of the date by which the destruction of the munitions would be completed if incineration were used or the deadline date for completing the destruction of the munitions under the Chemical Weapons Convention; and

(B) determines as satisfying the Federal and State environmental and safety laws that are applicable to the use of the technology and to the design, construction, and operation of a pilot facility for use of the technology.

(3) The Under Secretary shall consult with the National Research Council in making determinations and certifications for the purpose of paragraph (2).

(4) In this subsection, the term ''Chemical Weapons Convention'' means the Convention on the Prohibition of Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction, opened for signature on January 13, 1993, together with related annexes and associated documents.

(e) PLAN FOR PILOT PROGRAM.—If the Secretary of Defense proceeds with a pilot program under section 152(f) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 214; 50 U.S.C. 1521(f)), the Secretary shall prepare a plan for the pilot program and shall submit to Congress a report on such plan (including information on the cost of, and schedule for, implementing the pilot program).

(f) FUNDING.—(1) Of the amount authorized to be appropriated under section 107, funds shall be available for the program manager for the Assembled Chemical Weapons Assessment for the following:

(A) Demonstrations of alternative technologies under the Assembled Chemical Weapons Assessment.

(B) Planning and preparation to proceed from demonstration of an alternative technology immediately into the development of a pilot-scale facility for the technology, including planning and preparation for—

(i) continued development of the technology leading to deployment of the technology for use;

(ii) satisfaction of requirements for environmental permits;

(iii) demonstration, testing, and evaluation;

(iv) initiation of actions to design a pilot plant;

(v) provision of support at the field office or depot level for deployment of the technology for use; and

(vi) educational outreach to the public to engender support for the deployment.

(C) The independent evaluation of cost and schedule required under subsection (c).

(2) Funds authorized to be appropriated under section 107(1) are authorized to be used for awarding contracts in accordance with subsection (d) and for taking any other action authorized in this section.

(f) ASSEMBLED CHEMICAL WEAPONS ASSESSMENT DEFINED.—In this section, the term ''Assembled Chemical Weapons Assessment'' means the pilot program carried out under section 8065 of the Department of Defense Appropriations Act, 1997 (section 101(b) of Public Law 104–208; 110 Stat. 3009–101; 50 U.S.C. 1521 note).

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic and applied research.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Management responsibility for Navy mine countermeasures programs.
Sec. 212. Future aircraft carrier transition technologies.
Sec. 213. Manufacturing technology program.
Sec. 214. Sense of Congress on the Defense Science and Technology Program.
Sec. 215. Next Generation Internet Program.
Sec. 216. Crusader self-propelled artillery system program.
Sec. 217. Airborne Laser Program.
Sec. 218. Enhanced Global Positioning System program.

Subtitle C—Ballistic Missile Defense

Sec. 231. Sense of Congress on National Missile Defense coverage.
Sec. 232. Limitation on funding for the Medium Extended Air Defense System.
Sec. 233. Limitation on funding for Cooperative Ballistic Missile Defense programs.
Sec. 234. Sense of Congress with respect to Ballistic Missile Defense cooperation with Russia.
Sec. 235. Ballistic Missile Defense program elements.
Sec. 236. Restructuring of acquisition strategy for Theater High-Altitude Area Defense (THAAD) system.

Subtitle D—Other Matters

Sec. 241. Extension of authority to carry out certain prototype projects.
Sec. 242. NATO alliance ground surveillance concept definition.
Sec. 243. NATO common-funded Civil Budget.
Sec. 244. Executive agent for cooperative research program of the Department of Defense and the Department of Veterans Affairs.
Sec. 245. Review of pharmacological interventions for reversing brain injury.
Sec. 246. Pilot program for revitalizing the laboratories and test and evaluation centers of the Department of Defense.
Sec. 247. Chemical warfare defense.
Sec. 248. Landmine alternatives.

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1999 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $4,657,012,000.

(2) For the Navy, $8,305,011,000.

(3) For the Air Force, $13,918,728,000.

(4) For Defense-wide activities, $9,127,187,000, of which—

(A) $249,106,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $29,245,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

(a) FISCAL YEAR 1999.—Of the amounts authorized to be appropriated by section 201, $4,179,905,000 shall be available for basic research and applied research projects.

(b) BASIC RESEARCH AND APPLIED RESEARCH DEFINED.—For purposes of this section, the term ''basic research and applied research'' means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. MANAGEMENT RESPONSIBILITY FOR NAVY MINE COUNTERMEASURES PROGRAMS.

Section 216(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1317, as amended) is amended by striking out ''through 1999'' and inserting in lieu thereof ''through 2003''.

SEC. 212. FUTURE AIRCRAFT CARRIER TRANSITION TECHNOLOGIES.

Of the funds authorized to be appropriated under section 201(2) for Carrier System Development (program element 0603512N), $50,000,000

shall be available only for research, development, test, evaluation, and incorporation into the CVN–77 nuclear aircraft carrier program of technologies designed to transition to, demonstrate enhanced capabilities for, or mitigate cost and technical risks of, the CV(X) aircraft carrier program.

SEC. 213. MANUFACTURING TECHNOLOGY PROGRAM.

(a) REQUIREMENTS RELATING TO COMPETITION.—Subsection (d)(1) of section 2525 of title 10, United States Code, is amended—

(1) by striking out ''(1) Competitive'' and inserting in lieu thereof ''(1)(A) In accordance with the policy stated in section 2374 of this title, competitive''; and

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

''(B) For each grant awarded and each contract, cooperative agreement, or other transaction entered into on a cost-share basis under the program, the ratio of contract recipient cost to Government cost shall be determined by competitive procedures. For a project for which the Government receives an offer from only one offeror, the contracting officer shall negotiate the ratio of contract recipient cost to Government cost that represents the best value to the Government.''.

(b) REQUIREMENTS RELATING TO COST SHARE WAIVERS.—Subsection (d)(2) of such section is amended—

(1) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively;

(2) by inserting ''(A)'' after ''(2)''; and

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

''(B) For any grant awarded or contract, cooperative agreement, or other transaction entered into on a basis other than a cost-sharing basis because of a determination made under subparagraph (A), the transaction file for the project concerned must document the rationale for the determination.

''(C) The Secretary of Defense may delegate the authority to make determinations under subparagraph (A) only to the Under Secretary of Defense for Acquisition and Technology or a service acquisition executive, as appropriate.''.

(c) COST SHARE GOAL.—Subsection (d) of such section is amended—

(1) by striking out paragraph (4); and

(2) in paragraph (3)—

(A) by striking out ''At least'' and inserting in lieu thereof ''As a goal, at least'';

(B) by striking out ''shall'' and inserting in lieu thereof ''should''; and

(C) by adding at the end the following: ''The Secretary of Defense, in coordination with the Secretaries of the military departments and upon recommendation of the Under Secretary of Defense for Acquisition and Technology, shall establish annual objectives to meet such goal.''.

(d) ADDITIONAL INFORMATION TO BE INCLUDED IN FIVE-YEAR PLAN.—Subsection (e)(2) of such section is amended to read as follows:

''(2) The plan shall include the following:

''(A) An assessment of the effectiveness of the program.

''(B) An assessment of the extent to which the costs of projects are being shared by the following:

''(i) Commercial enterprises in the private sector.

''(ii) Department of Defense program offices, including weapon system program offices.

''(iii) Departments and agencies of the Federal Government outside the Department of Defense.

''(iv) Institutions of higher education.

''(v) Other institutions not operated for profit.

''(vi) Other sources.''.

SEC. 214. SENSE OF CONGRESS ON THE DEFENSE SCIENCE AND TECHNOLOGY PROGRAM.

(a) FUNDING REQUIREMENTS FOR THE DEFENSE SCIENCE AND TECHNOLOGY PROGRAM BUDGET.—It is the sense of Congress that, for each of the fiscal years 2000 through 2008, it should be an objective of the Secretary of Defense to increase the budget for the Defense Science and Technology Program for the fiscal year over the budget for that program for the preceding fiscal year by a percent that is at least two percent above the rate of inflation as determined by the Office of Management and Budget.

(b) GUIDELINES FOR THE DEFENSE SCIENCE AND TECHNOLOGY PROGRAM.—

(1) RELATIONSHIP OF DEFENSE SCIENCE AND TECHNOLOGY PROGRAM TO UNIVERSITY RESEARCH.—It is the sense of Congress that the following should be key objectives of the Defense Science and Technology Program:

(A) The sustainment of research capabilities in scientific and engineering disciplines critical to the Department of Defense.

(B) The education and training of the next generation of scientists and engineers in disciplines that are relevant to future defense systems, particularly through the conduct of basic research.

(C) The continued support of the Defense Experimental Program to Stimulate Competitive Research and research programs at historically black colleges and universities and minority institutions.

(2) RELATIONSHIP OF THE DEFENSE SCIENCE AND TECHNOLOGY PROGRAM TO COMMERCIAL RESEARCH AND TECHNOLOGY.—(A) It is the sense of Congress that, in supporting projects within the Defense Science and Technology Program, the Secretary of Defense should attempt to leverage commercial research, technology, products, and processes for the benefit of the Department of Defense.

(B) It is the sense of Congress that funds made available for projects and programs of the Defense Science and Technology Program should be used only for the benefit of the Department of Defense, which includes—

(i) the development of technology that has only military applications;

(ii) the development of militarily useful, commercially viable technology; and

(iii) the adaptation of commercial technology, products, or processes for military purposes.

(3) SYNERGISTIC MANAGEMENT OF RESEARCH AND DEVELOPMENT.—It is the sense of Congress that the Secretary of Defense should have the flexibility to allocate a combination of funds available for the Department of Defense for basic and applied research and for advanced development to support any individual project or program within the Defense Science and Technology Program, but such flexibility should not change the allocation of funds in any fiscal year among basic and applied research and advanced development.

(4) MANAGEMENT OF SCIENCE AND TECHNOLOGY.—It is the sense of Congress that—

(A) management and funding for the Defense Science and Technology Program for each military department should receive a level of priority and leadership attention equal to the level received by program acquisition, and the Secretary of each military department should ensure that a senior official in the department holds the appropriate title and responsibility to ensure effective oversight and emphasis on science and technology;

(B) to ensure an appropriate long-term focus for investments, a sufficient percentage of science and technology funds should be directed toward new technology areas, and annual reviews should be conducted for ongoing research areas to ensure that those funded initiatives are either integrated into acquisition programs or discontinued when appropriate;

(C) the Secretary of each military department should take appropriate steps to ensure that sufficient numbers of officers and civilian employees in the department hold advanced degrees in technical fields; and

(D) of particular concern, the Secretary of the Air Force should take appropriate measures to ensure that sufficient numbers of scientists and engineers are maintained to address the technological challenges faced in the areas of air, space, and information technology.

(c) STUDY.—

(1) REQUIREMENT.—The Secretary of Defense, in cooperation with the National Research Council of the National Academy of Sciences, shall conduct a study on the technology base of the Department of Defense.

(2) MATTERS COVERED.—The study shall—

(A) result in recommendations on the minimum requirements for maintaining a technology base that is sufficient, based on both historical developments and future projections, to project superiority in air and space weapons systems and in information technology;

(B) address the effects on national defense and civilian aerospace industries and information technology of reducing funding below the goal described in subsection (a); and

(C) result in recommendations on the appropriate levels of staff with baccalaureate, masters, and doctorate degrees, and the optimal ratio of civilian and military staff holding such degrees, to ensure that science and technology functions of the Department of Defense remain vital.

(3) REPORT.—Not later than 120 days after the date on which the study required under paragraph (1) is completed, the Secretary shall submit to Congress a report on the results of the study.

(d) DEFINITIONS.—In this section:

(1) The term ''Defense Science and Technology Program'' means basic and applied research and advanced development.

(2) The term ''basic and applied research'' means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

(3) The term ''advanced development'' means work funded in program elements for defense research and development under Department of Defense category 6.3.

SEC. 215. NEXT GENERATION INTERNET PROGRAM.

(a) FUNDING.—Of the funds authorized to be appropriated under section 201(4), $53,000,000 shall be available for the Next Generation Internet program.

(b) LIMITATION.—Notwithstanding the enactment of any other provision of law after the date of the enactment of this Act, amounts may be appropriated for fiscal year 1999 for research, development, test, and evaluation by the Department of Defense for the Next Generation Internet program only pursuant to the authorization of appropriations under section 201(4).

SEC. 216. CRUSADER SELF-PROPELLED ARTILLERY SYSTEM PROGRAM.

(a) LIMITATION.—Of the amount authorized to be appropriated for the Army pursuant to section 201(1), not more than $223,000,000 may be obligated for the Crusader self-propelled artillery system program until 30 days after the date on which the Secretary of the Army submits the report required under subsection (b).

(b) REQUIREMENT FOR REPORT.—The Secretary of the Army shall submit to the congressional defense committees a report on the Crusader self-propelled artillery system. The report shall include the following:

(1) An assessment of the risks associated with the current Crusader program technology.

(2) The total requirements for the Crusader system, taking into consideration revisions in force structure resulting from the redesign of heavy and light divisions to achieve a force structure known as the Army After Next.

(3) The potential for reducing the weight of the Crusader system by as much as 50 percent.

(4) The potential for using alternative propellants for the artillery projectile for the Crusader system and the effects on the overall program schedule that would result from taking the actions and time necessary to develop mature technologies for alternative propellants.

(5) An analysis of the costs and benefits of delaying procurement of the Crusader system to

avoid affordability issues associated with the current schedule and to allow for maturation of weight and propellant technologies.

(c) SUBMISSION OF REPORT.—The Secretary of the Army shall submit the report not later than March 1, 1999.

SEC. 217. AIRBORNE LASER PROGRAM.

(a) ASSESSMENT OF TECHNICAL AND OPERATIONAL ASPECTS.—The Secretary of Defense shall conduct an assessment of the technical and operational aspects of the Airborne Laser Program. In conducting the assessment, the Secretary shall establish an independent team of persons from outside the Department of Defense who are experts in relevant fields to review the technical and operational aspects of the Airborne Laser Program. The team shall assess the following:

(1) Whether additional ground testing or other forms of data collection should be completed before initial modification of a commercial aircraft to an Airborne Laser configuration.

(2) The adequacy of exit criteria for the program definition and risk reduction phase of the Airborne Laser Program.

(3) The adequacy of current Airborne Laser operational concepts.

(b) REPORT ON ASSESSMENT.—Not later than March 15, 1999, the Secretary shall submit to Congress a report on the assessment. The report shall include the Secretary's findings and any recommendations that the Secretary considers appropriate.

(c) FUNDING FOR PROGRAM.—Of the amount authorized to be appropriated under section 201(3), $235,219,000 shall be available for the Airborne Laser Program.

(d) LIMITATION.—Of the amount made available pursuant to subsection (c), not more than $185,000,000 may be obligated until 30 days after the Secretary submits the report required by subsection (b).

SEC. 218. ENHANCED GLOBAL POSITIONING SYSTEM PROGRAM.

(a) POLICY ON PRIORITY FOR DEVELOPMENT OF ENHANCED GPS SYSTEM.—The development of an enhanced Global Positioning System is an urgent national security priority.

(b) DEVELOPMENT REQUIRED.—To fulfill the requirements described in section 279(b) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 243) and section 2281 of title 10, United States Code, the Secretary of Defense shall develop an enhanced Global Positioning System in accordance with the priority declared in subsection (a). The enhanced Global Positioning System shall include the following elements:

(1) An evolved satellite system that includes increased signal power and other improvements such as regional-level directional signal enhancements.

(2) Enhanced receivers and user equipment that are capable of providing military users with direct access to encrypted Global Positioning System signals.

(3) To the extent funded by the Secretary of Transportation, additional civil frequencies and other enhancements for civil users.

(c) SENSE OF CONGRESS REGARDING FUNDING.—It is the sense of Congress that—

(1) the Secretary of Defense should ensure that the future-years defense program provides for sufficient funding to develop and deploy an enhanced Global Positioning System in accordance with the priority declared in subsection (a); and

(2) the Secretary of Transportation should provide sufficient funding to support additional civil frequencies for the Global Positioning System and other enhancements of the system for civil users.

(d) PLAN FOR DEVELOPMENT OF ENHANCED GLOBAL POSITIONING SYSTEM.—Not later than April 15, 1999, the Secretary of Defense shall submit to Congress a plan for carrying out the requirements of subsection (b).

(e) DELAYED EFFECTIVE DATE FOR LIMITATION ON PROCUREMENT OF SYSTEMS NOT GPS-EQUIPPED.—Section 152(b) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1578) is amended by striking out ''2000'' and inserting in lieu thereof ''2005''.

(f) FUNDING FROM AUTHORIZED APPROPRIATIONS FOR FISCAL YEAR 1999.—Of the amounts authorized to be appropriated under section 201(3), $44,000,000 shall be available to establish and carry out an enhanced Global Positioning System program.

Subtitle C—Ballistic Missile Defense

SEC. 231. SENSE OF CONGRESS ON NATIONAL MISSILE DEFENSE COVERAGE.

It is the sense of the Congress that—

(1) any national missile defense system deployed by the United States must provide effective defense against limited, accidental, or unauthorized ballistic missile attack for all 50 States; and

(2) the territories of the United States should be afforded effective protection against ballistic missile attack.

SEC. 232. LIMITATION ON FUNDING FOR THE MEDIUM EXTENDED AIR DEFENSE SYSTEM.

None of the funds appropriated for fiscal year 1999 for the Ballistic Missile Defense Organization may be obligated for the Medium Extended Air Defense System (MEADS) until the Secretary of Defense certifies to Congress that the future-years defense program includes sufficient programmed funding for that system to complete the design and development phase. If the Secretary does not submit such a certification by January 1, 1999, then (effective as of that date) the funds appropriated for fiscal year 1999 for the Ballistic Missile Defense Organization that are allocated for the MEADS program shall be available to support alternative programmatic and technical approaches to meeting the requirement for mobile theater missile defense that was to be met by the MEADS system.

SEC. 233. LIMITATION ON FUNDING FOR COOPERATIVE BALLISTIC MISSILE DEFENSE PROGRAMS.

Of the funds appropriated for fiscal year 1999 for the Russian-American Observational Satellite (RAMOS) program, $5,000,000 may not be obligated until the Secretary of Defense certifies to Congress that the Department of Defense has received detailed information concerning the nature, extent, and military implications of the transfer of ballistic missile technology from Russian sources to Iran.

SEC. 234. SENSE OF CONGRESS WITH RESPECT TO BALLISTIC MISSILE DEFENSE COOPERATION WITH RUSSIA.

It is the sense of Congress that, as the United States proceeds with efforts to develop defenses against ballistic missile attack, the United States should seek to foster a climate of cooperation with Russia on matters related to ballistic missile defense and that, in particular, the United States and its NATO allies should seek to cooperate with Russia in such areas as early warning of ballistic missile launches.

SEC. 235. BALLISTIC MISSILE DEFENSE PROGRAM ELEMENTS.

(a) BMD PROGRAM ELEMENTS.—(1) Chapter 9 of title 10, United States Code, is amended by inserting after section 222 the following new section:

''§ 223. Ballistic missile defense programs: program elements

''(a) PROGRAM ELEMENTS SPECIFIED.—In the budget justification materials submitted to Congress in support of the Department of Defense budget for any fiscal year (as submitted with the budget of the President under section 1105(a) of title 31), the amount requested for activities of the Ballistic Missile Defense Organization shall be set forth in accordance with the following program elements:

''(1) The Patriot system.

''(2) The Navy Area system.

''(3) The Theater High-Altitude Area Defense system.

''(4) The Navy Theater Wide system.

''(5) The Medium Extended Air Defense System.

''(6) Joint Theater Missile Defense.

''(7) National Missile Defense.

''(8) Support Technologies.

''(9) Family of Systems Engineering and Integration.

''(10) Ballistic Missile Defense Technical Operations.

''(11) Threat and Countermeasures.

''(12) International Cooperative Programs.

''(b) TREATMENT OF MAJOR DEFENSE ACQUISITION PROGRAMS.—Amounts requested for Theater Missile Defense and National Missile Defense major defense acquisition programs shall be specified in individual, dedicated program elements, and amounts appropriated for those programs shall be available only for Ballistic Missile Defense activities.

''(c) MANAGEMENT AND SUPPORT.—The amount requested for each program element specified in subsection (a) shall include requests for the amounts necessary for the management and support of the programs, projects, and activities contained in that program element.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 222 the following new item:

''223. Ballistic missile defense programs: program elements.''.

(b) REPEAL OF SUPERSEDED PROVISION.—Section 251 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 10 U.S.C. 221 note) is repealed.

SEC. 236. RESTRUCTURING OF ACQUISITION STRATEGY FOR THEATER HIGH-ALTITUDE AREA DEFENSE (THAAD) SYSTEM.

(a) ESTABLISHMENT OF COMPETITIVE CONTRACTOR.—(1) The Secretary of Defense shall take appropriate steps to implement technical and price competition for the development and production of the interceptor missile for the Theater High-Altitude Area Defense (THAAD) system.

(2) The Secretary shall take such steps as necessary to ensure that the prime contractor (as of the date of the enactment of this Act) for the THAAD system provides the cooperation needed to establish the technical and price competition required in subsection (a).

(3) The Secretary shall use the authority provided in section 2304(c)(2) of title 10, United States Code, to expedite the implementation of paragraphs (1) and (2).

(4) Of the amount made available under section 201(4) for the THAAD System, $29,600,000 shall be available to establish the technical and price competition required in paragraph (1).

(b) COST SHARING ARRANGEMENT.—(1) The Secretary of Defense shall contractually establish with the THAAD interceptor prime contractor an appropriate arrangement for sharing between the United States and that contractor the costs for flight test failures of the interceptor missile for the THAAD system beginning with the flight test numbered 9.

(2) For purposes of paragraph (1), the term ''THAAD interceptor prime contractor'' means the firm that as of May 14, 1998, is the prime contractor for the interceptor missile for the Theater High-Altitude Area Defense system.

(c) ENGINEERING AND MANUFACTURING DEVELOPMENT PHASE FOR OTHER ELEMENTS OF THE THAAD SYSTEM.—The Secretary of Defense may proceed with the milestone approval process for the Engineering and Manufacturing Development phase for the Battle Management and Command, Control, and Communications (BM/C^3) element of the THAAD system and for the Ground Based Radar (GBR) element for that system without regard to the stage of development of the interceptor missile for that system.

(d) PLAN FOR CONTINGENCY CAPABILITY.—(1) The Secretary of Defense shall prepare a plan that would allow for deployment of THAAD missiles and the other elements of the THAAD system referred to in subsection (c) in response to theater ballistic missile threats that evolve before United States military forces are equipped with the objective configuration of those missiles and elements.

(2) The Secretary shall submit a report on the plan to the congressional defense committees by December 15, 1998.

(e) LIMITATION ON ENTERING ENGINEERING AND MANUFACTURING DEVELOPMENT PHASE.—(1) The Secretary of Defense may not approve the commencement of the Engineering and Manufacturing Development phase for the interceptor missile for the THAAD system until there have been 3 successful tests of that missile.

(2) For purposes of paragraph (1), a successful test of the interceptor missile of the THAAD system is a body-to-body intercept by that missile of a ballistic missile target.

Subtitle D—Other Matters

SEC. 241. EXTENSION OF AUTHORITY TO CARRY OUT CERTAIN PROTOTYPE PROJECTS.

Section 845(c) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2371 note) is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''September 30, 2001''.

SEC. 242. NATO ALLIANCE GROUND SURVEILLANCE CONCEPT DEFINITION.

Amounts authorized to be appropriated under section 201 are available for a NATO alliance ground surveillance concept definition that is based on the Joint Surveillance Target Attack Radar System (Joint STARS) Radar Technology Insertion Program (RTIP) sensor of the United States, as follows:

(1) Of the amount authorized to be appropriated under section 201(1), $6,400,000.

(2) Of the amount authorized to be appropriated under section 201(3), $3,500,000.

SEC. 243. NATO COMMON-FUNDED CIVIL BUDGET.

Of the amount authorized to be appropriated by section 201(1), $750,000 shall be available for contributions for the common-funded Civil Budget of NATO.

SEC. 244. EXECUTIVE AGENT FOR COOPERATIVE RESEARCH PROGRAM OF THE DEPARTMENT OF DEFENSE AND THE DEPARTMENT OF VETERANS AFFAIRS.

The Secretary of Defense, acting through the Army Medical Research and Materiel Command and the Naval Operational Medicine Institute, shall be the executive agent for the use of funds available from the amount authorized to be appropriated by section 201(4) for the Cooperative Research Program of the Department of Defense and the Department of Veterans Affairs.

SEC. 245. REVIEW OF PHARMACOLOGICAL INTERVENTIONS FOR REVERSING BRAIN INJURY.

(a) REVIEW AND REPORT REQUIRED.—The Assistant Secretary of Defense for Health Affairs shall review research on pharmacological interventions for reversing brain injury and, not later than March 31, 1999, submit a report on the results of the review to Congress.

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

(1) The potential for pharmacological interventions for reversing brain injury to reduce mortality and morbidity in cases of head injuries incurred in combat or resulting from exposures to chemical weapons or agents.

(2) The potential utility of such interventions for the Armed Forces.

(3) A conclusion regarding whether funding for research on such interventions should be included in the budget for the Department of Defense for fiscal year 2000.

SEC. 246. PILOT PROGRAM FOR REVITALIZING THE LABORATORIES AND TEST AND EVALUATION CENTERS OF THE DEPARTMENT OF DEFENSE.

(a) PILOT PROGRAM.—(1) The Secretary of Defense may carry out a pilot program to demonstrate improved cooperative relationships with universities and other private sector entities for the performance of research and development functions.

(2) Under the pilot program, the Secretary of Defense shall provide the director of one science and technology laboratory, and the director of one test and evaluation center, of each military department with authority for the following:

(A) To explore innovative methods for quickly, efficiently, and fairly entering into cooperative relationships with universities and other private sector entities with respect to the performance of research and development functions.

(B) To waive any restrictions on the demonstration and implementation of such methods that are not required by law.

(C) To develop or expand innovative methods of operation that provide more defense research for each dollar of cost, including to carry out such initiatives as focusing on the performance of core functions and adopting more business-like practices.

(3) In selecting the laboratories and centers for participation in the pilot program, the Secretary shall consider laboratories and centers where innovative management techniques have been demonstrated, particularly as documented under sections 1115 through 1119 of title 31, United States Code, relating to Government agency performance and results.

(4) The Secretary may carry out the pilot program at each selected laboratory and center for a period of three years beginning not later than March 1, 1999.

(b) REPORTS.—(1) Not later than March 1, 1999, the Secretary of Defense shall submit a report on the implementation of the pilot program to Congress. The report shall include the following:

(A) Each laboratory and center selected for the pilot program.

(B) To the extent possible, a description of the innovative concepts that are to be tested at each laboratory or center.

(C) The criteria to be used for measuring the success of each concept to be tested.

(2) Promptly after the expiration of the period for participation of a laboratory or center in the pilot program, the Secretary of Defense shall submit to Congress a final report on the participation of the laboratory or center in the pilot program. The report shall contain the following:

(A) A description of the concepts tested.

(B) The results of the testing.

(C) The lessons learned.

(D) Any proposal for legislation that the Secretary recommends on the basis of the experience at the laboratory or center under the pilot program.

(c) COMMENDATION.—Congress commends the Secretary of Defense for the progress made by the science and technology laboratories and test and evaluation centers of the Department of Defense and encourages the Secretary to take the actions necessary to ensure continued progress for the laboratories and test and evaluation centers in developing cooperative relationships with universities and other private sector entities for the performance of research and development functions.

SEC. 247. CHEMICAL WARFARE DEFENSE.

(a) REVIEW AND MODIFICATION OF POLICIES AND DOCTRINES.—The Secretary of Defense shall review the policies and doctrines of the Department of Defense on chemical warfare defense and modify the policies and doctrine as appropriate to achieve the objectives set forth in subsection (b).

(b) OBJECTIVES.—The objectives for the modification of policies and doctrines of the Department of Defense on chemical warfare defense are as follows:

(1) To provide for adequate protection of personnel from any exposure to a chemical warfare agent (including chronic and low-level exposure to a chemical warfare agent) that would endanger the health of exposed personnel because of the deleterious effects of—

(A) a single exposure to the agent;

(B) exposure to the agent concurrently with other dangerous exposures, such as exposures to—

(i) other potentially toxic substances in the environment, including pesticides, other insect and vermin control agents, and environmental pollutants;

(ii) low-grade nuclear and electromagnetic radiation present in the environment;

(iii) preventive medications (that are dangerous when taken concurrently with other dangerous exposures referred to in this paragraph);

(iv) diesel fuel, jet fuel, and other hydro-carbon based fuels; and

(v) occupational hazards, including battlefield hazards; and

(C) repeated exposures to the agent, or some combination of one or more exposures to the agent and other dangerous exposures referred to in subparagraph (B), over time.

(2) To provide for—

(A) the prevention of and protection against, and the detection (including confirmation) of, exposures to a chemical warfare agent (whether intentional or inadvertent) at levels that, even if not sufficient to endanger health immediately, are greater than the level that is recognized under Department of Defense policies as being the maximum safe level of exposure to that agent for the general population; and

(B) the recording, reporting, coordinating, and retaining of information on possible exposures described in subparagraph (A), including the monitoring of the health effects of exposures on humans and animals, environmental effects, and ecological effects, and the documenting and reporting of those effects specifically by location.

(3) To provide solutions for the concerns and mission requirements that are specifically applicable for one or more of the Armed Forces in a protracted conflict when exposures to chemical agents could be complex, dynamic, and occurring over an extended period.

(c) RESEARCH PROGRAM.—The Secretary of Defense shall develop and carry out a plan to establish a research program for determining the effects of exposures to chemical warfare agents of the type described in subsection (b). The research shall be designed to yield results that can guide the Secretary in the evolution of policy and doctrine on exposures to chemical warfare agents and to develop new risk assessment methods and instruments with respect to such exposures. The plan shall state the objectives and scope of the program and include a 5-year funding plan.

(d) REPORT.—Not later than May 1, 1999, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the results of the review under subsection (a) and on the research program developed under subsection (c). The report shall include the following:

(1) Each modification of chemical warfare defense policy and doctrine resulting from the review.

(2) Any recommended legislation regarding chemical warfare defense.

(3) The plan for the research program.

SEC. 248. LANDMINE ALTERNATIVES.

(a) AVAILABILITY OF FUNDS.—(1) Of the amounts authorized to be appropriated in section 201, not more than $19,200,000 shall be available for activities relating to the identification, adaptation, modification, research, and development of existing and new technologies and concepts that—

(A) would provide a combat capability that is equivalent to the combat capability provided by non-self destructing anti-personnel landmines;

(B) would provide a combat capability that is equivalent to the combat capability provided by anti-personnel submunitions used in mixed anti-tank mine systems; or

(C) would provide a combat capability that is equivalent to the combat capability provided by current mixed mine systems.

(2) Of the amount available under paragraph (1)—

(A) not more than $17,200,000 shall be made available for activities referred to in subparagraph (A) of that paragraph for the current efforts of the Army referred to as the Non-Self Destruct Alternative; and

(B) not more than $2,000,000 shall be made available for activities referred to in subparagraphs (B) or (C) of that paragraph that relate to anti-personnel submunitions used in mixed mine systems or an alternative for mixed munitions.

(b) FUNDING FOR RESEARCH INTO ALTERNATIVES TO ANTI-PERSONNEL SUBMUNITIONS USED IN MIXED MINE SYSTEMS OR AN ALTERNATIVE FOR MIXED MUNITIONS.—The Secretary shall include with the materials submitted to Congress with the budget for fiscal year 2000 under section 1105 of title 31, United States Code, an explanation of any funds requested to support a search for existing and new technologies and concepts that could provide a combat capability equivalent to the combat capability provided by anti-personnel submunitions used in mixed mine systems or an alternative to mixed munitions.

(c) STUDIES.—The Secretary of Defense shall enter into two contracts, each with an appropriate scientific organization—

(1) to carry out a study on existing and new technologies and concepts referred to in subsection (a); and

(2) to submit to the Secretary a report on the study, including any recommendations considered appropriate by the scientific organization.

(d) REPORT.—Not later than April 1 of 2000 and 2001, the Secretary shall submit to the congressional defense committees a report describing the progress made in identifying technologies and concepts referred to in subsection (a). At the same time the report is submitted, the Secretary shall transmit to such committees copies of the reports (and recommendations, if any) received by the Secretary from the scientific organizations that carried out the studies referred to in subsection (c).

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Transfer from National Defense Stockpile Transaction Fund.

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Sec. 311. Refurbishment of M1–A1 tanks.
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Sec. 314. NATO common-funded military budget.

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Sec. 321. Settlement of claims of foreign governments for environmental cleanup of overseas sites formerly used by the Department of Defense.
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Subtitle D—Information Technology Issues

Sec. 331. Additional information technology responsibilities of Chief Information Officers.
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Sec. 334. Evaluation of year 2000 compliance as part of training exercises programs.
Sec. 335. Continuity of essential operations at risk of failure because of information technology and national security systems that are not year 2000 compliant.

Subtitle E—Defense Infrastructure Support Improvement

Sec. 341. Clarification of definition of depot-level maintenance and repair.
Sec. 342. Reporting and analysis requirements before change of commercial and industrial type functions to private sector performance.
Sec. 343. Notifications of determinations of military items as being commercial items for purposes of the exception to requirements regarding core logistics capabilities.
Sec. 344. Oversight of development and implementation of automated identification technology.
Sec. 345. Contractor-operated civil engineering supply stores program.
Sec. 346. Conditions on expansion of functions performed under prime vendor contracts for depot-level maintenance and repair.
Sec. 347. Best commercial inventory practices for management of secondary supply items.
Sec. 348. Personnel reductions in Army Materiel Command.
Sec. 349. Inventory management of in-transit items.
Sec. 350. Review of Defense Automated Printing Service functions.
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Subtitle F—Commissaries and Nonappropriated Fund Instrumentalities

Sec. 361. Continuation of management and funding of Defense Commissary Agency through the Office of the Secretary of Defense.
Sec. 362. Expansion of current eligibility of Reserves for commissary benefits.
Sec. 363. Costs payable to the Department of Defense and other Federal agencies for services provided to the Defense Commissary Agency.
Sec. 364. Collection of dishonored checks presented at commissary stores.
Sec. 365. Restrictions on patron access to, and purchases in, overseas commissaries and exchange stores.
Sec. 366. Repeal of requirement for Air Force to sell tobacco products to enlisted personnel.
Sec. 367. Prohibition on consolidation or other organizational changes of Department of Defense retail systems.
Sec. 368. Defense Commissary Agency telecommunications.
Sec. 369. Survey of commissary store patrons regarding satisfaction with commissary store merchandise.

Subtitle G—Other Matters

Sec. 371. Eligibility requirements for attendance at Department of Defense domestic dependent elementary and secondary schools.
Sec. 372. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 373. Department of Defense readiness reporting system.
Sec. 374. Specific emphasis of program to investigate fraud, waste, and abuse within Department of Defense.
Sec. 375. Condition for providing financial assistance for support of additional duties assigned to the Army National Guard.
Sec. 376. Demonstration program to improve quality of personal property shipments of members.
Sec. 377. Pilot program for acceptance and use of landing fees charged for use of domestic military airfields by civil aircraft.
Sec. 378. Strategic plan for expansion of distance learning initiatives.
Sec. 379. Public availability of operating agreements between military installations and financial institutions.

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1999 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $17,002,563,000.
(2) For the Navy, $21,577,702,000.
(3) For the Marine Corps, $2,528,603,000.
(4) For the Air Force, $18,690,633,000.
(5) For Defense-wide activities, $10,550,076,000.
(6) For the Army Reserve, $1,198,022,000.
(7) For the Naval Reserve, $920,639,000.
(8) For the Marine Corps Reserve, $117,893,000.
(9) For the Air Force Reserve, $1,722,796,000.
(10) For the Army National Guard, $2,564,315,000.
(11) For the Air National Guard, $3,047,433,000.
(12) For the Defense Inspector General, $130,764,000.
(13) For the United States Court of Appeals for the Armed Forces, $7,324,000.
(14) For Environmental Restoration, Army, $370,640,000.
(15) For Environmental Restoration, Navy, $274,600,000.
(16) For Environmental Restoration, Air Force, $372,100,000.
(17) For Environmental Restoration, Defense-wide, $25,091,000.
(18) For Environmental Restoration, Formerly Used Defense Sites, $195,000,000.
(19) For Overseas Humanitarian, Disaster, and Civic Aid programs, $50,000,000.
(20) For Drug Interdiction and Counter-drug Activities, Defense-wide, $725,582,000.
(21) For the Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund, $15,000,000.
(22) For Defense Health Program, $9,617,435,000.
(23) For Cooperative Threat Reduction programs, $440,400,000.
(24) For Overseas Contingency Operations Transfer Fund, $746,900,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1999 for the use of the

Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Working Capital Funds, $1,076,571,000.

(2) For the National Defense Sealift Fund, $669,566,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 1999 from the Armed Forces Retirement Home Trust Fund the sum of $70,745,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than $150,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 1999 in amounts as follows:

(1) For the Army, $50,000,000.

(2) For the Navy, $50,000,000.

(3) For the Air Force, $50,000,000.

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 311. REFURBISHMENT OF M1–A1 TANKS.

Of the amount authorized to be appropriated pursuant to section 301(1) for operation and maintenance for the Army, $31,000,000 shall be available only for the refurbishment of up to 70 M1–A1 tanks under the AIM-XXI program.

SEC. 312. OPERATION OF PREPOSITIONED FLEET, NATIONAL TRAINING CENTER, FORT IRWIN, CALIFORNIA.

Of the amount authorized to be appropriated pursuant to section 301(1) for operation and maintenance for the Army, $60,200,000 shall be available only to pay costs associated with the operation of the prepositioned fleet of equipment during training rotations at the National Training Center, Fort Irwin, California.

SEC. 313. BERTHING SPACE AT NORFOLK NAVAL SHIPYARD, VIRGINIA.

Of the amount authorized to be appropriated pursuant to section 301(2) for operation and maintenance for the Navy, $6,000,000 may be available for the purpose of relocating the U.S.S. WISCONSIN, which is currently in a reserve status at the Norfolk Naval Shipyard, Virginia, to a suitable location in order to increase available berthing space at the shipyard.

SEC. 314. NATO COMMON-FUNDED MILITARY BUDGET.

Of the amount authorized to be appropriated pursuant to section 301(1) for operation and maintenance for the Army, $227,377,000 shall be available for contributions for the common-funded Military Budget of the North Atlantic Treaty Organization.

Subtitle C—Environmental Provisions

SEC. 321. SETTLEMENT OF CLAIMS OF FOREIGN GOVERNMENTS FOR ENVIRONMENTAL CLEANUP OF OVERSEAS SITES FORMERLY USED BY THE DEPARTMENT OF DEFENSE.

(a) NOTICE OF NEGOTIATIONS.—The President shall notify Congress before entering into any negotiations for the ex-gratia settlement of the claims of a government of another country against the United States for environmental cleanup of sites in that country that were formerly used by the Department of Defense.

(b) AUTHORIZATION REQUIRED FOR USE OF FUNDS FOR PAYMENT OF SETTLEMENT.—No funds may be used for any payment under an ex-gratia settlement of any claims described in subsection (a) unless the use of the funds for that purpose is specifically authorized by law or international agreement, including a treaty.

SEC. 322. AUTHORITY TO PAY NEGOTIATED SETTLEMENT FOR ENVIRONMENTAL CLEANUP OF FORMERLY USED DEFENSE SITES IN CANADA.

(a) FINDINGS.—Congress makes the following findings with respect to the authorization of payment of settlement with Canada in subsection (b) regarding environmental cleanup at formerly used defense sites in Canada:

(1) A unique and longstanding national security alliance exists between the United States and Canada.

(2) The sites covered by the settlement were formerly used by the United States and Canada for their mutual defense.

(3) There is no formal treaty or international agreement between the United States and Canada regarding the environmental cleanup of the sites.

(4) Environmental contamination at some of the sites could pose a substantial risk to the health and safety of the United States citizens residing in States near the border between the United States and Canada.

(5) The United States and Canada reached a negotiated agreement for an ex-gratia reimbursement of Canada in full satisfaction of claims of Canada relating to environmental contamination which agreement was embodied in an exchange of Notes between the Government of the United States and the Government of Canada.

(6) There is a unique factual basis for authorizing a reimbursement of Canada for environmental cleanup at sites in Canada after the United States departure from such sites.

(7) The basis for and authorization of such reimbursement does not extend to similar claims by other nations.

(8) The Government of Canada is committed to spending the entire $100,000,000 of the reimbursement authorized in subsection (b) in the United States, which will benefit United States industry and United States workers.

(b) AUTHORITY TO MAKE PAYMENTS.—(1) Subject to subsection (c), the Secretary of Defense may, using funds specified under subsection (d), make a payment described in paragraph (2) for each fiscal year through fiscal year 2008 for purposes of the ex-gratia reimbursement of Canada in full satisfaction of any and all claims asserted against the United States by Canada for environmental cleanup of sites in Canada that were formerly used for the mutual defense of the United States and Canada.

(2) A payment referred to in paragraph (1) is a payment of $10,000,000, in constant fiscal year 1996 dollars, into the Foreign Military Sales Trust Account for purposes of Canada.

(c) CONDITION ON AUTHORITY FOR SUBSEQUENT FISCAL YEARS.—A payment may be made under subsection (b) for a fiscal year after fiscal year 1999 only if the Secretary of Defense submits to Congress with the budget for such fiscal year under section 1105 of title 31, United States Code, evidence that the cumulative amount expended by the Government of Canada for environmental cleanup activities in Canada during any fiscal years before such fiscal year in which a payment under that subsection was authorized was an amount equal to or greater than the aggregate amount of the payments under that subsection during such fiscal years.

(d) SOURCE OF FUNDS.—(1) The payment under subsection (b) for fiscal year 1998 shall be made from amounts appropriated pursuant to section 301(5) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1669).

(2) The payment under subsection (b) for fiscal year 1999 shall be made from amounts appropriated pursuant to section 301(5).

(3) For a fiscal year after fiscal year 1999, a payment may be made under subsection (b) from amounts appropriated pursuant to the authorization of appropriations for the Department of Defense for such fiscal year for Operation and Maintenance, Defense-Wide.

SEC. 323. REMOVAL OF UNDERGROUND STORAGE TANKS.

The Secretary of the Army may use funds available pursuant to the authorization of appropriations in section 301(18) (relating to environmental restoration of formerly used defense sites) for the removal of underground storage tanks to the extent that, and in accordance with such criteria as, the Secretary determines appropriate for the use of such funds.

SEC. 324. REPORT REGARDING POLYCHLORINATED BIPHENYL WASTE UNDER DEPARTMENT OF DEFENSE CONTROL OVERSEAS.

(a) REPORT REQUIRED.—(1) Not later than March 1, 1999, the Secretary of Defense shall submit to the committees specified in paragraph (2) a report on the status of foreign-manufactured polychlorinated biphenyl waste. The Secretary shall prepare the report in consultation with the Administrator of the Environmental Protection Agency and the Secretary of State.

(2) The committees referred to in paragraph (1) are the following:

(A) The Committee on Armed Services and the Committee on Environment and Public Works of the Senate.

(B) The Committee on National Security, the Committee on Commerce, and the Committee on Transportation and Infrastructure of the House of Representatives.

(b) ELEMENTS OF REPORT.—The report under subsection (a) shall include the following:

(1) The identity of each foreign country from which the Secretary of Defense anticipates that the Department of Defense will need to transport foreign-manufactured polychlorinated biphenyl waste into the customs territory of the United States.

(2) For each foreign country identified under paragraph (1), an inventory of the type, concentrations, and estimated quantity of foreign-manufactured polychlorinated biphenyl waste involved, the reasons why disposal of the polychlorinated biphenyl waste in the foreign country is not available, the identity of other locations or facilities where disposal of the polychlorinated biphenyl waste in an environmentally sound manner is available, and the availability of alternative technologies and mobile units for polychlorinated biphenyl waste treatment or disposal.

(3) An accounting of all foreign-manufactured polychlorinated biphenyl waste that exists as of the date of the enactment of this Act and as of the date of the report.

(4) An estimate of the volume of foreign-manufactured polychlorinated biphenyl waste that is likely to be generated annually in each of the next five calendar years, and the basis for each such estimate.

(5) A description of any hazards to human health or the environment posed by foreign-manufactured polychlorinated biphenyl waste.

(6) A description of any international or domestic legal impediments that the Department has experienced in disposing of foreign-manufactured polychlorinated biphenyl waste in an environmentally sound manner.

(7) A description of any efforts undertaken by the Department to seek relief from legal impediments to the disposal of foreign-manufactured polychlorinated biphenyl waste, including the relief available pursuant to section 6(e) or 22 of the Toxic Substances Control Act (15 U.S.C. 2605(e), 2621).

(8) The identity of the possible disposal or treatment facilities in the United States that would be used if foreign-manufactured polychlorinated biphenyl waste were transported

into the customs territory of the United States, and the method of disposal or treatment at each such facility.

(9) A description of Department policy and practice concerning procurement or purchase of foreign-manufactured polychlorinated biphenyls or materials containing foreign-manufactured polychlorinated biphenyls.

(c) RECOMMENDATIONS.—The report shall also include such recommendations as the Secretary of Defense, with the concurrence of the Administrator of the Environmental Protection Agency and the Secretary of State, considers necessary regarding changes to United States law to allow for the disposal, in an environmentally sound manner, of foreign-manufactured polychlorinated biphenyl waste, together with a statement of whether and how such changes would be consistent with international law, including the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal and the Protocol to the Convention on Long-Range Transboundary Air Pollution on Persistent Organic Pollutants.

(d) DEFINITIONS.—In this section:

(1) The term ''polychlorinated biphenyl waste'' means—

(A) polychlorinated biphenyls; and

(B) materials containing polychlorinated biphenyls;

that are ready for disposal.

(2) The term ''foreign-manufactured polychlorinated biphenyl waste'' means polychlorinated biphenyl waste that is owned by the Department of Defense and situated outside of the United States and that consists of—

(A) polychlorinated biphenyls; or

(B) materials containing polychlorinated biphenyls;

that were manufactured outside of the United States.

SEC. 325. MODIFICATION OF DEADLINE FOR SUBMITTAL TO CONGRESS OF ANNUAL REPORTS ON ENVIRONMENTAL ACTIVITIES.

Section 2706 of title 10, United States Code, is amended by striking out ''not later than 30 days'' each place it appears in subsections (a), (b), (c), and (d) and inserting in lieu thereof ''not later than 45 days''.

SEC. 326. SUBMARINE SOLID WASTE CONTROL.

(a) SOLID WASTE DISCHARGE REQUIREMENTS.—Subsection (c)(2) of section 3 of the Act to Prevent Pollution from Ships (33 U.S.C. 1902) is amended—

(1) in subparagraph (A), by adding at the end the following:

''(iii) With regard to a submersible, non-plastic garbage that has been compacted and weighted to ensure negative buoyancy.''; and

(2) in subparagraph (B)(ii), by striking out ''subparagraph (A)(ii)'' and inserting in lieu thereof ''clauses (ii) and (iii) of subparagraph (A)''.

(b) CONFORMING AMENDMENT.—Subsection (e)(3)(A) of that section is amended by striking out ''garbage that contains more than the minimum amount practicable of''.

SEC. 327. ARCTIC MILITARY ENVIRONMENTAL COOPERATION PROGRAM.

(a) ACTIVITIES UNDER PROGRAM.—(1) Subject to paragraph (2), activities under the Arctic Military Environmental Cooperation Program of the Department of Defense shall include cooperative activities on environmental matters in the Arctic region with the military departments and agencies of other countries, including the Russian Federation.

(2) Activities under the Arctic Military Environmental Cooperation Program may not include any activities for purposes for which funds for Cooperative Threat Reduction programs have been denied or are prohibited, including the purposes for which funds are prohibited by section 1503 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2732).

(b) PRIOR NOTICE TO CONGRESS OF OBLIGATION OF FUNDS.—The Secretary of Defense shall submit to the congressional defense committees a report at least 15 days before the obligation of any funds for the Arctic Military Environmental Cooperation Program. Each such report shall specify—

(1) the amount of the proposed obligation;

(2) the activities for which the Secretary plans to obligate such funds; and

(3) the terms of the implementing agreement between the United States and the foreign government concerning the activity to be undertaken, including the financial and other responsibilities of each government.

(c) AVAILABILITY OF FISCAL YEAR 1999 FUNDS.—(1) Of the amount authorized to be appropriated by section 301(5), $4,000,000 shall be available for carrying out the Arctic Military Environmental Cooperation Program.

(2) Amounts available for the Arctic Military Environmental Cooperation Program under paragraph (1) may not be obligated or expended for that Program until 45 days after the date on which the Secretary of Defense submits to the congressional defense committees a plan for the Program under paragraph (3).

(3) The plan for the Arctic Military Environmental Cooperation Program under this paragraph shall include the following:

(A) A statement of the overall goals and objectives of the Program.

(B) A statement of the proposed activities under the Program and the relationship of such activities to the national security interests of the United States.

(C) An assessment of the compatibility of the activities set forth under subparagraph (B) with the purposes of the Cooperative Threat Reduction programs of the Department of Defense (including with any prohibitions and limitations applicable to such programs).

(D) An estimate of the funding to be required and requested in future fiscal years for the activities set forth under subparagraph (B).

(E) A proposed termination date for the Program.

SEC. 328. SENSE OF CONGRESS REGARDING OIL SPILL PREVENTION TRAINING FOR PERSONNEL ON BOARD NAVY VESSELS.

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

(1) There have been six significant oil spills in Puget Sound, Washington, in 1998, five at Puget Sound Naval Shipyard (including three from the U.S.S. Kitty Hawk, one from the U.S.S. Carl Vinson, and one from the U.S.S. Sacramento) and one at Naval Station Everett from the U.S.S. Paul F. Foster.

(2) Navy personnel on board vessels, and not shipyard employees, were primarily responsible for a majority of these oil spills at Puget Sound Naval Shipyard.

(3) Oil spills have the potential to damage the local environment, killing microscopic organisms, contributing to air pollution, harming plants and marine animals, and increasing overall pollution levels in Puget Sound.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of the Navy should take immediate action to significantly reduce the risk of vessel oil spills, including the minimization of fuel oil transfers, the assurance of proper training and qualifications of all Naval personnel in occupations that may contribute to or minimize the risk of shipboard oil spills, and the improvement of liaison with local authorities concerning oil spill prevention and response activities.

Subtitle D—Information Technology Issues

SEC. 331. ADDITIONAL INFORMATION TECHNOLOGY RESPONSIBILITIES OF CHIEF INFORMATION OFFICERS.

(a) IN GENERAL.—(1) Chapter 131 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2223. Information technology: additional responsibilities of Chief Information Officers

''(a) ADDITIONAL RESPONSIBILITIES OF CHIEF INFORMATION OFFICER OF DEPARTMENT OF DEFENSE.—In addition to the responsibilities provided for in chapter 35 of title 44 and in section 5125 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1425), the Chief Information Officer of the Department of Defense shall—

''(1) review and provide recommendations to the Secretary of Defense on Department of Defense budget requests for information technology and national security systems;

''(2) ensure the interoperability of information technology and national security systems throughout the Department of Defense;

''(3) ensure that information technology and national security systems standards that will apply throughout the Department of Defense are prescribed; and

''(4) provide for the elimination of duplicate information technology and national security systems within and between the military departments and Defense Agencies.

''(b) ADDITIONAL RESPONSIBILITIES OF CHIEF INFORMATION OFFICER OF MILITARY DEPARTMENTS.—In addition to the responsibilities provided for in chapter 35 of title 44 and in section 5125 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1425), the Chief Information Officer of a military department, with respect to the military department concerned, shall—

''(1) review budget requests for all information technology and national security systems;

''(2) ensure that information technology and national security systems are in compliance with standards of the Government and the Department of Defense;

''(3) ensure that information technology and national security systems are interoperable with other relevant information technology and national security systems of the Government and the Department of Defense; and

''(4) coordinate with the Joint Staff with respect to information technology and national security systems.

''(c) DEFINITIONS.—In this section:

''(1) The term 'Chief Information Officer' means the senior official designated by the Secretary of Defense or a Secretary of a military department pursuant to section 3506 of title 44.

''(2) The term 'information technology' has the meaning given that term by section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

''(3) The term 'national security system' has the meaning given that term by section 5142 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1452).''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2223. Information technology: additional responsibilities of Chief Information Officers.''.

(b) EFFECTIVE DATE.—Section 2223 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1998.

SEC. 332. DEFENSE-WIDE ELECTRONIC MALL SYSTEM FOR SUPPLY PURCHASES.

(a) ELECTRONIC MALL SYSTEM DEFINED.—In this section, the term ''electronic mall system'' means an electronic system for displaying, ordering, and purchasing supplies and materiel available from sources within the Department of Defense and from the private sector.

(b) DEVELOPMENT AND MANAGEMENT.—(1) Using systems and technology available in the Department of Defense as of the date of the enactment of this Act, the Joint Electronic Commerce Program Office of the Department of Defense shall develop a single, defense-wide electronic mall system, which shall provide a single, defense-wide electronic point of entry and a single view, access, and ordering capability for all Department of Defense electronic catalogs. The Secretary of each military department and the head of each Defense Agency shall provide to

the Joint Electronic Commerce Program Office the necessary and requested data to ensure compliance with this paragraph.

(2) The Defense Logistics Agency, under the direction of the Joint Electronic Commerce Program Office, shall be responsible for maintaining the defense-wide electronic mall system developed under paragraph (1).

(c) ROLE OF CHIEF INFORMATION OFFICER.—The Chief Information Officer of the Department of Defense shall be responsible for—

(1) overseeing the elimination of duplication and overlap among Department of Defense electronic catalogs; and

(2) ensuring that such catalogs utilize technologies and formats compliant with the requirements of subsection (b).

(d) IMPLEMENTATION.—Within 180 days after the date of the enactment of this Act, the Chief Information Officer shall develop and provide to the congressional defense committees—

(1) an inventory of all existing and planned electronic mall systems in the Department of Defense; and

(2) a schedule for ensuring that each such system is compliant with the requirements of subsection (b).

SEC. 333. PRIORITY FUNDING TO ENSURE YEAR 2000 COMPLIANCE OF INFORMATION TECHNOLOGY AND NATIONAL SECURITY SYSTEMS.

(a) FUNDS FOR COMPLETION OF YEAR 2000 CONVERSION.—None of the funds authorized to be appropriated pursuant to this Act may (except as provided in subsection (b)) be obligated or expended on the development or modernization of any information technology or national security system of the Department of Defense in use by the Department of Defense (whether or not the system is a mission critical system) if the date-related data processing capability of that system does not meet certification level 1a, 1b, or 2 (as prescribed in the April 1997 publication of the Department of Defense entitled ''Year 2000 Management Plan'').

(b) EXCEPTION FOR CERTAIN INFORMATION TECHNOLOGY AND NATIONAL SECURITY SYSTEMS.—The limitation in subsection (a) does not apply to an obligation or expenditure for an information technology or national security system that is reported to the Office of the Secretary of Defense by October 1, 1998, in accordance with the preparation instructions for the May 1998 Department of Defense quarterly report on the status of year 2000 compliance, if—

(1) the obligation or expenditure is directly related to ensuring that the reported system achieves year 2000 compliance;

(2) the system is being developed and fielded to replace, before January 1, 2000, a noncompliant system or a system to be terminated in accordance with the May 1998 Department of Defense quarterly report on the status of year 2000 compliance; or

(3) the obligation or expenditure is required for a particular change that is specifically required by law or that is specifically directed by the Secretary of Defense.

(c) UNALLOCATED REDUCTIONS OF FUNDS NOT TO APPLY TO MISSION CRITICAL SYSTEMS.—Funds authorized to be appropriated pursuant to this Act for mission critical systems are not subject to any unallocated reduction of funds made by or otherwise applicable to funds authorized to be appropriated pursuant to this Act.

(d) CURRENT SERVICES OPERATIONS NOT AFFECTED.—Subsection (a) does not prohibit the obligation or expenditure of funds for current services operations of information technology and national security systems.

(e) WAIVER AUTHORITY.—The Secretary of Defense may waive subsection (a) on a case-by-case basis with respect to an information technology or national security system if the Secretary provides the congressional defense committees with written notice of the waiver, including the reasons for the waiver and a timeline for the testing and certification of the system as year 2000 compliant.

(f) REQUIRED REPORT.—(1) Not later than December 1, 1998, the Secretary of Defense shall submit to the congressional defense committees a report describing—

(A) an executable strategy to be used throughout the Department of Defense to test information technology and national security systems for year 2000 compliance (to include functional capability tests and military exercises);

(B) the plans of the Department of Defense for ensuring that adequate resources (such as testing facilities, tools, and personnel) are available to ensure that all mission critical systems achieve year 2000 compliance; and

(C) the criteria and process to be used to certify a system as year 2000 compliant.

(2) The report shall also include—

(A) an updated list of all mission critical systems; and

(B) guidelines for developing contingency plans for the functioning of each information technology or national security system in the event of a year 2000 problem in any such system.

(g) CAPABILITY CONTINGENCY PLANS.—Not later than December 30, 1998, the Secretary of Defense shall have in place contingency plans to ensure continuity of operations for every critical mission or function of the Department of Defense that is dependent on an information technology or national security system.

(h) INSPECTOR GENERAL EVALUATION.—The Inspector General of the Department of Defense shall selectively audit information technology and national security systems certified as year 2000 compliant to evaluate the ability of systems to successfully operate during the actual year 2000, including the ability of the systems to access and transmit information from point of origin to point of termination.

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

(1) The term ''information technology'' has the meaning given that term in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

(2) The term ''national security system'' has the meaning given that term in section 5142 of such Act (40 U.S.C. 1452).

(3) The term ''development or modernization'' has the meaning given that term in paragraph E of section 180203 of the Department of Defense Financial Management Regulation (DOD 7000.14–R), but does not include any matter covered by subparagraph 3 of that paragraph.

(4) The term ''current services'' has the meaning given that term in paragraph C of section 180203 of the Department of Defense Financial Management Regulation (DOD 7000.14–R).

(5) The term ''mission critical system'' means an information technology or national security system that is designated as mission critical in the May 1998 Department of Defense quarterly report on the status of year 2000 compliance.

SEC. 334. EVALUATION OF YEAR 2000 COMPLIANCE AS PART OF TRAINING EXERCISES PROGRAMS.

(a) REPORT ON EVALUATION PLAN.—Not later than December 15, 1998, the Secretary of Defense shall submit to Congress a plan for the execution of a simulated year 2000 as part of military exercises described in subsection (c) in order to evaluate, in an operational environment, the extent to which information technology and national security systems involved in those exercises will successfully operate during the actual year 2000, including the ability of those systems to access and transmit information from point of origin to point of termination.

(b) EVALUATION OF COMPLIANCE IN SELECTED EXERCISES.—In conducting the military exercises described in subsection (c), the Secretary of Defense shall ensure that—

(1) at least 25 of those exercises (referred to in this section as ''year 2000 simulation exercises'') are conducted so as to include a simulated year 2000 in accordance with the plan submitted under subsection (a);

(2) at least two of those exercises are conducted by the commander of each unified or specified combatant command; and

(3) all mission critical systems that are expected to be used if the Armed Forces are involved in a conflict in a major theater of war are tested in at least two exercises.

(c) COVERED MILITARY EXERCISES.—A military exercise referred to in this section is a military exercise conducted by the Department of Defense, during the period beginning on January 1, 1999, and ending on September 30, 1999—

(1) under the training exercises program known as the ''CJCS Exercise Program'';

(2) at the Naval Strike and Air Warfare Center, the Army National Training Center, or the Air Force Air Warfare Center; or

(3) as part of Naval Carrier Group fleet training or Marine Corps Expeditionary Unit training.

(d) ALTERNATIVE TESTING METHOD.—In the case of an information technology or national security system for which a simulated year 2000 test as part of a military exercise described in subsection (c) is not feasible or presents undue risk, the Secretary of Defense shall test the system using a functional end-to-end test or through a Defense Major Range and Test Facility Base. The Secretary shall include the plans for these tests in the plan required by subsection (a). Tests under this subsection are in addition to the 25 tests required by subsection (b).

(e) AUTHORITY FOR EXCLUSION OF SYSTEMS NOT CAPABLE OF PERFORMING RELIABLY IN YEAR 2000 SIMULATION.—(1) In carrying out a year 2000 simulation exercise, the Secretary of Defense may exclude a particular information technology or national security system from the year 2000 simulation phase of the exercise if the Secretary determines that the system would be incapable of performing reliably during the year 2000 simulation phase of the exercise. In such a case, the system excluded shall be replaced in accordance with the year 2000 contingency plan for the system.

(2) If the Secretary of Defense excludes an information technology or national security system from the year 2000 simulation phase of an exercise as provided in paragraph (1), the Secretary shall notify Congress of that exclusion not later than two weeks before commencing that exercise. The notice shall include a list of each information technology or national security system excluded from the exercise, a description of how the exercise will use the year 2000 contingency plan for each such system, and a description of the effect that continued year 2000 noncompliance of each such system would have on military readiness.

(3) An information technology or national security system with cryptological applications that is not capable of having its internal clock adjusted forward to a simulated later time is exempt from the year 2000 simulation phase of an exercise under this section.

(f) COMPTROLLER GENERAL REVIEW.—Not later than January 30, 1999, the Comptroller General shall review the report and plan submitted under subsection (a) and submit to Congress a briefing evaluating the methodology to be used under the plan to simulate the year 2000 and describing the potential information that will be collected as a result of implementation of the plan, the adequacy of the planned tests, and the impact that the plan will have on military readiness.

(g) DEFINITIONS.—For the purposes of this section:

(1) The term ''information technology'' has the meaning given that term in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

(2) The term ''national security system'' has the meaning given that term in section 5142 of such Act (40 U.S.C. 1452).

(3) The term ''mission critical system'' means an information technology or national security system that is designated as mission critical in the May 1998 Department of Defense quarterly report on the status of year 2000 compliance.

SEC. 335. CONTINUITY OF ESSENTIAL OPERATIONS AT RISK OF FAILURE BECAUSE OF INFORMATION TECHNOLOGY AND NATIONAL SECURITY SYSTEMS THAT ARE NOT YEAR 2000 COMPLIANT.

(a) REPORT REQUIRED.—Not later than March 31, 1999, the Secretary of Defense and the Director of Central Intelligence shall jointly submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the plans of the Department of Defense and the intelligence community for ensuring the continuity of performance of essential operations that are at risk of failure because of information technology and national security systems that are not year 2000 compliant.

(b) CONTENT.—The report shall contain, at a minimum, the following:

(1) A prioritization of mission critical systems to ensure that the most critical systems have the highest priority for efforts to reprogram information technology and national security systems to be year 2000 compliant.

(2) A discussion of the private and other public information and support systems relied on by the national security community, including the intelligence community, and the efforts under way to ensure that those systems are year 2000 compliant.

(3) The efforts under way to repair the underlying operating systems and infrastructure.

(4) The plans for comprehensive testing of Department of Defense systems, including simulated operational tests in mission areas.

(5) A comprehensive contingency plan, for the entire national security community, which provides for resolving emergencies resulting from a system that is not year 2000 compliant and includes provision for the creation of crisis action teams for use in resolving such emergencies.

(6) A discussion of the efforts undertaken to ensure the continued reliability of service on the systems used by the President and other leaders of the United States for communicating with the leaders of other nations.

(7) A discussion of the vulnerability of allied armed forces to the failure of systems that are not, or have critical components that are not, year 2000 compliant, together with an assessment of the potential problems for interoperability among the Armed Forces of the United States and allied armed forces because of the potential for failure of such systems.

(8) An estimate of the total cost of making information technology and national security systems of the Department of Defense and the intelligence community year 2000 compliant.

(9) The countries that have critical computer-based systems any disruption of which, due to not being year 2000 compliant, would cause a significant potential national security risk to the United States.

(10) A discussion of the cooperative arrangements between the United States and other nations to assist those nations in identifying and correcting (to the extent necessary to meet national security interests of the United States) any problems in their communications and strategic systems, or other systems identified by the Secretary of Defense, that make the systems not year 2000 compliant.

(11) A discussion of the threat posed to the national security interests of the United States from any potential failure of strategic systems of foreign countries that are not year 2000 compliant.

(c) INTERNATIONAL COOPERATIVE ARRANGEMENTS.—The Secretary of Defense, with the concurrence of the Secretary of State, may enter into a cooperative arrangement with a representative of any foreign government to provide for the United States to assist the foreign government in identifying and correcting (to the extent necessary to meet national security interests of the United States) any problems in communications, strategic, or other systems of that foreign government that render the systems not year 2000 compliant.

(d) DEFINITIONS.—In this section:

(1) The term ''year 2000 compliant'', with respect to an information technology or national security system of the United States or a computer-based system of a foreign government, means that the system correctly recognizes dates in years after 1999 as being dates after 1999 for the purposes of system functions for which the correct date is relevant to the performance of the functions, consistent with certification level 1a, 1b, or 2 (as prescribed in the April 1997 publication of the Department of Defense entitled ''Year 2000 Management Plan'').

(2) The term 'information technology' has the meaning given that term by section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

(3) The term 'national security system' has the meaning given that term by section 5142 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1452).

Subtitle E—Defense Infrastructure Support Improvement

SEC. 341. CLARIFICATION OF DEFINITION OF DEPOT-LEVEL MAINTENANCE AND REPAIR.

Section 2460(a) of title 10, United States Code, is amended by inserting before the period at the end of the first sentence the following: ''or the location at which the maintenance or repair is performed''.

SEC. 342. REPORTING AND ANALYSIS REQUIREMENTS BEFORE CHANGE OF COMMERCIAL AND INDUSTRIAL TYPE FUNCTIONS TO PRIVATE SECTOR PERFORMANCE.

(a) IN GENERAL.—Section 2461 of title 10, United States Code, is amended—

(1) by redesignating subsections (c) and (g) as subsections (g) and (h), respectively, and transferring subsection (g), as so redesignated, to appear after subsection (f); and

(2) by striking out subsections (a) and (b) and inserting in lieu thereof the following new subsections:

''(a) REPORTING AND ANALYSIS REQUIREMENTS AS PRECONDITION TO CHANGE IN PERFORMANCE.—A commercial or industrial type function of the Department of Defense that, as of October 1, 1980, was being performed by Department of Defense civilian employees may not be changed to performance by the private sector until the Secretary of Defense fully complies with the reporting and analysis requirements specified in subsections (b) and (c).

''(b) NOTIFICATION AND ELEMENTS OF ANALYSIS.—(1) Before commencing to analyze a commercial or industrial type function described in subsection (a) for possible change to performance by the private sector, the Secretary of Defense shall submit to Congress a report containing the following:

''(A) The function to be analyzed for possible change.

''(B) The location at which the function is performed by Department of Defense civilian employees.

''(C) The number of civilian employee positions potentially affected.

''(D) The anticipated length and cost of the analysis.

''(E) A certification that a proposed performance of the commercial or industrial type function by persons who are not civilian employees of the Department of Defense is not a result of a decision by an official of a military department or Defense Agency to impose predetermined constraints or limitations on such employees in terms of man years, end strengths, full-time equivalent positions, or maximum number of employees.

''(2) The duty to prepare a report under paragraph (1) may be delegated. A report prepared below the major command or claimant level of a military department, or below the equivalent level in a Defense Agency, pursuant to any such delegation shall be reviewed at the major command, claimant level, or equivalent level, as the case may be, before submission to Congress.

''(3) An analysis of a commercial or industrial type function for possible change to performance by the private sector shall include the following:

''(A) An examination of the cost of performance of the function by Department of Defense civilian employees and by one or more private contractors to demonstrate whether change to performance by the private sector will result in savings to the Government over the life of the contract, including in the examination the following:

''(i) The cost to the Government, estimated by the Secretary of Defense (based on offers received), for performance of the function by the private sector.

''(ii) The estimated cost to the Government of Department of Defense civilian employees performing the function.

''(iii) In addition to the costs referred to in clause (i), an estimate of all other costs and expenditures that the Government would incur because of the award of such a contract.

''(B) An examination of the potential economic effect of performance of the function by the private sector on the following:

''(i) Employees of the Department of Defense who would be affected by such a change in performance.

''(ii) The local community and the Government, if more than 75 employees of the Department of Defense perform the function.

''(C) An examination of the effect of performance of the function by the private sector on the military mission associated with the performance of the function.

''(4)(A) A representative individual or entity at a facility where a commercial or industrial type function is analyzed for possible change in performance may submit to the Secretary of Defense an objection to the analysis on the grounds that the report required by paragraph (1) has not been submitted or that the certification required by paragraph (1)(E) is not included in the report submitted as a condition for the analysis. The objection shall be in writing and shall be submitted within 90 days after the following date:

''(i) In the case of a failure to submit the report when required, the date on which the representative individual or an official of the representative entity authorized to pose the objection first knew or should have known of that failure.

''(ii) In the case of a failure to include the certification in a submitted report, the date on which the report was submitted to Congress.

''(B) If the Secretary determines that the report required by paragraph (1) was not submitted or that the required certification was not included in the submitted report, the commercial or industrial type function covered by the analysis to which objected may not be the subject of a solicitation of offers for, or award of, a contract until, respectively, the report is submitted or a report containing the certification in full compliance with the certification requirement is submitted.

''(c) NOTIFICATION OF DECISION.—(1) If, as a result of the completion of the examinations under subsection (b)(3), a decision is made to change the commercial or industrial type function that was the subject of the analysis to performance by the private sector, the Secretary of Defense shall submit to Congress a report describing that decision. The report shall contain the following:

''(A) An indication that the examinations required under subsection (b)(3) have been completed.

''(B) The Secretary's certification that the Government calculation of the cost of performance of the function by Department of Defense civilian employees is based on an estimate of the most cost effective manner for performance of the function by Department of Defense civilian employees.

''(C) The Secretary's certification that the examination required by subsection (b)(3)(A) as

part of the analysis demonstrates that the performance of the function by the private sector will result in savings to the Government over the life of the contract.

''(D) The Secretary's certification that the entire analysis is available for examination.

''(E) A schedule for completing the change to performance of the function by the private sector.

''(2) The change of the function to contractor performance may not begin until after the submission of the report required by this subsection.''.

(b) DEFINITION OF SMALL FUNCTION FOR WAIVER PURPOSES.—Subsection (d) of section 2461 of title 10, United States Code, is amended by striking out ''20'' and inserting in lieu thereof ''50''.

(c) CONFORMING AMENDMENTS.—(1) Subsections (d) and (e) of section 2461 of title 10, United States Code, are amended by inserting ''and subsection (g)'' after ''Subsections (a) through (c)''.

(2) Subsections (e)(2) and (f)(1) of such section are amended by striking out ''converted'' and inserting in lieu thereof ''changed''.

(3) Subsection (f)(2) of such section is amended by striking out ''conversion'' and inserting in lieu thereof ''change''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act, but the amendments shall not apply with respect to a conversion of a function of the Department of Defense to performance by a private contractor concerning which the Secretary of Defense provided to Congress, before the date of the enactment of this Act, a notification under paragraph (1) of section 2461(a) of title 10, United States Code, as in effect on the day before the date of the enactment of this Act.

SEC. 343. NOTIFICATIONS OF DETERMINATIONS OF MILITARY ITEMS AS BEING COMMERCIAL ITEMS FOR PURPOSES OF THE EXCEPTION TO REQUIREMENTS REGARDING CORE LOGISTICS CAPABILITIES.

(a) REQUIREMENT.—Section 2464 of title 10, United States Code, is amended by adding at the end the following:

''(c) NOTIFICATION OF DETERMINATIONS REGARDING CERTAIN COMMERCIAL ITEMS.—The first time that a weapon system or other item of military equipment described in subsection (a)(3) is determined to be a commercial item for the purposes of the exception contained in that subsection, the Secretary of Defense shall submit to Congress a notification of the determination, together with the justification for the determination. The justification for the determination shall include, at a minimum, the following:

''(1) The estimated percentage of commonality of parts of the version of the item that is sold or leased in the commercial marketplace and the Government's version of the item.

''(2) The value of any unique support and test equipment and tools that are necessary to support the military requirements if the item were maintained by the Government.

''(3) A comparison of the estimated life cycle logistics support costs that would be incurred by the Government if the item were maintained by the private sector with the estimated life cycle logistics support costs that would be incurred by the Government if the item were maintained by the Government.''.

(b) APPLICABILITY.—Subsection (c) of section 2464 of title 10, United States Code (as added by subsection (a)), shall apply with respect to determinations made after the date of the enactment of this Act.

SEC. 344. OVERSIGHT OF DEVELOPMENT AND IMPLEMENTATION OF AUTOMATED IDENTIFICATION TECHNOLOGY.

(a) DEFINITIONS.—In this section:

(1) The term ''automated identification technology program'' means a program in the Department of Defense, including any pilot program, employing one or more of the following technologies:

(A) Magnetic stripe.

(B) Bar codes, both linear and two-dimensional (including matrix symbologies).

(C) Smart Card.

(D) Optical memory.

(E) Personal computer memory card international association carriers.

(F) Any other established or emerging automated identification technology, including biometrics and radio frequency identification.

(2) The term ''Smart Card'' means a credit card size device that contains one or more integrated-circuits.

(b) ESTABLISHMENT OF AUTOMATED IDENTIFICATION TECHNOLOGY OFFICE.—(1) The Secretary of Defense shall establish an Automated Identification Technology Office within the Department of Defense that shall be responsible for—

(A) overseeing the development and implementation of all automated identification technology programs in the Department; and

(B) coordinating automated identification technology programs with the Joint Staff, the Secretaries of the military departments, and the directors of the Defense Agencies.

(2) After the date of the enactment of this Act, funds appropriated for the Department of Defense may not be obligated for an automated identification technology program unless the program has been reviewed and approved by the Automated Identification Technology Office. Pending the establishment of the Automated Identification Technology Office, the review and approval of a program by the Smartcard Technology Office of the Defense Human Resources Field Activity of the Department of Defense shall be sufficient to satisfy the requirements of this paragraph even if the approval was given before the date of the enactment of this Act.

(3) As part of its oversight responsibilities, the Automated Identification Technology Office shall establish standards designed—

(A) to ensure the compatibility and interoperability of automated identification technology programs in the Department of Defense; and

(B) to identify and terminate redundant, infeasible, or uneconomical automated identification technology programs.

(c) FUNDING FOR INCREASED USE OF SMART CARDS.—(1) Of the funds available for the Navy for fiscal year 1999 for operation and maintenance, the Secretary of the Navy shall allocate sufficient amounts, up to $25,000,000, for the purpose of making significant progress toward ensuring that Smart Cards with a multi-application, multi-technology automated reading capability are issued and used throughout the Navy and the Marine Corps for purposes for which Smart Cards are suitable.

(2) Not later than June 30, 1999, the Secretary of the Navy shall equip with Smart Card technology at least one carrier battle group, one carrier air wing, and one amphibious readiness group (including the Marine Corps units embarked on the vessels of such battle and readiness groups) in each of the United States Atlantic Command and the United States Pacific Command.

(3) None of the funds appropriated pursuant to any authorization of appropriations in this Act may be expended after June 30, 1999, for the procurement of the Joint Uniformed Services Identification card for members of the Navy or the Marine Corps or for the issuance of such card to such members, until the Secretary of the Navy certifies in writing to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that the Secretary has completed the issuance of Smart Cards in accordance with paragraph (2).

(d) DEFENSE-WIDE PLAN.—Not later than March 31, 1999, the Secretary of Defense shall submit to the congressional defense committees a plan for the use of Smart Card technology by each military department. The Secretary shall include in the plan an estimate of the costs of the plan, the savings to be derived from carrying out the plan, and a description of the ways in which the Department of Defense will review and revise business practices to take advantage of Smart Card technology.

SEC. 345. CONTRACTOR-OPERATED CIVIL ENGINEERING SUPPLY STORES PROGRAM.

(a) DEFINITIONS.—In this section:

(1) The term ''contractor-operated civil engineering supply store'' means a Government-owned facility that, as of the date of the enactment of this Act, is operated by a contractor under the contractor-operated civil engineering supply store program of the Department of the Air Force (known as the ''COCESS program'') for the purpose of—

(A) maintaining inventories of civil engineering supplies on behalf of a military department; and

(B) furnishing such supplies to the department as needed.

(2) The term ''civil engineering supplies'' means parts and supplies needed for the repair and maintenance of military installations.

(b) FINDINGS.—Congress finds the following:

(1) In 1970, the Strategic Air Command of the Air Force began to use contractor-operated civil engineering supply stores to improve the efficiency and effectiveness of materials management and relieve the Air Force from having to maintain large inventories of civil engineering supplies.

(2) Contractor-operated civil engineering supply stores are designed to support the civil engineering and public works efforts of the Armed Forces through the provision of quality civil engineering supplies at competitive prices and within a reasonable period of time.

(3) Through the use of a contractor-operated civil engineering supply store, a guaranteed inventory level of civil engineering supplies is maintained at a military installation, which ensures that urgently needed civil engineering supplies are available on site.

(4) The contractor operating the contractor-operated civil engineering supply store is an independent business organization whose customer is a military department and the Armed Forces and who is subject to all the rules of private business and the regulations of the Government.

(5) The use of contractor-operated civil engineering supply stores ensures the best price and best buy for the Government.

(6) Ninety-five percent of the cost savings realized through the use of contractor-operated civil engineering supply stores is due to savings in the cost of actually procuring supplies.

(7) In the past 30 years, private contractors have never lost a cost comparison conducted pursuant to the criteria set forth in Office of Management and Budget Circular A–76 for the provision of civil engineering supplies to the Government.

(c) CONDITIONS ON MULTI-FUNCTION CONTRACTS.—A civil engineering supplies function that is performed, as of the date of the enactment of this Act, by a contractor-operated civil engineering supply store may not be combined with another supply function or any service function, including any base operating support function, for purposes of competition or contracting, until 60 days after the date on which the Secretary of Defense submits to Congress a report—

(1) notifying Congress of the proposed combined competition or contract; and

(2) explaining why a combined competition or contract is the best method by which to achieve cost savings and efficiencies to the Government.

(d) GAO REVIEWS.—Not later than 50 days after the date on which the Secretary of Defense submits a report to Congress under subsection (c), the Comptroller General shall review the report and submit to Congress a briefing regarding

whether the cost savings and efficiencies identified in the report are achievable.

(e) RELATIONSHIP TO OTHER LAWS.—If a civil engineering supplies function covered by subsection (c) is proposed for combination with a supply or service function that is subject to the study and reporting requirements of section 2461 of title 10, United States Code, the Secretary of Defense may include the report required under subsection (c) as part of the report under such section.

SEC. 346. CONDITIONS ON EXPANSION OF FUNCTIONS PERFORMED UNDER PRIME VENDOR CONTRACTS FOR DEPOT-LEVEL MAINTENANCE AND REPAIR.

(a) CONDITIONS ON EXPANDED USE.—The Secretary of Defense or the Secretary of a military department, as the case may be, may not enter into a prime vendor contract for depot-level maintenance and repair of a weapon system or other military equipment described in section 2464(a)(3) of title 10, United States Code, before the end of the 30-day period beginning on the date on which the Secretary submits to Congress a report, specific to the proposed contract, that—

(1) describes the competitive procedures to be used to award the prime vendor contract; and

(2) contains an analysis of costs and benefits that demonstrates that use of the prime vendor contract will result in savings to the Government over the life of the contract.

(b) DEFINITIONS.—In this section:

(1) The term ''prime vendor contract'' means an innovative contract that gives a defense contractor the responsibility to manage, store, and distribute inventory, manage and provide services, or manage and perform research, on behalf of the Department of Defense on a frequent, regular basis, for users within the Department on request. The term includes contracts commonly referred to as prime vendor support contracts, flexible sustainment contracts, and direct vendor delivery contracts.

(2) The term ''depot-level maintenance and repair'' has the meaning given such term in section 2460 of title 10, United States Code.

(c) RELATIONSHIP TO OTHER LAWS.—Nothing in this section shall be construed to exempt a prime vendor contract from the requirements of section 2461 of title 10, United States Code, or any other provision of chapter 146 of such title.

SEC. 347. BEST COMMERCIAL INVENTORY PRACTICES FOR MANAGEMENT OF SECONDARY SUPPLY ITEMS.

(a) DEVELOPMENT AND SUBMISSION OF SCHEDULE.—Not later than 180 days after the date of the enactment of this Act, the Secretary of each military department shall submit to Congress a schedule for implementing within the military department, for secondary supply items managed by that military department, inventory practices identified by the Secretary as being the best commercial inventory practices for the acquisition and distribution of such supply items consistent with military requirements. The schedule shall provide for the implementation of such practices to be completed not later than five years after the date of the enactment of this Act.

(b) DEFINITION.—For purposes of this section, the term ''best commercial inventory practice'' includes cellular repair processes, use of third-party logistics providers, and any other practice that the Secretary of the military department determines will enable the military department to reduce inventory levels while improving the responsiveness of the supply system to user needs.

(c) GAO REPORTS ON MILITARY DEPARTMENT AND DEFENSE LOGISTICS AGENCY SCHEDULES.—(1) Not later than 240 days after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report evaluating the extent to which the Secretary of each military department has complied with the requirements of this section.

(2) Not later than 18 months after the date on which the Director of the Defense Logistics Agency submits to Congress a schedule for implementing best commercial inventory practices under section 395 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1718; 10 U.S.C. 2458 note), the Comptroller General shall submit to Congress an evaluation of the extent to which best commercial inventory practices are being implemented in the Defense Logistics Agency in accordance with that schedule.

SEC. 348. PERSONNEL REDUCTIONS IN ARMY MATERIEL COMMAND.

Not later than March 31, 1999, the Comptroller General shall submit to the congressional defense committees a report concerning—

(1) the effect that the quadrennial defense review's proposed personnel reductions in the Army Materiel Command will have on workload and readiness if implemented; and

(2) the projected cost savings from such reductions and the manner in which such savings are expected to be achieved.

SEC. 349. INVENTORY MANAGEMENT OF IN-TRANSIT ITEMS.

(a) REQUIREMENT FOR PLAN.—Not later than March 1, 1999, the Secretary of Defense shall submit to Congress a comprehensive plan to ensure visibility over all in-transit end items and secondary items.

(b) END ITEMS.—The plan required by subsection (a) shall address the specific mechanisms to be used to enable the Department of Defense to identify at any time the quantity and location of all end items.

(c) SECONDARY ITEMS.—The plan required by subsection (a) shall address the following problems with Department of Defense management of inventories of in-transit secondary items:

(1) The vulnerability of in-transit secondary items to loss through fraud, waste, and abuse.

(2) Loss of oversight of in-transit secondary items, including any loss of oversight when items are being transported by commercial carriers.

(3) Loss of accountability for in-transit secondary items due to either a delay of delivery of the items or a lack of notification of a delivery of the items.

(d) CONTENT OF PLAN.—The plan shall include for subsection (b) and for each of the problems described in subsection (c) the following information:

(1) The actions to be taken by the Department.

(2) Statements of objectives.

(3) Performance measures and schedules.

(4) An identification of any resources necessary for implementing the required actions, together with an estimate of the annual costs.

(e) GAO REVIEWS.—(1) Not later than 60 days after the date on which the Secretary of Defense submits the plan to Congress, the Comptroller General shall review the plan and submit to Congress any comments that the Comptroller General considers appropriate regarding the plan.

(2) The Comptroller General shall monitor any implementation of the plan and, not later than one year after the date referred to in paragraph (1), submit to Congress an assessment of the extent to which the plan has been implemented.

SEC. 350. REVIEW OF DEFENSE AUTOMATED PRINTING SERVICE FUNCTIONS.

(a) REVIEW REQUIRED.—The Secretary of Defense shall provide for a review of the functions of the Defense Automated Printing Service in accordance with this section and shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives the matters required under subsection (f) not later than March 31, 1999.

(b) PERFORMANCE BY INDEPENDENT ENTITY.—The Secretary of Defense shall select the General Accounting Office, an experienced entity in the private sector, or any other entity outside the Department of Defense to perform the review under this section. The Comptroller General shall perform the review if the Secretary selects the Comptroller General to do so.

(c) CONSULTATION.—Regardless of the entity selected by the Secretary under subsection (b) to perform the review, the entity shall perform the review in consultation with persons in the private sector who have expertise and experience in performing in the private sector functions similar to the functions performed by the Defense Automated Printing Service. If such a person obtains any privileged information (as defined by the Secretary of Defense) as a result of participating in the review, the person may not receive a contract, either through the Department of Defense or the Government Printing Office, to provide services for the Department of Defense similar to the functions performed by the Defense Automated Printing Service for a one-year period beginning on the date the report is submitted to the Secretary of Defense under subsection (e).

(d) ELEMENTS OF REVIEW.—In performing the review under this section, the entity selected under subsection (b) shall specifically address the following:

(1) The functions performed by the Defense Automated Printing Service.

(2) The functions of the Defense Automated Printing Service that are inherently national security functions and, as such, need to be performed within the Department of Defense.

(3) The functions of the Defense Automated Printing Service that are appropriate for transfer to another appropriate entity to perform, including a private sector entity.

(4) The appropriate management structure of the Defense Automated Printing Service, the effectiveness of the current structure of the Defense Automated Printing Service in supporting current and future customer requirements, and any plans to address any deficiencies in supporting such requirements.

(5) The current and future requirements of customers of the Defense Automated Printing Service.

(6) The best business practices that are used by the Defense Automated Printing Service and other best business practices that could be used by the Defense Automated Printing Service.

(7) Options for maximizing the Defense Automated Printing Service structure and services to provide the most cost effective service to its customers.

(e) REPORT ON RESULTS OF REVIEW.—The entity performing the review under this section shall submit to the Secretary of Defense a report that sets forth the results of the review. In addition to specifically addressing the matters specified in subsection (d), the report shall also include the following:

(1) A list of all sites where functions of the Defense Automated Printing Service are performed by the Defense Automated Printing Service.

(2) The total number of the personnel employed by the Defense Automated Printing Service and the locations where the personnel perform the duties as employees.

(3) For each site identified under paragraph (1), an assessment of each type of equipment at the site.

(4) The types and explanation of the networking and technology integration linking all of the sites referred to in paragraph (1).

(5) For each function of the Defense Automated Printing Service determined to be an inherently national security function under subsection (d)(2), a detailed justification for the determination.

(6) For each function of the Defense Automated Printing Service determined to be appropriate for transfer under subsection (d)(3), a detailed assessment of the costs or savings associated with the transfer.

(f) REVIEW AND COMMENTS OF SECRETARY OF DEFENSE.—(1) After reviewing the report submitted under subsection (e), the Secretary of Defense shall submit the report to Congress. The

Secretary shall include with the report the following:

(1) The Secretary's comments and recommendations regarding the report.

(2) A plan to transfer to another appropriate entity, or contract with another appropriate entity for, the performance of the functions of the Defense Automated Printing Service that—

(A) are not identified in the review as being inherently national security functions; and

(B) the Secretary believes should be transferred or contracted for performance outside the Department of Defense in accordance with law.

(3) Any recommended legislation and any administrative action that is necessary for transferring or contracting for the performance of the functions.

(g) EXTENSION OF REQUIREMENT FOR COMPETITIVE PROCUREMENT OF SERVICES.—Section 351(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 266), as amended by section 351(a) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2490) and section 387(a)(1) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1713), is further amended by striking out ''1998'' and inserting in lieu thereof ''1999''.

SEC. 351. DEVELOPMENT OF PLAN FOR ESTABLISHMENT OF CORE LOGISTICS CAPABILITIES FOR MAINTENANCE AND REPAIR OF C–17 AIRCRAFT.

(a) PLAN REQUIRED.—Not later than March 1, 1999, the Secretary of the Air Force shall submit to Congress a plan for the establishment of the core logistics capabilities for the C–17 aircraft consistent with the requirements of section 2464 of title 10, United States Code.

(b) EFFECT ON EXISTING CONTRACT.—After March 1, 1999, the Secretary of the Air Force may not extend the Interim Contract for the C–17 Flexible Sustainment Program before the end of the 60-day period beginning on the date on which the plan required by subsection (a) is received by Congress.

(c) COMPTROLLER GENERAL REVIEW.—During the period specified in subsection (b), the Comptroller General shall review the plan required under subsection (a) and submit to Congress a report evaluating the merits of the plan.

Subtitle F—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 361. CONTINUATION OF MANAGEMENT AND FUNDING OF DEFENSE COMMISSARY AGENCY THROUGH THE OFFICE OF THE SECRETARY OF DEFENSE.

(a) MANAGEMENT AND FUNDING RESPONSIBILITIES.—Section 192 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(d) SPECIAL RULE FOR DEFENSE COMMISSARY AGENCY.—Notwithstanding the results of any periodic review under subsection (c) with regard to the Defense Commissary Agency, the Secretary of Defense may not transfer to the Secretary of a military department the responsibility to manage and fund the provision of services and supplies provided by the Defense Commissary Agency unless the transfer of the management and funding responsibility is specifically authorized by a law enacted after the date of the enactment of this subsection.''.

(b) GOVERNING BOARD.—Section 2482 of such title is amended by adding at the end the following new subsection:

''(c) GOVERNING BOARD.—(1) Notwithstanding section 192(d) of this title, the Secretary of Defense shall establish a governing board for the commissary system to provide advice to the Secretary regarding the prudent operation of the commissary system and to assist in the overall supervision of the Defense Commissary Agency. The Secretary may authorize the board to have such supervisory authority as the Secretary considers appropriate to permit the board to carry out its responsibilities.

''(2) The Secretary of Defense shall determine the membership of the governing board, which shall include, at a minimum, appropriate representatives from each military department.

''(3) The governing board shall be accountable only to the Secretary of Defense and to the civilian officer of the Department of Defense who is assigned the responsibility for the overall supervision of the Defense Commissary Agency pursuant to section 192(a) of this title. The Director of the Defense Commissary Agency shall be accountable to and report to the board.''.

SEC. 362. EXPANSION OF CURRENT ELIGIBILITY OF RESERVES FOR COMMISSARY BENEFITS.

(a) DAYS OF ELIGIBILITY FOR READY RESERVE MEMBERS WITH 50 CREDITABLE POINTS.—Section 1063 of title 10, United States Code, is amended—

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

(2) in subsection (a)—

(A) by striking out ''(1)'';

(B) by striking out ''12 days of eligibility'' and inserting in lieu thereof ''24 days of eligibility''; and

(C) by striking out ''(2) Paragraph (1)'' and inserting in lieu thereof ''(b) EFFECT OF COMPENSATION OR TYPE OF DUTY.—Subsection (a)''.

(b) DAYS OF ELIGIBILITY FOR RESERVE RETIREES UNDER AGE 60.—Section 1064 of such title is amended by striking out ''for 12 days each calendar year'' and inserting in lieu thereof ''for 24 days each calendar year''.

(c) ELIGIBILITY OF MEMBERS OF NATIONAL GUARD SERVING IN FEDERALLY DECLARED DISASTER.—Chapter 54 of such title is amended by inserting after section 1063 the following new section:

''§ 1063a. Use of commissary stores and MWR retail facilities: members of National Guard serving in federally declared disaster

''(a) ELIGIBILITY OF MEMBERS.—A member of the National Guard who, although not in Federal service, is called or ordered to duty in response to a federally declared disaster shall be permitted to use commissary stores and MWR retail facilities during the period of such duty on the same basis as members of the armed forces on active duty.

''(b) ELIGIBILITY OF DEPENDENTS.—A dependent of a member of the National Guard who is permitted under subsection (a) to use commissary stores and MWR retail facilities shall be permitted to use such stores and facilities, during the same period as the member, on the same basis as dependents of members of the armed forces on active duty.

''(c) DEFINITIONS.—In this section:

''(1) FEDERALLY DECLARED DISASTER.—The term 'federally declared disaster' means a disaster or other situation for which a Presidential declaration of major disaster is issued under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170).

''(2) MWR RETAIL FACILITIES.—The term 'MWR retail facilities' has the meaning given that term in section 1065(e) of this title.''.

(d) SECTION HEADINGS.—(1) The heading of section 1063 of such title is amended to read as follows:

''§ 1063. Use of commissary stores: members of Ready Reserve with at least 50 creditable points''.

(2) The heading of section 1064 of such title is amended to read as follows:

''§ 1064. Use of commissary stores: persons qualified for retired pay under chapter 1223 but under age 60''.

(e) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 54 of such title is amended by striking out the items relating to sections 1063 and 1064 and inserting in lieu thereof the following items:

''1063. Use of commissary stores: members of Ready Reserve with at least 50 creditable points.

''1063a. Use of commissary stores and MWR retail facilities: members of National Guard serving in federally declared disaster.

''1064. Use of commissary stores: persons qualified for retired pay under chapter 1223 but under age 60.''.

SEC. 363. COSTS PAYABLE TO THE DEPARTMENT OF DEFENSE AND OTHER FEDERAL AGENCIES FOR SERVICES PROVIDED TO THE DEFENSE COMMISSARY AGENCY.

(a) LIMITATION.—Section 2482(b)(1) of title 10, United States Code, is amended by adding at the end the following: ''However, the Defense Commissary Agency may not pay for any such service provided by the United States Transportation Command any amount that exceeds the price at which the service could be procured through full and open competition, as such term is defined in section 4(6) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(6)).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to services provided or obtained on or after the date of the enactment of this Act.

SEC. 364. COLLECTION OF DISHONORED CHECKS PRESENTED AT COMMISSARY STORES.

Section 2486 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(g) COLLECTION OF DISHONORED CHECKS.—(1) The Secretary of Defense may impose a charge for the collection of a check accepted at a commissary store that is not honored by the financial institution on which the check is drawn. The imposition and amounts of charges shall be consistent with practices of commercial grocery stores regarding dishonored checks.

''(2)(A) The following persons are liable to the United States for the amount of a check referred to in paragraph (1) that is returned unpaid to the United States, together with any charge imposed under that paragraph:

''(i) The person who presented the check.

''(ii) Any person whose status and relationship to the person who presented the check provide the basis for that person's eligibility to make purchases at a commissary store.

''(B) Any amount for which a person is liable under subparagraph (A) may be collected by deducting and withholding such amount from any amounts payable to that person by the United States.

''(3) Amounts collected as charges imposed under paragraph (1) shall be credited to the commissary trust revolving fund.

''(4) Appropriated funds may be used to pay any costs incurred in the collection of checks and charges referred to in paragraph (1). An appropriation account charged a cost under the preceding sentence shall be reimbursed the amount of that cost out of funds in the commissary trust revolving fund.

''(5) In this subsection, the term 'commissary trust revolving fund' means the trust revolving fund maintained by the Department of Defense for surcharge collections and proceeds of sales of commissary stores.''.

SEC. 365. RESTRICTIONS ON PATRON ACCESS TO, AND PURCHASES IN, OVERSEAS COMMISSARIES AND EXCHANGE STORES.

(a) AUTHORITY TO IMPOSE RESTRICTIONS; LIMITATIONS ON AUTHORITY.—Chapter 147 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2492. Overseas commissary and exchange stores: access and purchase restrictions

''(a) GENERAL AUTHORITY.—(1) The Secretary of Defense may establish restrictions on the ability of eligible patrons of commissary and exchange stores located outside of the United States to purchase certain merchandise items (or the quantity of certain merchandise items) otherwise included within an authorized merchandise category if the Secretary determines that such restrictions are necessary to prevent the resale of such merchandise in violation of treaty obligations of the United States or host nation laws (to the extent such laws are not inconsistent with United States laws).

''(2) In establishing a quantity or other restriction, the Secretary—

''(A) may not discriminate among the various categories of eligible patrons of the commissary and exchange system; and

''(B) shall ensure that the restriction is consistent with the purpose of the overseas commissary and exchange system to provide reasonable access for eligible patrons to purchase merchandise items made in the United States.

''(b) CONTROLLED ITEM LISTS.—For each location outside the United States that is served by the commissary system or the exchange system, the Secretary of Defense may maintain a list of controlled merchandise items, except that, after the date of the enactment of this section, the Secretary may not change the list to add a merchandise item unless, before making the change, the Secretary submits to Congress a notice of the proposed addition and the reasons for the addition of the item.

''(c) ANNUAL REPORT.—The Secretary of Defense shall submit to Congress an annual report describing the host nation laws and the treaty obligations of the United States, and the conditions within host nations, that necessitate the use of quantity or other restrictions on purchases in commissary and exchange stores located outside the United States.''.

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

''2492. Overseas commissary and exchange stores: access and purchase restrictions.''.

SEC. 366. REPEAL OF REQUIREMENT FOR AIR FORCE TO SELL TOBACCO PRODUCTS TO ENLISTED PERSONNEL.

(a) REPEAL.—Section 9623 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 939 of such title is amended by striking out the item relating to section 9623.

SEC. 367. PROHIBITION ON CONSOLIDATION OR OTHER ORGANIZATIONAL CHANGES OF DEPARTMENT OF DEFENSE RETAIL SYSTEMS.

(a) DEFENSE RETAIL SYSTEMS DEFINED.—For purposes of this section, the term ''defense retail systems'' means the defense commissary system and exchange stores and other revenue-generating facilities operated by nonappropriated fund activities of the Department of Defense for the morale, welfare, and recreation of members of the Armed Forces.

(b) PROHIBITION.—The operation and administration of the defense retail systems may not be consolidated or otherwise merged unless the consolidation or merger is specifically authorized by a law enacted after the date of the enactment of this Act.

(c) EFFECT ON EXISTING STUDY.—Nothing in this section shall be construed to prohibit the study of defense retail systems, known as the ''Joint Exchange Due Diligence Study'', which is underway on the date of the enactment of this Act pursuant to a contract awarded by the Department of the Navy on April 21, 1998, except that any recommendation contained in the completed study regarding the operation or administration of the defense retail systems may not be implemented unless implementation of the recommendation is specifically authorized by a law enacted after the date of the enactment of this Act.

SEC. 368. DEFENSE COMMISSARY AGENCY TELECOMMUNICATIONS.

(a) USE OF FTS 2000/2001.—The Secretary of Defense shall prescribe in regulations authority for the Defense Commissary Agency to meet its telecommunication requirements by obtaining telecommunication services and related items under the FTS 2000/2001 contract.

(b) REPORT.—Upon the initiation of telecommunication service for the Defense Commissary Agency under the FTS 2000/2001 contract, the Secretary of Defense shall submit to Congress a notification that the service has been initiated.

(c) DEFINITION.—In this section, the term ''FTS 2000/2001 contract'' means the contract for the provision of telecommunication services for the Federal Government that was entered into by the Defense Information Technology Contract Organization.

SEC. 369. SURVEY OF COMMISSARY STORE PATRONS REGARDING SATISFACTION WITH COMMISSARY STORE MERCHANDISE.

(a) PATRON SURVEY.—The Secretary of Defense shall enter into a contract with a commercial survey firm to conduct a survey of eligible patrons of the commissary store system to determine patron satisfaction with the merchandise sold in commissary stores, including patron views on product quality, prices, assortment, and such other matters as the Secretary considers appropriate.

(b) SURVEY LOCATION.—The survey shall be conducted at not less than three military installations in the United States of each of the Armed Forces (other than the Coast Guard).

(c) REPORT ON RESULTS.—The survey shall be completed, and the results submitted to the Secretary of Defense, the Committee on Armed Services of the Senate, and the Committee on National Security of the House of Representatives, not later than February 28, 1999.

Subtitle G—Other Matters

SEC. 371. ELIGIBILITY REQUIREMENTS FOR ATTENDANCE AT DEPARTMENT OF DEFENSE DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS.

(a) DEPENDENTS OF MEMBERS RESIDING IN CERTAIN AREAS.—Subsection (a) of section 2164 of title 10, United States Code, is amended—

(1) by designating the first sentence as paragraph (1);

(2) by designating the second sentence as paragraph (2); and

(3) by adding at the end of paragraph (2) (as so designated) the following new sentence: ''If a member of the armed forces is assigned to a remote location or is assigned to an unaccompanied tour of duty, a dependent of the member who resides, on or off a military installation, in a territory, commonwealth, or possession of the United States, as authorized by the member's orders, may be enrolled in an educational program provided by the Secretary under this subsection.''.

(b) WAIVER OF FIVE-YEAR ATTENDANCE LIMITATION.—Subsection (c)(2) of such section is amended by striking out subparagraph (B) and inserting in lieu thereof the following new subparagraph:

''(B) At the discretion of the Secretary, a dependent referred to in subparagraph (A) may be enrolled in the program for more than five consecutive school years if the dependent is otherwise qualified for enrollment, space is available in the program, and the Secretary will be reimbursed for the educational services provided. Any such extension shall cover only one school year at a time.''.

(c) CUSTOMS SERVICE EMPLOYEE DEPENDENTS IN PUERTO RICO.—(1) Subsection (c)(1) of such section is amended—

(A) by inserting ''(A)'' after ''(1)''; and

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

''(B) A dependent of a United States Customs Service employee who resides in Puerto Rico, but not on a military installation, may enroll in an educational program provided by the Secretary pursuant to subsection (a) in Puerto Rico in accordance with the same rules as apply to a dependent of a Federal employee residing in permanent living quarters on a military installation.''.

(2) Subsection (c)(2) of such section is further amended by adding at the end the following new subparagraph:

''(D) Subparagraph (A) shall not apply to a dependent covered by paragraph (1)(B). No requirement under this paragraph for reimbursement for educational services provided for the dependent shall apply with respect to the dependent, except that the Secretary may require the United States Customs Service to reimburse the Secretary for the cost of the educational services provided for the dependent.''.

(3) The amendments made by this subsection shall apply with respect to academic years beginning on or after the date of the enactment of this Act.

SEC. 372. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) CONTINUATION OF DEPARTMENT OF DEFENSE PROGRAM FOR FISCAL YEAR 1999.—Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities—

(1) $30,000,000 shall be available only for the purpose of providing educational agencies assistance (as defined in subsection (d)(1)) to local educational agencies; and

(2) $5,000,000 shall be available only for the purpose of making educational agencies payments (as defined in subsection (d)(2)) to local educational agencies.

(b) NOTIFICATION.—Not later than June 30, 1999, the Secretary of Defense shall—

(1) notify each local educational agency that is eligible for educational agencies assistance for fiscal year 1999 of that agency's eligibility for such assistance and the amount of such assistance for which that agency is eligible; and

(2) notify each local educational agency that is eligible for an educational agencies payment for fiscal year 1999 of that agency's eligibility for such payment and the amount of the payment for which that agency is eligible.

(c) DISBURSEMENT OF FUNDS.—The Secretary of Defense shall disburse funds made available under paragraphs (1) and (2) of subsection (a) not later than 30 days after the date on which notification to the eligible local educational agencies is provided pursuant to subsection (b).

(d) DEFINITIONS.—In this section:

(1) The term ''educational agencies assistance'' means assistance authorized under section 386(b) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note).

(2) The term ''educational agencies payments'' means payments authorized under section 386(d) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note).

(3) The term ''local educational agency'' has the meaning given that term in section 8013(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(9)).

SEC. 373. DEPARTMENT OF DEFENSE READINESS REPORTING SYSTEM.

(a) ESTABLISHMENT OF SYSTEM.—(1) Chapter 2 of title 10, United States Code, is amended by inserting after section 116 the following new section:

''§ 117. Readiness reporting system: establishment; reporting to congressional committees

''(a) REQUIRED READINESS REPORTING SYSTEM.—The Secretary of Defense shall establish a comprehensive readiness reporting system for the Department of Defense. The readiness reporting system shall measure in an objective, accurate, and timely manner the capability of the armed forces to carry out—

''(1) the National Security Strategy prescribed by the President in the most recent annual national security strategy report under section 108 of the National Security Act of 1947 (50 U.S.C. 404a);

''(2) the defense planning guidance provided by the Secretary of Defense pursuant to section 113(g) of this title; and

''(3) the National Military Strategy prescribed by the Chairman of the Joint Chiefs of Staff.

''(b) READINESS REPORTING SYSTEM CHARACTERISTICS.—In establishing the readiness reporting system, the Secretary shall ensure—

''(1) that the readiness reporting system is applied uniformly throughout the Department of Defense;

''(2) that information in the readiness reporting system is continually updated, with any change in the overall readiness status of a unit, an element of the training establishment, or an element of defense infrastructure, that is required to be reported as part of the readiness reporting system, being reported within 24 hours of the event necessitating the change in readiness status; and

''(3) that sufficient resources are provided to establish and maintain the system so as to allow reporting of changes in readiness status as required by this section.

''(c) CAPABILITIES.—The readiness reporting system shall measure such factors relating to readiness as the Secretary prescribes, except that the system shall include the capability to do each of the following:

''(1) Measure, on a monthly basis, the capability of units (both as elements of their respective armed force and as elements of joint forces) to conduct their assigned wartime missions.

''(2) Measure, on a quarterly basis, the capability of training establishments to provide trained and ready forces for wartime missions.

''(3) Measure, on a quarterly basis, the capability of defense installations and facilities and other elements of Department of Defense infrastructure, both in the United States and abroad, to provide appropriate support to forces in the conduct of their wartime missions.

''(4) Measure, on a monthly basis, critical warfighting deficiencies in unit capability.

''(5) Measure, on a quarterly basis, critical warfighting deficiencies in training establishments and defense infrastructure.

''(6) Measure, on a monthly basis, the level of current risk based upon the readiness reporting system relative to the capability of forces to carry out their wartime missions.

''(d) QUARTERLY AND MONTHLY JOINT READINESS REVIEWS.—(1) The Chairman of the Joint Chiefs of Staff shall—

''(A) on a quarterly basis, conduct a joint readiness review; and

''(B) on a monthly basis, review any changes that have been reported in readiness since the previous joint readiness review.

''(2) The Chairman shall incorporate into both the joint readiness review required under paragraph (1)(A) and the monthly review required under paragraph (1)(B) the current information derived from the readiness reporting system and shall assess the capability of the armed forces to execute their wartime missions based upon their posture at the time the review is conducted. The Chairman shall submit to the Secretary of Defense the results of each review under paragraph (1), including the deficiencies in readiness identified during that review.

''(e) SUBMISSION TO CONGRESSIONAL COMMITTEES.—The Secretary shall each month submit to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives a report in writing containing the results of the most recent joint readiness review or monthly review conducted under subsection (d), including the current information derived from the readiness reporting system. Each such report shall be submitted in unclassified form and may, as the Secretary determines necessary, also be submitted in classified form.

''(f) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section. In those regulations, the Secretary shall prescribe the units that are subject to reporting in the readiness reporting system, what type of equipment is subject to such reporting, and the elements of the training establishment and of defense infrastructure that are subject to such reporting.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 116 the following new item:

''117. Readiness reporting system: establishment; reporting to congressional committees.''.

(b) IMPLEMENTATION.—The Secretary of Defense shall establish and implement the readiness reporting system required by section 117 of title 10, United States Code, as added by subsection (a), so as to ensure that the capabilities required by subsection (c) of that section are attained not later than January 15, 2000.

(c) IMPLEMENTATION PLAN.—Not later than March 1, 1999, the Secretary of Defense shall submit to Congress a report setting forth the Secretary's plan for implementation of section 117 of title 10, United States Code, as added by subsection (a).

(d) REPEAL OF QUARTERLY READINESS REPORT REQUIREMENT.—(1) Effective January 15, 2000, or the date on which the first report of the Secretary of Defense is submitted under section 117(e) of title 10, United States Code, as added by subsection (a), whichever is later, the Secretary of Defense shall cease to submit reports under section 482 of title 10, United States Code.

(2) Effective June 1, 2001—

(A) section 482 of title 10, United States Code, is repealed; and

(B) the table of sections at the beginning of chapter 23 of such title is amended by striking out the item relating to that section.

SEC. 374. SPECIFIC EMPHASIS OF PROGRAM TO INVESTIGATE FRAUD, WASTE, AND ABUSE WITHIN DEPARTMENT OF DEFENSE.

Section 392 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C. 113 note) is amended by inserting before the period the following: ''and any fraud, waste, and abuse occurring in connection with overpayments made to vendors by the Department of Defense, including overpayments identified under section 354 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 10 U.S.C. 2461 note)''.

SEC. 375. CONDITION FOR PROVIDING FINANCIAL ASSISTANCE FOR SUPPORT OF ADDITIONAL DUTIES ASSIGNED TO THE ARMY NATIONAL GUARD.

(a) COMPETITIVE SOURCE SELECTION.—Section 113(b) of title 32, United States Code, is amended to read as follows:

''(b) COVERED ACTIVITIES.—(1) Except as provided in paragraph (2), financial assistance may be provided for the performance of an activity by the Army National Guard under subsection (a) only if—

''(A) the activity is carried out in the performance of a responsibility of the Secretary of the Army under paragraph (6), (10), or (11) of section 3013(b) of title 10; and

''(B) the Army National Guard was selected to perform the activity under competitive procedures that permit all qualified public-sector and private-sector sources to submit offers and be considered for selection to perform the activity on the basis of the offers.

''(2) Paragraph (1)(B) does not apply to an activity that, on the date of the enactment of this subsection, was performed for the Federal Government by employees of the Federal Government or employees of a State.''.

(b) PROSPECTIVE APPLICABILITY.—Subsection (b)(1)(B) of section 113 of title 32, United States Code (as added by subsection (a) of this section), does not apply to—

(1) financial assistance provided under that section before October 1, 1998; or

(2) financial assistance for an activity that, before May 9, 1998, the Secretary of the Army identified in writing as being under consideration for supporting with financial assistance under that section.

SEC. 376. DEMONSTRATION PROGRAM TO IMPROVE QUALITY OF PERSONAL PROPERTY SHIPMENTS OF MEMBERS.

(a) DEFINITION.—In this section, the term ''current demonstration program'' means the pilot program to improve the movement of household goods of members of the Armed Forces that is identified in the re-engineering pilot solicitation of the Military Traffic Management Command designated as DAMTO1–97–R–3001.

(b) COMPLETION OF CURRENT DEMONSTRATION PROGRAM.—The Secretary of Defense shall complete the current demonstration program to improve the quality of personal property shipments within the Department of Defense not later than October 1, 1999.

(c) EVALUATIONS OF CURRENT AND ALTERNATIVE DEMONSTRATIONS.—(1) Not later than August 31, 1999, the Secretary of Defense shall submit to Congress a report evaluating the following:

(A) Whether the current demonstration program, as implemented, meets the goals for the current demonstration program previously agreed upon between the Department of Defense and representatives of private sector entities involved in the transportation of household goods for members of the Armed Forces, as such goals are contained in the report of the Comptroller General designated as report ''NSIAD 97–49''.

(B) Whether the demonstration program contained in the proposal prepared for the Secretary of Defense by private sector entities involved in the transportation of household goods for members of the Armed Forces as an alternative to the current demonstration program would, if implemented, be likely to meet the goals for the current demonstration program.

(2) The Secretary shall also submit to Congress interim reports regarding the progress of the current demonstration program not later than January 15, 1999, and April 15, 1999.

(d) PROHIBITION.—The Secretary of Defense may not exercise any option with respect to the current demonstration program that would have the effect of extending the current demonstration program after October 1, 1999, or otherwise continue the current demonstration program after that date, until the end of the 30-day period beginning on the date on which the Secretary submits the report required under subsection (c)(1).

SEC. 377. PILOT PROGRAM FOR ACCEPTANCE AND USE OF LANDING FEES CHARGED FOR USE OF DOMESTIC MILITARY AIRFIELDS BY CIVIL AIRCRAFT.

(a) PILOT PROGRAM AUTHORIZED.—The Secretary of each military department may carry out a pilot program during fiscal years 1999 and 2000 to demonstrate the use of landing fees as a source of funding for the operation and maintenance of airfields of that department. No fee may be charged under the pilot program for a landing after September 30, 2000.

(b) UNIFORM LANDING FEES.—The Secretary of Defense shall prescribe the landing fees, which shall be uniform for the military departments, that may be imposed under a pilot program carried out under this section.

(c) USE OF PROCEEDS.—Amounts received for a fiscal year in payment of landing fees imposed under the pilot program for use of a military airfield shall be credited to the appropriation that is available for that fiscal year for the operation and maintenance of the military airfield, shall be merged with amounts in the appropriation to which credited, and shall be available for that military airfield for the same period and purposes as the appropriation is available.

(d) REPORT.—Not later than March 31, 2000, the Secretary of Defense shall submit to Congress a report on the pilot programs carried out under this section by the Secretaries of the military departments. The report shall specify the amounts of fees received and retained by each

military department under its pilot program as of December 31, 1999.

SEC. 378. STRATEGIC PLAN FOR EXPANSION OF DISTANCE LEARNING INITIATIVES.

(a) PLAN REQUIRED.—The Secretary of Defense shall develop a strategic plan for guiding and expanding distance learning initiatives within the Department of Defense. The plan shall provide for an expansion of such initiatives over five consecutive fiscal years beginning with fiscal year 2000.

(b) CONTENT OF PLAN.—The strategic plan shall contain, at a minimum, the following:

(1) A statement of measurable goals and objectives and outcome-related performance indicators (consistent with section 1115 of title 31, United States Code, relating to agency performance plans) for the development and execution of distance learning initiatives throughout the Department of Defense.

(2) A detailed description of how distance learning initiatives are to be developed and managed within the Department of Defense.

(3) An assessment of the estimated costs and the benefits associated with developing and maintaining an appropriate infrastructure for distance learning.

(4) A statement of planned expenditures for the investments necessary to build and maintain that infrastructure.

(5) A description of the mechanisms that are to be used to supervise the development and coordination of the distance learning initiatives of the Department of Defense.

(c) RELATIONSHIP TO EXISTING INITIATIVE.—In developing the strategic plan, the Secretary may take into account the ongoing collaborative effort among the Department of Defense, other Federal agencies, and private industry that is known as the Advanced Distribution Learning initiative. However, the Secretary shall ensure that the strategic plan is specifically focused on the training and education goals and objectives of the Department of Defense.

(d) SUBMISSION TO CONGRESS.—The Secretary of Defense shall submit the strategic plan to Congress not later than March 1, 1999.

SEC. 379. PUBLIC AVAILABILITY OF OPERATING AGREEMENTS BETWEEN MILITARY INSTALLATIONS AND FINANCIAL INSTITUTIONS.

With respect to an agreement between the commander of a military installation in the United States (or the designee of such an installation commander) and a financial institution that permits, allows, or otherwise authorizes the provision of financial services by the financial institution on the military installation, nothing in the terms or nature of such an agreement shall be construed to exempt the agreement from the provisions of sections 552 and 552a of title 5, United States Code.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.
Sec. 402. Revision in permanent end strength levels.
Sec. 403. Date for submission of annual manpower requirements report.
Sec. 404. Additional exemption from percentage limitation on number of lieutenant generals and vice admirals.
Sec. 405. Extension of authority for Chairman of the Joint Chiefs of Staff to designate up to 12 general and flag officer positions to be excluded from general and flag officer grade limitations.
Sec. 406. Exception for Chief, National Guard Bureau, from limitation on number of officers above major general.
Sec. 407. Limitation on daily average of personnel on active duty in grades E–8 and E–9.

Subtitle B—Reserve Forces

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for Reserves on active duty in support of the reserves.
Sec. 413. End strengths for military technicians (dual status).
Sec. 414. Increase in number of members in certain grades authorized to serve on active duty in support of the reserves.
Sec. 415. Consolidation of strength authorizations for active status Naval Reserve flag officers of the Navy Medical Department Staff Corps.

Subtitle C—Authorization of Appropriations

Sec. 421. Authorization of appropriations for military personnel.

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 1999, as follows:

(1) The Army, 480,000.

(2) The Navy, 372,696.

(3) The Marine Corps, 172,200.

(4) The Air Force, 370,882.

SEC. 402. REVISION IN PERMANENT END STRENGTH LEVELS.

(a) REVISED END STRENGTH FLOORS.—Subsection (b) of section 691 of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out ''495,000'' and inserting in lieu thereof ''480,000'';

(2) in paragraph (2), by striking out ''390,802'' and inserting in lieu thereof ''372,696'';

(3) in paragraph (3), by striking out ''174,000'' and inserting in lieu thereof ''172,200''; and

(4) in paragraph (4), by striking out ''371,577'' and inserting in lieu thereof ''370,802''.

(b) REVISION TO FLEXIBILITY AUTHORITY FOR THE ARMY.—Subsection (e) of such section is amended by striking out ''1 percent or, in the case of the Army, by not more than 1.5 percent,'' and inserting in lieu thereof ''0.5 percent.''

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1998.

SEC. 403. DATE FOR SUBMISSION OF ANNUAL MANPOWER REQUIREMENTS REPORT.

Section 115a(a) of title 10, United States Code, is amended—

(1) by striking out '', not later than February 15 of each fiscal year,'' in the first sentence; and

(2) by striking out ''The report shall be in writing and'' in the second sentence and inserting in lieu thereof ''The report, which shall be in writing, shall be submitted each year not later than 45 days after the date on which the President submits to Congress the budget for the next fiscal year under section 1105 of title 31. The report''.

SEC. 404. ADDITIONAL EXEMPTION FROM PERCENTAGE LIMITATION ON NUMBER OF LIEUTENANT GENERALS AND VICE ADMIRALS.

Section 525(b)(4)(B) of title 10, United States Code, is amended by striking out ''six'' and inserting in lieu thereof ''seven''.

SEC. 405. EXTENSION OF AUTHORITY FOR CHAIRMAN OF THE JOINT CHIEFS OF STAFF TO DESIGNATE UP TO 12 GENERAL AND FLAG OFFICER POSITIONS TO BE EXCLUDED FROM GENERAL AND FLAG OFFICER GRADE LIMITATIONS.

Section 526(b)(2) of title 10, United States Code, is amended by striking out ''October 1, 1998'' and inserting in lieu thereof ''October 1, 2002''.

SEC. 406. EXCEPTION FOR CHIEF, NATIONAL GUARD BUREAU, FROM LIMITATION ON NUMBER OF OFFICERS ABOVE MAJOR GENERAL.

Section 525(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(6) An officer while serving as Chief of the National Guard Bureau is in addition to the number that would otherwise be permitted for that officer's armed force for officers serving on active duty in grades above major general under paragraph (1).''.

SEC. 407. LIMITATION ON DAILY AVERAGE OF PERSONNEL ON ACTIVE DUTY IN GRADES E–8 AND E–9.

(a) FISCAL YEAR BASIS FOR APPLICATION OF LIMITATION.—The first sentence of section 517(a) of title 10, United States Code, is amended—

(1) by striking out ''a calendar year'' and inserting in lieu thereof ''a fiscal year''; and

(2) by striking out ''January 1 of that year'' and inserting in lieu thereof ''the first day of that fiscal year''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1999.

Subtitle B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) IN GENERAL.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1999, as follows:

(1) The Army National Guard of the United States, 357,223.

(2) The Army Reserve, 208,003.

(3) The Naval Reserve, 90,843.

(4) The Marine Corps Reserve, 40,018.

(5) The Air National Guard of the United States, 106,992.

(6) The Air Force Reserve, 74,243.

(7) The Coast Guard Reserve, 8,000.

(b) WAIVER AUTHORITY.—The Secretary of Defense may vary an end strength authorized by subsection (a) by not more than 2 percent.

(c) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year; and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

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

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1999, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 21,986.

(2) The Army Reserve, 12,807.

(3) The Naval Reserve, 15,590.

(4) The Marine Corps Reserve, 2,362.

(5) The Air National Guard of the United States, 10,931.

(6) The Air Force Reserve, 992.

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

The minimum number of military technicians (dual status) as of the last day of fiscal year 1999 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) For the Army Reserve, 5,395.

(2) For the Army National Guard of the United States, 23,125.

(3) For the Air Force Reserve, 9,761.

(4) For the Air National Guard of the United States, 22,408.

SEC. 414. INCREASE IN NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO SERVE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) OFFICERS.—The table in section 12011(a) of title 10, United States Code, is amended to read as follows:

''Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,219	1,071	791	140
Lieutenant Colonel or Commander	1,524	520	713	90
Colonel or Navy Captain	438	188	297	30''.

(b) SENIOR ENLISTED MEMBERS.—The table in section 12012(a) of such title is amended to read as follows:

''Grade	Army	Navy	Air Force	Marine Corps
E–9	623	202	395	20
E–8	2,585	429	997	94''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take efffect on October 1, 1998.

SEC. 415. CONSOLIDATION OF STRENGTH AUTHORIZATIONS FOR ACTIVE STATUS NAVAL RESERVE FLAG OFFICERS OF THE NAVY MEDICAL DEPARTMENT STAFF CORPS.

Section 12004(c) of title 10, United States Code, is amended—

(1) in the table in paragraph (1)—

(A) by striking out the item relating to the Medical Corps and inserting in lieu thereof the following:

''Medical Department staff corps .... 9''; and

(B) by striking out the items relating to the Dental Corps, the Nurse Corps, and the Medical Service Corps; and

(2) by adding at the end the following:

''(4)(A) For the purposes of paragraph (1), the Medical Department staff corps referred to in the table are as follows:

''(i) The Medical Corps.

''(ii) The Dental Corps.

''(iii) The Nurse Corps.

''(iv) The Medical Service Corps.

''(B) Each of the Medical Department staff corps is authorized one rear admiral (lower half) within the strength authorization distributed to the Medical Department staff corps under paragraph (1). The Secretary of the Navy shall distribute the remainder of the strength authorization for the Medical Department staff corps under that paragraph among those staff corps as the Secretary determines appropriate to meet the needs of the Navy.''.

Subtitle C—Authorization of Appropriations

SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 1999 a total of $70,592,286,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1999.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. Codification of eligibility of retired officers and former officers for consideration by special selection boards.
Sec. 502. Involuntary separation pay denied for officer discharged for failure of selection for promotion requested by the officer.
Sec. 503. Streamlined selective retention process for regular officers.
Sec. 504. Permanent applicability of limitations on years of active naval service of Navy limited duty officers in grades of commander and captain.
Sec. 505. Tenure of Chief of the Air Force Nurse Corps.
Sec. 506. Grade of Air Force Assistant Surgeon General for Dental Services.
Sec. 507. Review regarding allocation of Naval Reserve Officers' Training Corps scholarships among participating colleges and universities.

Subtitle B—Reserve Component Matters

Sec. 511. Use of Reserves for emergencies involving weapons of mass destruction.
Sec. 512. Service required for retirement of National Guard officer in higher grade.
Sec. 513. Reduced time-in-grade requirement for reserve general and flag officers involuntarily transferred from active status.
Sec. 514. Active status service requirement for promotion consideration for Army and Air Force reserve component brigadier generals.
Sec. 515. Composition of selective early retirement boards for rear admirals of the Naval Reserve and major generals of the Marine Corps Reserve.
Sec. 516. Authority for temporary waiver for certain Army Reserve officers of baccalaureate degree requirement for promotion of reserve officers.
Sec. 517. Furnishing of burial flags for deceased members and former members of the Selected Reserve.

Subtitle C—Military Education and Training

Sec. 521. Separate housing for male and female recruits during recruit basic training.
Sec. 522. After-hours privacy for recruits during basic training.
Sec. 523. Sense of the House of Representatives relating to small unit assignments by gender during recruit basic training.
Sec. 524. Extension of reporting dates for Commission on Military Training and Gender-Related Issues.
Sec. 525. Improved oversight of innovative readiness training.

Subtitle D—Decorations, Awards, and Commendations

Sec. 531. Study of new decorations for injury or death in line of duty.
Sec. 532. Waiver of time limitations for award of certain decorations to certain persons.
Sec. 533. Commendation and commemoration of the Navy and Marine Corps personnel who served in the United States Navy Asiatic Fleet from 1910–1942.
Sec. 534. Appreciation for service during World War I and World War II by members of the Navy assigned on board merchant ships as the Naval Armed Guard Service.
Sec. 535. Sense of Congress regarding the heroism, sacrifice, and service of the military forces of South Vietnam, other nations, and indigenous groups in connection with the United States Armed Forces during the Vietnam conflict.
Sec. 536. Sense of Congress regarding the heroism, sacrifice, and service of former South Vietnamese commandos in connection with United States Armed Forces during the Vietnam conflict.
Sec. 537. Prohibition on members of Armed Forces entering correctional facilities to present decorations to persons who have committed serious violent felonies.

Subtitle E—Administration of Agencies Responsible for Review and Correction of Military Records

Sec. 541. Personnel freeze.
Sec. 542. Professional staff.
Sec. 543. Ex parte communications.
Sec. 544. Timeliness standards.
Sec. 545. Scope of correction of military records.

Subtitle F—Reports

Sec. 551. Report on personnel retention.
Sec. 552. Report on process for selection of members for service on courts-martial.
Sec. 553. Report on prisoners transferred from United States Disciplinary Barracks, Fort Leavenworth, Kansas, to Federal Bureau of Prisons.
Sec. 554. Review and report regarding the distribution of National Guard full-time support among the States.

Subtitle G—Other Matters

Sec. 561. Two-year extension of certain force drawdown transition authorities relating to personnel management and benefits.
Sec. 562. Leave without pay for suspended academy cadets and midshipmen.
Sec. 563. Continued eligibility under Voluntary Separation Incentive program for members who involuntarily lose membership in a reserve component.
Sec. 564. Reinstatement of definition of financial institution in authorities for reimbursement of defense personnel for Government errors in direct deposit of pay.
Sec. 565. Increase in maximum amount for College Fund program.
Sec. 566. Central Identification Laboratory, Hawaii.
Sec. 567. Military funeral honors for veterans.
Sec. 568. Status in the Naval Reserve of cadets at the Merchant Marine Academy.
Sec. 569. Repeal of restriction on civilian employment of enlisted members.
Sec. 570. Transitional compensation for abused dependent children not residing with the spouse or former spouse of a member convicted of dependent abuse.
Sec. 571. Pilot program for treating GED and home school diploma recipients as high school graduates for determinations of eligibility for enlistment in the Armed Forces.
Sec. 572. Sense of Congress concerning New Parent Support Program and military families.
Sec. 573. Advancement of Benjamin O. Davis, Junior, to grade of general on the retired list of the Air Force.
Sec. 574. Sense of the House of Representatives concerning adherence by civilians in military chain of command to the standard of exemplary conduct required of commanding officers and others in authority in the Armed Forces.

Subtitle A—Officer Personnel Policy

SEC. 501. CODIFICATION OF ELIGIBILITY OF RETIRED OFFICERS AND FORMER OFFICERS FOR CONSIDERATION BY SPECIAL SELECTION BOARDS.

(a) PERSONS NOT CONSIDERED BY PROMOTION BOARDS DUE TO ADMINISTRATIVE ERROR.—Subsection (a) of section 628 of title 10, United States Code, is amended—

(1) by striking out paragraph (1) (and the subsection designation at the beginning of that paragraph) and inserting in lieu thereof the following:

''(a) PERSONS NOT CONSIDERED BY PROMOTION BOARDS DUE TO ADMINISTRATIVE ERROR.—(1) If the Secretary of the military department concerned determines that because of administrative error a person who should have been considered for selection for promotion by a promotion board was not so considered, the Secretary shall convene a special selection board under this subsection to determine whether that person (whether or not then on active duty) should be recommended for promotion.'';

(2) in paragraph (2), by striking out ''the officer as his record'' in the first sentence and inserting in lieu thereof ''the person whose name was referred to it for consideration as that record''; and

(3) in paragraph (3), by striking out ''an officer in a grade'' and all that follows through ''the officer'' and inserting in lieu thereof ''a person whose name was referred to it for consideration for selection for appointment to a grade other than a general officer or flag officer grade, the person''.

(b) PERSONS CONSIDERED BY PROMOTION BOARDS IN UNFAIR MANNER.—Subsection (b) of such section is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following:

''(b) PERSONS CONSIDERED BY PROMOTION BOARDS IN UNFAIR MANNER.—(1) If the Secretary of the military department concerned determines, in the case of a person who was considered for selection for promotion by a promotion board but was not selected, that there was material unfairness with respect to that person, the Secretary may convene a special selection board under this subsection to determine whether that person (whether or not then on active duty) should be recommended for promotion. In order to determine that there was material unfairness, the Secretary must determine that—

''(A) the action of the promotion board that considered the person was contrary to law or involved material error of fact or material administrative error; or

''(B) the board did not have before it for its consideration material information.'';

(2) in paragraph (2), by striking out ''the officer as his record'' in the first sentence and inserting in lieu thereof ''the person whose name was referred to it for consideration as that record''; and

(3) in paragraph (3)—

(A) by striking out ''an officer'' and inserting in lieu thereof ''a person''; and

(B) by striking out ''the officer'' and inserting in lieu thereof ''the person''.

(c) CONFORMING AMENDMENTS.—(1) Subsection (c) of such section is amended—

(A) by inserting ''REPORTS OF BOARDS.—'' after ''(c)'';

(B) by striking out ''officer'' both places it appears in paragraph (1) and inserting in lieu thereof ''person''; and

(C) in paragraph (2), by adding the following new sentence at the end: ''However, in the case of a board convened under this section to consider a warrant officer or former warrant officer, the provisions of sections 576(d) and 576(f) of this title (rather than the provisions of section 617(b) and 618 of this title) apply to the report and proceedings of the board in the same manner as they apply to the report and proceedings of a selection board convened under section 573 of this title.''.

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

(A) by inserting ''APPOINTMENT OF PERSONS SELECTED BY BOARDS.—'' after ''(d)'';

(B) by striking out ''an officer'' and inserting in lieu thereof ''a person'';

(C) by striking out ''such officer'' and inserting in lieu thereof ''that person'';

(D) by striking out ''the next higher grade'' the second place it appears and inserting in lieu thereof ''that grade''; and

(E) by adding at the end the following: ''However, in the case of a board convened under this section to consider a warrant officer or former warrant officer, if the report of that board, as approved by the Secretary concerned, recommends that warrant officer or former warrant officer for promotion to the next higher grade, that person shall, as soon as practicable, be appointed to the next higher grade in accordance with provisions of section 578(c) of this title (rather than subsections (b), (c), and (d) of section 624 of this title).''.

(3) Subsection (d)(2) of such section is amended—

(A) by striking out ''An officer who is promoted'' and inserting in lieu thereof ''A person who is appointed'';

(B) by striking out ''such promotion'' and inserting in lieu thereof ''that appointment''; and

(C) by adding at the end the following new sentence: ''In the case of a person who is not on the active-duty list when appointed to the next higher grade, placement of that person on the active-duty list pursuant to the preceding sentence shall be only for purposes of determination of eligibility of that person for consideration for promotion by any subsequent special selection board under this section.''.

(d) APPLICABILITY TO DECEASED PERSONS.—Subsection (e) of such section is amended to read as follows:

''(e) DECEASED PERSONS.—If a person whose name is being considered for referral to a special selection board under this section dies before the completion of proceedings under this section with respect to that person, this section shall be applied to that person posthumously.''.

(e) RECODIFICATION OF ADMINISTRATIVE MATTERS.—Such section is further amended by adding at the end the following::

''(f) CONVENING OF BOARDS.—A board convened under this section—

''(1) shall be convened under regulations prescribed by the Secretary of Defense;

''(2) shall be composed in accordance with section 612 of this title or, in the case of board to consider a warrant officer or former warrant officer, in accordance with section 573 of this title and regulations prescribed by the Secretary of the military department concerned; and

''(3) shall be subject to the provisions of section 613 of this title.

''(g) PROMOTION BOARD DEFINED.—In this section, the term 'promotion board' means a selection board convened by the Secretary of a military department under section 573(a) or 611(a) of this title.''.

(f) RATIFICATION OF CODIFIED PRACTICE.—The consideration by a special selection board convened under section 628 of title 10, United States Code, before the date of the enactment of this Act of a person who, at the time of consideration, was a retired officer or former officer of the Armed Forces (including a deceased retired or former officer) is hereby ratified.

SEC. 502. INVOLUNTARY SEPARATION PAY DENIED FOR OFFICER DISCHARGED FOR FAILURE OF SELECTION FOR PROMOTION REQUESTED BY THE OFFICER.

(a) INELIGIBILITY FOR SEPARATION PAY.—Section 1174(a) of title 10, United States Code, is amended by adding at the end the following:

''(3) Notwithstanding paragraphs (1) and (2), an officer discharged under any provision of chapter 36 of this title for twice failing of selection for promotion to the next higher grade is not entitled to separation pay under this section if either (or both) of those failures of selection for promotion was by the action of a selection board to which the officer submitted a request in writing not to be selected for promotion or who otherwise directly caused his nonselection through written communication to the Board under section 614(b) of this title.''.

(b) REPORT OF SELECTION BOARD TO NAME OFFICERS REQUESTING NONSELECTION.—Section 617 of such title is amended by adding at the end the following:

''(c) A selection board convened under section 611(a) of this title shall include in its report to the Secretary concerned the name of any regular officer considered and not recommended for promotion by the board who submitted to the board a request not to be selected for promotion or who otherwise directly caused his nonselection through written communication to the Board under section 614(b) of this title.''.

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

SEC. 503. STREAMLINED SELECTIVE RETENTION PROCESS FOR REGULAR OFFICERS.

(a) REPEAL OF REQUIREMENT FOR DUPLICATIVE BOARD.—Section 1183 of title 10, United States Code, is repealed.

(b) CONFORMING AMENDMENTS.—(1) Section 1182(c) of such title is amended by striking out ''send the record of proceedings to a board of review convened under section 1183 of this title'' and inserting in lieu thereof ''recommend to the Secretary concerned that the officer not be retained on active duty''.

(2) Section 1184 of such title is amended by striking out ''board of review convened under section 1183 of this title'' and inserting in lieu thereof ''board of inquiry convened under section 1182 of this title''.

(c) CLERICAL AMENDMENTS.—(1) The heading for section 1184 of such title is amended by striking out ''**review**'' and inserting in lieu thereof ''**inquiry**''.

(2) The table of sections at the beginning of chapter 60 of such title is amended by striking out the items relating to sections 1183 and 1184 and inserting in lieu thereof the following:

''1184. Removal of officer: action by Secretary upon recommendation of board of inquiry.''.

SEC. 504. PERMANENT APPLICABILITY OF LIMITATIONS ON YEARS OF ACTIVE NAVAL SERVICE OF NAVY LIMITED DUTY OFFICERS IN GRADES OF COMMANDER AND CAPTAIN.

(a) COMMANDERS.—Section 633 of title 10, United States Code, is amended—

(1) by striking out ''Except an officer'' and all that follows through ''or section 6383 of this title applies'' and inserting in lieu thereof ''Except an officer of the Navy or Marine Corps who is an officer designated for limited duty to whom section 5596(e) or 6383 of this title applies''; and

(2) by striking out the second sentence.

(b) CAPTAINS.—Section 634 of such title is amended—

(1) by inserting ''an officer of the Navy who is designated for limited duty to whom section 6383(a)(4) of this title applies and except'' in the first sentence after ''Except''; and

(2) by striking out the second sentence.

(c) YEARS OF ACTIVE NAVAL SERVICE.—Section 6383(a) of such title is amended by striking out paragraph (5).

(d) LIMITATIONS ON SELECTIVE RETENTIONS.—Section 6383(k) of such title is amended by striking out the last sentence.

SEC. 505. TENURE OF CHIEF OF THE AIR FORCE NURSE CORPS.

Section 8069(b) of title 10, United States Code, is amended by striking out '', but not for more than three years, and may not be reappointed to the same position'' in the last sentence.

SEC. 506. GRADE OF AIR FORCE ASSISTANT SURGEON GENERAL FOR DENTAL SERVICES.

Section 8081 of title 10, United States Code, is amended—

(1) in the first sentence, by striking out ''major'' and inserting in lieu thereof ''lieutenant colonel''; and

(2) by striking out the second sentence and inserting in lieu thereof the following: ''An appointee who holds a lower regular grade shall be appointed in the regular grade of brigadier general. The Assistant Surgeon General for Dental Services serves at the pleasure of the Secretary.''.

SEC. 507. REVIEW REGARDING ALLOCATION OF NAVAL RESERVE OFFICERS' TRAINING CORPS SCHOLARSHIPS AMONG PARTICIPATING COLLEGES AND UNIVERSITIES.

(a) REVIEW.—The Secretary of the Navy should review the process and criteria used to determine the number of Naval Reserve Officer Training Corps (NROTC) scholarship recipients who attend each college and university participating in the NROTC program and how those scholarships are allocated to those schools.

(b) PURPOSE OF REVIEW.—The review should seek to determine—

(1) whether the method used by the Navy to allocate NROTC scholarships could be changed so as to increase the likelihood that scholarship awardees attend the school of their choice while maintaining the Navy's capability to attain the objectives of the Naval ROTC program to meet the annual requirement for newly commissioned Navy ensigns and Marine Corps second lieutenants, as well as the overall needs of the officer corps of the Department of the Navy; and

(2) within the determination under paragraph (1), whether the likelihood of a scholarship awardee who wants to attend a school of choice in the student's State of residence can be increased.

(c) MATTERS REVIEWED.—The matters reviewed should include the following:

(1) The factors and criteria considered in the process of determining the allocation of NROTC scholarships to host colleges and universities.

(2) Historical data indicating the extent to which NROTC scholarship recipients attend colleges and universities they have indicated a preference to attend, as opposed to attending solely or mainly in order to receive an NROTC scholarship.

(3) The extent to which the process used by the Navy to allocate NROTC scholarships to participating colleges and universities contributes to optimizing resources available for the operation of the NROTC program and improving the professional education of NROTC midshipmen.

(4) The effects that eliminating the controlled allocation of scholarships to host colleges and universities, entirely or by State, would have on the NROTC program.

(d) CONSULTATION REQUIREMENT.—In carrying out a review under subsection (a), the Secretary should consult with officials of interested associations and of colleges and universities which host ROTC units and such other officials as the Secretary considers appropriate.

Subtitle B—Reserve Component Matters

SEC. 511. USE OF RESERVES FOR EMERGENCIES INVOLVING WEAPONS OF MASS DESTRUCTION.

(a) ORDER TO ACTIVE DUTY.—(1) Section 12304 of title 10, United States Code, is amended—

(A) in subsection (a), by inserting ''or that it is necessary to provide assistance referred to in subsection (b)'' after ''to augment the active forces for any operational mission'';

(B) in subsection (b)—

(i) by striking out ''(b)'' and inserting in lieu thereof ''(c) LIMITATIONS.—(1)''; and

(ii) by striking out '', or to provide'' and inserting in lieu thereof ''or, except as provided in subsection (b), to provide'';

(C) by redesignating subsection (c) as paragraph (2); and

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

''(b) SUPPORT FOR RESPONSES TO CERTAIN EMERGENCIES.—The authority under subsection (a) includes authority to order a unit or member to active duty to provide assistance in responding to an emergency involving a use or threatened use of a weapon of mass destruction.''.

(2) Subsection (i) of such section is amended to read as follows:

''(i) DEFINITIONS.—In this section:

''(1) The term 'Individual Ready Reserve mobilization category' means, in the case of any reserve component, the category of the Individual Ready Reserve described in section 10144(b) of this title.

''(2) The term 'weapon of mass destruction' has the meaning given that term in section 1403 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1)).''.

(3) Such section is further amended—

(A) in subsection (a), by inserting ''AUTHORITY.—'' after ''(a)'';

(B) in subsection (d), by inserting ''EXCLUSION FROM STRENGTH LIMITATIONS.—'' after ''(d)'';

(C) in subsection (e), by inserting ''POLICIES AND PROCEDURES.—'' after ''(e)'';

(D) in subsection (f), by inserting ''NOTIFICATION OF CONGRESS.—'' after ''(f)'';

(E) in subsection (g), by inserting ''TERMINATION OF DUTY.—'' after ''(g)''; and

(F) in subsection (h), by inserting ''RELATIONSHIP TO WAR POWERS RESOLUTION.—'' after ''(h)''.

(b) USE OF ACTIVE GUARD AND RESERVE PERSONNEL.—(1) Section 12310 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c)(1) A Reserve on active duty as described in subsection (a), or a Reserve who is a member of the National Guard serving on full-time National Guard duty under section 502(f) of title 32 in connection with functions referred to in subsection (a), may, subject to paragraph (3), perform duties in support of emergency preparedness programs to prepare for or to respond to any emergency involving the use of a weapon of mass destruction (as defined in section 1403 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1))).

''(2) The costs of the pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for a Reserve performing duties under the authority of paragraph (1) shall be paid from the appropriation that is available to pay such costs for other members of the reserve component of that Reserve who are performing duties as described in subsection (a).

''(3) A Reserve may perform duties described in paragraph (1) only—

''(A) while assigned to the Department of Defense Consequence Management Program Integration Office; or

''(B) while assigned to a reserve component rapid assessment element team and performing those duties within the geographical limits of the United States, its territories and possessions, the District of Columbia, and the Commonwealth of Puerto Rico.

''(4) The number of Reserves on active duty who are performing duties described in paragraph (1) at the same time may not exceed 228. Reserves on active duty who are performing duties described in paragraph (1) shall be counted against the annual end strength authorizations required by section 115(a)(1)(B) and 115(a)(2) of this title. The justification material for the defense budget request for a fiscal year shall identify the number and component of the Reserves programmed to be performing duties described in paragraph (1) during that fiscal year.

''(5) A reserve component rapid assessment element team, and any Reserve assigned to such a team, may not be used to respond to an emergency described in paragraph (1) unless the Secretary of Defense has certified to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that that team, or that Reserve, possesses the requisite skills, training, and equipment to be proficient in all mission requirements.

''(6) If the Secretary of Defense submits to Congress any request for the enactment of legislation to modify the requirements of paragraph (3) or to increase the number of personnel authorized by paragraph (4), the Secretary shall provide with the request—

''(A) justification for each such requested modification or for the requested additional personnel and explain the need for the increase in the context of existing or projected similar capabilities at the local, State, and Federal levels; and

''(B) the Secretary's plan for sustaining the qualifications of the personnel and teams described in paragraph (3)(B).''.

(2) The Secretary of Defense may not submit to Congress earlier than 90 days after the date of the receipt by Congress of the report required by section 1411 of this Act a request for the enactment of legislation to modify the requirements of paragraph (3), or to increase the number of personnel authorized by paragraph (4), of section 12310(c) of title 10, United States Code, as added by paragraph (1).

SEC. 512. SERVICE REQUIRED FOR RETIREMENT OF NATIONAL GUARD OFFICER IN HIGHER GRADE.

(a) REVISION OF REQUIREMENT.—Subparagraph (E) of section 1370(d)(3) of title 10, United States Code, is amended to read as follows:

''(E) To the extent authorized by the Secretary of the military department concerned, a person who, after having been found qualified for Federal recognition in a higher grade by a board under section 307 of title 32, serves in a position for which that grade is the minimum authorized grade and is appointed as a reserve officer in that grade may be credited for the purposes of subparagraph (A) as having served in that grade. The period of the service for which credit is afforded under the preceding sentence may only be the period for which the person served in the position after the Senate provides advice and consent for the appointment.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply with respect to appointments to higher grades that take effect after that date.

SEC. 513. REDUCED TIME-IN-GRADE REQUIREMENT FOR RESERVE GENERAL AND FLAG OFFICERS INVOLUNTARILY TRANSFERRED FROM ACTIVE STATUS.

(a) MINIMUM SERVICE IN ACTIVE STATUS.—Section 1370(d)(3) of title 10, United States Code, as amended by section 511, is further amended by adding at the end the following new subparagraph:

''(F) A person covered by subparagraph (A) who has completed at least six months of satisfactory service in a grade above colonel or (in the case of the Navy) captain and, while serving in an active status in such grade, is involuntarily transferred (other than for cause) from active status may be credited with satisfactory service in the grade in which serving at the time of such transfer, notwithstanding failure of the person to complete three years of service in that grade.''.

(b) EFFECTIVE DATE.—Subparagraph (F) of such section, as added by subsection (a), shall take effect on the date of the enactment of this Act and shall apply with respect to transfers referred to in such subparagraph that are made on or after that date.

SEC. 514. ACTIVE STATUS SERVICE REQUIREMENT FOR PROMOTION CONSIDERATION FOR ARMY AND AIR FORCE RESERVE COMPONENT BRIGADIER GENERALS.

Section 14301 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(g) A reserve component brigadier general of the Army or the Air Force who is in an inactive status is eligible (notwithstanding subsection (a)) for consideration for promotion to major general by a promotion board convened under section 14101(a) of this title if the officer—

''(1) has been in an inactive status for less than one year as of the date of the convening of the promotion board; and

''(2) had continuously served for at least one year on the reserve active status list or the active duty list (or a combination of both) immediately before the officer's most recent transfer to an inactive status.''.

SEC. 515. COMPOSITION OF SELECTIVE EARLY RETIREMENT BOARDS FOR REAR ADMIRALS OF THE NAVAL RESERVE AND MAJOR GENERALS OF THE MARINE CORPS RESERVE.

(a) IN GENERAL.—Section 14705(b) of title 10, United States Code, is amended—

(1) by inserting ''(1)'' after ''(b) BOARDS.—''; and

(2) by adding at the end the following:

''(2) In the case of such a board convened to consider officers in the grade of rear admiral or major general, the Secretary of the Navy may appoint the board without regard to section 14102(b) of this title. In doing so, however, the Secretary shall ensure that—

''(A) each regular commissioned officer appointed to the board holds a grade higher than the grade of rear admiral or major general; and

''(B) at least one member of the board is a reserve officer who holds the grade of rear admiral or major general.''.

(b) TECHNICAL AMENDMENTS.—Paragraph (1) of such section, as designated by subsection (a)(1), is amended—

(1) by inserting ''of officers'' after ''consideration''; and

(2) by inserting ''continuation'' after ''shall convene a''.

SEC. 516. AUTHORITY FOR TEMPORARY WAIVER FOR CERTAIN ARMY RESERVE OFFICERS OF BACCALAUREATE DEGREE REQUIREMENT FOR PROMOTION OF RESERVE OFFICERS.

(a) WAIVER AUTHORITY FOR ARMY OCS GRADUATES.—The Secretary of the Army may waive the applicability of section 12205(a) of title 10, United States Code, to any officer who before the date of the enactment of this Act was commissioned through the Army Officer Candidate School. Any such waiver shall be made on a case-by-case basis, considering the individual circumstances of the officer involved, and may continue in effect for no more than two years after the waiver is granted. The Secretary may provide for such a waiver to be effective before the date of the waiver, as appropriate in an individual case.

(b) EXPIRATION OF AUTHORITY.—A waiver under this section may not be granted after September 30, 2000.

SEC. 517. FURNISHING OF BURIAL FLAGS FOR DECEASED MEMBERS AND FORMER MEMBERS OF THE SELECTED RESERVE.

Section 2301 of title 38, United States Code, is amended by adding at the end the following new subsection:

''(f)(1) The Secretary shall furnish a flag to drape the casket of each deceased member or former member of the Selected Reserve (as ±described in section 10143 of title 10) who is not otherwise eligible for a flag under this section or section 1482(a) of title 10—

''(A) who completed at least one enlistment as a member of the Selected Reserve or, in the case of an officer, completed the period of initial obligated service as a member of the Selected Reserve;

''(B) who was discharged before completion of the person's initial enlistment as a member of the Selected Reserve or, in the case of an officer, period of initial obligated service as a member of the Selected Reserve, for a disability incurred or aggravated in line of duty; or

''(C) who died while a member of the Selected Reserve.

''(2) A flag may not be furnished under subparagraphs (A) or (B) of paragraph (1) in the case of a person whose last discharge from service in the Armed Forces was under conditions less favorable than honorable.

''(3) After the burial, a flag furnished under paragraph (1) shall be given to the next of kin or to such other person as the Secretary considers appropriate.''.

Subtitle C—Military Education and Training

SEC. 521. SEPARATE HOUSING FOR MALE AND FEMALE RECRUITS DURING RECRUIT BASIC TRAINING.

(a) ARMY.—(1) Chapter 401 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 4319. Recruit basic training: separate housing for male and female recruits

''(a) PHYSICALLY SEPARATE HOUSING.—(1) The Secretary of the Army shall provide for housing male recruits and female recruits separately and securely from each other during basic training.

''(2) To meet the requirements of paragraph (1), the sleeping areas and latrine areas provided for male recruits shall be physically separated from the sleeping areas and latrine areas provided for female recruits by permanent walls, and the areas for male recruits and the areas for female recruits shall have separate entrances.

''(3) The Secretary shall ensure that, when a recruit is in an area referred to in paragraph (2), the area is supervised by one or more persons who are authorized and trained to supervise the area.

''(b) ALTERNATIVE SEPARATE HOUSING.—If male recruits and female recruits cannot be housed as provided under subsection (a) by October 1, 2001, at a particular installation, the Secretary of the Army shall require (on and after that date) that male recruits in basic training at such installation be housed in barracks or other troop housing facilities that are only for males and that female recruits in basic training at such installation be housed in barracks or other troop housing facilities that are only for females.

''(c) CONSTRUCTION PLANNING.—In planning for the construction of housing to be used for housing recruits during basic training, the Secretary of the Army shall ensure that the housing is to be constructed in a manner that facilitates the housing of male recruits and female recruits separately and securely from each other.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means the initial entry training program of the Army that constitutes the basic training of new recruits.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''4319. Recruit basic training: separate housing for male and female recruits.''.

(3) The Secretary of the Army shall implement section 4319 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 15, 1999.

(b) NAVY AND MARINE CORPS.—(1) Part III of subtitle C of title 10, United States Code, is amended by inserting after chapter 601 the following new chapter:

''CHAPTER 602—TRAINING GENERALLY

''Sec.

''6931. Recruit basic training: separate housing for male and female recruits.

''§ 6931. Recruit basic training: separate housing for male and female recruits

''(a) PHYSICALLY SEPARATE HOUSING.—(1) The Secretary of the Navy shall provide for housing male recruits and female recruits separately and securely from each other during basic training.

''(2) To meet the requirements of paragraph (1), the sleeping areas and latrine areas provided for male recruits shall be physically separated from the sleeping areas and latrine areas provided for female recruits by permanent walls, and the areas for male recruits and the areas for female recruits shall have separate entrances.

''(3) The Secretary shall ensure that, when a recruit is in an area referred to in paragraph (2), the area is supervised by one or more persons who are authorized and trained to supervise the area.

''(b) ALTERNATIVE SEPARATE HOUSING.—If male recruits and female recruits cannot be housed as provided under subsection (a) by October 1, 2001, at a particular installation, the Secretary of the Navy shall require (on and after that date) that male recruits in basic training at such installation be housed in barracks or other troop housing facilities that are only for males and that female recruits in basic training at such installation be housed in barracks or other troop housing facilities that are only for females.

''(c) CONSTRUCTION PLANNING.—In planning for the construction of housing to be used for housing recruits during basic training, the Secretary of the Navy shall ensure that the housing is to be constructed in a manner that facilitates the housing of male recruits and female recruits separately and securely from each other.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means the initial entry training programs of the Navy and Marine Corps that constitute the basic training of new recruits.''.

(2) The tables of chapters at the beginning of subtitle C, and at the beginning of part III of subtitle C, of such title are amended by inserting after the item relating to chapter 601 the following new item:

''602. Training Generally ..... 6931''.

(3) The Secretary of the Navy shall implement section 6931 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 15, 1999.

(c) AIR FORCE.—(1) Chapter 901 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 9319. Recruit basic training: separate housing for male and female recruits

''(a) PHYSICALLY SEPARATE HOUSING.—(1) The Secretary of the Air Force shall provide for housing male recruits and female recruits separately and securely from each other during basic training.

''(2) To meet the requirements of paragraph (1), the sleeping areas and latrine areas provided for male recruits shall be physically separated from the sleeping areas and latrine areas provided for female recruits by permanent walls, and the areas for male recruits and the areas for female recruits shall have separate entrances.

''(3) The Secretary shall ensure that, when a recruit is in an area referred to in paragraph (2), the area is supervised by one or more persons who are authorized and trained to supervise the area.

''(b) ALTERNATIVE SEPARATE HOUSING.—If male recruits and female recruits cannot be housed as provided under subsection (a) by October 1, 2001, at a particular installation, the Secretary of the Air Force shall require (on and after that date) that male recruits in basic training at such installation be housed in barracks or other troop housing facilities that are only for males and that female recruits in basic training at such installation be housed in barracks or other troop housing facilities that are only for females.

''(c) CONSTRUCTION PLANNING.—In planning for the construction of housing to be used for housing recruits during basic training, the Secretary of the Air Force shall ensure that the housing is to be constructed in a manner that facilitates the housing of male recruits and female recruits separately and securely from each other.

''(d) BASIC TRAINING DEFINED.—In this section, the term 'basic training' means the initial entry training program of the Air Force that constitutes the basic training of new recruits.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''9319. Recruit basic training: separate housing for male and female recruits.''.

(3) The Secretary of the Air Force shall implement section 9319 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 15, 1999.

(d) GAO REVIEW OF COSTS OF SEPARATE HOUSING FACILITIES FOR MALE AND FEMALE RECRUITS DURING RECRUIT BASIC TRAINING.—Not later than March 1, 1999, the Comptroller General shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the costs that would be incurred by each of the military departments if required to provide housing for male and female recruits during basic training in separate structures. The report shall be prepared separately for each of the Army, Navy, and Air Force and shall be based on reviews and cost analyses prepared independently of the Department of Defense.

SEC. 522. AFTER-HOURS PRIVACY FOR RECRUITS DURING BASIC TRAINING.

(a) ARMY.—(1) Chapter 401 of title 10, United States Code, is amended by adding after section 4319, as added by section 521(a)(1), the following new section:

''§ 4320. Recruit basic training: privacy

''The Secretary of the Army shall require that access by drill sergeants and other training personnel to a living area in which recruits are housed during basic training shall be limited after the end of the training day, other than in the case of an emergency or other exigent circumstance, to drill sergeants and other training personnel who are of the same sex as the recruits housed in that living area or to superiors in the chain of command of those recruits who, if not of the same sex as the recruits housed in that living area, are accompanied by a member (other than a recruit) who is of the same sex as the recruits housed in that living area.''.

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 4319, as added by section 521(a)(2), the following new item:

''4320. Recruit basic training: privacy.''.

(3) The Secretary of the Army shall implement section 4320 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 15, 1999.

(b) NAVY.—(1) Chapter 602 of title 10, United States Code, as added by section 521(b)(1), is amended by adding at the end the following new section:

''§ 6932. Recruit basic training: privacy

''The Secretary of the Navy shall require that access by recruit division commanders and other training personnel to a living area in which Navy recruits are housed during basic training shall be limited after the end of the training day, other than in the case of an emergency or other exigent circumstance, to recruit division commanders and other training personnel who are of the same sex as the recruits housed in that living area or to superiors in the chain of command of those recruits who, if not of the same sex as the recruits housed in that living area, are accompanied by a member (other than a recruit) who is of the same sex as the recruits housed in that living area.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''6932. Recruit basic training: privacy.''.

(3) The Secretary of the Navy shall implement section 6932 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 15, 1999.

(c) AIR FORCE.—(1) Chapter 901 of title 10, United States Code, is amended by adding after section 9319, as added by section 521(c)(1), the following new section:

''§ 9320. Recruit basic training: privacy

''The Secretary of the Air Force shall require that access by military training instructors and other training personnel to a living area in which recruits are housed during basic training shall be limited after the end of the training day, other than in the case of an emergency or other exigent circumstance, to military training instructors and other training personnel who are of the same sex as the recruits housed in that living area or to superiors in the chain of command of those recruits who, if not of the same sex as the recruits housed in that living area, are accompanied by a member (other than a recruit) who is of the same sex as the recruits housed in that living area.''.

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 9319, as added by section 521(c)(2), the following new item:

''9320. Recruit basic training: privacy.''.

(3) The Secretary of the Air Force shall implement section 9320 of title 10, United States Code, as added by paragraph (1), as rapidly as feasible and shall ensure that the provisions of that section are applied to all recruit basic training classes beginning not later than the first such class that enters basic training on or after April 15, 1999.

SEC. 523. SENSE OF THE HOUSE OF REPRESENTATIVES RELATING TO SMALL UNIT ASSIGNMENTS BY GENDER DURING RECRUIT BASIC TRAINING.

It is the sense of the House of Representatives that the Secretary of each military department should require that during recruit basic training male recruits and female recruits be assigned to separate units at the small unit levels designated by the different services as platoons, divisions, or flights, as recommended in the report of the Federal Advisory Committee on Gender-Integrated Training and Related Issues, chaired by Nancy Kassebaum-Baker, that was submitted to the Secretary of Defense on December 16, 1997.

SEC. 524. EXTENSION OF REPORTING DATES FOR COMMISSION ON MILITARY TRAINING AND GENDER-RELATED ISSUES.

(a) FIRST REPORT.—Subsection (e)(1) of section 562 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1754) is amended by striking out ''April 15, 1998'' and inserting in lieu thereof ''October 15, 1998''.

(b) FINAL REPORT.—Subsection (e)(2) of such section is amended by striking out ''September 16, 1998'' and inserting in lieu thereof ''March 15, 1999''.

SEC. 525. IMPROVED OVERSIGHT OF INNOVATIVE READINESS TRAINING.

(a) IN GENERAL.—Section 2012 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(j) OVERSIGHT AND COST ACCOUNTING.—The Secretary of Defense shall establish a program to improve the oversight and cost accounting of training projects conducted in accordance with this section. The program shall include measures to accomplish the following:

''(1) Ensure that each project that is proposed to be conducted in accordance with this section (regardless of whether additional funding from the Secretary of Defense is sought) is requested in writing, reviewed for full compliance with this section, and approved in advance of initiation by the Secretary of the military department concerned and, in the case of a project that seeks additional funding from the Secretary of Defense, by the Secretary of Defense.

''(2) Ensure that each project that is conducted in accordance with this section is required to provide, within a specified period following completion of the project, an after-action report to the Secretary of Defense.

''(3) Require that each application for a project to be conducted in accordance with this section include an analysis and certification that the proposed project would not result in a significant increase in the cost of training (as determined in accordance with procedures prescribed by the Secretary of Defense).

''(4) Determine the total program cost for each project, including both those costs that are borne by the military departments from their own accounts and those costs that are borne by defense-wide accounts.

''(5) Provide for oversight of project execution to ensure that a training project under this section is carried out in accordance with the proposal for that project as approved.''.

(b) IMPLEMENTATION.—The Secretary of Defense may not initiate any project under section 2012 of title 10, United States Code, after October 1, 1998, until the program required by subsection (i) of that section (as added by subsection (a)) has been established.

Subtitle D—Decorations, Awards, and Commendations

SEC. 531. STUDY OF NEW DECORATIONS FOR INJURY OR DEATH IN LINE OF DUTY.

(a) STUDY OF NEED AND CRITERIA FOR NEW DECORATION.—(1) The Secretary of Defense shall carry out a study of the need for, and the the appropriate criteria for, two possible new decorations.

(2) The first such decoration would, if implemented, be awarded to members of the Armed Forces who, while serving under competent authority in any capacity with the Armed Forces, are killed or injured in the line of duty as a result of noncombat circumstances occurring—

(A) as a result of an international terrorist attack against the United States or a foreign nation friendly to the United States;

(B) while engaged in, training for, or traveling to or from a peacetime or contingency operation; or

(C) while engaged in, training for, or traveling to or from service outside the territory of the United States as part of a peacekeeping force.

(3) The second such decoration would, if implemented, be awarded to civilian nationals of the United States who, while serving under competent authority in any capacity with the Armed Forces, are killed or injured in the line of duty under circumstances which, if they were members of the Armed Forces, would qualify them for award of the Purple Heart or the medal described in paragraph (2).

(b) RECOMMENDATION TO CONGRESS.—Not later than July 31, 1999, the Secretary shall submit to Congress a report setting forth the Secretary's recommendation concerning the need for, and propriety of, each of the possible new decorations referred to in subsection (a).

(c) COORDINATION.—The Secretary shall carry out this section in coordination with the Secretaries of the military departments and the Secretary of Transportation with regard to the Coast Guard.

SEC. 532. WAIVER OF TIME LIMITATIONS FOR AWARD OF CERTAIN DECORATIONS TO CERTAIN PERSONS.

(a) WAIVER.—Any limitation established by law or policy for the time within which a recommendation for the award of a military decoration or award must be submitted shall not apply to awards of decorations described in this section, the award of each such decoration having been determined by the Secretary of the military department concerned to be warranted in accordance with section 1130 of title 10, United States Code.

(b) DISTINGUISHED-SERVICE CROSS.—Subsection (a) applies to the award of the Distinguished-Service Cross of the Army as follows:

(1) To Isaac Camacho of El Paso, Texas, for extraordinary heroism in actions at Camp Hiep Hoa in Vietnam on November 24, 1963, while serving as a member of the Army.

(2) To Bruce P. Crandall of Mesa, Arizona, for extraordinary heroism in actions at Landing Zone X-Ray in Vietnam on November 14, 1965, while serving as a member of the Army.

(3) To Leland B. Fair of Jessieville, Arkansas, for extraordinary heroism in actions in the Philippine Islands on July 4, 1945, while serving as a member of the Army.

(c) DISTINGUISHED-SERVICE MEDAL.—Subsection (a) applies to the award of the Distinguished-Service Medal of the Army to Richard P. Sakakida of Fremont, California, for exceptionally meritorious service while a prisoner of war in the Philippine Islands from May 7, 1942, to September 14, 1945, while serving as a member of the Army.

(d) NAVY CROSS.—Subsection (a) applies to the posthumous award of the Navy Cross to Joseph F. Keenan for extraordinary heroism in actions on March 26–27, 1953, while serving as a member of the Navy.

(e) SILVER STAR MEDAL.—Subsection (a) applies to the award of the Silver Star Medal of the Navy to Andrew A. Bernard of Methuen, Massachusetts, for gallantry in action on November 24, 1943, while serving as a member of the Navy.

(f) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to the award of the Distinguished Flying Cross for service during World War II or Korea (including multiple awards to the same individual) in the case of each individual (not covered by section 573(d) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1757)) concerning whom the Secretary of the Navy (or an officer of the Navy acting on behalf of the Secretary) submitted to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate, before the date of the enactment of this Act, a notice as provided in section 1130(b) of title 10, United States Code, that the award of the Distinguished Flying Cross to that individual is warranted and that a waiver of time restrictions prescribed by law for recommendation for such award is recommended.

SEC. 533. COMMENDATION AND COMMEMORATION OF THE NAVY AND MARINE CORPS PERSONNEL WHO SERVED IN THE UNITED STATES NAVY ASIATIC FLEET FROM 1910–1942.

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

(1) The United States established the Asiatic Fleet of the Navy in 1910 to protect United States nationals, policies, and possessions in the Far East.

(2) The sailors and Marines of the Asiatic Fleet ensured the safety of United States and foreign nationals and provided humanitarian assistance in that region during the Chinese civil war, the Yangtze Flood of 1931, and the outbreak of Sino-Japanese hostilities.

(3) In 1940, due to deteriorating political relations and increasing tensions between the United States and Japan, a reinforced Asiatic Fleet began concentrating on the defense of the Philippines and engaged in extensive training to ensure maximum operational readiness for any eventuality.

(4) Following the declaration of war against Japan in December 1941, the warships, submarines, and aircraft of the Asiatic Fleet courageously fought many battles against superior Japanese forces.

(5) The Asiatic Fleet directly suffered the loss of 22 vessels, 1,826 men killed or missing in action, and 518 men captured and imprisoned under the worst of conditions, with many of them dying while held as prisoners of war.

(b) CONGRESSIONAL COMMENDATION.—Congress—

(1) commends the Navy and Marine Corps personnel who served in the Asiatic Fleet of the United States Navy during the period from 1910 to 1942; and

(2) honors those who gave their lives in the line of duty while serving in the Asiatic Fleet.

(c) COMMEMORATION OF UNITED STATES NAVY ASIATIC FLEET.—The President is authorized and requested to issue a proclamation designating an appropriate commemoration of the United States Navy Asiatic Fleet and calling upon the people of the United States to observe such commemoration with appropriate programs, ceremonies, and activities.

SEC. 534. APPRECIATION FOR SERVICE DURING WORLD WAR I AND WORLD WAR II BY MEMBERS OF THE NAVY ASSIGNED ON BOARD MERCHANT SHIPS AS THE NAVAL ARMED GUARD SERVICE.

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

(1) The Navy established a special force during both World War I and World War II, known as the Naval Armed Guard Service, to protect merchant ships of the United States from enemy attack by stationing members of the Navy and weapons on board those ships.

(2) Members of the Naval Armed Guard Service served on 6,236 merchant ships during World War II, of which 710 were sunk by enemy action.

(3) Over 144,900 members of the Navy served in the Naval Armed Guard Service during World War II as officers, gun crewmen, signalmen, and radiomen, of whom 1,810 were killed in action.

(4) The efforts of the members of the Naval Armed Guard Service played a significant role in the safe passage of United States merchant ships to their destinations in the Soviet Union and various locations in western Europe and the Pacific Theater.

(5) The efforts of the members of the Navy who served in the Naval Armed Guard Service have been largely overlooked due to the rapid disbanding of the service after World War II and lack of adequate records.

(6) Recognition of the service of the naval personnel who served in the Naval Armed Guard Service is highly warranted and long overdue.

(b) SENSE OF THE CONGRESS.—Congress expresses its appreciation, and the appreciation of the American people, for the dedicated service performed during World War I and World War II by members of the Navy assigned as gun crews on board merchant ships as part of the Naval Armed Guard Service.

SEC. 535. SENSE OF CONGRESS REGARDING THE HEROISM, SACRIFICE, AND SERVICE OF THE MILITARY FORCES OF SOUTH VIETNAM, OTHER NATIONS, AND INDIGENOUS GROUPS IN CONNECTION WITH THE UNITED STATES ARMED FORCES DURING THE VIETNAM CONFLICT.

(a) FINDINGS.—Congress finds the following:

(1) South Vietnam, Australia, South Korea, Thailand, New Zealand, and the Philippines contributed military forces, together with the United States, during military operations conducted in Southeast Asia during the Vietnam conflict.

(2) Indigenous groups, such as the Hmong, Nung, Montagnard, Kahmer, Hoa Hao, and Cao Dai contributed military forces, together with the United States, during military operations conducted in Southeast Asia during the Vietnam conflict.

(3) The contributions of these combat forces continued through long years of armed conflict.

(4) As a result, in addition to the United States casualties exceeding 210,000, this willingness to participate in the Vietnam conflict resulted in the death and wounding of more than 1,000,000 military personnel from South Vietnam and 16,000 from other allied nations.

(5) The service of the Vietnamese, indigenous groups, and other allied nations was repeatedly marked by exceptional heroism and sacrifice, with particularly noteworthy contributions being made by the Vietnamese airborne, commando, infantry and ranger units, the Republic of Korea marines, the Capital and White Horse divisions, the Royal Thai Army Black Panther Division, the Royal Australian Regiment, the New Zealand ''V'' force, and the 1st Philippine Civic Action Group.

(b) SENSE OF CONGRESS.—Congress recognizes and honors the members and former members of the military forces of South Vietnam, the Republic of Korea, Thailand, Australia, New Zealand, and the Philippines, as well as members of the Hmong, Nung, Montagnard, Kahmer, Hoa Hao, and Cao Dai, for their heroism, sacrifice, and service in connection with United States Armed Forces during the Vietnam conflict.

SEC. 536. SENSE OF CONGRESS REGARDING THE HEROISM, SACRIFICE, AND SERVICE OF FORMER SOUTH VIETNAMESE COMMANDOS IN CONNECTION WITH UNITED STATES ARMED FORCES DURING THE VIETNAM CONFLICT.

(a) FINDINGS.—Congress finds the following:

(1) South Vietnamese commandos were recruited by the United States as part of OPLAN 34A or its predecessor or OPLAN 35 from 1961 to 1970.

(2) The commandos conducted covert operations in North Vietnam during the Vietnam conflict.

(3) Many of the commandos were captured and imprisoned by North Vietnamese forces, some for as long as 20 years.

(4) The commandos served and fought proudly during the Vietnam conflict.

(5) Many of the commandos lost their lives serving in operations conducted by the United States during the Vietnam conflict.

(6) Many of the Vietnamese commandos now reside in the United States.

(b) SENSE OF CONGRESS—Congress recognizes and honors the former South Vietnamese commandos for their heroism, sacrifice, and service in connection with United States Armed Forces during the Vietnam conflict.

SEC. 537. PROHIBITION ON MEMBERS OF ARMED FORCES ENTERING CORRECTIONAL FACILITIES TO PRESENT DECORATIONS TO PERSONS WHO HAVE COMMITTED SERIOUS VIOLENT FELONIES.

(a) PROHIBITION.—Chapter 57 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1132. Presentation of decorations: prohibition on entering correctional facilities for presentation to prisoners convicted of serious violent felonies

''(a) PROHIBITION.—A member of the armed forces may not enter a Federal, State, local, or foreign correctional facility to present a decoration to a person who is incarcerated due to conviction of a serious violent felony.

''(b) DEFINITIONS.—In this section:

''(1) The term 'decoration' means any decoration or award that may be presented or awarded to a member of the armed forces.

''(2) The term 'serious violent felony' has the meaning given that term in section 3559(c)(2)(F) of title 18.''.

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

''1132. Presentation of decorations: prohibition on entering correctional facilities for presentation to prisoners convicted of serious violent felonies.''.

Subtitle E—Administration of Agencies Responsible for Review and Correction of Military Records

SEC. 541. PERSONNEL FREEZE.

(a) LIMITATION.—During fiscal years 1999, 2000, and 2001, the Secretary of a military department may not carry out any reduction in the number of military and civilian personnel assigned to duty with the service review agency for that military department below the baseline number for that agency until—

(1) the Secretary submits to Congress a report that describes the reduction proposed to be made, provides the Secretary's rationale for that reduction, and specifies the number of such personnel that would be assigned to duty with that agency after the reduction; and

(2) a period of 90 days has elapsed after the date on which such report is submitted.

(b) BASELINE NUMBER.—The baseline number for a service review agency under this section is—

(1) for purposes of the first report with respect to a service review agency under this section, the number of military and civilian personnel assigned to duty with that agency as of October 1, 1997; and

(2) for purposes of any subsequent report with respect to a service review agency under this section, the number of such personnel specified in the most recent report with respect to that agency under this section.

(c) SERVICE REVIEW AGENCY DEFINED.—In this section, the term ''service review agency'' means—

(1) with respect to the Department of the Army, the Army Review Boards Agency;

(2) with respect to the Department of the Navy, the Board for Correction of Naval Records; and

(3) with respect to the Department of the Air Force, the Air Force Review Boards Agency.

SEC. 542. PROFESSIONAL STAFF.

(a) IN GENERAL.—(1) Chapter 79 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1555. Professional staff

''(a) The Secretary of each military department shall assign to the staff of the service review agency of that military department at least one attorney and at least one physician. Such assignments shall be made on a permanent, full-time basis and may be made from members of the armed forces or civilian employees.

''(b) Personnel assigned pursuant to subsection (a)—

''(1) shall work under the supervision of the director or executive director (as the case may be) of the service review agency; and

''(2) shall be assigned duties as advisers to the director or executive director or other staff members on legal and medical matters, respectively, that are being considered by the agency.

''(c) In this section, the term 'service review agency' means—

''(1) with respect to the Department of the Army, the Army Review Boards Agency;

''(2) with respect to the Department of the Navy, the Board for Correction of Naval Records; and

''(3) with respect to the Department of the Air Force, the Air Force Review Boards Agency.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''1555. Professional staff.''.

(b) EFFECTIVE DATE.—Section 1555 of title 10, United States Code, as added by subsection (a), shall take effect 180 days after the date of the enactment of this Act.

SEC. 543. EX PARTE COMMUNICATIONS.

(a) IN GENERAL.—(1) Chapter 79 of title 10, United States Code, is amended by adding after section 1555, as added by section 542(a)(1), the following new section:

''§ 1556. Ex parte communications prohibited

''(a) IN GENERAL.—The Secretary of each military department shall ensure that an applicant seeking corrective action by the Army Review Boards Agency, the Air Force Review Boards Agency, or the Board for Correction of Naval Records, as the case may be, is provided a copy of all correspondence and communications (including summaries of verbal communications) to or from the agency or board, or a member of the staff of the agency or board, with an entity or person outside the agency or board that pertain directly to the applicant's case or have a material effect on the applicant's case.

''(b) EXCEPTIONS.—Subsection (a) does not apply to the following:

''(1) Classified information.

''(2) Information the release of which is otherwise prohibited by law or regulation.

''(3) Any record previously provided to the applicant or known to be possessed by the applicant.

''(4) Any correspondence that is purely administrative in nature.

''(5) Any military record that is (or may be) provided to the applicant by the Secretary of the military department or other source.''.

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to 1555, as added by section 542(a)(2), the following new item:

''1556. Ex parte communications prohibited.''.

(b) EFFECTIVE DATE.—Section 1556 of title 10, United States Code, as added by subsection (a), shall apply with respect to correspondence and communications made 60 days or more after the date of the enactment of this Act.

SEC. 544. TIMELINESS STANDARDS.

(a) IN GENERAL.—Chapter 79 of title 10, United States Code, is amended by adding after section 1556, as added by section 543(a)(1), the following new section:

''§ 1557. Timeliness standards for disposition of applications before Corrections Boards

''(a) TEN-MONTH CLEARANCE PERCENTAGE.—Of the applications received by a Corrections Board during a period specified in the following table, the percentage on which final action by the Corrections Board must be completed within 10 months of receipt (other than for those applications considered suitable for administrative correction) is as follows:

''For applications received during—	*The percentage on which final Correction Board action must be completed within 10 months of receipt is—*
the period of fiscal years 2001 and 2002.	*50*
the period of fiscal years 2003 and 2004.	*60*
the period of fiscal years 2005, 2006, and 2007.	*70*
the period of fiscal years 2008, 2009, and 2010.	*80*
the period of any fiscal year after fiscal year 2010.	*90.*

''(b) CLEARANCE DEADLINE FOR ALL APPLICATIONS.—Effective October 1, 2002, final action by a Corrections Board on all applications received by the Corrections Board (other than those applications considered suitable for administrative correction) shall be completed within 18 months of receipt.

''(c) WAIVER AUTHORITY.—The Secretary of the military department concerned may exclude an individual application from the timeliness standards prescribed in subsections (a) and (b) if the Secretary determines that the application warrants a longer period of consideration. The authority of the Secretary of a military department under this subsection may not be delegated.

''(d) FAILURE TO MEET TIMELINESS STANDARDS NOT TO AFFECT ANY INDIVIDUAL APPLICATION.—Failure of a Corrections Board to meet the applicable timeliness standard for any period of time under subsection (a) or (b) does not confer any presumption or advantage with respect to consideration by the board of any application.

''(e) REPORTS ON FAILURE TO MEET TIMELINESS STANDARDS.—The Secretary of the military department concerned shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report not later than June 1 following any fiscal year during which the Corrections Board of that Secretary's military department was unable to meet the applicable timeliness standard for that fiscal year under subsections (a) and (b). The report shall specify the reasons why the standard could not be met and the corrective actions initiated to ensure compliance in the future. The report shall also specify the number of waivers granted under subsection (c) during that fiscal year.

''(f) CORRECTIONS BOARD DEFINED.—In this section, the term 'Corrections Board' means—

''(1) with respect to the Department of the Army, the Army Board for Correction of Military Records;

''(2) with respect to the Department of the Navy, the Board for Correction of Naval Records; and

''(3) with respect to the Department of the Air Force, the Air Force Board for Correction of Military Records.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding after the item relating to section 1556, as added by section 543(a)(2), the following new item:

''1557. Timeliness standards for disposition of applications before Corrections Boards.''.

SEC. 545. SCOPE OF CORRECTION OF MILITARY RECORDS.

(a) PAYMENT OF CLAIMS ARISING FROM CORRECTION.—Subsection (c) of section 1552 of title 10, United States Code, is amended in the first sentence by inserting before the period the following: '', or on account of his or another's service as a civilian employee''.

(b) DEFINITION OF MILITARY RECORD.—Such section is further amended by adding at the end the following new subsection:

''(g) In this section, the term 'military record' means a document or other record that pertains to (1) an individual member or former member of the armed forces, or (2) at the discretion of the Secretary of the military department concerned, any other military matter affecting a member or former member of the armed forces, an employee or former employee of that military department, or a dependent or current or former spouse of any such person. Such term does not include records pertaining to civilian employment matters (such as matters covered by title 5 and chapters 81, 83, 87, 108, 373, 605, 607, 643, and 873 of this title).''.

(c) REPORT.—The Secretary of Defense shall submit to Congress, not later than March 31, 1999, a report on the effect of the six-year bar to retroactive benefits contained in section 3702 of title 31, United States Code, and the Secretary's recommendation as to whether it is appropriate for the Secretaries of the military departments to have authority to waive that limitation in selected cases involving implementation of decisions of the Secretary of a military department under chapter 79 of title 10, United States Code. The report shall be prepared in consultation with the Secretaries of the military departments.

Subtitle F—Reports

SEC. 551. REPORT ON PERSONNEL RETENTION.

(a) REPORT REQUIRED.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report containing information on the retention of members of the Armed Forces on active duty in the combat, combat support, and combat service support forces of the Army, Navy, Air Force, and Marine Corps.

(b) REQUIRED INFORMATION.—The Secretary shall include in the report information on retention of members with military occupational specialties (or the equivalent) in combat, combat support, or combat service support positions in each of the Army, Navy, Air Force, and Marine Corps. Such information shall be shown by pay grade and shall be aggregated by enlisted grades and officers grades and shall be shown by military occupational specialty (or the equivalent). The report shall set forth separately (in numbers

and as a percentage) the number of members separated during each such fiscal year who terminate service in the Armed Forces completely and the number who separate from active duty by transferring into a reserve component.

(c) YEARS COVERED BY REPORT.—The report shall provide the information required in the report, shown on a fiscal year basis, for each of fiscal years 1989 through 1998.

SEC. 552. REPORT ON PROCESS FOR SELECTION OF MEMBERS FOR SERVICE ON COURTS-MARTIAL.

(a) REPORT REQUIRED.—Not later than April 15, 1999, the Secretary of Defense shall submit to Congress a report on the method of selection of members of the Armed Forces to serve on courts-martial.

(b) CONSIDERATION OF ALTERNATIVES.—In preparing the report, the Secretary shall examine alternatives, including random selection, to the current system of selection of members of courts-martial by the convening authority. Any alternative examined by the Secretary shall be consistent with the provisions relating to service on courts-martial specified in section 825(d) of title 10, United States Code (article 25(d) of the Uniform Code of Military Justice). The Secretary shall include in the report the Secretary's evaluation of each alternative examined.

(c) VIEWS OF CODE COMMITTEE.—In preparing the report under subsection (a), the Secretary shall obtain the views of the members of the committee referred to in section 946 of such title (known as the ''Code Committee'').

SEC. 553. REPORT ON PRISONERS TRANSFERRED FROM UNITED STATES DISCIPLINARY BARRACKS, FORT LEAVENWORTH, KANSAS, TO FEDERAL BUREAU OF PRISONS.

(a) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report, to be prepared by the General Counsel of the Department of Defense, concerning the decision of the Secretary of the Army in 1994 to transfer approximately 500 prisoners from the United States Disciplinary Barracks, Fort Leavenworth, Kansas, to the Federal Bureau of Prisons.

(b) MATTERS TO BE INCLUDED.—The Secretary shall include in the report the following:

(1) A description of the basis for the selection of prisoners to be transferred, particularly in light of the fact that many of the prisoners transferred are minimum or medium security prisoners, who are considered to have the best chance for rehabilitation, and whether the transfer of those prisoners indicates a change in Department of Defense policy regarding the rehabilitation of military prisoners.

(2) A comparison of the historical recidivism rates of prisoners released from the United States Disciplinary Barracks and the Federal Bureau of Prisons, together with a description of any plans of the Army to track the parole and recidivism rates of prisoners transferred to the Federal Bureau of Prisons and whether it has tracked those factors for previous transferees.

(3) A description of the projected future flow of prisoners into the new United States Disciplinary Barracks being constructed at Fort Leavenworth, Kansas, and whether the Secretary of the Army plans to automatically send new prisoners to the Federal Bureau of Prisons without serving at the United States Disciplinary Barracks if that Barracks is at capacity and whether the Memorandum of Understanding between the Federal Bureau of Prisons and the Army covers that possibility.

(4) A description of the cost of incarcerating a prisoner in the Federal Bureau of Prisons compared to the United States Disciplinary Barracks and the assessment of the Secretary as to the extent to which the transfer of prisoners to the Federal Bureau of Prisons by the Secretary of the Army is made in order to shift a budgetary burden.

(c) MONITORING.—During fiscal years 1999 through 2003, the Secretary of the Army shall track the parole and recidivism rates of prisoners transferred from the United States Disciplinary Barracks, Fort Leavenworth, Kansas, to the Federal Bureau of Prisons.

SEC. 554. REVIEW AND REPORT REGARDING THE DISTRIBUTION OF NATIONAL GUARD FULL-TIME SUPPORT AMONG THE STATES.

(a) REQUIREMENT FOR REVIEW.—The Chief of the National Guard Bureau shall review the process used for allocating and distributing all categories of full-time support personnel among the States for the National Guard of the States.

(b) PURPOSE OF REVIEW.—The purpose of the review is to determine whether that allocation and distribution process provides for adequately meeting the full-time support personnel requirements of the National Guard in the case of those States that have fewer than 16 National Guard units categorized in readiness tiers I, II, and III.

(c) MATTERS TO BE REVIEWED.—The matters reviewed shall include the following:

(1) The factors considered for the process of determining the distribution among the States of full-time support personnel, including the weights assigned to those factors.

(2) The extent to which that process results in full-time support personnel levels for the units of the States described in subsection (b) that are at the levels necessary to optimize the preparedness of those units to meet the mission requirements applicable to those units.

(3) The effects that full-time support personnel at levels determined under that process will have on the National Guard of those States in the future, including the effects on all categories of full-time support personnel, and unit readiness, recruitment, and continued use of existing National Guard armories and other facilities.

(d) REPORT.—Not later than March 15, 1999, the Chief of the National Guard Bureau shall submit to the Secretary of Defense a report on the results of the review. Not later than April 30, 1999, the Secretary shall transmit the report, and the Secretary's evaluation of and comments on the report, to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

Subtitle G—Other Matters

SEC. 561. TWO-YEAR EXTENSION OF CERTAIN FORCE DRAWDOWN TRANSITION AUTHORITIES RELATING TO PERSONNEL MANAGEMENT AND BENEFITS.

(a) EARLY RETIREMENT AUTHORITY FOR ACTIVE FORCE MEMBERS.—Section 4403(i) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1293 note) is amended by striking out ''October 1, 1999'' and inserting in lieu thereof ''October 1, 2001''.

(b) SSB AND VSI.—Sections 1174a(h) and 1175(d)(3) of title 10, United States Code, are amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''September 30, 2001''.

(c) SELECTIVE EARLY RETIREMENT BOARDS.—Section 638a(a) of such title is amended by striking out ''during the nine-year period beginning on October 1, 1990'' and inserting in lieu thereof ''during the period beginning on October 1, 1990, and ending on September 30, 2001''.

(d) TIME-IN-GRADE REQUIREMENT FOR RETENTION OF GRADE UPON VOLUNTARY RETIREMENT.—Section 1370(a)(2)(A) of such title is amended by striking out ''during the nine-year period beginning on October 1, 1990'' and inserting in lieu thereof ''during the period beginning on October 1, 1990, and ending on September 30, 2001''.

(e) MINIMUM COMMISSIONED SERVICE FOR VOLUNTARY RETIREMENT AS AN OFFICER.—Sections 3911(b), 6323(a)(2), and 8911(b) of such title are amended by striking out ''during the nine-year period beginning on October 1, 1990'' and inserting in lieu thereof ''during the period beginning on October 1, 1990, and ending on September 30, 2001''.

(f) TRAVEL, TRANSPORTATION, AND STORAGE BENEFITS.—Sections 404(c)(1)(C), 404(f)(2)(B)(v), 406(a)(2)(B)(v), and 406(g)(1)(C) of title 37, United States Code, and section 503(c) of the National Defense Authorization Act for Fiscal Year 1991 (37 U.S.C. 406 note) are amended by striking out ''during the nine-year period beginning on October 1, 1990'' and inserting in lieu thereof ''during the period beginning on October 1, 1990, and ending on September 30, 2001''.

(g) EDUCATIONAL LEAVE FOR PUBLIC AND COMMUNITY SERVICE.—Section 4463(f) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143a note) is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''September 30, 2001''.

(h) TRANSITIONAL HEALTH BENEFITS.—Section 1145 of title 10, United States Code, is amended—

(1) in subsections (a)(1) and (c)(1), by striking out ''during the nine-year period beginning on October 1, 1990'' and inserting in lieu thereof ''during the period beginning on October 1, 1990, and ending on September 30, 2001''; and

(2) in subsection (e), by striking out ''during the five-year period beginning on October 1, 1994'' and inserting in lieu thereof ''during the period beginning on October 1, 1994, and ending on September 30, 2001''.

(i) TRANSITIONAL COMMISSARY AND EXCHANGE BENEFITS.—Section 1146 of such title is amended—

(1) by striking out ''during the nine-year period beginning on October 1, 1990'' and inserting in lieu thereof ''during the period beginning on October 1, 1990, and ending on September 30, 2001''; and

(2) by striking out ''during the five-year period beginning on October 1, 1994'' and inserting in lieu thereof ''during the period beginning on October 1, 1994, and ending on September 30, 2001''.

(j) TRANSITIONAL USE OF MILITARY HOUSING.—Section 1147(a) of such title is amended—

(1) in paragraph (1), by striking out ''during the nine-year period beginning on October 1, 1990'' and inserting in lieu thereof ''during the period beginning on October 1, 1990, and ending on September 30, 2001''; and

(2) in paragraph (2), by striking out ''during the five-year period beginning on October 1, 1994'' and inserting in lieu thereof ''during the period beginning on October 1, 1994, and ending on September 30, 2001''.

(k) CONTINUED ENROLLMENT OF DEPENDENTS IN DEFENSE DEPENDENTS' EDUCATION SYSTEM.—Section 1407(c)(1) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 926(c)(1)) is amended by striking out ''during the nine-year period beginning on October 1, 1990'' and inserting in lieu thereof ''during the period beginning on October 1, 1990, and ending on September 30, 2001''.

(l) FORCE REDUCTION TRANSITION PERIOD DEFINITION.—Section 4411 of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 12681 note) is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''September 30, 2001''.

(m) TEMPORARY SPECIAL AUTHORITY FOR FORCE REDUCTION PERIOD RETIREMENTS.—Section 4416(b)(1) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 12681 note) is amended by striking out ''October 1, 1999'' and inserting in lieu thereof ''October 1, 2001''.

(n) RETIRED PAY FOR NON-REGULAR SERVICE.—(1) Section 12731(f) of title 10, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''September 30, 2001''.

(2) Section 12731a of such title is amended in subsections (a)(1)(B) and (b) by striking out ''October 1, 1999'' and inserting in lieu thereof ''October 1, 2001''.

(o) REDUCTION OF TIME-IN-GRADE REQUIREMENT FOR RETENTION OF GRADE UPON VOLUNTARY RETIREMENT.—Section 1370(d) of such title is amended by adding at the end the following new paragraph:

''(5) The Secretary of Defense may authorize the Secretary of a military department to reduce the three-year period required by paragraph (3)(A) to a period not less than two years in the case of retirements effective during the period beginning on the date of the enactment of this paragraph and ending on September 30, 2001. The number of reserve commissioned officers of an armed force in the same grade for whom a reduction is made during any fiscal year in the period of service-in-grade otherwise required under this paragraph may not exceed the number equal to two percent of the strength authorized for that fiscal year for reserve commissioned officers of that armed force in an active status in that grade.''.

(p) AFFILIATION WITH GUARD AND RESERVE UNITS; WAIVER OF CERTAIN LIMITATIONS.—Section 1150(a) of such title is amended by striking out ''during the nine-year period beginning on October 1, 1990'' and inserting in lieu thereof ''during the period beginning on October 1, 1990, and ending on September 30, 2001''.

(q) RESERVE MONTGOMERY GI BILL.—Section 16133(b)(1)(B) of such title is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''September 30, 2001''.

SEC. 562. LEAVE WITHOUT PAY FOR SUSPENDED ACADEMY CADETS AND MIDSHIPMEN.

(a) AUTHORITY.—Section 702 of title 10, United States Code, is amended—

(1) by designating the second sentence of subsection (b) as subsection (d);

(2) by redesignating subsection (b) as subsection (c); and

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

''(b) INVOLUNTARY LEAVE WITHOUT PAY FOR SUSPENDED ACADEMY CADETS AND MIDSHIPMEN.—(1) Under regulations prescribed under subsection (d), the Secretary concerned may place an academy cadet or midshipman on involuntary leave for any period during which the Superintendent of the Academy at which the cadet or midshipman is admitted has suspended the cadet or midshipman from duty at the Academy—

''(A) pending separation from the Academy;

''(B) pending return to the Academy to repeat an academic semester or year; or

''(C) for other good cause.

''(2) A cadet or midshipman placed on involuntary leave under paragraph (1) is not entitled to any pay under section 230(c) of title 37 for the period of the leave.

''(3) Return of an academy cadet or midshipman to a pay status at the Academy concerned from involuntary leave status under paragraph (1) does not restore any entitlement of the cadet or midshipman to pay for the period of the involuntary leave.''.

(b) DEFINITION.—Such section is further amended—

(1) in subsection (c) (as redesignated by subsection (a)(2)), by striking out ''cadets at'' and all that follows through ''Naval Academy,'' and inserting in lieu thereof ''academy cadets or midshipmen''; and

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

''(e) DEFINITION.—In this section, the term 'academy cadet or midshipman' means—

''(1) a cadet of the United States Military Academy;

''(2) a midshipman of the United States Naval Academy;

''(3) a cadet of the United States Air Force Academy; or

''(4) a cadet of the United States Coast Guard Academy.''.

(c) SUBSECTION HEADINGS.—Such section is further amended—

(1) in subsection (a), by inserting ''GRADUATION LEAVE.—'' after ''(a)'';

(2) in subsection (c) (as redesignated by subsection (a)(2)), by inserting ''INAPPLICABLE LEAVE PROVISIONS.—'' after ''(c)''; and

(3) in subsection (d) (as designated by subsection (a)(1)), by inserting ''REGULATIONS.—'' after ''(d)''.

SEC. 563. CONTINUED ELIGIBILITY UNDER VOLUNTARY SEPARATION INCENTIVE PROGRAM FOR MEMBERS WHO INVOLUNTARILY LOSE MEMBERSHIP IN A RESERVE COMPONENT.

(a) PERIOD OF ELIGIBILITY.—Subsection (a) of section 1175 of title 10, United States Code, is amended—

(1) by inserting ''(1)'' after ''(a)'';

(2) by striking out '', for the period of time the member serves in a reserve component''; and

(3) by adding at the end the following:

''(2)(A) Except as provided in subparagraph (B), a financial incentive provided a member under this section shall be paid for the period equal to twice the number of years of service of the member, computed as provided in subsection (e)(5).

''(B) If, before the expiration of the period otherwise applicable under subparagraph (A) to a member receiving a financial incentive under this section, the member is separated from a reserve component or is transferred to the Retired Reserve, the period for payment of a financial incentive to the member under this section shall terminate on the date of the separation or transfer unless—

''(i) the separation or transfer is required by reason of the age or number of years of service of the member;

''(ii) the separation or transfer is required by reason of the failure of selection for promotion or the medical disqualification of the member, except in a case in which the Secretary of Defense or the Secretary of Transportation determines that the basis for the separation or transfer is a result of a deliberate action taken by the member with the intent to avoid retention in the Ready Reserve or Standby Reserve; or

''(iii) in the case of a separation, the member is separated from the reserve component for appointment or enlistment in or transfer to another reserve component of an armed force for service in the Ready Reserve or Standby Reserve of that armed force.''.

(b) REPEAL OF SUPERSEDED PROVISION.—Subsection (e)(1) of such section is amended by striking out the second sentence.

(c) EFFECTIVE DATE.—The amendments made by this section apply with respect to any person provided a voluntary separation incentive under section 1175 of title 10, United States Code (whether before, on, or after the date of the enactment of this Act).

SEC. 564. REINSTATEMENT OF DEFINITION OF FINANCIAL INSTITUTION IN AUTHORITIES FOR REIMBURSEMENT OF DEFENSE PERSONNEL FOR GOVERNMENT ERRORS IN DIRECT DEPOSIT OF PAY.

(a) MEMBERS OF THE ARMED FORCES.—Paragraph (1) of section 1053(d) of title 10, United States Code, is amended to read as follows:

''(1) The term 'financial institution' means a bank, savings and loan association, or similar institution or a credit union chartered by the United States or a State.''.

(b) CIVILIAN PERSONNEL.—Paragraph (1) of section 1594(d) of such title is amended to read as follows:

''(1) The term 'financial institution' means a bank, savings and loan association, or similar institution or a credit union chartered by the United States or a State.''.

SEC. 565. INCREASE IN MAXIMUM AMOUNT FOR COLLEGE FUND PROGRAM.

(a) INCREASE IN MAXIMUM RATE FOR ACTIVE COMPONENT MONTGOMERY GI BILL SUPPLEMENT.—Section 3015(d) of title 38, United States Code, is amended—

(1) by inserting '', at the time the individual first becomes a member of the Armed Forces,'' after ''Secretary of Defense, may''; and

(2) by striking out ''$400'' and all that follows through ''that date'' and inserting in lieu thereof ''$950 per month''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1998, and shall apply with respect to individuals who first become members of the Armed Forces on or after that date.

SEC. 566. CENTRAL IDENTIFICATION LABORATORY, HAWAII.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the Central Identification Laboratory, Hawaii, of the Department of the Army is an important element of the Department of Defense and is critical to the full accounting of members of the Armed Forces who have been classified as POW/MIAs or are otherwise unaccounted for.

(b) REQUIRED STAFFING LEVEL.—The Secretary of Defense shall provide sufficient personnel to fill all authorized personnel positions of the Central Identification Laboratory, Hawaii, Department of the Army. Those personnel shall be drawn from members of the Army, Navy, Air Force, and Marine Corps and from civilian personnel, as appropriate, considering the proportion of POW/MIAs from each service.

(c) JOINT MANNING PLAN.—The Secretary of Defense shall develop and implement, not later than March 31, 2000, a joint manning plan to ensure the appropriate participation of the four services in the staffing of the Central Identification Laboratory, Hawaii, as required by subsection (b).

(d) LIMITATION ON REDUCTIONS.—The Secretary of the Army may not carry out any personnel reductions (in authorized or assigned personnel) at the Central Identification Laboratory, Hawaii, until the joint manning plan required by subsection (c) is implemented.

SEC. 567. MILITARY FUNERAL HONORS FOR VETERANS.

(a) CONFERENCE ON PRACTICES CONCERNING MILITARY HONORS AT FUNERALS FOR VETERANS.—(1) The Secretary of Defense, in consultation with the Secretary of Veterans Affairs, shall convene and preside over a conference, to be completed not later than December 31, 1998, for the purpose of determining means of improving and increasing the availability of military funeral honors for veterans. The Secretary of Veterans Affairs shall also participate in the conference.

(2) The Secretaries shall invite and encourage the participation at the conference of appropriate representatives of veterans service organizations.

(3) The conference shall perform the following:

(A) Review current policies and practices of the military departments and the Department of Veterans Affairs relating to the provision of military funeral honors for veterans.

(B) Consider alternative methods for providing military funeral honors for veterans and develop new strategies for providing those honors.

(C) Determine what resources may be available outside the Department of Defense that could be used to provide military funeral honors for veterans.

(D) Analyze the costs associated with providing military funeral honors for veterans, including the costs associated with using personnel and other resources for that purpose.

(E) Assess trends in the rate of death of veterans.

(F) Propose, consider, and determine means of improving and increasing the availability of military funeral honors for veterans.

(4) Not later than March 31, 1999, the Secretary of Defense shall submit to Congress a report on the conference. The report shall set forth any modifications to Department of Defense directives on military funeral honors adopted as a result of the conference and include any recommendations for legislation that the Secretary considers appropriate as a result of the conference.

(b) HONOR GUARD DETAILS AT FUNERALS OF VETERANS.—(1) Chapter 75 of title 10, United

States Code, is amended by adding at the end the following new section:

"§ 1491. Honor guard details at funerals of veterans

''(a) AVAILABILITY.—The Secretary of a military department shall, upon request, provide an honor guard detail (or ensure that an honor guard detail is provided) for the funeral of any veteran that occurs after December 31, 1999.

''(b) COMPOSITION OF HONOR GUARD DETAILS.—The Secretary of each military department shall ensure that an honor guard detail for the funeral of a veteran consists of not less than three persons and (unless a bugler is part of the detail) has the capability to play a recorded version of Taps.

''(c) PERSONS FORMING HONOR GUARDS.—An honor guard detail may consist of members of the armed forces or members of veterans organizations or other organizations approved for purposes of this section under regulations prescribed by the Secretary of Defense. The Secretary of a military department may provide transportation, or reimbursement for transportation, and expenses for a person who participates in an honor guard detail under this section and is not a member of the armed forces or an employee of the United States.

''(d) REGULATIONS.—The Secretary of Defense shall by regulation establish a system for selection of units of the armed forces and other organizations to provide honor guard details. The system shall place an emphasis on balancing the funeral detail workload among the units and organizations providing honor guard details in an equitable manner as they are able to respond to requests for such details in terms of geographic proximity and available resources. The Secretary shall provide in such regulations that the armed force in which a veteran served shall not be considered to be a factor when selecting the military unit or other organization to provide an honor guard detail for the funeral of the veteran.

''(e) ANNUAL REPORT.—The Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report not later than January 31 of each year beginning with 2001 and ending with 2005 on the experience of the Department of Defense under this section. Each such report shall provide data on the number of funerals supported under this section, the cost for that support, shown by manpower and other cost factors, and the number and costs of funerals supported by each participating organization. The data in the report shall be presented in a standard format, regardless of military department or other organization.

''(f) VETERAN DEFINED.—In this section, the term 'veteran' has the meaning given that term in section 101(2) of title 38.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''1491. Honor guard details at funerals of veterans.''.

(c) TREATMENT OF PERFORMANCE OF HONOR GUARD FUNCTIONS BY RESERVES.—(1) Chapter 1215 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 12552. Funeral honor guard functions: prohibition of treatment as drill or training

''Performance by a Reserve of honor guard functions at the funeral of a veteran may not be considered to be a period of drill or training otherwise required.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''12552. Funeral honor guard functions: prohibition of treatment as drill or training.''.

(d) REPEAL OF LIMITATION ON AVAILABILITY OF FUNDS FOR HONOR GUARD FUNCTIONS BY NATIONAL GUARD.—Section 114 of title 32, United States Code, is amended—

(1) by striking out ''(a)''; and

(2) by striking out subsection (b).

(e) VETERANS SERVICE ORGANIZATION DEFINED.—In this section, the term ''veterans service organization'' means any organization recognized by the Secretary of Veterans Affairs under section 5902 of title 38, United States Code.

SEC. 568. STATUS IN THE NAVAL RESERVE OF CADETS AT THE MERCHANT MARINE ACADEMY.

Section 1303(c) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1295(c)), is amended—

(1) by inserting ''(1)'' after ''(c)'';

(2) by striking out ''may'' and inserting in lieu thereof ''shall''; and

(3) by adding at the end the following:

''(2) The Secretary of the Navy shall provide for cadets of the Academy who are midshipmen in the United States Naval Reserve to be issued an identification card (referred to as a ''military ID card'') and to be entitled to all rights and privileges in accordance with the same eligibility criteria as apply to other members of the Ready Reserve of the reserve components of the Armed Forces.

''(3) The Secretary of the Navy shall carry out paragraphs (1) and (2) in coordination with the Secretary.''.

SEC. 569. REPEAL OF RESTRICTION ON CIVILIAN EMPLOYMENT OF ENLISTED MEMBERS.

(a) REPEAL.—Section 974 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 49 of such title is amended by striking out the item relating to section 974.

SEC. 570. TRANSITIONAL COMPENSATION FOR ABUSED DEPENDENT CHILDREN NOT RESIDING WITH THE SPOUSE OR FORMER SPOUSE OF A MEMBER CONVICTED OF DEPENDENT ABUSE.

(a) ENTITLEMENT NOT CONDITIONED ON FORFEITURE OF SPOUSAL COMPENSATION.—Subsection (d) of section 1059 of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking out ''(except as otherwise provided in this subsection)''; and

(B) by inserting before the period the following: '', including an amount (determined under subsection (f)(2)) for each, if any, dependent child of the individual described in subsection (b) who resides in the same household as that spouse or former spouse'';

(2) in paragraph (2)—

(A) by striking out ''(but for subsection (g)) would be eligible'' and inserting in lieu thereof ''is or, but for subsection (g), would be eligible''; and

(B) by striking out ''such compensation'' and inserting in lieu thereof ''compensation under this section''; and

(3) in paragraph (4), by striking out ''For purposes of paragraphs (2) and (3)'' and inserting in lieu thereof ''For purposes of this subsection''.

(b) AMOUNT OF PAYMENT.—Subsection (f)(2) of such section is amended by striking out ''has custody of a dependent child or children of the member'' and inserting in lieu thereof ''has custody of a dependent child of the member who resides in the same household as that spouse or former spouse''.

(c) PROSPECTIVE APPLICABILITY.—No benefits shall accrue by reason of the amendments made by this section for any month that begins before the date of the enactment of this Act.

SEC. 571. PILOT PROGRAM FOR TREATING GED AND HOME SCHOOL DIPLOMA RECIPIENTS AS HIGH SCHOOL GRADUATES FOR DETERMINATIONS OF ELIGIBILITY FOR ENLISTMENT IN THE ARMED FORCES.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall establish a pilot program to assess whether the Armed Forces could better meet recruiting requirements by treating GED recipients and home school diploma recipients as having graduated from high school with a high school diploma for the purpose of determining the eligibility of those persons to enlist in the Armed Forces. The Secretary of each military department shall administer the pilot program for the armed force or armed forces under the jurisdiction of that Secretary.

(b) PERSONS ELIGIBLE UNDER THE PILOT PROGRAM AS HIGH SCHOOL GRADUATES.—Under the pilot program, a person shall be treated as having graduated from high school with a high school diploma for the purpose described in subsection (a) if—

(1) the person has completed a general education development program while participating in the National Guard Challenge Program under section 509 of title 32, United States Code, and is a GED recipient; or

(2) the person is a home school diploma recipient and provides a transcript demonstrating completion of high school to the military department involved under the pilot program.

(c) GED AND HOME SCHOOL DIPLOMA RECIPIENTS.—For the purposes of this section—

(1) a person is a GED recipient if the person, after completing a general education development program, has obtained certification of high school equivalency by meeting State requirements and passing a State approved exam that is administered for the purpose of providing an appraisal of the person's achievement or performance in the broad subject matter areas usually required for high school graduates; and

(2) a person is a home school diploma recipient if the person has received a diploma for completing a program of education through the high school level at a home school, without regard to whether the home school is treated as a private school under the law of the State in which located.

(d) ANNUAL LIMIT ON NUMBER.—Not more than 1,250 GED recipients and home school diploma recipients enlisted by an armed force during a fiscal year may be treated under the pilot program as having graduated from high school with a high school diploma.

(e) DURATION OF PILOT PROGRAM.—The pilot program shall be in effect during the period beginning on October 1, 1998, and ending on September 30, 2003.

(f) REPORT.—Not later than February 1, 2004, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the pilot program. The report shall include the following, set forth separately for GED recipients and home school diploma recipients:

(1) The assessment of the Secretary of Defense, and any assessment of any of the Secretaries of the military departments, regarding the value of, and any necessity for, authority to treat GED recipients and home school diploma recipients as having graduated from high school with a high school diploma for the purpose of determining the eligibility of those persons to enlist in the Armed Forces.

(2) A comparison (shown by armed force and by each fiscal year of the pilot program) of the performance of the persons who enlisted during the fiscal year as GED or home school diploma recipients treated under the pilot program as having graduated from high school with a high school diploma with the performance of the persons who enlisted in that armed force during the same fiscal year after having graduated from high school with a high school diploma, with respect to the following:

(A) Attrition.

(B) Discipline.

(C) Adaptability to military life.

(D) Aptitude for mastering the skills necessary for technical specialties.

(E) Reenlistment rates.

(g) STATE DEFINED.—For purposes of this section, the term ''State'' includes the District of

Columbia, the Commonwealth of Puerto Rico, and the territories of the United States.

SEC. 572. SENSE OF CONGRESS CONCERNING NEW PARENT SUPPORT PROGRAM AND MILITARY FAMILIES.

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

(1) the New Parent Support Program that was begun as a pilot program of the Marine Corps at Camp Pendleton, California, has been an effective tool in curbing family violence within the military community;

(2) such program is a model for future New Parent Support Programs throughout the Marine Corps, Navy, Army, and Air Force; and

(3) in light of the pressures and strains placed upon military families and the benefits of the New Parent Support Program in helping ''at-risk'' families, the Department of Defense should seek ways to ensure that in future fiscal years funds are made available for New Parent Support Programs for the Army, Navy, Air Force, and Marine Corps in amounts sufficient to meet requirements for those programs.

(b) REPORT.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the New Parent Support Program of the Department of Defense. The Secretary shall include in the report the following:

(1) A description of how the Army, Navy, Air Force, and Marine Corps are each implementing a New Parent Support Program and how each such program is organized.

(2) A description of how the implementation of programs for the Army, Navy, and Air Force compare to the fully implemented Marine Corps program.

(3) The number of installations that the four Armed Forces have each scheduled to receive support for the New Parent Support Program.

(4) The number of installations delayed in providing the program.

(5) The number of programs terminated.

(6) The number of programs with reduced support.

(7) The funding provided for those programs for each of the four Armed Forces for each of fiscal years 1994 through 1999 and the amount projected to be provided for those programs for fiscal year 2000 and, if the amount provided for any of those programs for any such year is less that the amount needed to fully fund that program for that year, an explanation of the reasons for the shortfall.

SEC. 573. ADVANCEMENT OF BENJAMIN O. DAVIS, JUNIOR, TO GRADE OF GENERAL ON THE RETIRED LIST OF THE AIR FORCE.

(a) AUTHORITY.—The President is authorized to advance Lieutenant General Benjamin O. Davis, Junior, United States Air Force, retired, to the grade of general on the retired list of the Air Force.

(b) ADDITIONAL BENEFITS NOT TO ACCRUE.—An advancement of Benjamin O. Davis, Junior, to the grade of general on the retired list of the Air Force under subsection (a) shall not increase or change the compensation or benefits from the United States to which any person is now or may in the future be entitled based upon the military service of the said Benjamin O. Davis, Junior.

SEC. 574. SENSE OF THE HOUSE OF REPRESENTATIVES CONCERNING ADHERENCE BY CIVILIANS IN MILITARY CHAIN OF COMMAND TO THE STANDARD OF EXEMPLARY CONDUCT REQUIRED OF COMMANDING OFFICERS AND OTHERS IN AUTHORITY IN THE ARMED FORCES.

It is the sense of the House of Representatives that civilians in the military chain of command (as provided in section 162(b) of title 10, United States Code) should (in the same manner as is required by law of commanding officers and others in authority in the Armed Forces)—

(1) show in themselves a good example of virtue, honor, and patriotism and subordinate themselves to those ideals;

(2) be vigilant in inspecting the conduct of all persons who are placed under their command;

(3) guard against and put an end to all dissolute and immoral practices and correct, according to the laws and regulations of the Armed Forces, all persons who are guilty of them; and

(4) take all necessary and proper measures, under the laws, regulations, and customs of the Armed Forces, to promote and safeguard the morale, the physical well-being, and the general welfare of the officers and enlisted persons under their command or charge.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Increase in basic pay for fiscal year 1999.
Sec. 602. Rate of pay for cadets and midshipmen at the service academies.
Sec. 603. Basic allowance for housing outside the United States.
Sec. 604. Basic allowance for subsistence for reserves.

Subtitle B—Bonuses and Special and Incentive Pays

Sec. 611. Three-month extension of certain bonuses and special pay authorities for reserve forces.
Sec. 612. Three-month extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists.
Sec. 613. Three-month extension of authorities relating to payment of other bonuses and special pays.
Sec. 614. Increased hazardous duty pay for aerial flight crewmembers in certain pay grades.
Sec. 615. Aviation career incentive pay and aviation officer retention bonus.
Sec. 616. Diving duty special pay for divers having diving duty as a nonprimary duty.
Sec. 617. Hardship duty pay.
Sec. 618. Selective reenlistment bonus eligibility for Reserve members performing active Guard and Reserve duty.
Sec. 619. Repeal of ten percent limitation on certain selective reenlistment bonuses.
Sec. 620. Increase in maximum amount authorized for Army enlistment bonus.
Sec. 621. Equitable treatment of Reserves eligible for special pay for duty subject to hostile fire or imminent danger.
Sec. 622. Retention incentives initiative for critically short military occupational specialties.

Subtitle C—Travel and Transportation Allowances

Sec. 631. Payments for movements of household goods arranged by members.
Sec. 632. Exception to maximum weight allowance for baggage and household effects.
Sec. 633. Travel and transportation allowances for travel performed by members in connection with rest and recuperative leave from overseas stations.
Sec. 634. Storage of baggage of certain dependents.
Sec. 635. Commercial travel of Reserves at Federal supply schedule rates for attendance at inactive-duty training assemblies.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

Sec. 641. Paid-up coverage under Survivor Benefit Plan.
Sec. 642. Survivor Benefit Plan open enrollment period.
Sec. 643. Effective date of court-required former spouse Survivor Benefit Plan coverage effectuated through elections and deemed elections.
Sec. 644. Presentation of United States flag to members of the Armed Forces upon retirement.
Sec. 645. Recovery, care, and disposition of remains of medically retired member who dies during hospitalization that begins while on active duty.
Sec. 646. Revision to computation of retired pay for certain members.
Sec. 647. Elimination of backlog of unpaid retired pay.

Subtitle E—Other Matters

Sec. 651. Definition of possessions of the United States for pay and allowances purposes.
Sec. 652. Accounting of advance payments.
Sec. 653. Reimbursement of rental vehicle costs when motor vehicle transported at Government expense is late.
Sec. 654. Education loan repayment program for health professions officers serving in Selected Reserve.
Sec. 655. Federal employees' compensation coverage for students participating in certain officer candidate programs.
Sec. 656. Relationship of enlistment bonuses to eligibility to receive Army college fund supplement under Montgomery GI Bill Educational Assistance Program.
Sec. 657. Authority to provide financial assistance for education of certain defense dependents overseas.
Sec. 658. Clarifications concerning payments to certain persons captured or interned by North Vietnam.

Subtitle A—Pay and Allowances

SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 1999.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Except as provided in subsection (b), the adjustment to become effective during fiscal year 1999 required by section 1009 of title 37, United States Code, in the rate of monthly basic pay authorized members of the uniformed services by section 203(a) of such title shall not be made.

(b) INCREASE IN BASIC PAY.—Effective on January 1, 1999, the rates of basic pay of members of the uniformed services shall be increased by the greater of—

(1) 3.6 percent; or

(2) the percentage increase determined under subsection (c) of section 1009 of title 37, United States Code, by which the monthly basic pay of members would be adjusted under subsection (a) of that section on that date in the absence of subsection (a) of this section.

SEC. 602. RATE OF PAY FOR CADETS AND MIDSHIPMEN AT THE SERVICE ACADEMIES.

(a) INCREASED RATE.—Section 203(c) of title 37, United States Code, is amended by striking out ''$558.04'' and inserting in lieu thereof ''$600.00''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 1999.

SEC. 603. BASIC ALLOWANCE FOR HOUSING OUTSIDE THE UNITED STATES.

(a) PAYMENT OF CERTAIN EXPENSES RELATED TO OVERSEAS HOUSING.—Section 403(c) of title 37, United States Code, is amended by adding at the end the following new paragraph:

''(3)(A) In the case of a member of the uniformed services authorized to receive an allowance under paragraph (1), the Secretary concerned may make a lump-sum payment to the member for required deposits and advance rent, and for expenses relating thereto, that are—

''(i) incurred by the member in occupying private housing outside of the United States; and

''(ii) authorized or approved under regulations prescribed by the Secretary concerned.

''(B) Expenses for which a member may be reimbursed under this paragraph may include losses relating to housing that are sustained by

the member as a result of fluctuations in the relative value of the currencies of the United States and the foreign country in which the housing is located.

''(C) The Secretary concerned shall recoup the full amount of any deposit or advance rent payments made by the Secretary under subparagraph (A), including any gain resulting from currency fluctuations between the time of payment and the time of recoupment.''.

(b) CONFORMING AMENDMENT.—Section 405 of title 37, United States Code, is amended by striking out subsection (c).

(c) RETROACTIVE APPLICATION.—The reimbursement authority provided by section 403(c)(3)(B) of title 37, United States Code, as added by subsection (a), applies with respect to losses relating to housing that are sustained, on or after July 1, 1997, by a member of the uniformed services as a result of fluctuations in the relative value of the currencies of the United States and the foreign country in which the housing is located.

SEC. 604. BASIC ALLOWANCE FOR SUBSISTENCE FOR RESERVES.

(a) IN GENERAL.—Section 402 of title 37, United States Code, is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following new subsection:

''(e) SPECIAL RULE FOR CERTAIN ENLISTED RESERVE MEMBERS.—Unless entitled to basic pay under section 204 of this title, an enlisted member of a reserve component may receive, at the discretion of the Secretary concerned, rations in kind, or a part thereof, when the member's instruction or duty periods, as described in section 206(a) of this title, total at least eight hours in a calendar day. The Secretary concerned may provide an enlisted member who could be provided rations in kind under the preceding sentence with a commutation when rations in kind are not available.''.

(b) APPLICATION DURING TRANSITIONAL PERIOD.—Section 602(d)(1) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 37 U.S.C. 402 note) is amended by adding at the end the following new subparagraph:

''(D) SPECIAL RULE FOR CERTAIN ENLISTED RESERVE MEMBERS.—Unless entitled to basic pay under section 204 of title 37, United States Code, an enlisted member of a reserve component (as defined in section 101(24) of such title) may receive, at the discretion of the Secretary concerned (as defined in section 101(5) of such title), rations in kind, or a part thereof, when the member's instruction or duty periods (as described in section 206(a) of such title) total at least eight hours in a calendar day. The Secretary concerned may provide an enlisted member who could be provided rations in kind under the preceding sentence with a commutation when rations in kind are not available.''.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. THREE-MONTH EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(d) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(g) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(f) of title 37, United States Code, as redesignated by section 622, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(h) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is amended by striking out ''October 1, 1999'' and inserting in lieu thereof ''January 1, 2000''.

SEC. 612. THREE-MONTH EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

SEC. 613. THREE-MONTH EXTENSION OF AUTHORITIES RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out ''September 30, 1999,'' and inserting in lieu thereof ''December 31, 1999,''.

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(c) ENLISTMENT BONUSES FOR MEMBERS WITH CRITICAL SKILLS.—Sections 308a(c) and 308f(c) of title 37, United States Code, are each amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(d) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(e) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(f) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of title 37, United States Code, is amended by striking out ''October 1, 1999'' and inserting in lieu thereof ''October 1, 1998, and the 15-month period beginning on that date and ending on December 31, 1999''.

SEC. 614. INCREASED HAZARDOUS DUTY PAY FOR AERIAL FLIGHT CREWMEMBERS IN CERTAIN PAY GRADES.

(a) RATES.—The table in section 301(b) of title 37, United States Code, is amended by striking out the items relating to pay grades E–4, E–5, E–6, E–7, E–8, and E–9, and inserting in lieu thereof the following:

''E–9	*240*
E–8	*240*
E–7	*240*
E–6	*215*
E–5	*190*
E–4	*165''.*

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1998, and shall apply with respect to months beginning on or after that date.

SEC. 615. AVIATION CAREER INCENTIVE PAY AND AVIATION OFFICER RETENTION BONUS.

(a) DEFINITION OF AVIATION SERVICE.—(1) Section 301a(a)(6) of title 37, United States Code, is amended—

(A) by redesignating subparagraphs (A), (B), and (C) as subparagraphs (B), (C), and (D), respectively; and

(B) by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

''(A) The term 'aviation service' means service performed by an officer (except a flight surgeon or other medical officer) while holding an aeronautical rating or designation or while in training to receive an aeronautical rating or designation.''.

(2) Section 301b(j) of such title is amended by striking out paragraph (1) and inserting in lieu thereof the following new paragraph:

''(1) The term 'aviation service' means service performed by an officer (except a flight surgeon or other medical officer) while holding an aeronautical rating or designation or while in training to receive an aeronautical rating or designation.''.

(b) AMOUNT OF INCENTIVE PAY.—Subsection (b) of section 301a of such title is amended to read as follows:

''(b)(1) A member who satisfies the requirements described in subsection (a) is entitled to monthly incentive pay as follows:

''Years of aviation service (including flight training) as an officer:	*Monthly rate*
2 or less	*$125*
Over 2	*$156*
Over 3	*$188*
Over 4	*$206*
Over 6	*$650*
Over 14	*$840*
Over 22	*$585*
Over 23	*$495*
Over 24	*$385*
Over 25	*$250*

''(2) An officer in a pay grade above O–6 is entitled, until the officer completes 25 years of aviation service, to be paid at the rates set forth in the table in paragraph (1), except that—

''(A) an officer in pay grade O–7 may not be paid at a rate greater than $200 a month; and

''(B) an officer in pay grade O–8 or above may not be paid at a rate greater than $206 a month.

''(3) For a warrant officer with over 22, 23, 24, or 25 years of aviation service who is qualified under subsection (a), the rate prescribed in the table in paragraph (1) for officers with over 14 years of aviation service shall continue to apply to the warrant officer.''.

(c) REFERENCES TO AVIATION SERVICE.—(1) Section 301a of such title is further amended—

(A) in subsection (a)(4)—

(i) by striking out ''22 years of the officer's service as an officer'' and inserting in lieu thereof ''22 years of aviation service of the officer''; and

(ii) by striking out ''25 years of service as an officer (as computed under section 205 of this title)'' and inserting in lieu thereof ''25 years of aviation service''; and

(B) in subsection (d), by striking out ''subsection (b)(1) or (2), as the case may be, for the performance of that duty by a member of corresponding years of aviation or officer service,

as appropriate,'' and inserting in lieu thereof ''subsection (b) for the performance of that duty by a member with corresponding years of aviation service''.

(2) Section 301b(b)(5) of such title is amended by striking out ''active duty'' and inserting in lieu thereof ''aviation service''.

(d) CONFORMING AMENDMENT.—Section 615 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1787) is repealed.

SEC. 616. DIVING DUTY SPECIAL PAY FOR DIVERS HAVING DIVING DUTY AS A NONPRIMARY DUTY.

(a) ELIGIBILITY FOR MAINTAINING PROFICIENCY.—Section 304(a)(3) of title 37, United States Code, is amended to read as follows:

''(3) either—

''(A) actually performs diving duty while serving in an assignment for which diving is a primary duty; or

''(B) meets the requirements to maintain proficiency as described in paragraph (2) while serving in an assignment that includes diving duty other than as a primary duty.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1998, and shall apply with respect to months beginning on or after that date.

SEC. 617. HARDSHIP DUTY PAY.

(a) DUTY FOR WHICH PAY AUTHORIZED.—Section 305 of title 37, United States Code, is amended—

(1) in subsection (a), by striking out ''on duty at a location'' and all that follows through the period at the end of the subsection and inserting in lieu thereof ''performing duty in the United States or outside the United States that is designated by the Secretary of Defense as hardship duty.'';

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

(3) in subsection (d), by striking out ''hardship duty location pay'' and inserting in lieu thereof ''hardship duty pay''; and

(4) by redesignating subsection (d) as subsection (b).

(b) CONFORMING AMENDMENT.—Section 907(d) of such title is amended by striking out ''duty at a hardship duty location'' and inserting in lieu thereof ''hardship duty''.

(c) CLERICAL AMENDMENTS.—(1) The heading for section 305 of such title is amended to read as follows:

''§ 305. Special pay: hardship duty pay''.

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

''305. Special pay: hardship duty pay.''.

SEC. 618. SELECTIVE REENLISTMENT BONUS ELIGIBILITY FOR RESERVE MEMBERS PERFORMING ACTIVE GUARD AND RESERVE DUTY.

Section 308(a)(1)(D) of title 37, United States Code, is amended to read as follows:

''(D) reenlists or voluntarily extends the member's enlistment for a period of at least three years—

''(i) in a regular component of the service concerned; or

''(ii) in a reserve component of the service concerned, if the member is performing active Guard and Reserve duty (as defined in section 101(d)(6) of title 10).''.

SEC. 619. REPEAL OF TEN PERCENT LIMITATION ON CERTAIN SELECTIVE REENLISTMENT BONUSES.

Section 308(b) of title 37, United States Code, is amended—

(1) by striking out paragraph (2); and

(2) by striking out ''(1)'' after ''(b)''.

SEC. 620. INCREASE IN MAXIMUM AMOUNT AUTHORIZED FOR ARMY ENLISTMENT BONUS.

Section 308f(a) of title 37, United States Code, is amended by striking out ''$4,000'' and inserting in lieu thereof ''$6,000''.

SEC. 621. EQUITABLE TREATMENT OF RESERVES ELIGIBLE FOR SPECIAL PAY FOR DUTY SUBJECT TO HOSTILE FIRE OR IMMINENT DANGER.

Section 310(b) of title 37, United States Code, is amended—

(1) by inserting ''(1)'' after ''(b)''; and

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

''(2) A member of a reserve component who is eligible for special pay under this section for a month shall receive the full amount authorized in subsection (a) for that month regardless of the number of days during that month on which the member satisfies the eligibility criteria specified in such subsection.''.

SEC. 622. RETENTION INCENTIVES INITIATIVE FOR CRITICALLY SHORT MILITARY OCCUPATIONAL SPECIALTIES.

(a) REQUIREMENT FOR NEW INCENTIVES.—The Secretary of Defense shall establish and provide for members of the Armed Forces qualified in critically short military occupational specialties a series of new incentives that the Secretary considers potentially effective for increasing the rates at which those members are retained in the Armed Forces for service in such specialties.

(b) CRITICALLY SHORT MILITARY OCCUPATIONAL SPECIALTIES.—For the purposes of this section, a military occupational specialty is a critically short military occupational specialty for an Armed Force if the number of members retained in that Armed Force in fiscal year 1998 for service in that specialty is less than 50 percent of the number of members of that Armed Force that were projected to be retained in that Armed Force for service in the specialty by the Secretary of the military department concerned as of October 1, 1997.

(c) INCENTIVES.—It is the sense of Congress that, among the new incentives established and provided under this section, the Secretary of Defense should include the following incentives:

(1) Family support and leave allowances.

(2) Increased special reenlistment or retention bonuses.

(3) Repayment of educational loans.

(4) Priority of selection for assignment to preferred permanent duty station or for extension at permanent duty station.

(5) Modified leave policies.

(6) Special consideration for Government housing or additional housing allowances.

(d) RELATIONSHIP TO OTHER INCENTIVES.—Incentives provided under this section are in addition to any special pay or other benefit that is authorized under any other provision of law.

(e) REPORTS.—(1) Not later than December 1, 1998, the Secretary of Defense shall submit to the congressional defense committees a report that identifies, for each of the Armed Forces, the critically short military occupational specialties to which incentives under this section are to apply.

(2) Not later than April 15, 1999, the Secretary of Defense shall submit to the congressional defense committees a report that specifies, for each of the Armed Forces, the incentives that are to be provided under this section.

Subtitle C—Travel and Transportation Allowances

SEC. 631. PAYMENTS FOR MOVEMENTS OF HOUSEHOLD GOODS ARRANGED BY MEMBERS.

(a) MONETARY ALLOWANCE AUTHORIZED.—Subsection (b)(1) of section 406 of title 37, United States Code, is amended—

(1) in subparagraph (A)—

(A) by striking out '', or reimbursement therefor,''; and

(B) by inserting after the second sentence the following new sentence: ''Alternatively, the member may be paid reimbursement or a monetary allowance under subparagraph (F).''; and

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

''(F) A member entitled to transportation of baggage and household effects under subparagraph (A) may, as an alternative to the provision of transportation, be paid reimbursement or, at the member's request, a monetary allowance in advance for the cost of transportation of the baggage and household effects. The monetary allowance may be paid only if the amount of the allowance does not exceed the cost that would be incurred by the Government under subparagraph (A) for the transportation of the baggage and household effects. Appropriations available to the Department of Defense, the Department of Transportation, and the Department of Health and Human Services for providing transportation of baggage or household effects of members of the uniformed services shall be available to pay a reimbursement or monetary allowance under this subparagraph. The Secretary concerned may prescribe the manner in which the risk of liability for damage, destruction, or loss of baggage or household effects arranged, packed, crated, or loaded by a member is allocated among the member, the United States, and any contractor when a reimbursement or monetary allowance is elected under this subparagraph.''.

(b) REPEAL OF SUPERSEDED PROVISION.—(1) Such section is further amended—

(A) by striking out subsection (j); and

(B) by redesignating subsections (k), (l), and (m) as subsections (j), (k), and (l), respectively.

(2) Section 2634(d) of title 10, United States Code, is amended by striking out ''section 406(k)'' and inserting in lieu thereof ''section 406(j)''.

SEC. 632. EXCEPTION TO MAXIMUM WEIGHT ALLOWANCE FOR BAGGAGE AND HOUSEHOLD EFFECTS.

Section 406(b)(1)(D) of title 37, United States Code, is amended in the second sentence by inserting before the period the following: '', unless the additional weight allowance in excess of such maximum is intended to permit the shipping of consumables that cannot be reasonably obtained at the new station of the member''.

SEC. 633. TRAVEL AND TRANSPORTATION ALLOWANCES FOR TRAVEL PERFORMED BY MEMBERS IN CONNECTION WITH REST AND RECUPERATIVE LEAVE FROM OVERSEAS STATIONS.

(a) PROVISION OF TRANSPORTATION.—Section 411c of title 37, United States Code, is amended by striking out subsection (b) and inserting in lieu thereof the following new subsection:

''(b) When the transportation authorized by subsection (a) is provided by the Secretary concerned, the Secretary may use Government or commercial carriers. The Secretary concerned may limit the amount of payments made to members under subsection (a).''.

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

''§ 411c. Travel and transportation allowances: travel performed in connection with rest and recuperative leave from certain stations in foreign countries''.

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

''411c. Travel and transportation allowances: travel performed in connection with rest and recuperative leave from certain stations in foreign countries.''.

SEC. 634. STORAGE OF BAGGAGE OF CERTAIN DEPENDENTS.

Section 430(b) of title 37, United States Code, is amended—

(1) by inserting ''(1)'' after ''(b)''; and

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

''(2) At the option of the member, in lieu of the transportation of baggage of a dependent child under paragraph (1) from the dependent's school in the continental United States, the Secretary concerned may pay or reimburse the member for costs incurred to store the baggage at or in the vicinity of the school during the dependent's annual trip between the school and

the member's duty station. The amount of the payment or reimbursement may not exceed the cost that the Government would incur to transport the baggage.''.

SEC. 635. COMMERCIAL TRAVEL OF RESERVES AT FEDERAL SUPPLY SCHEDULE RATES FOR ATTENDANCE AT INACTIVE-DUTY TRAINING ASSEMBLIES.

(a) AUTHORITY.—Chapter 1217 of title 10, United States Code is amended by adding at the end the following new section:

''§ 12603. Attendance at inactive-duty training assemblies: commercial travel at Federal supply schedule rates

''(a) FEDERAL SUPPLY SCHEDULE TRAVEL.—Commercial travel under Federal supply schedules is authorized for the travel of a Reserve to the location of inactive duty training to be performed by the Reserve and from that location upon completion of the training.

''(b) REGULATIONS.—The Secretary of Defense shall prescribe in regulations such requirements, conditions, and restrictions for travel under the authority of subsection (a) as the Secretary considers appropriate. The regulations shall include policies and procedures for preventing abuses of that travel authority.

''(c) REIMBURSEMENT NOT AUTHORIZED.—A Reserve is not entitled to Government reimbursement for the cost of travel authorized under subsection (a).

''(d) TREATMENT OF TRANSPORTATION AS USE BY MILITARY DEPARTMENTS.—For the purposes of section 201(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(a)), travel authorized under subsection (a) shall be treated as transportation for the use of a military department.''.

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

''12603. Attendance at inactive-duty training assemblies: commercial travel at Federal supply schedule rates.''.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

SEC. 641. PAID-UP COVERAGE UNDER SURVIVOR BENEFIT PLAN.

Section 1452 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(j) COVERAGE PAID UP AT 30 YEARS AND AGE 70.—Effective October 1, 2008, no reduction may be made under this section in the retired pay of a participant in the Plan for any month after the later of—

''(1) the 360th month for which the participant's retired pay is reduced under this section; and

''(2) the month during which the participant attains 70 years of age.''.

SEC. 642. SURVIVOR BENEFIT PLAN OPEN ENROLLMENT PERIOD.

(a) PERSONS NOT CURRENTLY PARTICIPATING IN SURVIVOR BENEFIT PLAN.—

(1) ELECTION OF SBP COVERAGE.—An eligible retired or former member may elect to participate in the Survivor Benefit Plan during the open enrollment period specified in subsection (d).

(2) ELECTION OF SUPPLEMENTAL ANNUITY COVERAGE.—An eligible retired or former member who elects under paragraph (1) to participate in the Survivor Benefit Plan may also elect during the open enrollment period to participate in the Supplemental Survivor Benefit Plan.

(3) ELIGIBLE RETIRED OR FORMER MEMBER.—For purposes of paragraphs (1) and (2), an eligible retired or former member is a member or former member of the uniformed services who on the day before the first day of the open enrollment period is not a participant in the Survivor Benefit Plan and—

(A) is entitled to retired pay; or

(B) would be entitled to retired pay under chapter 1223 of title 10, United States Code (or chapter 67 of such title as in effect before October 5, 1994), but for the fact that such member or former member is under 60 years of age.

(4) STATUS UNDER SBP OF PERSONS MAKING ELECTIONS.—

(A) STANDARD ANNUITY.—A person making an election under paragraph (1) by reason of eligibility under paragraph (3)(A) shall be treated for all purposes as providing a standard annuity under the Survivor Benefit Plan.

(B) RESERVE-COMPONENT ANNUITY.—A person making an election under paragraph (1) by reason of eligibility under paragraph (3)(B) shall be treated for all purposes as providing a reserve-component annuity under the Survivor Benefit Plan.

(b) MANNER OF MAKING ELECTIONS.—

(1) IN GENERAL.—An election under this section must be made in writing, signed by the person making the election, and received by the Secretary concerned before the end of the open enrollment period. Except as provided in paragraph (2), any such election shall be made subject to the same conditions, and with the same opportunities for designation of beneficiaries and specification of base amount, that apply under the Survivor Benefit Plan or the Supplemental Survivor Benefit Plan, as the case may be. A person making an election under subsection (a) to provide a reserve-component annuity shall make a designation described in section 1448(e) of title 10, United States Code.

(2) ELECTION MUST BE VOLUNTARY.—An election under this section is not effective unless the person making the election declares the election to be voluntary. An election to participate in the Survivor Benefit Plan under this section may not be required by any court. An election to participate or not to participate in the Survivor Benefit Plan is not subject to the concurrence of a spouse or former spouse of the person.

(c) EFFECTIVE DATE FOR ELECTIONS.—Any such election shall be effective as of the first day of the first calendar month following the month in which the election is received by the Secretary concerned.

(d) OPEN ENROLLMENT PERIOD DEFINED.—The open enrollment period is the one-year period beginning on March 1, 1999.

(e) EFFECT OF DEATH OF PERSON MAKING ELECTION WITHIN TWO YEARS OF MAKING ELECTION.—If a person making an election under this section dies before the end of the two-year period beginning on the effective date of the election, the election is void and the amount of any reduction in retired pay of the person that is attributable to the election shall be paid in a lump sum to the person who would have been the deceased person's beneficiary under the voided election if the deceased person had died after the end of such two-year period.

(f) APPLICABILITY OF CERTAIN PROVISIONS OF LAW.—The provisions of sections 1449, 1453, and 1454 of title 10, United States Code, are applicable to a person making an election, and to an election, under this section in the same manner as if the election were made under the Survivor Benefit Plan or the Supplemental Survivor Benefit Plan, as the case may be.

(g) PREMIUMS FOR OPEN ENROLLMENT ELECTION.—

(1) PREMIUMS TO BE CHARGED.—The Secretary of Defense shall prescribe in regulations premiums which a person electing under this section shall be required to pay for participating in the Survivor Benefit Plan pursuant to the election. The total amount of the premiums to be paid by a person under the regulations shall be equal to the sum of—

(A) the total amount by which the retired pay of the person would have been reduced before the effective date of the election if the person had elected to participate in the Survivor Benefit Plan (for the same base amount specified in the election) at the first opportunity that was afforded the member to participate under chapter 73 of title 10, United States Code;

(B) interest on the amounts by which the retired pay of the person would have been so reduced, computed from the dates on which the retired pay would have been so reduced at such rate or rates and according to such methodology as the Secretary of Defense determines reasonable; and

(C) any additional amount that the Secretary determines necessary to protect the actuarial soundness of the Department of Defense Military Retirement Fund against any increased risk for the fund that is associated with the election.

(2) PREMIUMS TO BE CREDITED TO RETIREMENT FUND.—Premiums paid under the regulations shall be credited to the Department of Defense Military Retirement Fund.

(h) DEFINITIONS.—In this section:

(1) The term ''Survivor Benefit Plan'' means the program established under subchapter II of chapter 73 of title 10, United States Code.

(2) The term ''Supplemental Survivor Benefit Plan'' means the program established under subchapter III of chapter 73 of title 10, United States Code.

(3) The term ''retired pay'' includes retainer pay paid under section 6330 of title 10, United States Code.

(4) The terms ''uniformed services'' and ''Secretary concerned'' have the meanings given those terms in section 101 of title 37, United States Code.

(5) The term ''Department of Defense Military Retirement Fund'' means the Department of Defense Military Retirement Fund established under section 1461(a) of title 10, United States Code.

SEC. 643. EFFECTIVE DATE OF COURT-REQUIRED FORMER SPOUSE SURVIVOR BENEFIT PLAN COVERAGE EFFECTUATED THROUGH ELECTIONS AND DEEMED ELECTIONS.

(a) ELIMINATION OF DISPARITY IN EFFECTIVE DATE PROVISIONS.—Section 1448(b)(3) of title 10, United States Code, is amended—

(1) in subparagraph (C)—

(A) by striking out the second sentence; and

(B) by striking out ''EFFECTIVE DATE,'' in the heading; and

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

''(E) EFFECTIVE DATE OF ELECTION.—An election under this paragraph is effective as of—

''(i) the first day of the first month following the month in which the election is received by the Secretary concerned; or

''(ii) in the case of a person required (as described in section 1450(f)(3)(B) of this title) to make the election by reason of a court order or filing the date of which is on or after the date of the enactment of the subparagraph, the first day of the first month which begins after the date of that court order or filing.''.

(b) CONFORMITY BY CROSS REFERENCE.—Section 1450(f)(3)(D) of such title is amended by striking out ''the first day of the first month which begins after the date of the court order or filing involved'' and inserting in lieu thereof ''the day referred to in section 1448(b)(3)(E)(ii) of this title''.

SEC. 644. PRESENTATION OF UNITED STATES FLAG TO MEMBERS OF THE ARMED FORCES UPON RETIREMENT.

(a) ARMY.—(1) Chapter 353 of title 10, United States Code, is amended by inserting after the table of sections the following new section:

''§ 3681. Presentation of United States flag upon retirement

''(a) PRESENTATION OF FLAG.—Upon the release of a member of the Army from active duty for retirement, the Secretary of the Army shall present a United States flag to the member.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for a presentation of a flag under subsection (a) if the member has previously been presented a flag under this section or section 6141 or 8681 of this title or section 516 of title 14.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under this section shall be at no cost to the recipient.''.

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 3684 the following new item:

''3681. Presentation of United States flag upon retirement.''.

(b) NAVY AND MARINE CORPS.—(1) Chapter 561 of title 10, United States Code, is amended by inserting after the table of sections the following new section:

''§ 6141. Presentation of United States flag upon retirement

''(a) PRESENTATION OF FLAG.—Upon the release of a member of the Navy or Marine Corps from active duty for retirement or transfer to the Fleet Reserve or the Fleet Marine Corps Reserve, the Secretary of the Navy shall present a United States flag to the member.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for a presentation of a flag under subsection (a) if the member has previously been presented a flag under this section or section 3681 or 8681 of this title or section 516 of title 14.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under this section shall be at no cost to the recipient.''.

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 6151 the following new item:

''6141. Presentation of United States flag upon retirement.''.

(c) AIR FORCE.—(1) Chapter 853 of title 10, United States Code, is amended by inserting after the table of sections the following new section:

''§ 8681. Presentation of United States flag upon retirement

''(a) PRESENTATION OF FLAG.—Upon the release of a member of the Air Force from active duty for retirement, the Secretary of the Air Force shall present a United States flag to the member.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for a presentation of a flag under subsection (a) if the member has previously been presented a flag under this section or section 3681 or 6141 of this title or section 516 of title 14.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under this section shall be at no cost to the recipient.''.

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 8684 the following new item:

''8681. Presentation of United States flag upon retirement.''.

(d) COAST GUARD.—(1) Chapter 13 of title 14, United States Code, is amended by adding at the end the following new section:

''§ 516. Presentation of United States flag upon retirement

''(a) PRESENTATION OF FLAG.—Upon the release of a member of the Coast Guard from active duty for retirement, the Secretary of Transportation shall present a United States flag to the member.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for a presentation of a flag under subsection (a) if the member has previously been presented a flag under this section or section 3681, 6141, and 8681 of title 10.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under his section shall be at no cost to the recipient.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''516. Presentation of United States flag upon retirement.''.

(e) EFFECTIVE DATE.—Sections 3681, 6141, and 8681 of title 10, United States Code (as added by this section), and section 516 of title 14, United States Code (as added by subsection (d)), shall apply with respect to releases from active duty described in those sections on or after October 1, 1998.

SEC. 645. RECOVERY, CARE, AND DISPOSITION OF REMAINS OF MEDICALLY RETIRED MEMBER WHO DIES DURING HOSPITALIZATION THAT BEGINS WHILE ON ACTIVE DUTY.

(a) IN GENERAL.—Paragraph (7) of section 1481(a) of title 10, United States Code, is amended to read as follows:

''(7) A person who—

''(A) dies as a retired member of an armed force under the Secretary's jurisdiction during a continuous hospitalization of the member as a patient in a United States hospital that began while the member was on active duty for a period of more than 30 days; or

''(B) is not covered by subparagraph (A) and, while in a retired status by reason of eligibility to retire under chapter 61 of this title, dies during a continuous hospitalization of the person that began while the person was on active duty as a Regular of an armed force under the Secretary's jurisdiction.''.

(b) REPEAL OF OBSOLETE TERMINOLOGY.—Paragraph (1) of such section is amended by striking out '', or a member of an armed force without component,''.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to deaths occurring on or after the date of the enactment of this Act.

SEC. 646. REVISION TO COMPUTATION OF RETIRED PAY FOR CERTAIN MEMBERS.

Section 1406(i) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following new paragraph (2);

''(2) EXCEPTION FOR MEMBERS REDUCED IN GRADE OR WHO DO NOT SERVE SATISFACTORILY.—Paragraph (1) does not apply in the case of a member who, while or after serving in a position specified in that paragraph and by reason of conduct occurring on or after the date of the enactment of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999—

''(A) in the case of an enlisted member, is reduced in grade as the result of a court-martial sentence, nonjudicial punishment, or other administrative process; or

''(B) in the case an officer, is not certified by the Secretary of Defense under section 1370(c) of this title as having served on active duty satisfactorily in the grade of general or admiral, as the case may be, while serving in that position.''.

SEC. 647. ELIMINATION OF BACKLOG OF UNPAID RETIRED PAY.

(a) REQUIREMENT.—The Secretary of the Army shall take such actions as are necessary to eliminate, by December 31, 1998, the backlog of unpaid retired pay for members and former members of the Army (including members and former members of the Army Reserve and the Army National Guard).

(b) REPORT.—Not later than 30 days after the date of the enactment of this Act, the Secretary of the Army shall submit to Congress a report on the backlog of unpaid retired pay. The report shall include the following:

(1) The actions taken under subsection (a).

(2) The extent of the remaining backlog.

(3) A discussion of any additional actions that are necessary to ensure that retired pay is paid in a timely manner.

Subtitle E—Other Matters

SEC. 651. DEFINITION OF POSSESSIONS OF THE UNITED STATES FOR PAY AND ALLOWANCES PURPOSES.

Section 101(2) of title 37, United States Code, is amended by striking out ''the Canal Zone,''.

SEC. 652. ACCOUNTING OF ADVANCE PAYMENTS.

Section 1006(e) of title 37, United States Code, is amended—

(1) by inserting ''(1)'' after ''(e)''; and

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

''(2)(A) Notwithstanding any other provision of law, an obligation for an advance of pay made pursuant to this section shall be recorded as an obligation only in the fiscal year in which the entitlement of the member to the pay accrues.

''(B) Current appropriations available for advance payments under this section may be transferred to the prior fiscal year appropriation available for the same purpose in the amount of any unliquidated advance payments that remain at the end of such prior fiscal year. Such unliquidated advance payments shall then be credited to the current appropriation.''.

SEC. 653. REIMBURSEMENT OF RENTAL VEHICLE COSTS WHEN MOTOR VEHICLE TRANSPORTED AT GOVERNMENT EXPENSE IS LATE.

(a) TRANSPORTATION IN CONNECTION WITH CHANGE OF PERMANENT STATION.—Section 2634 of title 10, United States Code, is amended—

(1) by redesignating subsection (g) as subsection (h); and

(2) by inserting after subsection (f) the following new subsection:

''(g) If a motor vehicle of a member (or a dependent of the member) that is transported at the expense of the United States under this section does not arrive at the authorized destination of the vehicle by the designated delivery date, the Secretary concerned shall reimburse the member for expenses incurred after that date to rent a motor vehicle for the member's use, or for the use of the dependent for whom the delayed vehicle was transported. The amount reimbursed may not exceed $30 per day, and the rental period for which reimbursement may be provided expires after seven days or on the date on which the delayed vehicle arrives at the authorized destination (whichever occurs first).''.

(b) TRANSPORTATION IN CONNECTION WITH OTHER MOVES.—Section 406(h) of title 37, United States Code, is amended by adding at the end the following new paragraph:

''(3) If a motor vehicle of a member (or a dependent of the member) that is transported at the expense of the United States under this subsection does not arrive at the authorized destination of the vehicle by the designated delivery date, the Secretary concerned shall reimburse the member for expenses incurred after that date to rent a motor vehicle for the dependent's use. The amount reimbursed may not exceed $30 per day, and the rental period for which reimbursement may be provided expires after seven days or on the date on which the delayed vehicle arrives at the authorized destination (whichever occurs first).''.

(c) TRANSPORTATION IN CONNECTION WITH DEPARTURE ALLOWANCES FOR DEPENDENTS.—Section 405a(b) of title 37, United States Code, is amended—

(1) by inserting ''(1)'' after ''(b)''; and

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

''(2) If a motor vehicle of a member (or a dependent of the member) that is transported at the expense of the United States under paragraph (1) does not arrive at the authorized destination of the vehicle by the designated delivery date, the Secretary concerned shall reimburse the member for expenses incurred after that date to rent a motor vehicle for the dependent's use. The amount reimbursed may not exceed $30 per day, and the rental period for which reimbursement may be provided expires after seven days or on the date on which the delayed vehicle arrives at the authorized destination (whichever occurs first).''.

(d) TRANSPORTATION IN CONNECTION WITH EFFECTS OF MISSING PERSONS.—Section 554 of title 37, United States Code, is amended—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following new subsection:

''(i) If a motor vehicle of a member (or a dependent of the member) that is transported at the expense of the United States under this section does not arrive at the authorized destination of the vehicle by the designated delivery date, the Secretary concerned shall reimburse the dependent for expenses incurred after that date to rent a motor vehicle for the dependent's use. The amount reimbursed may not exceed $30 per day, and the rental period for which reimbursement may be provided expires after seven days or on the date on which the delayed vehicle arrives at the authorized destination (whichever occurs first).''.

(e) APPLICATION OF AMENDMENTS.—(1) Reimbursement for motor vehicle rental expenses may not be provided under the amendments made by this section until after the date on which the Secretary of Defense submits to Congress a report containing a certification that the Department of Defense has in place and operational a system to recover the cost of providing such reimbursement from commercial carriers that are responsible for the delay in the delivery of the motor vehicles of members of the Armed Forces and their dependents. The Secretary of Defense shall prepare the report in consultation with the Secretary of Transportation, with respect to the Coast Guard.

(2) The amendments shall apply with respect to rental expenses described in such amendments that are incurred on or after the date of the submission of the report. The report shall be submitted not later than six months after the date of the enactment of this Act and shall include, in addition to the certification, a description of the system to be used to recover from commercial carriers the costs incurred under such amendments.

SEC. 654. EDUCATION LOAN REPAYMENT PROGRAM FOR HEALTH PROFESSIONS OFFICERS SERVING IN SELECTED RESERVE.

(a) ELIGIBLE PERSONS.—Subsection (b)(2) of section 16302 of title 10, United States Code, is amended by inserting '', or is enrolled in a program of education leading to professional qualifications,'' after ''possesses professional qualifications''.

(b) INCREASED BENEFITS.—Subsection (c) of such section is amended—

(1) in paragraph (2), by striking out ''$3,000'' and inserting in lieu thereof ''$20,000''; and

(2) in paragraph (3), by striking out ''$20,000'' and inserting in lieu thereof ''$50,000''.

SEC. 655. FEDERAL EMPLOYEES' COMPENSATION COVERAGE FOR STUDENTS PARTICIPATING IN CERTAIN OFFICER CANDIDATE PROGRAMS.

(a) PERIODS OF COVERAGE.—Subsection (a)(2) of section 8140 of title 5, United States Code, is amended to read as follows:

''(2) during the period of the member's attendance at training or a practice cruise under chapter 103 of title 10, beginning when the authorized travel to the training or practice cruise begins and ending when authorized travel from the training or practice cruise ends.''.

(b) LINE OF DUTY.—Subsection (b) of such section is amended to read as follows:

''(b) For the purpose of this section, an injury, disability, death, or illness of a member referred to in subsection (a) may be considered as incurred or contracted in line of duty only if the injury, disability, or death is incurred, or the illness is contracted, by the member during a period described in that subsection. Subject to review by the Secretary of Labor, the Secretary of the military department concerned (under regulations prescribed by that Secretary), shall determine whether an injury, disability, or death was incurred, or an illness was contracted, by a member in line of duty.''.

(c) CLARIFICATION OF CASUALTIES COVERED.—Subsection (a) of such section, as amended by subsection (a) of this section, is further amended by inserting '', or an illness contracted,'' after ''death incurred'' in the matter preceding paragraph (1).

(d) EFFECTIVE DATE AND APPLICABILITY.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act and apply with respect to injuries, illnesses, disabilities, and deaths incurred or contracted on or after that date.

SEC. 656. RELATIONSHIP OF ENLISTMENT BONUSES TO ELIGIBILITY TO RECEIVE ARMY COLLEGE FUND SUPPLEMENT UNDER MONTGOMERY GI BILL EDUCATIONAL ASSISTANCE PROGRAM.

(a) ENLISTEMENT BONUSES AND GI BILL SUPPLEMENT NOT EXCLUSIVE.—Section 3015(d) of title 38, United States Code, is amended—

(1) by inserting ''(1)'' after ''(d)''; and

(2) by adding at the end the following:

''(2) In the case of an individual who after October 7, 1997, receives an enlistment bonus under section 308a or 308f of title 37, receipt of that bonus does not affect the eligibility of that individual for an increase under paragraph (1) in the rate of the basic educational assistance allowance applicable to that individual, and the Secretary concerned may provide such an increase for that individual (and enter into an agreement with that individual that the United States agrees to make payments pursuant to such an increase) without regard to any provision of law (enacted before, on, or after the date of the enactment of this paragraph) that limits the authority to make such payments.''.

(b) REPEAL OF RELATED LIMITATIONS.—(1) Section 8013(a) of the Department of Defense Appropriations Act, 1998 (111 Stat. 1222), is amended—

(A) by striking out ''on or after the date of enactment of this Act—'' and all that follows through ''nor shall any amounts'' and inserting in lieu thereof ''after October 7, 1997, enlists in the armed services for a period of active duty of less than three years, nor shall any amounts''; and

(B) in the first proviso, by striking out ''in the case of a member covered by clause (1),''.

(2) Section 8013(a) of the Department of Defense Appropriations Act, 1999, is amended—

(A) by striking out ''of this Act—'' and all that follows through ''nor shall any amounts'' and inserting in lieu thereof ''of this Act, enlists in the armed services for a period of active duty of less that three years, nor shall any amounts''; and

(B) in the first proviso, by striking out ''in the case of a member covered by clause (1),''.

(3) The amendments made by paragraph (2) shall take effect on the later of the following:

(A) The date of the enactment of this Act.

(B) The date of the enactment of the Department of Defense Appropriations Act, 1999.

SEC. 657. AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE FOR EDUCATION OF CERTAIN DEFENSE DEPENDENTS OVERSEAS.

Section 1407(b) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 926(b)) is amended—

(1) by striking out ''(b) Under such circumstances as he may by regulation prescribe, the Secretary of Defense'' and inserting in lieu thereof ''(b) TUITION AND ASSISTANCE WHEN SCHOOLS UNAVAILABLE.—(1) Under such circumstances as the Secretary of Defense may prescribe in regulations, the Secretary''; and

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

''(2)(A) The Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service of the Navy, may provide financial assistance to sponsors of dependents in overseas areas where schools operated by the Secretary of Defense under subsection (a) are not reasonably available in order to assist the sponsors to defray the costs incurred by the sponsors for the attendance of the dependents at schools in such areas other than schools operated by the Secretary of Defense.

''(B) The Secretary of Defense and the Secretary of Transportation shall each prescribe regulations relating to the availability of financial assistance under subparagraph (A). Such regulations shall, to the maximum extent practicable, be consistent with Department of State regulations relating to the availability of financial assistance for the education of dependents of Department of State personnel overseas.''.

SEC. 658. CLARIFICATIONS CONCERNING PAYMENTS TO CERTAIN PERSONS CAPTURED OR INTERNED BY NORTH VIETNAM.

(a) ELIGIBILE SURVIVORS.—Subsection (b) of section 657 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2585) is amended by adding at the end the following new paragraphs:

''(3) If there is no surviving spouse or surviving child, to the parents of the decedent, in equal shares, or, if one parent of the decedent has died, to the surviving parent.

''(4) If there is no surviving spouse, surviving child, or surviving parent, to the surviving siblings by blood of the decedent, in equal shares.''.

(b) PERMITTED RECIPIENTS OF PAYMENT DISBURSEMENT.—Subsection (f)(1) of such section is amended by striking out ''The actual disbursement'' and inserting in lieu thereof ''Notwithstanding any agreement (including a power of attorney) to the contrary, the actual disbursement''.

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Services

Sec. 701. Dependents' dental program.
Sec. 702. Expansion of dependent eligibility under retiree dental program.
Sec. 703. Plan for redesign of military pharmacy system.
Sec. 704. Transitional authority to provide continued health care coverage for certain persons unaware of loss of CHAMPUS eligibility.

Subtitle B—TRICARE Program

Sec. 711. Payment of claims for provision of health care under the TRICARE program for which a third party may be liable.
Sec. 712. TRICARE Prime automatic enrollments and retiree payment options.
Sec. 713. System for tracking data and measuring performance in meeting TRICARE access standards.
Sec. 714. Establishment of appeals process for claimcheck denials.
Sec. 715. Reviews relating to accessibility of health care under TRICARE.

Subtitle C—Health Care Services For Medicare-Eligible Department of Defense Beneficiaries

Sec. 721. Demonstration project to include certain covered beneficiaries within Federal Employees Health Benefits Program.
Sec. 722. TRICARE as Supplement to Medicare demonstration.
Sec. 723. Implementation of redesign of pharmacy system.
Sec. 724. Comprehensive evaluation of implementation of demonstration projects and TRICARE pharmacy redesign.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

Sec. 731. Process for waiving informed consent requirement for administration of certain drugs to members of Armed Forces for purposes of a particular military operation.
Sec. 732. Health benefits for abused dependents of members of the Armed Forces.
Sec. 733. Provision of health care at military entrance processing stations and elsewhere outside medical treatment facilities.
Sec. 734. Professional qualifications of physicians providing military health care.

Subtitle E—Other Matters

Sec. 741. Enhanced Department of Defense Organ and Tissue Donor program.
Sec. 742. Authorization to establish a Level 1 Trauma Training Center.
Sec. 743. Authority to establish center for study of post-deployment health concerns of members of the Armed Forces.
Sec. 744. Report on implementation of enrollment-based capitation for funding for military medical treatment facilities.
Sec. 745. Joint Department of Defense and Department of Veterans Affairs reports relating to interdepartmental cooperation in the delivery of medical care.
Sec. 746. Report on research and surveillance activities regarding lyme disease and other tick-borne diseases.

Subtitle A—Health Care Services

SEC. 701. DEPENDENTS' DENTAL PROGRAM.

(a) PREMIUM INCREASE.—Section 1076a(b)(2) of title 10, United States Code, is amended—

(A) by inserting ''(A)'' after ''(2)''; and

(B) by adding at the end the following:

''(B) Effective as of January 1 of each year, the amount of the premium required under subparagraph (A) shall be increased by the percent equal to the lesser of—

''(i) the percent by which the rates of basic pay of members of the uniformed services are increased on such date; or

''(ii) the sum of one-half percent and the percent computed under section 5303(a) of title 5 for the increase in rates of basic pay for statutory pay systems for pay periods beginning on or after such date.''.

(2) The amendment made by subparagraph (B) of paragraph (1) shall take effect on January 1, 1999, and shall apply to months after 1998 as if such subparagraph had been in effect since December 31, 1993.

(b) LIMITATION ON REDUCTION OF BENEFITS.—Section 1076a is further amended by adding at the end the following new subsection:

''(j) LIMITATION ON REDUCTION OF BENEFITS.—The Secretary of Defense may not reduce benefits provided under this section until—

''(1) the Secretary provides notice of the Secretary's intent to reduce such benefits to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate; and

''(2) one year has elapsed following the date of such notice.''.

SEC. 702. EXPANSION OF DEPENDENT ELIGIBILITY UNDER RETIREE DENTAL PROGRAM.

(a) IN GENERAL.—Subsection (b) of section 1076c of title 10, United States Code, is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting after paragraph (3) the following new paragraph:

''(4) Eligible dependents of a member described in paragraph (1) or (2) who is not enrolled in the plan and who—

''(A) is enrolled under section 1705 of title 38 to receive dental care from the Secretary of Veterans Affairs;

''(B) is enrolled in a dental plan that—

''(i) is available to the member as a result of employment by the member that is separate from the military service of the member; and

''(ii) is not available to dependents of the member as a result of such separate employment by the member; or

''(C) is prevented by a medical or dental condition from being able to obtain benefits under the plan.''.

(b) CONFORMING AMENDMENT.—Subsection (f)(3) of such section is amended by striking out ''(b)(4)'' and inserting in lieu thereof ''(b)(5)''.

SEC. 703. PLAN FOR REDESIGN OF MILITARY PHARMACY SYSTEM.

(a) PLAN REQUIRED.—The Secretary of Defense shall submit to Congress a plan that would provide for a system-wide redesign of the military and contractor retail and mail-order pharmacy system of the Department of Defense by incorporating ''best business practices'' of the private sector. The Secretary shall work with contractors of TRICARE retail pharmacy and national mail-order pharmacy programs to develop a plan for the redesign of the pharmacy system that—

(1) may include a plan for an incentive-based formulary for military medical treatment facilities and contractors of TRICARE retail pharmacies and the national mail-order pharmacy; and

(2) shall include a plan for each of the following:

(A) A uniform formulary for such facilities and contractors.

(B) A centralized database that integrates the patient databases of pharmacies of military medical treatment facilities and contractor retail and mail-order programs to implement automated prospective drug utilization review systems.

(C) A system-wide drug benefit for covered beneficiaries under chapter 55 of title 10, United States Code, who are entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.).

(b) SUBMISSION OF PLAN.—The Secretary shall submit the plan required under subsection (a) not later than March 1, 1999.

(c) SUSPENSION OF IMPLEMENTATION OF PROGRAM.—The Secretary shall suspend any plan to establish a national retail pharmacy program for the Department of Defense until—

(1) the plan required under subsection (a) is submitted; and

(2) the Secretary implements cost-saving reforms with respect to the military and contractor retail and mail order pharmacy system.

SEC. 704. TRANSITIONAL AUTHORITY TO PROVIDE CONTINUED HEALTH CARE COVERAGE FOR CERTAIN PERSONS UNAWARE OF LOSS OF CHAMPUS ELIGIBILITY.

(a) TRANSITIONAL COVERAGE.—The administering Secretaries may continue eligibility of a person described in subsection (b) for health care coverage under the Civilian Health and Medical Program of the Uniformed Services based on a determination that such continuation is appropriate to assure health care coverage for any such person who may have been unaware of the loss of eligibility to receive health benefits under that program.

(b) PERSONS ELIGIBLE.—A person shall be eligible for transitional health care coverage under subsection (a) if the person—

(1) is a person described in paragraph (1) of subsection (d) of section 1086 of title 10, United States Code;

(2) in the absence of such paragraph, would be eligible for health benefits under such section; and

(3) satisfies the criteria specified in subparagraphs (A) and (B) of paragraph (2) of such subsection.

(c) EXTENT OF TRANSITIONAL AUTHORITY.—The authority to continue eligibility under this section shall apply with respect to health care services provided between October 1, 1998, and July 1, 1999.

(d) DEFINITION.—In this section, the term ''administering Secretaries'' has the meaning given that term in section 1072(3) of title 10, United States Code.

Subtitle B—TRICARE Program

SEC. 711. PAYMENT OF CLAIMS FOR PROVISION OF HEALTH CARE UNDER THE TRICARE PROGRAM FOR WHICH A THIRD PARTY MAY BE LIABLE.

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1095a the following new section:

''§ 1095b. TRICARE program: contractor payment of certain claims

''(a) PAYMENT OF CLAIMS.—(1) The Secretary of Defense may authorize a contractor under the TRICARE program to pay a claim described in paragraph (2) before seeking to recover from a third-party payer the costs incurred by the contractor to provide health care services that are the basis of the claim to a beneficiary under such program.

''(2) A claim under this paragraph is a claim—

''(A) that is submitted to the contractor by a provider under the TRICARE program for payment for services for health care provided to a covered beneficiary; and

''(B) that is identified by the contractor as a claim for which a third-party payer may be liable.

''(b) RECOVERY FROM THIRD-PARTY PAYERS.—A contractor for the provision of health care services under the TRICARE program that pays a claim described in subsection (a)(2) shall have the right to collect from the third-party payer the costs incurred by such contractor on behalf of the covered beneficiary. The contractor shall have the same right to collect such costs under this subsection as the right of the United States to collect costs under section 1095 of this title.

''(c) DEFINITION OF THIRD-PARTY PAYER.—In this section, the term 'third-party payer' has the meaning given that term in section 1095(h) of this title, except that such term excludes primary medical insurers.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1095a the following new item:

''1095b. TRICARE program: contractor payment of certain claims.''.

SEC. 712. TRICARE PRIME AUTOMATIC ENROLLMENTS AND RETIREE PAYMENT OPTIONS.

(a) PROCEDURES.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1097 the following new section:

''§ 1097a. TRICARE Prime: automatic enrollments; payment options

''(a) AUTOMATIC ENROLLMENT OF CERTAIN DEPENDENTS.—Each dependent of a member of the uniformed services in grade E4 or below who is entitled to medical and dental care under section 1076(a)(2)(A) of this title and resides in the catchment area of a facility of a uniformed service offering TRICARE Prime shall be automatically enrolled in TRICARE Prime at the facility. The Secretary concerned shall provide written notice of the enrollment to the member. The enrollment of a dependent of the member may be terminated by the member or the dependent at any time.

''(b) AUTOMATIC RENEWAL OF ENROLLMENTS OF COVERED BENEFICIARIES.—(1) An enrollment of a covered beneficiary in TRICARE Prime shall be automatically renewed upon the expiration of the enrollment unless the renewal is declined.

''(2) Not later than 15 days before the expiration date for an enrollment of a covered beneficiary in TRICARE Prime, the Secretary concerned shall—

''(A) transmit a written notification of the pending expiration and renewal of enrollment to the covered beneficiary or, in the case of a dependent of a member of the uniformed services, to the member; and

''(B) afford the beneficiary or member, as the case may be, an opportunity to decline the renewal of enrollment.

''(c) PAYMENT OPTIONS FOR RETIREES.—A member or former member of the uniformed services eligible for medical care and dental care under section 1074(b) of this title may elect to have any fee payable by the member or former member for an enrollment in TRICARE Prime withheld from the member's retired pay, retainer pay, or equivalent pay, as the case may be, or to be paid from a financial institution through

electronic transfers of funds. The fee shall be paid in accordance with the election. A member may elect under this section to pay the fee in full at the beginning of the enrollment period or to make payments on a monthly or quarterly basis.

''(d) REGULATIONS AND EXCEPTIONS.—The Secretary of Defense shall prescribe regulations, including procedures, to carry out this section. Regulations prescribed to carry out the automatic enrollment requirements under this section may include such exceptions to the automatic enrollment procedures as the Secretary determines appropriate for the effective operation of TRICARE Prime.

''(e) DEFINITIONS.—In this section:

''(1) The term 'TRICARE Prime' means the managed care option of the TRICARE program.

''(2) The term 'catchment area', with respect to a facility of a uniformed service, means the service area of the facility, as designated under regulations prescribed by the administering Secretaries.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1097 the following new item:

1097a. TRICARE Prime: automatic enrollments; payment options.''.

(b) DEADLINE FOR IMPLEMENTATION.—The regulations required under subsection (d) of section 1097a of title 10, United States Code (as added by subsection (a)), shall be prescribed to take effect not later than September 30, 1999. The section shall be applied under TRICARE Prime on and after the date on which the regulations take effect.

SEC. 713. SYSTEM FOR TRACKING DATA AND MEASURING PERFORMANCE IN MEETING TRICARE ACCESS STANDARDS.

(a) REQUIREMENT TO ESTABLISH SYSTEM.—(1) The Secretary of Defense shall establish a system—

(A) to track data regarding access of covered beneficiaries under chapter 55 of title 10, United States Code, to primary health care under the TRICARE program; and

(B) to measure performance in increasing such access against the primary care access standards established by the Secretary under the TRICARE program.

(2) In implementing the system described in paragraph (1), the Secretary shall collect data on the timeliness of appointments and precise waiting times for appointments in order to measure performance in meeting the primary care access standards established under the TRICARE program.

(b) DEADLINE FOR ESTABLISHMENT.—The Secretary shall establish the system described in subsection (a) not later than April 1, 1999.

SEC. 714. ESTABLISHMENT OF APPEALS PROCESS FOR CLAIMCHECK DENIALS.

(a) ESTABLISHMENT OF APPEALS PROCESS.—Not later than January 1, 1999, the Secretary of Defense shall establish an appeals process in cases of denials through the ClaimCheck computer software system (or any other claims processing system that may be used by the Secretary) of claims by civilian providers for payment for health care services provided under the TRICARE program.

(b) REPORT.—Not later than March 1, 1999, the Secretary shall submit to Congress a report on the implementation of this section.

SEC. 715. REVIEWS RELATING TO ACCESSIBILITY OF HEALTH CARE UNDER TRICARE.

(a) REVIEW OF REHABILITATIVE SERVICES FOR HEAD INJURIES.—The Secretary of Defense shall review policies under the TRICARE program (including a review of the TRICARE policy manual) to determine if policies addressing the availability of rehabilitative services for TRICARE patients suffering from head injuries are adequate and appropriately address consideration of certification by an attending physician that such services would be beneficial for such a patient.

(b) REVIEW OF ADEQUACY OF PROVIDER NETWORK.—The Secretary of Defense shall review the administration of the TRICARE Prime health plans to determine whether, for each region covered by such a plan, there is a sufficient number, distribution, and variety of qualified participating health care providers to ensure that covered health care services, including specialty services and rehabilitative services, are accessible in the vicinity of the residence of the enrollees and available in a timely manner to such enrollees, regardless of where such enrollees are located within the TRICARE region.

(c) REPORT.—Not later than April 1, 1999, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the results of the reviews required by subsections (a) and (b), together with a description of any actions taken or directed as a result of those reviews.

Subtitle C—Health Care Services For Medicare-Eligible Department of Defense Beneficiaries

SEC. 721. DEMONSTRATION PROJECT TO INCLUDE CERTAIN COVERED BENEFICIARIES WITHIN FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM.

(a) FEHBP DEMONSTRATION PROJECT.—(1) Chapter 55 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1108. Health care coverage through Federal Employees Health Benefits program: demonstration project

''(a) FEHBP OPTION DEMONSTRATION.—The Secretary of Defense, after consulting with the other administering Secretaries, shall enter into an agreement with the Office of Personnel Management to conduct a demonstration project (in this section referred to as the 'demonstration project') under which eligible beneficiaries described in subsection (b) and residing within one of the areas covered by the demonstration project may enroll in health benefits plans offered through the Federal Employees Health Benefits program under chapter 89 of title 5. The number of eligible beneficiaries and family members of such beneficiaries under subsection (b)(2) who may be enrolled in health benefits plans during the enrollment period under subsection (d)(2) may not exceed 66,000.

''(b) ELIGIBLE BENEFICIARIES; COVERAGE.—(1) An eligible beneficiary under this subsection is—

''(A) a member or former member of the uniformed services described in section 1074(b) of this title who is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.);

''(B) an individual who is an unremarried former spouse of a member or former member described in section 1072(2)(F) or 1072(2)(G));

''(C) an individual who is—

''(i) a dependent of a deceased member or former member described in section 1076(b) or 1076(a)(2)(B) of this title or of a member who died while on active duty for a period of more than 30 days; and

''(ii) a member of family as defined in section 8901(5) of title 5; or

''(D) an individual who is—

''(i) a dependent of a living member or former member described in section 1076(b)(1) of this title who is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act, regardless of the member's or former member's eligibility for such hospital insurance benefits; and

''(ii) a member of family as defined in section 8901(5) of title 5.

''(2) Eligible beneficiaries may enroll in a Federal Employees Health Benefit plan under chapter 89 of title 5 under this section for self-only coverage or for self and family coverage which includes any dependent of the member or former member who is a family member for purposes of such chapter.

''(3) A person eligible for coverage under this subsection shall not be required to satisfy any eligibility criteria specified in chapter 89 of title 5 (except as provided in paragraph (1)(C) or (1)(D)) as a condition for enrollment in health benefits plans offered through the Federal Employees Health Benefits program under the demonstration project.

''(4) For purposes of determining whether an individual is a member of family under paragraph (5) of section 8901 of title 5 for purposes of paragraph (1)(C) or (1)(D), a member or former member described in section 1076(b) or 1076(a)(2)(B) of this title shall be deemed to be an employee under such section.

''(5) An eligible beneficiary who is eligible to enroll in the Federal Employees Health Benefits program as an employee under chapter 89 of title 5 is not eligible to enroll in a Federal Employees Health Benefits plan under this section.

''(c) AREA OF DEMONSTRATION PROJECT.—The Secretary of Defense and the Director of the Office of Personnel Management shall jointly identify and select the geographic areas in which the demonstration project will be conducted. The Secretary and the Director shall establish at least six, but not more than ten, such demonstration areas. In establishing the areas, the Secretary and Director shall include—

''(1) an area that includes the catchment area of one or more military medical treatment facilities;

''(2) an area that is not located in the catchment area of a military medical treatment facility;

''(3) an area in which there is a Medicare Subvention Demonstration project area under section 1896 of title XVIII of the Social Security Act (42 U.S.C. 1395ggg); and

''(4) not more than one area for each TRICARE region.

''(d) DURATION OF DEMONSTRATION PROJECT.—(1) The Secretary of Defense shall conduct the demonstration project during three contract years under the Federal Employees Health Benefits program.

''(2) Eligible beneficiaries shall, as provided under the agreement pursuant to subsection (a), be permitted to enroll in the demonstration project during an open enrollment period for the year 2000 (conducted in the fall of 1999). The demonstration project shall terminate on December 31, 2002.

''(e) PROHIBITION AGAINST USE OF MTFS AND ENROLLMENT UNDER TRICARE.—Covered beneficiaries under this chapter who are provided coverage under the demonstration project shall not be eligible to receive care at a military medical treatment facility or to enroll in a heath care plan under the TRICARE program.

''(f) TERM OF ENROLLMENT IN PROJECT.—(1) Subject to paragraphs (2) and (3), the period of enrollment of an eligible beneficiary who enrolls in the demonstration project during the open enrollment period for the year 2000 shall be three years unless the beneficiary disenrolls before the termination of the project.

''(2) A beneficiary who elects to enroll in the project, and who subsequently discontinues enrollment in the project before the end of the period described in paragraph (1), shall not be eligible to reenroll in the project.

''(3) An eligible beneficiary enrolled in a Federal Employees Health Benefits plan under this section may change health benefits plans and coverage in the same manner as any other Federal Employees Health Benefits program beneficiary may change such plans.

''(g) EFFECT OF CANCELLATION.—The cancellation by an eligible beneficiary of coverage under the Federal Employee Health Benefits program shall be irrevocable during the term of the demonstration project.

''(h) SEPARATE RISK POOLS; CHARGES.—(1) The Director of the Office of Personnel Management shall require health benefits plans under chapter 89 of title 5 that participate in the demonstration project to maintain a separate risk

pool for purposes of establishing premium rates for eligible beneficiaries who enroll in such a plan in accordance with this section.

''(2) The Director shall determine total subscription charges for self only or for family coverage for eligible beneficiaries who enroll in a health benefits plan under chapter 89 of title 5 in accordance with this section. The subscription charges shall include premium charges paid to the plan and amounts described in section 8906(c) of title 5 for administrative expenses and contingency reserves.

''(i) GOVERNMENT CONTRIBUTIONS.—The Secretary of Defense shall be responsible for the Government contribution for an eligible beneficiary who enrolls in a health benefits plan under chapter 89 of title 5 in accordance with this section, except that the amount of the contribution may not exceed the amount of the Government contribution which would be payable if the electing beneficiary were an employee (as defined for purposes of such chapter) enrolled in the same health benefits plan and level of benefits.

''(j) REPORT REQUIREMENTS.—(1) The Secretary of Defense and the Director of the Office of Personnel Management shall jointly submit to Congress two reports containing the information described in paragraph (2). The first report shall be submitted not later than the date that is 15 months after the date that the Secretary begins to implement the demonstration project. The second report shall be submitted not later than December 31, 2002.

''(2) The reports required by paragraph (1) shall include the following:

''(A) Information on the number of eligible beneficiaries who elect to participate in the demonstration project.

''(B) An analysis of the percentage of eligible beneficiaries who participate in the demonstration project as compared to the percentage of covered beneficiaries under this chapter who elect to enroll in a health care plan under such chapter.

''(C) Information on eligible beneficiaries who elect to participate in the demonstration project and did not have Medicare Part B coverage before electing to participate in the project.

''(D) An analysis of the enrollment rates and cost of health services provided to eligible beneficiaries who elect to participate in the demonstration project as compared with similarly situated enrollees in the Federal Employees Health Benefits program under chapter 89 of title 5.

''(E) An analysis of how the demonstration project affects the accessibility of health care in military medical treatment facilities, and a description of any unintended effects on the treatment priorities in those facilities in the demonstration area.

''(F) An analysis of any problems experienced by the Department of Defense in managing the demonstration project.

''(G) A description of the effects of the demonstration project on medical readiness and training of the armed forces at military medical treatment facilities located in the demonstration area, and a description of the probable effects that making the project permanent would have on the medical readiness and training.

''(H) An examination of the effects that the demonstration project, if made permanent, would be expected to have on the overall budget of the Department of Defense, the budget of the Office of Personnel and Management, and the budgets of individual military medical treatment facilities.

''(I) An analysis of whether the demonstration project affects the cost to the Department of Defense of prescription drugs or the accessibility, availability, and cost of such drugs to eligible beneficiaries.

''(J) Any additional information that the Secretary of Defense or the Director of the Office of Personnel Management consider appropriate to assist Congress in determining the viability of expanding the project to all Medicare-eligible members of the uniformed services and their dependents.

''(K) Recommendations on whether eligible beneficiaries—

''(i) should be given more than one chance to enroll in a the demonstration project under this section;

''(ii) should be eligible to enroll in the project only during the first year following the date that the eligible beneficiary becomes eligible to receive hospital insurance benefits under part A of title XVIII of the Social Security Act; or

''(iii) should be eligible to enroll in the project only during the two-year period following the date on which the beneficiary first becomes eligible to enroll in the project.

''(k) COMPTROLLER GENERAL REPORT.—Not later than December 31, 2002, the Comptroller General shall submit to Congress a report addressing the same matters required to be addressed under subsection (j)(2). The report shall describe any limitations with respect to the data contained in the report as a result of the size and design of the demonstration project.

''(l) APPLICATION OF MEDIGAP PROTECTIONS TO DEMONSTRATION PROJECT ENROLLEES.—(1) Subject to paragraph (2), the provisions of section 1882(s)(3) (other than clauses (i) through (iv) of subparagraph (B)) and 1882(s)(4) of the Social Security Act shall apply to enrollment (and termination of enrollment) in the demonstration project under this section, in the same manner as they apply to enrollment (and termination of enrollment) with a Medicare+Choice organization in a Medicare+Choice plan.

''(2) In applying paragraph (1)—

''(A) any reference in clause (v) or (vi) of section 1882(s)(3)(B) of such Act to 12 months is deemed a reference to 36 months; and

''(B) the notification required under section 1882(s)(3)(D) of such Act shall be provided in a manner specified by the Secretary of Defense in consultation with the Director of the Office of Personnel Management.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''1108. Health care coverage through Federal Employees Health Benefits program: demonstration project.''.

(b) CONFORMING AMENDMENTS.—Chapter 89 of title 5, United States Code, is amended—

(1) in section 8905—

(A) by redesignating subsections (d) through (f) as subsections (e) through (g), respectively; and

(B) by inserting after subsection (c) the following new subsection:

''(d) An individual whom the Secretary of Defense determines is an eligible beneficiary under subsection (b) of section 1108 of title 10 may enroll, as part of the demonstration project under such section, in a health benefits plan under this chapter in accordance with the agreement under subsection (a) of such section between the Secretary and the Office and applicable regulations under this chapter.'';

(2) in section 8906(b)—

(A) in paragraph (1), by striking ''paragraphs (2) and (3)'' and inserting in lieu thereof ''paragraphs (2), (3), and (4)''; and

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

''(4) In the case of persons who are enrolled in a health benefits plan as part of the demonstration project under section 1108 of title 10, the Government contribution shall be subject to the limitation set forth in subsection (i) of that section.'';

(3) in section 8906(g)—

(A) in paragraph (1), by striking ''paragraph (2)'' and inserting in lieu thereof ''paragraphs (2) and (3)''; and

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

''(3) The Government contribution for persons enrolled in a health benefits plan as part of the demonstration project under section 1108 of title 10 shall be paid as provided in subsection (i) of that section.''; and

(4) in section 8909, by adding at the end the following new subsection:

''(g) The fund described in subsection (a) is available to pay costs that the Office incurs for activities associated with implementation of the demonstration project under section 1108 of title 10.''.

SEC. 722. TRICARE AS SUPPLEMENT TO MEDICARE DEMONSTRATION.

(a) IN GENERAL.—(1) The Secretary of Defense shall, after consultation with the other administering Secretaries, carry out a demonstration project in order to assess the feasibility and advisability of providing medical care coverage under the TRICARE program to the individuals described in subsection (c). The demonstration project shall be known as the ''TRICARE Senior Supplement''.

(2) The Secretary shall commence the demonstration project not later than January 1, 2000, and shall terminate the demonstration project not later than December 31, 2002.

(3) Under the demonstration project, the Secretary shall permit eligible individuals described in subsection (c) to enroll in the TRICARE program.

(4) Payment for care and services received by eligible individuals who enroll in the TRICARE program under the demonstration project shall be made as follows:

(A) First, under title XVIII of the Social Security Act, but only to the extent that payment for such care and services is provided for under that title.

(B) Second, under the TRICARE program, but only to the extent that payment for such care and services is provided under that program and is not provided for under subparagraph (A).

(C) Third, by the eligible individual concerned, but only to the extent that payment for such care and services is not provided for under subparagraphs (A) or (B).

(5)(A) The Secretary shall require each eligible individual who enrolls in the TRICARE program under the demonstration project to pay an enrollment fee. The Secretary shall provide, to the extent feasible, the option of payment of the enrollment fee through electronic transfers of funds and through withholding of such payment from the pay of a member or former member of the Armed Forces, and shall provide the option that payment of the enrollment fee be made in full at the beginning of the enrollment period or that payments be made on a monthly or quarterly basis.

(B) The amount of the enrollment fee charged an eligible individual under subparagraph (A) for self only or family enrollment in any year may not exceed the amount equal to 75 percent of the total subscription charges in that year for self-only or family, respectively, fee-for-service coverage under the health benefits plan under the Federal Employees Health Benefits program under chapter 89 of title 5, United States Code, that is most similar in coverage to the TRICARE program.

(6) A covered beneficiary who enrolls in TRICARE Senior Supplement under this subsection shall not be eligible to receive health care at a facility of the uniformed services during the period such enrollment is in effect.

(b) EVALUATION; REVIEW.—(1) The Secretary shall provide for an evaluation of the demonstration project conducted under this subsection by an appropriate person or entity that is independent of the Department of Defense. The evaluation shall include the following:

(A) An analysis of the costs of the demonstration project to the United States and to the eligible individuals who participate in such demonstration project.

(B) An assessment of the extent to which the demonstration project satisfies the requirements of such eligible individuals for the health care services available under the demonstration project.

(C) An assessment of the effect, if any, of the demonstration project on military medical readiness.

(D) A description of the rate of the enrollment in the demonstration project of the individuals who were eligible to enroll in the demonstration project.

(E) An assessment of whether the demonstration project provides the most suitable model for a program to provide adequate health care services to the population of individuals consisting of the eligible individuals.

(F) An evaluation of any other matters that the Secretary considers appropriate.

(2) The Comptroller General shall review the evaluation conducted under paragraph (1). In carrying out the review, the Comptroller General shall—

(A) assess the validity of the processes used in the evaluation; and

(B) assess the validity of any findings under the evaluation, including any limitations with respect to the data contained in the evaluation as a result of the size and design of the demonstration project.

(3)(A) The Secretary shall submit a report on the results of the evaluation under paragraph (1), together with the evaluation, to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than December 31, 2002.

(B) The Comptroller General shall submit a report on the results of the review under paragraph (2) to the committees referred to in subparagraph (A) not later than February 15, 2003.

(c) ELIGIBLE INDIVIDUALS.—(1) An individual is eligible to participate under this section if the individual is a member or former member of the uniformed services described in section 1074(b) of title 10, United States Code, a dependent of the member described in section 1076(a)(2)(B) or 1076(b) of that title, or a dependent of a member of the uniformed services who died while on active duty for a period of more than 30 days, who—

(A) is 65 years of age or older;

(B) is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.);

(C) is enrolled in the supplemental medical insurance program under part B of such title XVIII (42 U.S.C. 1395j et seq.); and

(D) resides in an area selected by the Secretary under subsection (c).

(c) AREAS OF IMPLEMENTATION.—(1) The Secretary shall carry out the demonstration project under this section in two separate areas selected by the Secretary.

(2) The areas selected by the Secretary under paragraph (1) shall be as follows:

(A) One area shall be an area outside the catchment area of a military medical treatment facility in which—

(i) no eligible organization has a contract in effect under section 1876 of the Social Security Act (42 U.S.C. 1395mm) and no Medicare+Choice organization has a contract in effect under part C of title XVIII of that Act (42 U.S.C. 1395w–21); or

(ii) the aggregate number of enrollees with an eligible organization with a contract in effect under section 1876 of that Act or with a Medicare+Choice organization with a contract in effect under part C of title XVIII of that Act is less than 2.5 percent of the total number of individuals in the area who are entitled to hospital insurance benefits under part A of title XVIII of that Act.

(B) The other area shall be an area outside the catchment area of a military medical treatment facility in which—

(i) at least one eligible organization has a contract in effect under section 1876 of that Act or one Medicare+Choice organization has a contract in effect under part C of title XVIII of that Act; and

(ii) the aggregate number of enrollees with an eligible organization with a contract in effect under section 1876 of that Act or with a Medicare+Choice organization with a contract in effect under part C of title XVIII of that Act exceeds 10 percent of the total number of individuals in the area who are entitled to hospital insurance benefits under part A of title XVIII of that Act.

(d) DEFINITIONS.—In this section:

(1) The term ''administering Secretaries'' has the meaning given that term in section 1072(3) of title 10, United States Code.

(2) The term ''TRICARE program'' has the meaning given that term in section 1072(7) of title 10, United States Code.

SEC. 723. IMPLEMENTATION OF REDESIGN OF PHARMACY SYSTEM.

(a) IN GENERAL.—Not later than October 1, 1999, the Secretary of Defense shall implement, with respect to eligible individuals described in subsection (e) who reside in an area selected under subsection (f), the redesign of the pharmacy system under TRICARE (including the mail-order and retail pharmacy benefit under TRICARE) to incorporate ''best business practices'' of the private sector in providing pharmaceuticals, as developed under the plan described in section 703.

(b) COLLECTION OF PREMIUMS AND OTHER CHARGES.—The Secretary of Defense may collect from eligible individuals described in subsection (e) who participate in the redesigned pharmacy system any premiums, deductibles, copayments, or other charges that the Secretary would otherwise collect from individuals similar to such individuals.

(c) EVALUATION.—The Secretary shall provide for an evaluation of the implementation of the redesign of the pharmacy system under TRICARE under this section by an appropriate person or entity that is independent of the Department of Defense. The evaluation shall include the following:

(1) An analysis of the costs of the implementation of the redesign of the pharmacy system under TRICARE and to the eligible individuals who participate in the system.

(2) An assessment of the extent to which the implementation of such system satisfies the requirements of the eligible individuals for the health care services available under TRICARE.

(3) An assessment of the effect, if any, of the implementation of the system on military medical readiness.

(4) A description of the rate of the participation in the system of the individuals who were eligible to participate.

(5) An evaluation of any other matters that the Secretary considers appropriate.

(d) REPORTS.—The Secretary shall submit two reports on the results of the evaluation under subsection (c), together with the evaluation, to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives. The first report shall be submitted not later than December 31, 2000, and the second report shall be submitted not later than December 31, 2002.

(e) ELIGIBLE INDIVIDUALS.—(1) An individual is eligible to participate under this section if the individual is a member or former member of the uniformed services described in section 1074(b) of title 10, United States Code, a dependent of the member described in section 1076(a)(2)(B) or 1076(b) of that title, or a dependent of a member of the uniformed services who died while on active duty for a period of more than 30 days, who—

(A) is 65 years of age or older;

(B) is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.);

(C) except as provided in paragraph (2), is enrolled in the supplemental medical insurance program under part B of such title XVIII (42 U.S.C. 1395j et seq.); and

(D) resides in an area selected by the Secretary under subsection (f).

(2) Paragraph (1)(C) shall not apply in the case of an individual who at the time of attaining the age of 65 lived within 100 miles of the catchment area of a military medical treatment facility.

(f) AREAS OF IMPLEMENTATION.—(1) The Secretary shall carry out the implementation of the redesign of the pharmacy system under TRICARE in two separate areas selected by the Secretary.

(2) The areas selected by the Secretary under paragraph (1) shall be as follows:

(A) One area shall be an area outside the catchment area of a military medical treatment facility in which—

(i) no eligible organization has a contract in effect under section 1876 of the Social Security Act (42 U.S.C. 1395mm) and no Medicare+Choice organization has a contract in effect under part C of title XVIII of that Act (42 U.S.C. 1395w–21); or

(ii) the aggregate number of enrollees with an eligible organization with a contract in effect under section 1876 of that Act or with a Medicare+Choice organization with a contract in effect under part C of title XVIII of that Act is less than 2.5 percent of the total number of individuals in the area who are entitled to hospital insurance benefits under part A of title XVIII of that Act.

(B) The other area shall be an area outside the catchment area of a military medical treatment facility in which—

(i) at least one eligible organization has a contract in effect under section 1876 of that Act or one Medicare+Choice organization has a contract in effect under part C of title XVIII of that Act; and

(ii) the aggregate number of enrollees with an eligible organization with a contract in effect under section 1876 of that Act or with a Medicare+Choice organization with a contract in effect under part C of title XVIII of that Act exceeds 10 percent of the total number of individuals in the area who are entitled to hospital insurance benefits under part A of title XVIII of that Act.

SEC. 724. COMPREHENSIVE EVALUATION OF IMPLEMENTATION OF DEMONSTRATION PROJECTS AND TRICARE PHARMACY REDESIGN.

Not later than March 31, 2003, the Comptroller General shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report containing a comprehensive comparative analysis of the FEHBP demonstration project conducted under section 1108 of title 10, United States Code (as added by section 721), the TRICARE Senior Supplement under section 722, and the redesign of the TRICARE pharmacy system under section 723. The comprehensive analysis shall incorporate the findings of the evaluation submitted under section 723(c) and the report submitted under subsection (j) of such section 1108.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

SEC. 731. PROCESS FOR WAIVING INFORMED CONSENT REQUIREMENT FOR ADMINISTRATION OF CERTAIN DRUGS TO MEMBERS OF ARMED FORCES FOR PURPOSES OF A PARTICULAR MILITARY OPERATION.

(a) LIMITATION AND WAIVER.—(1) Section 1107 of title 10, United States Code, is amended—

(A) by redesignating subsection (f) as subsection (g); and

(B) by inserting after subsection (e) the following new subsection (f):

''(f) LIMITATION AND WAIVER.—(1) In the case of the administration of an investigational new drug or a drug unapproved for its applied use to a member of the armed forces in connection with the member's participation in a particular military operation, the requirement that the member provide prior consent to receive the drug in accordance with the prior consent requirement imposed under section 505(i)(4) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C.

355(i)(4)) may be waived only by the President. The President may grant such a waiver only if the President determines, in writing, that obtaining consent—

''(A) is not feasible;

''(B) is contrary to the best interests of the member; or

''(C) is not in the interests of national security.

''(2) In making a determination to waive the prior consent requirement on a ground described in subparagraph (A) or (B) of paragraph (1), the President shall apply the standards and criteria that are set forth in the relevant FDA regulations for a waiver of the prior consent requirement on that ground.

''(3) The Secretary of Defense may request the President to waive the prior consent requirement with respect to the administration of an investigational new drug or a drug unapproved for its applied use to a member of the armed forces in connection with the member's participation in a particular military operation. With respect to any such administration—

''(A) the Secretary may not delegate to any other official the authority to request the President to waive the prior consent requirement for the Department of Defense; and

''(B) if the President grants the requested waiver, the Secretary shall submit to the chairman and ranking minority member of each congressional defense committee a notification of the waiver, together with the written determination of the President under paragraph (1) and the Secretary's justification for the request or requirement under subsection (a) for the member to receive the drug covered by the waiver.

''(4) In this subsection:

''(A) The term 'relevant FDA regulations' means the regulations promulgated under section 505(i) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(i)).

''(B) The term 'prior consent requirement' means the requirement included in the relevant FDA regulations pursuant to section 505(i)(4) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(i)(4)).

''(C) The term 'congressional defense committee' means each of the following:

''(i) The Committee on Armed Services and the Committee on Appropriations of the Senate.

''(ii) The Committee on National Security and the Committee on Appropriations of the House of Representatives.''.

(2) Subsection (f) of section 1107 of title 10, United States Code (as added by paragraph (1)), shall apply to the administration of an investigational new drug or a drug unapproved for its applied use to a member of the Armed Forces in connection with the member's participation in a particular military operation on or after the date of the enactment of this Act.

(3) A waiver of the requirement for prior consent imposed under the regulations required under paragraph (4) of section 505(i) of the Federal Food, Drug, and Cosmetic Act (or under any antecedent provision of law or regulations) that has been granted under that section (or antecedent provision of law or regulations) before the date of the enactment of this Act for the administration of a drug to a member of the Armed Forces in connection with the member's participation in a particular military operation may be applied in that case after that date only if—

(A) the Secretary of Defense personally determines that the waiver is justifiable on each ground on which the waiver was granted;

(B) the President concurs in that determination in writing; and

(C) the Secretary submits to the chairman and ranking minority member of each congressional committee referred to in section 1107(f)(4)(C) of title 10, United States Code (as added by paragraph (1))—

(i) a notification of the waiver;

(ii) the President's written concurrence; and

(iii) the Secretary's justification for the request or for the requirement under subsection 1107(a) of such title for the member to receive the drug covered by the waiver.

(b) TIME AND FORM OF NOTICE.—(1) Subsection (b) of such section is amended by striking out '', if practicable'' and all that follows through ''first administered to the member''.

(2) Subsection (c) of such section is amended by striking out ''unless the Secretary of Defense determines'' and all that follows through ''alternative method''.

SEC. 732. HEALTH BENEFITS FOR ABUSED DEPENDENTS OF MEMBERS OF THE ARMED FORCES.

Section 1076(e) of title 10, United States Code, is amended—

(1) by amending paragraph (1) to read as follows:

''(1) Subject to paragraph (3), the administering Secretary shall furnish an abused dependent of a former member of a uniformed service described in paragraph (4), during that period that the abused dependent is in receipt of transitional compensation under section 1059 of this title, with medical and dental care, including mental health services, in facilities of the uniformed services in accordance with the same eligibility and benefits as were applicable for that abused dependent during the period of active service of the former member.''; and

(2) in paragraph (3)—

(A) by adding ''and'' at the end of subparagraph (A);

(B) by striking ''; and'' at the end of subparagraph (B) and inserting a period; and

(C) by striking subparagraph (C).

SEC. 733. PROVISION OF HEALTH CARE AT MILITARY ENTRANCE PROCESSING STATIONS AND ELSEWHERE OUTSIDE MEDICAL TREATMENT FACILITIES.

(a) EXTENSION OF AUTHORIZATION FOR USE OF PERSONAL SERVICES CONTRACTS.—Section 1091(a)(2) of title 10, United States Code, is amended in the second sentence by striking out ''the end of the one-year period beginning on the date of the enactment of this paragraph'' and inserting in lieu thereof ''December 31, 2000''.

(b) TEST OF ALTERNATIVE PROCESS FOR CONDUCTING MEDICAL SCREENINGS FOR ENLISTMENT QUALIFICATION.—(1) The Secretary of Defense shall conduct a test to—

(A) determine whether the use of an alternative to the system currently used by the Department of Defense of employing fee-basis physicians for determining the medical qualifications for enlistment of applicants for military service would reduce the number of disqualifying medical conditions that are detected during the initial entry training of such applicants;

(B) determine whether any savings or cost avoidance may be achieved through use of an alternative system as a result of any increased detection of disqualifying medical conditions before entry by applicants into initial entry training; and

(C) compare the capability of an alternative system to meet or exceed the cost, responsiveness, and timeliness standards of the system currently used by the Department.

(2) The alternative system described in paragraph (1) may include the system used under the TRICARE system, the health-care system of the Department of Veterans Affairs, or any other system, or combination of systems, considered appropriate by the Secretary.

(3) Not later than March 1, 2000, the Secretary shall submit to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate a report on the results and findings of the test conducted under paragraph (1).

SEC. 734. PROFESSIONAL QUALIFICATIONS OF PHYSICIANS PROVIDING MILITARY HEALTH CARE.

(a) REQUIREMENT FOR UNRESTRICTED LICENSE.—Section 1094(a)(1) of title 10, United States Code, is amended by adding at the end the following: ''In the case of a physician, the physician may not provide health care as a physician under this chapter unless the current license is an unrestricted license that is not subject to limitation on the scope of practice ordinarily granted to other physicians for a similar specialty by the jurisdiction that granted the license.''.

(b) SATISFACTION OF CONTINUING MEDICAL EDUCATION REQUIREMENTS.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1094 the following new section:

''§ 1094a. Continuing medical education requirements: system for monitoring physician compliance

''The Secretary of Defense shall establish a mechanism for ensuring that each person under the jurisdiction of the Secretary of a military department who provides health care under this chapter as a physician satisfies the continuing medical education requirements applicable to the physician.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1094 the following new item:

''1094a. Continuing medical education requirements: system for monitoring physician compliance.''.

(c) EFFECTIVE DATES.—(1) The amendment made by subsection (a) shall take effect on October 1, 1999.

(2) The system required by section 1094a of title 10, United States Code (as added by subsection (b)), shall take effect on the date that is three years after the date of the enactment of this Act.

Subtitle E—Other Matters

SEC. 741. ENHANCED DEPARTMENT OF DEFENSE ORGAN AND TISSUE DONOR PROGRAM.

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

(1) Organ and tissue transplantation is one of the most remarkable medical success stories in the history of medicine.

(2) Each year, the number of people waiting for organ or tissue transplantation increases. It is estimated that there are approximately 39,000 patients, ranging in age from babies to those in retirement, awaiting transplants of kidneys, hearts, livers, and other solid organs.

(3) The Department of Defense has made significant progress in increasing the awareness of the importance of organ and tissue donations among members of the Armed Forces.

(4) The inclusion of organ and tissue donor elections in the Defense Enrollment Eligibility Reporting System (DEERS) central database represents a major step in ensuring that organ and tissue donor elections are a matter of record and are accessible in a timely manner.

(b) RESPONSIBILITIES REGARDING ORGAN AND TISSUE DONATION.—(1) Chapter 55 of title 10, United States Code, is amended by adding after section 1108, as added by section 721(a)(1), the following new section:

''§ 1109. Organ and tissue donor program

''(a) RESPONSIBILITIES OF THE SECRETARY OF DEFENSE.—The Secretary of Defense shall ensure that the advanced systems developed for recording armed forces members' personal data and information (such as the SMARTCARD, MEDITAG, and Personal Information Carrier) include the capability to record organ and tissue donation elections.

''(b) RESPONSIBILITIES OF THE SECRETARIES OF THE MILITARY DEPARTMENTS.—(1) The Secretaries of the military departments shall ensure that—

''(1) appropriate information about organ and tissue donation is provided—

''(A) to each officer candidate during initial training; and

''(B) to each recruit—

''(i) after completion by the recruit of basic training; and

''(ii) before arrival of the recruit at the first duty assignment of the recruit;

''(2) members of the armed forces are given recurring, specific opportunities to elect to be organ or tissue donors during service in the armed forces and upon retirement; and

''(3) members of the armed forces electing to be organ or tissue donors are encouraged to advise their next of kin concerning the donation decision and any subsequent change of that decision.

''(c) RESPONSIBILITIES OF THE SURGEONS GENERAL OF THE MILITARY DEPARTMENTS.—The Surgeons General of the military departments shall ensure that—

''(1) appropriate training is provided to enlisted and officer medical personnel to facilitate the effective operation of organ and tissue donation activities under garrison conditions and, to the extent possible, under operational conditions; and

''(2) medical logistical activities can, to the extent possible without jeopardizing operational requirements, support an effective organ and tissue donation program.''.

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 1108, as added by section 721(a)(2), the following new item:

''1109. Organ and tissue donor program.''.

(c) REPORT.—Not later than September 1, 1999, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the implementation of section 1109 of title 10, United States Code (as added by subsection (b).

SEC. 742. AUTHORIZATION TO ESTABLISH A LEVEL 1 TRAUMA TRAINING CENTER.

The Secretary of the Army is hereby authorized to establish a Level 1 Trauma Training Center (as designated by the American College of Surgeons) in order to provide the Army with a trauma center capable of training forward surgical teams.

SEC. 743. AUTHORITY TO ESTABLISH CENTER FOR STUDY OF POST-DEPLOYMENT HEALTH CONCERNS OF MEMBERS OF THE ARMED FORCES.

The Secretary of Defense is hereby authorized to establish a center devoted to a longitudinal study to evaluate data on the health conditions of members of the Armed Forces upon their return from deployment on military operations for purposes of ensuring the rapid identification of any trends in diseases, illnesses, or injuries among such members as a result of such operations.

SEC. 744. REPORT ON IMPLEMENTATION OF ENROLLMENT-BASED CAPITATION FOR FUNDING FOR MILITARY MEDICAL TREATMENT FACILITIES.

(a) REPORT REQUIRED.—The Secretary of Defense shall submit to Congress a report on the potential impact of using an enrollment-based capitation methodology to allocate funds for military medical treatment facilities. The report shall address the following:

(1) A description of the plans of the Secretary to implement an enrollment-based capitation methodology for military medical treatment facilities and with respect to contracts for the delivery of health care under the TRICARE program.

(2) The justifications for implementing an enrollment-based capitation methodology without first conducting a demonstration project for implementation of such methodology.

(3) The impact that implementation of an enrollment based capitation methodology would have on the provision of space-available care at military medical treatment facilities, particularly in the case of care for—

(A) military retirees entitled who are entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.); and

(B) covered beneficiaries under chapter 55 of title 10, United States Code, who reside outside the catchment area of a military medical treatment facility.

(4) The impact that implementation of an enrollment-based capitation methodology would have with respect to the pharmacy benefits provided at military medical treatment facilities, given that the enrollment-based capitation methodology would fund military medical treatment facilities based on the number of members at such facilities enrolled in TRICARE Prime, but all covered beneficiaries may fill prescriptions at military medical treatment facility pharmacies.

(5) An explanation of how additional funding will be provided for a military medical treatment facility if an enrollment-based capitation methodology is implemented to ensure that space-available care and pharmacy coverage can be provided to covered beneficiaries who are not enrolled at the military medical treatment facility, and the amount of funding that will be available.

(6) An explanation of how implementation of an enrollment-based capitation methodology would impact the provision of uniform benefits under TRICARE Prime, and how the Secretary would ensure, if such methodology were implemented, that the provision of health care under TRICARE Prime would not be bifurcated between the provision of such care at military medical treatment facilities and the provision of such care from civilian providers.

(b) DEADLINE FOR SUBMISSION.—The Secretary shall submit the report required by subsection (a) not later than March 1, 1999.

SEC. 745. JOINT DEPARTMENT OF DEFENSE AND DEPARTMENT OF VETERANS AFFAIRS REPORTS RELATING TO INTERDEPARTMENTAL COOPERATION IN THE DELIVERY OF MEDICAL CARE.

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

(1) The military health care system of the Department of Defense and the Veterans Health Administration of the Department of Veterans Affairs are national institutions that collectively manage more than 1,500 hospitals, clinics, and health care facilities worldwide to provide services to more than 11,000,000 beneficiaries.

(2) In the post-Cold War era, these institutions are in a profound transition that involves challenging opportunities.

(3) During the period from 1988 to 1998, the number of military medical personnel has declined by 15 percent and the number of military hospitals has been reduced by one-third.

(4) During the two years since 1996, the Department of Veterans Affairs has revitalized its structure by decentralizing authority into 22 Veterans Integrated Service Networks.

(5) In the face of increasing costs of medical care, increased demands for health care services, and increasing budgetary constraints, the Department of Defense and the Department of Veterans Affairs have embarked on a variety of dynamic and innovative cooperative programs ranging from shared services to joint venture operations of medical facilities.

(6) In 1984, there was a combined total of 102 Department of Veterans Affairs and Department of Defense facilities with sharing agreements. By 1997, that number had grown to 420. During the six years from fiscal year 1992 through fiscal year 1997, shared services increased from slightly over 3,000 services to more than 6,000 services, ranging from major medical and surgical services, laundry, blood, and laboratory services to unusual speciality care services.

(7) The Department of Defense and the Department of Veterans Affairs are conducting four health care joint ventures in New Mexico, Nevada, Texas, and Oklahoma, and are planning to conduct four more such ventures in Alaska, Florida, Hawaii, and California.

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

(1) the Department of Defense and the Department of Veterans Affairs should be commended for the cooperation between the two departments in the delivery of medical care, of which the cooperation involved in the establishment and operation of the Department of Defense and the Department of Veterans Affairs Executive Council is a praiseworthy example;

(2) the Department of Defense and the Department of Veterans Affairs are encouraged to continue to explore new opportunities to enhance the availability and delivery of medical care to beneficiaries by further enhancing the cooperative efforts of the departments; and

(3) enhanced cooperation between the Department of Defense and the Department of Veterans Affairs is encouraged regarding—

(A) the general areas of access to quality medical care, identification and elimination of impediments to enhanced cooperation, and joint research and program development; and

(B) the specific areas in which there is significant potential to achieve progress in cooperation in a short term, including computerization of patient records systems, participation of the Department of Veterans Affairs in the TRICARE program, pharmaceutical programs, and joint physical examinations.

(c) JOINT SURVEY OF POPULATIONS SERVED.—(1) The Secretary of Defense and the Secretary of Veterans Affairs shall jointly conduct a survey of their respective medical care beneficiary populations to identify, by category of beneficiary (defined as the Secretaries consider appropriate), the expectations of, requirements for, and behavior patterns of the beneficiaries with respect to medical care. The two Secretaries shall develop the protocol for the survey jointly, but shall obtain the services of an entity independent of the Department of Defense and the Department of Veterans Affairs to carry out the survey.

(2) The survey shall include the following:

(A) Demographic characteristics, economic characteristics, and geographic location of beneficiary populations with regard to catchment or service areas.

(B) The types and frequency of care required by veterans, retirees, and dependents within catchment or service areas of Department of Defense and Department of Veterans Affairs medical facilities and outside those areas.

(C) The numbers of, characteristics of, and types of medical care needed by the veterans, retirees, and dependents who, though eligible for medical care in Department of Defense or Department of Veterans Affairs treatment facilities or through other federally funded medical programs, choose not to seek medical care from those facilities or under those programs, and the reasons for that choice.

(D) The obstacles or disincentives for seeking medical care from such facilities or under such programs that are perceived by veterans, retirees, and dependents.

(E) Any other matters that the Secretary of Defense and the Secretary of Veterans Affairs consider appropriate for the survey.

(3) The Secretary of Defense or the Secretary of Veterans Affairs may waive the survey requirements under this subsection with respect to information that can be better obtained from a source other than the survey.

(4) The Secretary of Defense and the Secretary of Veterans Affairs shall submit a report on the results of the survey to the appropriate committees of Congress. The report shall contain the matters described in paragraph (2) and any proposals for legislation that the Secretaries recommend for enhancing Department of Defense and Department of Veterans Affairs cooperative efforts with respect to the delivery of medical care.

(d) REVIEW OF LAW AND POLICIES.—(1) The Secretary of Defense and the Secretary of Veterans Affairs shall jointly conduct a review to identify impediments to cooperation between the Department of Defense and the Department of Veterans Affairs regarding the delivery of medical care. The matters reviewed shall include the following:

(A) All laws, policies, and regulations, and any attitudes of beneficiaries of the health care systems of the two departments, that have the effect of preventing the establishment, or limiting the effectiveness, of cooperative health care programs of the departments.

(B) The requirements and practices involved in the credentialling and licensure of health care providers.

(C) The perceptions of beneficiaries in a variety of categories (defined as the Secretaries consider appropriate) regarding the various Federal health care systems available for their use.

(D) The types and frequency of medical services furnished by the Department of Defense and the Department of Veterans Affairs through cooperative arrangements to each category of beneficiary (including active-duty members, retirees, dependents, veterans in the health-care eligibility categories referred to as Category A and Category C, and persons authorized to receive medical care under section 1713 of title 38, United States Code) of the other department.

(E) The extent to which health care facilities of the Department of Defense and Department of Veterans Affairs have sufficient capacity, or could jointly or individually create sufficient capacity, to provide services to beneficiaries of the other department without diminution of access or services to their primary beneficiaries.

(F) The extent to which the recruitment of scarce medical specialists and allied health personnel by the Department of Defense and the Department of Veterans Affairs could be enhanced through cooperative arrangements for providing health care services.

(G) The obstacles and disincentives to providing health care services through cooperative arrangements between the Department of Defense and the Department of Veterans Affairs.

(2) The Secretaries shall jointly submit a report on the results of the review to the appropriate committees of Congress. The report shall include any proposals for legislation that the Secretaries recommend for eliminating or reducing impediments to interdepartmental cooperation that are identified during the review.

(e) PARTICIPATION IN TRICARE.—(1) The Secretary of Defense shall review the TRICARE program to identify opportunities for increased participation by the Department of Veterans Affairs in that program. The ongoing collaboration between Department of Defense officials and Department of Veterans Affairs officials regarding increased participation shall be included among the matters reviewed.

(2) The Secretary of Defense and the Secretary of Veterans Affairs shall jointly submit to the appropriate committees of Congress a semiannual report on the status of the review under this subsection and on efforts to increase the participation of the Department of Veterans Affairs in the TRICARE program. No report is required under this paragraph after the submission of a semiannual report in which the Secretaries declare that the Department of Veterans Affairs is participating in the TRICARE program to the extent that can reasonably be expected to be attained.

(f) PHARMACEUTICAL BENEFITS AND PROGRAMS.—(1) The Department of Defense-Department of Veterans Affairs Federal Pharmacy Executive Steering Committee shall—

(A) undertake a comprehensive examination of existing pharmaceutical benefits and programs for beneficiaries of Department of Defense medical care programs, including matters relating to the purchasing, distribution, and dispensing of pharmaceuticals and the management of mail order pharmaceuticals programs; and

(B) review the existing methods for contracting for and distributing medical supplies and services.

(2) The committee shall submit a report on the results of the examination to the appropriate committees of Congress.

(g) STANDARDIZATION OF PHYSICAL EXAMINATIONS FOR DISABILITY.—The Secretary of Defense and the Secretary of Veterans Affairs shall jointly submit to the appropriate committees of Congress a report on the status of the efforts of the Department of Defense and the Department of Veterans Affairs to standardize physical examinations administered by the two departments for the purpose of determining or rating disabilities.

(h) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—For the purposes of this section, the appropriate committees of Congress are as follows:

(1) The Committee on Armed Services and the Committee on Veterans' Affairs of the Senate.

(2) The Committee on National Security and the Committee on Veterans' Affairs of the House of Representatives.

(i) DEADLINES FOR SUBMISSION OF REPORTS.—(1) The report required by subsection (c)(3) shall be submitted not later than January 1, 2000.

(2) The report required by subsection (d)(2) shall be submitted not later than March 1, 1999.

(3) The semiannual report required by subsection (e)(2) shall be submitted not later than March 1 and September 1 of each year.

(4) The report on the examination required under subsection (f) shall be submitted not later than 60 days after the completion of the examination.

(5) The report required by subsection (g) shall be submitted not later than March 1, 1999.

SEC. 746. REPORT ON RESEARCH AND SURVEILLANCE ACTIVITIES REGARDING LYME DISEASE AND OTHER TICK-BORNE DISEASES.

Not later than April 1, 1999, the Secretary of Defense shall submit to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate a report on the current and recommended levels of research and surveillance activities regarding Lyme disease and other tick-borne diseases among members of the Armed Forces. The report shall include the following:

(1) An analysis of the current and projected threat to the operational readiness of the Armed Forces posed by Lyme disease and other tick-borne diseases in the United States and in overseas locations at which members of the Armed Forces might be deployed.

(2) A review of the current research efforts being implemented to prevent the contraction of Lyme disease and other tick-borne diseases by members of the Armed Forces, and to enhance the early identification of such diseases once they have been contracted.

(3) An assessment of the adequacy of existing and projected funding levels for research and surveillance activities relating to Lyme disease and other tick-borne diseases among members of the Armed Forces.

(4) The recommended funding levels necessary to address the threats posed to the operational readiness of the Armed Forces by Lyme disease and other tick-borne diseases.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Amendments to General Contracting Authorities, Procedures, and Limitations

Sec. 801. Limitation on use of price preference upon achievement of contract goal for small and disadvantaged businesses.
Sec. 802. Distribution of assistance under the Procurement Technical Assistance Cooperative Agreement Program.
Sec. 803. Defense commercial pricing management improvement.
Sec. 804. Modification of senior executives covered by limitation on allowability of compensation for certain contractor personnel.
Sec. 805. Separate determinations of exceptional waivers of truth in negotiation requirements for prime contracts and subcontracts.
Sec. 806. Procurement of conventional ammunition.
Sec. 807. Para-aramid fibers and yarns.
Sec. 808. Clarification of responsibility for submission of information on prices previously charged for property or services offered.
Sec. 809. Amendments and study relating to procurement from firms in industrial base for production of small arms.

Subtitle B—Other Matters

Sec. 811. Eligibility of involuntarily downgraded employee for membership in an acquisition corps.
Sec. 812. Time for submission of annual report relating to Buy American Act.
Sec. 813. Procurement of travel services for official and unofficial travel under one contract.
Sec. 814. Department of Defense purchases through other agencies.
Sec. 815. Supervision of defense acquisition university structure by Under Secretary of Defense for Acquisition and Technology.
Sec. 816. Pilot programs for testing program manager performance of product support oversight responsibilities for life cycle of acquisition programs.
Sec. 817. Scope of protection of certain information from disclosure.
Sec. 818. Plan for rapid transition from completion of small business innovation research into defense acquisition programs.
Sec. 819. Five-year authority for Secretary of the Navy to exchange certain items.
Sec. 820. Permanent authority for use of major range and test facility installations by commercial entities.
Sec. 821. Inventory exchange authorized for certain fuel delivery contract.

Subtitle A—Amendments to General Contracting Authorities, Procedures, and Limitations

SEC. 801. LIMITATION ON USE OF PRICE PREFERENCE UPON ACHIEVEMENT OF CONTRACT GOAL FOR SMALL AND DISADVANTAGED BUSINESSES.

Section 2323(e)(3) of title 10, United States Code, is amended—

(1) by inserting ''(A)'' after ''(3)'';

(2) by inserting '', except as provided in subparagraph (B),'' after ''the head of an agency may'' in the first sentence; and

(3) by adding at the end the following:

''(B)(i) The Secretary of Defense may not exercise the authority under subparagraph (A) to enter into a contract for a price exceeding fair market cost if the regulations implementing that authority are suspended under clause (ii) with respect to that contract.

''(ii) At the beginning of each fiscal year, the Secretary shall determine, on the basis of the most recent data, whether the Department of Defense achieved the 5 percent goal described in subsection (a) during the fiscal year to which the data relates. Upon determining that the Department achieved the goal for the fiscal year to which the data relates, the Secretary shall issue a suspension, in writing, of the regulations that implement the authority under subparagraph (A). Such a suspension shall be in effect for the one-year period beginning 30 days after the date on which the suspension is issued and shall apply with respect to contracts awarded pursuant to solicitations issued during that period.

''(iii) For purposes of clause (ii), the term 'most recent data' means data relating to the most recent fiscal year for which data are available.''.

SEC. 802. DISTRIBUTION OF ASSISTANCE UNDER THE PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM.

(a) CORRECTION OF DESCRIPTION OF GEOGRAPHIC UNIT.—(1) Section 2413(c) of title 10, United States Code, is amended by striking out ''region'' and inserting in lieu thereof ''district''.

(2) Section 2415 of such title is amended—

(A) by striking out ''region'' and inserting in lieu thereof ''district'' each place it appears; and

(B) by striking out ''regions'' and inserting in lieu thereof ''districts''.

(b) TECHNICAL AMENDMENT.—Section 2415 of such title is amended by striking out ''Defense Contract Administrative Services'' and inserting in lieu thereof ''Department of Defense contract administrative services''.

SEC. 803. DEFENSE COMMERCIAL PRICING MANAGEMENT IMPROVEMENT.

(a) MODIFICATION OF PRICING REGULATIONS FOR CERTAIN COMMERCIAL ITEMS EXEMPT FROM COST OR PRICING DATA CERTIFICATION REQUIREMENTS.—(1) The Federal Acquisition Regulation issued in accordance with sections 6 and 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 405, 421) shall be revised to clarify the procedures and methods to be used for determining the reasonableness of prices of exempt commercial items (as defined in subsection (d)).

(2) The regulations shall, at a minimum, provide specific guidance on—

(A) the appropriate application and precedence of such price analysis tools as catalog-based pricing, market-based pricing, historical pricing, parametric pricing, and value analysis;

(B) the circumstances under which contracting officers should require offerors of exempt commercial items to provide—

(i) information on prices at which the offeror has previously sold the same or similar items; or

(ii) other information other than certified cost or pricing data;

(C) the role and responsibility of Department of Defense support organizations in procedures for determining price reasonableness; and

(D) the meaning and appropriate application of the term ''purposes other than governmental purposes'' in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

(3) This subsection shall cease to be effective one year after the date on which final regulations prescribed pursuant to paragraph (1) take effect.

(b) UNIFIED MANAGEMENT OF PROCUREMENT OF EXEMPT COMMERCIAL ITEMS.—The Secretary of Defense shall develop and implement procedures to ensure that, whenever appropriate, a single item manager or contracting officer is responsible for negotiating and entering into all contracts from a single contractor for the procurement of exempt commercial items or for the procurement of items in a category of exempt commercial items.

(c) COMMERCIAL PRICE TREND ANALYSIS.—(1) The Secretary of Defense shall develop and implement procedures that, to the maximum extent that is practicable and consistent with the efficient operation of the Department of Defense, provide for the collection and analysis of information on price trends for categories of exempt commercial items described in paragraph (2).

(2) A category of exempt commercial items referred to in paragraph (1) consists of exempt commercial items—

(A) that are in a single Federal Supply Group or Federal Supply Class, are provided by a single contractor, or are otherwise logically grouped for the purpose of analyzing information on price trends; and

(B) for which there is a potential for the price paid to be significantly higher (on a percentage basis) than the prices previously paid in procurements of the same or similar items for the Department of Defense, as determined by the head of the procuring Department of Defense agency or the Secretary of the procuring military department on the basis of criteria prescribed by the Secretary of Defense.

(3) The head of a Department of Defense agency or the Secretary of a military department shall take appropriate action to address any unreasonable escalation in prices being paid for items procured by that agency or military department as identified in an analysis conducted pursuant to paragraph (1).

(4) Not later than April 1 of each of fiscal years 2000, 2001, and 2002, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the analyses of price trends that were conducted for categories of exempt commercial items during the preceding fiscal year under the procedures prescribed pursuant to paragraph (1). The report shall include a description of the actions taken to identify and address any unreasonable price escalation for the categories of items.

(d) EXEMPT COMMERCIAL ITEMS DEFINED.—For the purposes of this section, the term ''exempt commercial item'' means a commercial item that is exempt under subsection (b)(1)(B) of section 2306a of title 10, United States Code, or subsection (b)(1)(B) of section 304A of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b), from the requirements for submission of certified cost or pricing data under that section.

SEC. 804. MODIFICATION OF SENIOR EXECUTIVES COVERED BY LIMITATION ON ALLOWABILITY OF COMPENSATION FOR CERTAIN CONTRACTOR PERSONNEL.

(a) ARMED SERVICES ACQUISITIONS.—Section 2324(l)(5) of title 10, United States Code, is amended to read as follows:

''(5) The term 'senior executives', with respect to a contractor, means the five most highly compensated employees in management positions at each home office and each segment of the contractor.''.

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 306(m)(2) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 256(m)(2)) is amended to read as follows:

''(2) The term 'senior executives', with respect to a contractor, means the five most highly compensated employees in management positions at each home office and each segment of the contractor.''.

(c) CONFORMING AMENDMENTS.—(1) Section 39(c)(2) of the Office of Federal Procurement Policy Act (41 U.S.C. 435(c)(2)) is amended to read as follows:

''(2) The term 'senior executives', with respect to a contractor, means the five most highly compensated employees in management positions at each home office and each segment of the contractor.''.

(2) Section 808(g)(2) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1838) is amended by striking out ''senior executive'' and inserting in lieu thereof ''senior executives''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to costs of compensation of senior executives incurred after January 1, 1999, under covered contracts (as defined in section 2324(l) of title 10, United States Code, and section 306(l) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C.256(l)) entered into before, on, or after the date of the enactment of this Act.

SEC. 805. SEPARATE DETERMINATIONS OF EXCEPTIONAL WAIVERS OF TRUTH IN NEGOTIATION REQUIREMENTS FOR PRIME CONTRACTS AND SUBCONTRACTS.

(a) ARMED SERVICES ACQUISITIONS.—Section 2306a(a)(5) of title 10, United States Code, is amended to read as follows:

''(5) A waiver of requirements for submission of certified cost or pricing data that is granted under subsection (b)(1)(C) in the case of a contract or subcontract does not waive the requirement under paragraph (1)(C) for submission of cost or pricing data in the case of subcontracts under that contract or subcontract unless the head of the procuring activity granting the waiver determines that the requirement under that paragraph should be waived in the case of such subcontracts and justifies in writing the reasons for the determination.''.

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 304A(a)(5) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b(a)(5)) is amended to read as follows:

''(5) A waiver of requirements for submission of certified cost or pricing data that is granted under subsection (b)(1)(C) in the case of a contract or subcontract does not waive the requirement under paragraph (1)(C) for submission of cost or pricing data in the case of subcontracts under that contract or subcontract unless the head of the procuring activity granting the waiver determines that the requirement under that paragraph should be waived in the case of such subcontracts and justifies in writing the reasons for the determination.''.

SEC. 806. PROCUREMENT OF CONVENTIONAL AMMUNITION.

(a) AUTHORITY.—The official in the Department of Defense designated as the single manager for conventional ammunition in the Department shall have the authority to restrict the procurement of conventional ammunition to sources within the national technology and industrial base in accordance with the authority in section 2304(c) of title 10, United States Code.

(b) REQUIREMENT.—The official in the Department of Defense designated as the single manager for conventional ammunition in the Department of Defense shall limit a specific procurement of ammunition to sources within the national technology and industrial base in accordance with section 2304(c)(3) of title 10, United States Code, in any case in which that manager determines that such limitation is necessary to maintain a facility, producer, manufacturer, or other supplier available for furnishing an essential item of ammunition or ammunition component in cases of national emergency or to achieve industrial mobilization.

(c) CONVENTIONAL AMMUNITION DEFINED.—For purposes of this section, the term ''conventional ammunition'' has the meaning given that term in Department of Defense Directive 5160.65, dated March 8, 1995.

SEC. 807. PARA-ARAMID FIBERS AND YARNS.

(a) AUTHORITY.—The Secretary of Defense may procure articles containing para-aramid fibers and yarns manufactured in a foreign country referred to in subsection (d) if the Secretary determines that—

(1) procuring articles that contain only para-aramid fibers and yarns manufactured from suppliers within the national technology and industrial base would result in sole-source contracts or subcontracts for the supply of such para-aramid fibers and yarns; and

(2) such sole-source contracts or subcontracts would not be in the best interests of the Government or consistent with the objectives of section 2304 of title 10, United States Code.

(b) SUBMISSION TO CONGRESS.—Not later than 30 days after making a determination under subsection (a), the Secretary shall submit to Congress a copy of the determination.

(c) APPLICABILITY TO SUBCONTRACTS.—The authority under subsection (a) applies with respect to subcontracts under Department of Defense contracts as well as to such contracts.

(d) FOREIGN COUNTRIES COVERED.—The authority under subsection (a) applies with respect to a foreign country that—

(1) is a party to a defense memorandum of understanding entered into under section 2531 of this title; and

(2) permits United States firms that manufacture para-aramid fibers and yarns to compete with foreign firms for the sale of para-aramid fibers and yarns in that country, as determined by the Secretary of Defense.

(e) DEFINITION.—In this section, the term ''national technology and industrial base'' has the meaning given that term in section 2500 of title 10, United States Code.

SEC. 808. CLARIFICATION OF RESPONSIBILITY FOR SUBMISSION OF INFORMATION ON PRICES PREVIOUSLY CHARGED FOR PROPERTY OR SERVICES OFFERED.

(a) ARMED SERVICES PROCUREMENTS.—Section 2306a(d)(1) of title 10, United States Code, is amended by striking out ''the data submitted shall'' in the second sentence and inserting in lieu thereof the following: ''the contracting officer shall require that the data submitted''.

(b) CIVILIAN AGENCY PROCUREMENTS.—Section 304A(d)(1) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b(d)(1)), is amended by striking out ''the data submitted shall'' in the second sentence and inserting in lieu thereof the following: ''the contracting officer shall require that the data submitted''.

(c) ELIGIBILITY FOR CONTRACTS AND SUBCONTRACTS TO BE CONDITIONED ON COMPLIANCE.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulation shall be amended to provide that an offeror's compliance with a requirement to submit data for a contract or subcontract in accordance with section 2306a(d)(1) of title 10, United States Code, or section 304A(d)(1) of the Federal Property and Administrative Services Act of 1949 shall be a condition for the offeror to be eligible to enter into the contract or subcontract, subject to such exceptions as the Federal Acquisition Regulatory Council determines appropriate.

(d) CRITERIA FOR CERTAIN DETERMINATIONS.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulation shall be amended to include criteria for contracting officers to apply for determining the specific price information that an offeror should be required to submit under section 2306a(d) of title 10, United States Code, or section 304A(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b(d)).

SEC. 809. AMENDMENTS AND STUDY RELATING TO PROCUREMENT FROM FIRMS IN INDUSTRIAL BASE FOR PRODUCTION OF SMALL ARMS.

(a) REQUIREMENT TO LIMIT PROCUREMENTS TO CERTAIN SOURCES.—Subsection (a) of section 2473 of title 10, United States Code, is amended—

(1) in the heading, by striking out the first word and inserting in lieu thereof ''REQUIREMENT'';

(2) by striking out ''To the extent that the Secretary of Defense determines necessary to preserve the small arms production industrial base, the Secretary may'' and inserting in lieu thereof ''In order to preserve the small arms production industrial base, the Secretary of Defense shall''; and

(3) by inserting before the period at the end the following: '', unless the Secretary determines, with regard to a particular procurement, that such requirement is not necessary to preserve the small arms production industrial base''.

(b) SPECIFICATION OF INCLUDED REPAIR PARTS.—Subsection (b) of such section is amended in paragraph (1) by inserting before the period the following: '', including repair parts consisting of barrels, receivers, and bolts''.

(c) APPLICABILITY OF REQUIREMENT.—Such section is further amended—

(1) in subsection (b), by striking out ''Subsection'' and inserting in lieu thereof ''Subject to subsection (d), subsection''; and

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

''(d) APPLICABILITY.—This section applies only to procurements of covered property and services involving the following small arms:

''(1) M16 series rifle.

''(2) MK19 grenade machine gun.

''(3) M4 series carbine.

''(4) M240 series machine gun.

''(5) M249 squad automatic weapon.''.

(d) SUBMISSION OF CERTIFIED COST OR PRICING DATA.—Such section is further amended by adding at the end the following new subsection:

''(e) SUBMISSION OF CERTIFIED COST OR PRICING DATA.—If a procurement under subsection (a) is a procurement of a commercial item, the Secretary may, notwithstanding section 2306a(b)(1)(B) of this title, require the submission of certified cost or pricing data under section 2306a(a) of this title.''.

(e) STUDY.—Not later than 60 days after the date of the enactment of this Act, the Secretary of the Army shall conduct a study, to be carried out by the Army Science Board, to examine whether the requirements of section 2473 of title 10, United States Code, should be extended to small arms (as specified in subsection (d) of such section) and the parts manufactured under a contract with the Department of Defense to produce such small arms.

(f) AUTHORITY TO EXTEND REQUIREMENTS OF SECTION 2473.—Based upon recommendations of the Army Science Board resulting from the study conducted under subsection (e), the Secretary of the Army may apply the requirements of section 2473 of title 10, United States Code, to the small arms and parts referred to in subsection (e).

Subtitle B—Other Matters

SEC. 811. ELIGIBILITY OF INVOLUNTARILY DOWNGRADED EMPLOYEE FOR MEMBERSHIP IN AN ACQUISITION CORPS.

Section 1732(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(3) Paragraph (1) of subsection (b) shall not apply to an employee who—

''(A) having previously served in a position within a grade referred to in subparagraph (A) of that paragraph, is currently serving in the same position within a grade below GS–13 of the General Schedule, or in another position within that grade, by reason of a reduction in force or the closure or realignment of a military installation, or for any other reason other than by reason of an adverse personnel action for cause; and

''(B) except as provided in paragraphs (1) and (2), satisfies the educational, experience, and other requirements prescribed under paragraphs (2), (3), and (4) of that subsection.''.

SEC. 812. TIME FOR SUBMISSION OF ANNUAL REPORT RELATING TO BUY AMERICAN ACT.

Section 827 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2611; 41 U.S.C. 10b–3) is amended by striking out ''90 days'' and inserting in lieu thereof ''60 days''.

SEC. 813. PROCUREMENT OF TRAVEL SERVICES FOR OFFICIAL AND UNOFFICIAL TRAVEL UNDER ONE CONTRACT.

(a) AUTHORITY.—Chapter 157 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2646. Travel services: procurement for official and unofficial travel under one contract

''(a) AUTHORITY.—The head of an agency may enter into a contract for travel-related services that provides for the contractor to furnish services for both official travel and unofficial travel.

''(b) CREDITS, DISCOUNTS, COMMISSIONS, FEES.—(1) A contract entered into under this section may provide for credits, discounts, or commissions or other fees to accrue to the Department of Defense. The accrual and amounts of credits, discounts, or commissions or other fees may be determined on the basis of the volume (measured in the number or total amount of transactions or otherwise) of the travel-related sales that are made by the contractor under the contract.

''(2) The evaluation factors applicable to offers for a contract under this section may include a factor that relates to the estimated aggregate value of any credits, discounts, commissions, or other fees that would accrue to the Department of Defense for the travel-related sales made under the contract.

''(3) Commissions or fees received by the Department of Defense as a result of travel-related sales made under a contract entered into under this section shall be distributed as follows:

''(A) For amounts relating to sales for official travel, credit to appropriations available for official travel for the fiscal year in which the amounts were charged.

''(B) For amounts relating to sales for unofficial travel, deposit in nonappropriated fund accounts available for morale, welfare, and recreation programs.

''(c) DEFINITIONS.—In this section:

''(1) The term 'head of an agency' has the meaning given that term in section 2302(1) of this title.

''(2) The term 'official travel' means travel at the expense of the Federal Government.

''(3) The term 'unofficial travel' means personal travel or other travel that is not paid for or reimbursed by the Federal Government out of appropriated funds.

''(d) INAPPLICABILITY TO COAST GUARD AND NASA.—This section does not apply to the Coast Guard when it is not operating as a service in the Navy, nor to the National Aeronautics and Space Administration.''.

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

''2646. Travel services: procurement for official and unofficial travel under one contract.''.

SEC. 814. DEPARTMENT OF DEFENSE PURCHASES THROUGH OTHER AGENCIES.

(a) EXTENSION OF REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall revise the regulations issued pursuant to section 844 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1720; 31 U.S.C. 1535 note) to—

(1) cover any purchase described in subsection (b) that is greater than the micro-purchase threshold; and

(2) provide for a streamlined method of compliance for any such purchase that is not greater than the simplified acquisition threshold.

(b) DESCRIPTION OF PURCHASES.—A purchase referred to in subsection (a) is a purchase of goods or services for one agency of the Department of Defense by any other agency under a task or delivery order contract entered into by the other agency under section 2304a of title 10, United States Code, or section 303H of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253h).

(c) DEFINITIONS.—In this section:

(1) The term ''micro-purchase threshold'' has the meaning provided in section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428).

(2) The term ''simplified acquisition threshold'' has the meaning provided in section 4 of such Act (41 U.S.C. 403).

(d) TERMINATION.—This section shall cease to be effective one year after the date on which final regulations prescribed pursuant to subsection (a) take effect.

SEC. 815. SUPERVISION OF DEFENSE ACQUISITION UNIVERSITY STRUCTURE BY UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND TECHNOLOGY.

Section 1702 of title 10, United States Code, is amended by adding at the end the following: ''The Under Secretary shall prescribe policies and requirements for the educational programs of the defense acquisition university structure established under section 1746 of this title.''.

SEC. 816. PILOT PROGRAMS FOR TESTING PROGRAM MANAGER PERFORMANCE OF PRODUCT SUPPORT OVERSIGHT RESPONSIBILITIES FOR LIFE CYCLE OF ACQUISITION PROGRAMS.

(a) DESIGNATION OF PILOT PROGRAMS.—The Secretary of Defense, acting through the Secretaries of the military departments, shall designate 10 acquisition programs of the military departments as pilot programs on program manager responsibility for product support.

(b) RESPONSIBILITIES OF PROGRAM MANAGERS.—The program manager for each acquisition program designated as a pilot program under this section shall have the responsibility for ensuring that the product support functions for the program are properly carried out over the entire life cycle of the program.

(c) REPORT.—Not later than February 1, 1999, the Secretary of Defense shall submit to the congressional defense committees a report on the pilot programs. The report shall contain the following:

(1) A description of the acquisition programs designated as pilot programs under subsection (a).

(2) For each such acquisition program, the specific management actions taken to ensure that the program manager has the responsibility for oversight of the performance of the product support functions.

(3) Any proposed change to law, policy, regulation, or organization that the Secretary considers desirable, and determines feasible to implement, for ensuring that the program managers are fully responsible under the pilot programs for the performance of all such responsibilities.

SEC. 817. SCOPE OF PROTECTION OF CERTAIN INFORMATION FROM DISCLOSURE.

Section 2371(i)(2)(A) of title 10, United States Code, is amended by striking out ''cooperative agreement that includes a clause described in subsection (d)'' and inserting in lieu thereof ''cooperative agreement for performance of basic, applied, or advanced research authorized by section 2358 of this title''.

SEC. 818. PLAN FOR RAPID TRANSITION FROM COMPLETION OF SMALL BUSINESS INNOVATION RESEARCH INTO DEFENSE ACQUISITION PROGRAMS.

(a) PLAN REQUIRED.—(1) Not later than February 1, 1999, the Secretary of Defense, in consultation with the Administrator of the Small Business Administration, shall develop a plan for facilitating the rapid transition into Department of Defense acquisition programs of successful first phase and second phase activities under the Small Business Innovation Research program under section 9 of the Small Business Act (15 U.S.C. 638).

(2) The Secretary shall submit the plan developed under paragraph (1) to—

(A) the Committee on Armed Services and the Committee on Small Business of the Senate; and

(B) the Committee on National Security and the Committee on Small Business of the House of Representatives.

(b) CONDITIONS.—The plan developed under subsection (a) shall—

(1) be consistent with the Small Business Innovation Research program and with the provisions of division D of the Clinger-Cohen Act of 1996 (division D of Public Law 104–106; 110 Stat. 642) and the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355; 108 Stat. 3243) that are applicable to the Department of Defense; and

(2) provide for favorable consideration, in the acquisition planning process, for funding projects under the Small Business Innovation Research program that have successfully completed the second phase or are subject to a third phase agreement entered into pursuant to section 9(r) of the Small Business Act (15 U.S.C. 638(r)).

SEC. 819. FIVE-YEAR AUTHORITY FOR SECRETARY OF THE NAVY TO EXCHANGE CERTAIN ITEMS.

(a) BARTER AUTHORITY.—The Secretary of the Navy may enter into a barter agreement to convey trucks and other tactical vehicles in exchange for the repair and remanufacture of ribbon bridges for the Marine Corps. The Secretary shall enter into any such agreement in accordance with section 201(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(c)), and the regulations issued under such section, except that the requirement that the items to be exchanged be similar shall not apply to the authority provided under this subsection.

(b) PERIOD OF AUTHORITY.—The authority to enter into agreements under subsection (a) and to make exchanges under any such agreement is effective during the five-year period beginning on October 1, 1998.

SEC. 820. PERMANENT AUTHORITY FOR USE OF MAJOR RANGE AND TEST FACILITY INSTALLATIONS BY COMMERCIAL ENTITIES.

(a) PERMANENT AUTHORITY.—Subsection (g) of section 2681 of title 10, United States Code, is repealed.

(b) REPEAL OF EXECUTED REPORTING REQUIREMENT.—Subsection (h) of such section is repealed.

SEC. 821. INVENTORY EXCHANGE AUTHORIZED FOR CERTAIN FUEL DELIVERY CONTRACT.

(a) EXCHANGE OF BARRELS AUTHORIZED.—(1) The Secretary of Defense shall provide, under a contract described in subsection (f), that the contract may be performed, during the period described in paragraph (2), by means of delivery of fuel obtained by the refiner concerned in an inventory exchange of barrels of fuel, in any case in which—

(A) the refiner is unable to physically deliver fuel in compliance with the contract requirements because of ice conditions in Cook Inlet, as determined by the Coast Guard; and

(B) the Secretary determines that such inability will result in an inequity to the refiner.

(2) The period referred to in paragraph (1) is the period beginning on the date of the enactment of this Act and ending on February 28, 1999.

(b) LIMITATION.—The number of barrels of fuel exchanged pursuant to a contract described in subsection (f) may contain up to 15 percent of the total quantity of fuel required to be delivered under the contract.

(c) EFFECT ON STATUS AS SMALL DISADVANTAGED BUSINESS.—Nothing in this section, and no action taken pursuant to this section, may be construed as affecting the status of the refiner as a small disadvantaged business.

(d) EFFECT ON CONTRACTUAL OBLIGATIONS.—Nothing in this section may be construed as affecting the requirement of a refiner to fulfill its contractual obligations under a contract described in subsection (e), other than as provided under subsection (b).

(e) SMALL DISADVANTAGED BUSINESS DEFINED.—For the purposes of this section, the term 'small disadvantaged business' means a socially and economically disadvantaged small business concern, a small business concern owned and controlled by socially and economically disadvantaged individuals, and a qualified HUBZone small business concern, as those terms are defined in sections 8(a)(4)(A), 8(d)(3)(C), and 3(p) of the Small Business Act (15 U.S.C. 637(a)(4)(A)), 637(d)(3)(C), and 632(p)), respectively.

(f) APPLICABILITY.—This section applies to any contract between the Defense Energy Supply Center of the Department of Defense and a refiner that qualifies as a small disadvantaged business for the delivery of fuel by barge to Defense Energy Supply Point-Anchorage.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Department of Defense Officers and Organization

Sec. 901. Reduction in number of Assistant Secretary of Defense positions.

Sec. 902. Repeal of statutory requirement for position of Assistant Secretary of Defense for Command, Control, Communications, and Intelligence.

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Subtitle A—Department of Defense Officers and Organization

SEC. 901. REDUCTION IN NUMBER OF ASSISTANT SECRETARY OF DEFENSE POSITIONS.

(a) REDUCTION TO NINE POSITIONS.—Section 138(a) of title 10, United States Code, is amended by striking out ''ten'' and insert in lieu thereof ''nine''.

(b) CONFORMING AMENDMENT.—Section 5315 of title 5, United States Code, is amended by striking out ''(10)'' after 'Assistant Secretaries of Defense'' and inserting in lieu thereof ''(9)''.

SEC. 902. REPEAL OF STATUTORY REQUIREMENT FOR POSITION OF ASSISTANT SECRETARY OF DEFENSE FOR COMMAND, CONTROL, COMMUNICATIONS, AND INTELLIGENCE.

Section 138(b) of title 10, United States Code is amended by striking out paragraph (3).

SEC. 903. INDEPENDENT TASK FORCE ON TRANSFORMATION AND DEPARTMENT OF DEFENSE ORGANIZATION.

(a) FINDINGS.—Congress finds the following:

(1) The post-Cold War era is marked by geopolitical uncertainty and by accelerating technological change, particularly with regard to information technologies.

(2) The combination of that geopolitical uncertainty and accelerating technological change portends a transformation in the conduct of war, particularly in ways that are likely to increase the effectiveness of joint operations.

(3) The Department of Defense must be organized appropriately in order to fully exploit the opportunities offered by, and to meet the challenges posed by, this anticipated transformation in the conduct of war.

(4) The basic organization of the Department of Defense was established by the National Security Act of 1947 and the 1949 amendments to that Act.

(5) The Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99–433) dramatically improved the capability of the Department of Defense to carry out operations involving joint forces, but did not specifically address issues pertaining to the development of joint operations.

(6) In the future, the ability to achieve improved operations of joint forces, particularly under rapidly changing technological conditions, will depend on improved force development for joint operations.

(b) INDEPENDENT TASK FORCE ON TRANSFORMATION AND DEPARTMENT OF DEFENSE ORGANIZATION.—The Secretary of Defense shall establish a task force of the Defense Science Board to examine the current organization of the Department of Defense with regard to the appropriateness of that organization for preparing for a transformation in the conduct of war. The task force shall be established not later than November 1, 1998.

(c) DUTIES OF THE TASK FORCE.—The task force shall assess, and shall make recommendations for the appropriate organization of, the Office of the Secretary of Defense, the Joint Chiefs of Staff, the individual Armed Forces, and the executive parts of the military departments for the purpose of preparing the Department of Defense for a transformation in the conduct of war. In making those assessments and developing those recommendations, the task force shall review the following:

(1) The general organization of the Department of Defense, including whether responsibility and authority for issues relating to a transformation in the conduct of war are appropriately allocated, especially among the Office of the Secretary of Defense, the Joint Chiefs of Staff, and the individual Armed Forces.

(2) The joint requirements process and the requirements processes for each of the Armed Forces, including the establishment of measures of effectiveness and methods for resource allocation.

(3) The process and organizations responsible for doctrinal development, including the appropriate relationship between joint force and service doctrine and doctrinal development organizations.

(4) The current programs and organizations under the Office of the Secretary of Defense, the Joint Chiefs of Staff and the Armed Forces devoted to innovation and experimentation related to a transformation in the conduct of war, including the appropriateness of—

(A) conducting joint field tests;

(B) establishing a separate unified command as a joint forces command to serve, as its sole function, as the trainer, provider, and developer of forces for joint operations and for conducting joint warfighting experimentation;

(C) establishing a separate Joint Concept Development Center to monitor exercises and develop measures of effectiveness, analytical concepts, models, and simulations appropriate for understanding the transformation in the conduct of war;

(D) establishing a Joint Battle Laboratory to conduct joint experimentation and to integrate the similar efforts of the Armed Forces; and

(E) establishing an Assistant Secretary of Defense responsible for transformation in the conduct of war.

(5) Joint training establishments and training establishments of the Armed Forces, including those devoted to professional military education, and the appropriateness of establishing national training centers.

(6) Other issues relating to a transformation in the conduct of war that the Secretary considers appropriate.

(d) REPORT.—The task force shall submit to the Secretary of Defense a report containing its assessments and recommendations not later than February 1, 1999. The Secretary shall submit the report to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate not later than March 1, 1999, together with the recommendations and comments of the Secretary of Defense.

SEC. 904. AUTHORITY TO EXPAND THE NATIONAL DEFENSE UNIVERSITY.

Section 2165(b) of title 10, United States Code, is amended by adding at the end the following:

''(7) Any other educational institution of the Department of Defense that the Secretary considers appropriate and designates as an institution of the university.''.

SEC. 905. CENTER FOR HEMISPHERIC DEFENSE STUDIES.

(a) FUNDING FOR CENTER.—Section 2165 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c) SOURCE OF FUNDS FOR CENTER FOR HEMISPHERIC DEFENSE STUDIES.—Funds available for the payment of personnel expenses under the Latin American cooperation authority set forth in section 1050 of this title are also available for the costs of the operation of the Center for Hemispheric Defense Studies.''.

(b) CONFORMING AMENDMENT.—Section 1050 of such title is amended by inserting ''Secretary of Defense or the'' before ''Secretary of a military department''.

SEC. 906. RESTRUCTURING OF ADMINISTRATION OF FISHER HOUSES.

(a) ADMINISTRATION AS NONAPPROPRIATED FUND INSTRUMENTALITY.—(1) Chapter 147 of title 10, United States Code, is amended by inserting after section 2492 (as added by section 365) the following new section:

''§ 2493. Fisher Houses: administration as nonappropriated fund instrumentality

''(a) FISHER HOUSES AND SUITES DEFINED.—In this section:

''(1) The term 'Fisher House' means a housing facility that—

''(A) is located in proximity to a health care facility of the Army, the Air Force, or the Navy;

''(B) is available for residential use on a temporary basis by patients of that health care facility, members of the families of such patients, and others providing the equivalent of familial support for such patients; and

''(C) is constructed and donated by—

''(i) the Zachary and Elizabeth M. Fisher Armed Services Foundation; or

''(ii) another source, if the Secretary of the military department concerned designates the housing facility as a Fisher House.

''(2) The term 'Fisher Suite' means one or more rooms that—

''(A) meet the requirements of subparagraphs (A) and (B) of paragraph (1);

''(B) are constructed, altered, or repaired and donated by a source described in subparagraph (C) of that paragraph; and

''(C) are designated by the Secretary of the military department concerned as a Fisher Suite.

''(b) NONAPPROPRIATED FUND INSTRUMENTALITY.—The Secretary of each military department shall administer all Fisher Houses and Fisher Suites associated with health care facilities of that military department as a nonappropriated fund instrumentality of the United States.

''(c) GOVERNANCE.—The Secretary of each military department shall establish a system for the governance of the nonappropriated fund instrumentality required by subsection (b) for that military department.

''(d) CENTRAL FUND.—The Secretary of each military department shall establish a single fund as the source of funding for the operation, maintenance, and improvement of all Fisher Houses and Fisher Suites of the nonappropriated fund instrumentality required by subsection (b) for that military department.

''(e) ACCEPTANCE OF CONTRIBUTIONS; IMPOSITION OF FEES.—(1) The Secretary of a military department may—

''(A) accept money, property, and services donated for the support of a Fisher House or Fisher Suite associated with health care facilities of that military department; and

''(B) may impose fees relating to the use of such Fisher Houses and Fisher Suites.

''(2) All monetary donations, and the proceeds of the disposal of any other donated property, accepted by the Secretary of a military department under this subsection shall be credited to the fund established under subsection (d) for the Fisher Houses and Fisher Suites associated with health care facilities of that military department and shall be available to that Secretary to support all such Fisher Houses and Fisher Suites.

''(f) ANNUAL REPORT.—Not later than January 15 of each year, the Secretary of each military department shall submit to Congress a report describing the operation of Fisher Houses and Fisher Suites associated with health care facilities of that military department. The report shall include, at a minimum, the following:

''(1) The amount in the fund established by that Secretary under subsection (d) as of October 1 of the previous year.

''(2) The operation of the fund during the preceding fiscal year, including—

''(A) all gifts, fees, and interest credited to the fund; and

''(B) all disbursements from the fund.

''(3) The budget for the operation of the Fisher Houses and Fisher Suites for the fiscal year in which the report is submitted.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2492 (as added by section 365) the following new item:

''2493. Fisher Houses: administration as nonappropriated fund instrumentality.''.

(b) ESTABLISHMENT OF FUNDS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of each military department shall—

(1) establish the fund required under section 2493(d) of title 10, United States Code (as added by subsection (a)); and

(2) close the Fisher House Trust Fund established for that department under section 2221 of such title and transfer the amounts in the closed fund to the newly established fund.

(c) FUNDING TRANSITION.—(1) Of the amount authorized to be appropriated pursuant to section 301(2) for operation and maintenance for the Navy, the Secretary of the Navy shall transfer to the fund established by that Secretary under section 2493(d) of title 10, United States Code (as added by subsection (a)), such amount as that Secretary considers appropriate for establishing in the fund a corpus sufficient for operating Fisher Houses and Fisher Suites associated with health care facilities of the Department of the Navy.

(2) Of the amount authorized to be appropriated pursuant to section 301(4) for operation and maintenance for the Air Force, the Secretary of the Air Force shall transfer to the fund established by that Secretary under section 2493(d) of title 10, United States Code (as added

by subsection (a)), such amount as that Secretary considers appropriate for establishing in the fund a corpus sufficient for operating Fisher Houses and Fisher Suites associated with health care facilities of the Department of the Air Force.

(d) REPORTING REQUIREMENTS.—The Secretary of each military department, upon completing the actions required of the Secretary under subsections (b) and (c), shall submit to Congress a report containing—

(1) the certification of that Secretary that those actions have been completed; and

(2) a statement of the amount deposited in the fund established by that Secretary under section 2493(d) of title 10, United States Code (as added by subsection (a)).

(e) AVAILABILITY OF TRANSFERRED AMOUNTS.—Amounts transferred under subsection (b) or (c) to a fund established under section 2493(d) of title 10, United States Code (as added by subsection (a)), shall be available without fiscal year limitation for the purposes for which the fund is established and shall be administered as nonappropriated funds.

(f) CONFORMING REPEALS.—(1) Section 2221 of title 10, United States Code, and the item relating to that section in the table of sections at the beginning of chapter 131 of such title, are repealed.

(2) Section 1321(a) of title 31, United States Code, is amended by striking out paragraphs (92), (93), and (94).

(3) The amendments made by this subsection shall take effect 90 days after the date of the enactment of this Act.

SEC. 907. MANAGEMENT REFORM FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION ACTIVITIES.

(a) ANALYSIS AND PLAN FOR REFORM OF MANAGEMENT OF RDTE ACTIVITIES.—(1) The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition and Technology, shall analyze the structures and processes of the Department of Defense for management of its laboratories and test and evaluation centers. Taking into consideration the results of that analysis, the Secretary shall develop a plan for improving the management of those laboratories and centers. The plan shall include such reorganizations and reforms as the Secretary considers appropriate.

(2) The analysis under paragraph (1) shall include an analysis of each of the following with respect to Department of Defense laboratories and test and evaluation centers:

(A) Opportunities to improve efficiency and reduce duplication of efforts by those laboratories and centers by designating a lead agency or executive agent by area or function or other methods of streamlining management.

(B) Reform of the management processes of those laboratories and centers that would reduce costs and increase efficiency in the conduct of research, development, test, and evaluation activities.

(C) Opportunities for those laboratories and centers to enter into partnership arrangements with laboratories in industry, academia, and other Federal agencies that demonstrate leadership, initiative, and innovation in research, development, test, and evaluation activities.

(D) The extent to which there is disseminated within those laboratories and centers information regarding initiatives that have successfully improved efficiency through reform of management processes and other means.

(E) Any cost savings that can be derived directly from reorganization of management structures of those laboratories and centers.

(F) Options for reinvesting any such cost savings in those laboratories and centers.

(3) The Secretary shall submit the plan required under paragraph (1) to the congressional defense committees not later than 180 days after the date of the enactment of this Act.

(b) COST-BASED MANAGEMENT INFORMATION SYSTEM.—(1) The Secretary of Defense shall develop a plan, including a schedule, for establishing a cost-based management information system for Department of Defense laboratories and test and evaluation centers. The system shall provide for accurately identifying and comparing the costs of operating each laboratory and each center.

(2) In preparing the plan, the Secretary shall assess the feasibility and desirability of establishing a common methodology for assessing costs. The Secretary shall consider the use of a revolving fund as one potential methodology.

(3) The Secretary shall submit the plan required under paragraph (1) to the congressional defense committees not later than 90 days after the date of the enactment of this Act.

Subtitle B—Department of Defense Financial Management

SEC. 911. IMPROVED ACCOUNTING FOR DEFENSE CONTRACT SERVICES.

(a) IN GENERAL.—(1) Chapter 131 of title 10, United States Code, is amended by inserting after section 2211 the following new section:

''§ 2212. Obligations for contract services: reporting in budget object classes

''(a) LIMITATION ON REPORTING IN MISCELLANEOUS SERVICES OBJECT CLASS.—The Secretary of Defense shall ensure that, in reporting to the Office of Management and Budget (pursuant to OMB Circular A–11 (relating to preparation and submission of budget estimates)) obligations of the Department of Defense for any period of time for contract services, no more than 15 percent of the total amount of obligations so reported is reported in the miscellaneous services object class.

''(b) DEFINITION OF REPORTING CATEGORIES FOR ADVISORY AND ASSISTANCE SERVICES.—In carrying out section 1105(g) of title 31 for the Department of Defense (and in determining what services are to be reported to the Office of Management and Budget in the advisory and assistance services object class), the Secretary of Defense shall apply to the terms used for the definition of 'advisory and assistance services' in paragraph (2)(A) of that section the following meanings (subject to the authorized exemptions):

''(1) MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES.—The term 'management and professional support services' (used in clause (i) of section 1105(g)(2)(A) of title 31) means services that provide engineering or technical support, assistance, advice, or training for the efficient and effective management and operation of organizations, activities, or systems. Those services—

''(A) are closely related to the basic responsibilities and mission of the using organization; and

''(B) include efforts that support or contribute to improved organization or program management, logistics management, project monitoring and reporting, data collection, budgeting, accounting, auditing, and administrative or technical support for conferences and training programs.

''(2) STUDIES, ANALYSES, AND EVALUATIONS.—The term 'studies, analyses, and evaluations' (used in clause (ii) of section 1105(g)(2)(A) of title 31) means services that provide organized, analytic assessments to understand or evaluate complex issues to improve policy development, decisionmaking, management, or administration and that result in documents containing data or leading to conclusions or recommendations. Those services may include databases, models, methodologies, and related software created in support of a study, analysis, or evaluation.

''(3) ENGINEERING AND TECHNICAL SERVICES.—The term 'engineering and technical services' (used in clause (iii) of section 1105(g)(2)(A) of title 31) means services that take the form of advice, assistance, training, or hands-on training necessary to maintain and operate fielded weapon systems, equipment, and components (including software when applicable) at design or required levels of effectiveness.

''(c) PROPER CLASSIFICATION OF ADVISORY AND ASSISTANCE SERVICES.—Before the submission to the Office of Management and Budget of the proposed Department of Defense budget for inclusion in the President's budget for a fiscal year pursuant to section 1105 of title 31, the Secretary of Defense, acting through the Under Secretary of Defense (Comptroller), shall conduct a review of Department of Defense services expected to be performed as contract services during the fiscal year for which that budget is to be submitted in order to ensure that those services that are advisory and assistance services (as defined in accordance with subsection (b)) are in fact properly classified, in accordance with that subsection, in the advisory and assistance services object class.

''(d) REPORT TO CONGRESS.—The Secretary shall submit to Congress each year, not later than 30 days after the date on which the budget for the next fiscal year is submitted pursuant to section 1105 of title 31, a report containing the information derived from the review under subsection (c).

''(e) ASSESSMENT BY COMPTROLLER GENERAL.—(1) The Comptroller General shall conduct a review of the report of the Secretary of Defense under subsection (d) each year and shall—

''(A) assess the methodology used by the Secretary in obtaining the information submitted to Congress in that report; and

''(B) assess the information submitted to Congress in that report.

''(2) Not later than 120 days after the date on which the Secretary submits to Congress the report required under subsection (d) for any year, the Comptroller General shall submit to Congress the Comptroller General's report containing the results of the review for that year under paragraph (1).

''(f) DEFINITIONS.—In this section:

''(1) The term 'contract services' means all services that are reported to the Office of Management and Budget pursuant to OMB Circular A–11 (relating to preparation and submission of budget estimates) in budget object classes that are designated in the Object Class 25 series.

''(2) The term 'advisory and assistance services object class' means those contract services constituting the budget object class that is denominated 'Advisory and Assistance Service and designated (as the date of the enactment of this section) as Object Class 25.1 (or any similar object class established after the date of the enactment of this section for the reporting of obligations for advisory and assistance contract services).

''(3) The term 'miscellaneous services object class' means those contract services constituting the budget object class that is denominated 'Other Services (services not otherwise specified in the 25 series)' and designated (as the date of the enactment of this section) as Object Class 25.2 (or any similar object class established after the date of the enactment of this section for the reporting of obligations for miscellaneous or unspecified contract services).

''(4) The term 'authorized exemptions' means those exemptions authorized (as of the date of the enactment of this section) under Department of Defense Directive 4205.2, captioned 'Acquiring and Managing Contracted Advisory and Assistance Services (CAAS)' and issued by the Under Secretary of Defense for Acquisition and Technology on February 10, 1992, such exemptions being set forth in Enclosure 3 to that directive (captioned 'CAAS Exemptions').''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2211 the following new item:

''2212. Obligations for contract services: reporting in budget object classes.''.

(b) TRANSITION.—For the budget for fiscal year 2000, and the reporting of information to the Office of Management and Budget in connection with the preparation of that budget,

section 2212 of title 10, United States Code, as added by subsection (a), shall be applied by substituting ''30 percent'' in subsection (a) for ''15 percent''.

(c) INITIAL CLASSIFICATION OF ADVISORY AND ASSISTANCE SERVICES.—Not later than February 1, 1999, the Secretary of Defense, acting through the Under Secretary of Defense (Comptroller), shall conduct a review of Department of Defense services performed or expected to be performed as contract services during fiscal year 1999 in order to ensure that those services that are advisory and assistance services (as defined in accordance with subsection (b) of section 2212 of title 10, United States Code, as added by subsection (a)) are in fact properly classified, in accordance with that subsection, in the advisory and assistance services object class (as defined in subsection (f)(2) of that section).

(d) FISCAL YEAR 1999 REDUCTION.—The total amount that may be obligated by the Secretary of Defense for contracted advisory and assistance services from amounts appropriated for fiscal year 1999 is the amount programmed for those services resulting from the review referred to in subsection (c) reduced by $240,000,000.

SEC. 912. REPORT ON DEPARTMENT OF DEFENSE FINANCIAL MANAGEMENT IMPROVEMENT PLAN.

Not later than 60 days after the date on which the Secretary of Defense submits the first biennial financial management improvement plan required by section 2222 of title 10, United States Code, the Comptroller General shall submit to Congress an analysis of the plan. The analysis shall include a discussion of the content of the plan and the extent to which the plan—

(1) complies with the requirements of such section 2222; and

(2) is a workable plan for addressing the financial management problems of the Department of Defense.

SEC. 913. STUDY OF FEASIBILITY OF PERFORMANCE OF DEPARTMENT OF DEFENSE FINANCE AND ACCOUNTING FUNCTIONS BY PRIVATE SECTOR SOURCES OR OTHER FEDERAL SOURCES.

(a) STUDY REQUIRED.—(1) The Secretary of Defense shall carry out a study of the feasibility and advisability of selecting on a competitive basis the source or sources for performing the finance and accounting functions of the Department of Defense from among the Defense Finance and Accounting Service of the Department of Defense and non-DFAS sources.

(2) For the purposes of this section, the term ''non-DFAS sources'' means—

(A) the military departments;

(B) Federal agencies outside the Department of Defense; and

(C) private sector sources.

(b) REPORT.—Not later than October 1, 1999, the Secretary shall submit to Congress a report in writing on the results of the study. The report shall include the following:

(1) A discussion of how the finance and accounting functions of the Department of Defense are performed, including the necessary operations, the operations actually performed, the personnel required for the operations, and the core competencies that are necessary for the performance of those functions.

(2) A comparison of the performance of the finance and accounting functions by the Defense Finance and Accounting Service with the performance of finance and accounting functions by non-DFAS sources that exemplify the best finance and accounting practices and results, together with a comparison of the costs of the performance of those functions by the Defense Finance and Accounting Service and the estimated costs of the performance of those functions by non-DFAS sources.

(3) The finance and accounting functions, if any, that are appropriate for performance by non-DFAS sources, together with a concept of operations that—

(A) specifies the mission;

(B) identifies the finance and accounting operations to be performed;

(C) describes the work force that is necessary to perform those operations;

(D) discusses where the operations are to be performed;

(E) describes how the operations are to be performed; and

(F) discusses the relationship between how the operations are to be performed and the mission.

(4) An analysis of how Department of Defense programs or processes would be affected by the performance of the finance and accounting functions of the Department of Defense by one or more non-DFAS source.

(5) The status of the efforts within the Department of Defense to consolidate and eliminate redundant finance and accounting systems and to better integrate the automated and manual systems of the department that provide input to financial management or accounting systems of the department.

(6) A description of a feasible and effective process for selecting, on a competitive basis, sources to perform the finance and accounting functions of the Department of Defense from among the Defense Finance and Accounting Service and non-DFAS sources, including a discussion of the selection criteria the Secretary considers appropriate.

(7) An analysis of the costs and benefits of the various policies and actions recommended.

(8) A discussion of any findings, analyses, and recommendations on the performance of the finance and accounting functions of the Department of Defense that have been made by the Task Force on Defense Reform appointed by the Secretary of Defense on May 14, 1997.

(9) Any additional information and recommendations the Secretary considers appropriate.

(c) MARKET RESEARCH.—In carrying out the study, the Secretary shall conduct market research to determine whether or not an efficient and competitive domestic market for finance and accounting services exists. In conducting that research, the Secretary shall consider whether the domestic market for finance and accounting services could be reasonably expected to generate responsive private sector competitors for the provision of the finance and accounting services, or a portion of such services, of the Department of Defense and whether there are any substantial barriers to entry or expansion in that market. In conducting such research, the Secretary shall consider not only the current state of the domestic market for finance and accounting services, but also the potential effects that the entry of the Department of Defense as a large, long-term consumer of such services might have on that market.

SEC. 914. LIMITATION ON REORGANIZATION AND CONSOLIDATION OF OPERATING LOCATIONS OF THE DEFENSE FINANCE AND ACCOUNTING SERVICE.

(a) LIMITATION.—The Secretary of Defense may not close any operating location of the Defense Finance and Accounting Service before the date that is 90 days after the date on which the Secretary submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives the plan required by subsection (b).

(b) PLAN REQUIRED.—The Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a strategic plan for improving the financial management operations at each of the operating locations of the Defense Finance and Accounting Service.

(c) CONTENT OF PLAN.—The plan shall include the following:

(1) The workloads that it is necessary to perform at those operating locations each fiscal year.

(2) The capacity and number of operating locations that are necessary for performing those workloads.

(3) A discussion of the costs and benefits that could result from reorganizing the operating locations of the Defense Finance and Accounting Service on the basis of function performed, together with the Secretary's assessment of the feasibility of carrying out such a reorganization.

(d) SUBMITTAL OF PLAN.—The plan shall be submitted to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than January 15, 1999.

SEC. 915. ANNUAL REPORT ON RESOURCES ALLOCATED TO SUPPORT AND MISSION ACTIVITIES.

(a) REQUIREMENT.—Section 113 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(l) The Secretary shall include in the annual report to Congress under subsection (c) the following:

''(1) A comparison of the amounts provided in the defense budget for support and for mission activities for each of the preceding five fiscal years.

''(2) A comparison of the number of military and civilian personnel, shown by major occupational category, assigned to support positions and to mission positions for each of the preceding five fiscal years.

''(3) An accounting, shown by service and by major occupational category, of the number of military and civilian personnel assigned to support positions during each of the preceding five fiscal years.

''(4) A listing of the number of military and civilian personnel assigned to management headquarters and headquarters support activities as a percentage of military end-strength for each of the preceding five fiscal years.''.

(b) REPORT ON TERMINOLOGY.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report setting forth the definitions of the terms ''support'' and ''mission'' that the Secretary proposes to use for purposes of the report requirement under section 113(l) of title 10, United States Code, as added by subsection (a).

Subtitle C—Joint Warfighting Experimentation

SEC. 921. FINDINGS CONCERNING JOINT WARFIGHTING EXPERIMENTATION.

Congress makes the following findings:

(1) The assessments of the Quadrennial Defense Review and the National Defense Panel provide a compelling argument—

(A) that the security environment in the early 21st century will include fundamentally different military challenges than the security environment in the late 20th century; and

(B) reinforce the premise of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 that future warfare will require more effective joint operational concepts.

(2) Joint experimentation is necessary for—

(A) integrating advances in technology with changes in organizational structure and joint operational concepts; and

(B) determining the interdependent aspects of joint warfare that are key for transforming the conduct of military operations to meet future challenges successfully.

(3) It is essential that an energetic and innovative organization be established in the Department of Defense with the authority (subject to the authority and guidance of the Secretary of Defense and Chairman of the Joint Chiefs of Staff) to design and implement a process of joint experimentation to investigate and test technologies and alternative forces and concepts in field environments under realistic conditions against the full range of future challenges to assist in developing and validating new joint warfighting concepts and transforming the

Armed Forces to meet the threats to national security anticipated for the early 21st century.

SEC. 922. SENSE OF CONGRESS CONCERNING JOINT WARFIGHTING EXPERIMENTATION.

(a) DESIGNATION OF COMMANDER TO HAVE JOINT WARFIGHTING EXPERIMENTATION MISSION.—It is the sense of Congress that the initiative of the Secretary of Defense to designate the commander of a combatant command to have the mission of joint warfighting experimentation is a key step in exploiting the potential of advanced technologies, new organizational structures, and new joint operational concepts to transform the conduct of military operations by the Armed Forces.

(b) RESOURCES AND AUTHORITY OF COMMANDER.—It is, further, the sense of Congress that the commander of the combatant command referred to in subsection (a) should be provided with appropriate and sufficient resources for joint warfighting experimentation and with the appropriate authority to execute the commander's assigned responsibilities and that such authority should include the following:

(1) Planning, preparing, and conducting the program of joint warfighting experimentation, which program should include analyses, simulations, wargames, experiments, advanced concept technology demonstrations, joint exercises conducted in virtual and field environments, and, as a particularly critical aspect, assessments of ''red team'' vulnerability.

(2) Developing scenarios and measures of effectiveness to meet the operational challenges expected to be encountered in the early 21st century and assessing the effectiveness of current and new organizational structures, operational concepts, and technologies in addressing those challenges.

(3) Integrating and testing in joint experimentation the systems and concepts that result from warfighting experimentation conducted by the Armed Forces and the Defense Agencies.

(4) Coordinating with each of the Armed Forces and Defense Agencies regarding the development and acquisition of equipment (including surrogate or real technologies, platforms, and systems), supplies, and services necessary for joint experimentation.

(5) Providing the Secretary of Defense and the Chairman of the Joint Chiefs of Staff with recommendations, based on the conduct of joint warfighting experimentation, for—

(A) improving interoperability;

(B) reducing unnecessary redundancy;

(C) synchronizing technology fielding;

(D) developing joint operational concepts;

(E) prioritizing the most promising joint capabilities for future experimentation; and

(F) prioritizing joint requirements and acquisition programs.

(6) Making recommendations to the Chairman of the Joint Chiefs of Staff on mission needs statements and operational requirements documents.

(c) CONGRESSIONAL REVIEW.—It is, further, the sense of Congress that Congress—

(1) should review the adequacy of the process of transformation to meet future challenges to the national security; and

(2) if progress is determined inadequate, should consider legislation to—

(A) establish an appropriate organization to conduct the mission described in subsection (a); and

(B) provide to the commander given the responsibility for that mission appropriate and sufficient resources for joint warfighting experimentation and the appropriate authority to execute that commander's assigned responsibilities for that mission, including the authorities specified in subsection (b).

SEC. 923. REPORTS ON JOINT WARFIGHTING EXPERIMENTATION.

(a) INITIAL REPORT.—(1) The commander of the combatant command assigned by the Secretary of Defense to have the mission for joint warfighting experimentation shall submit to the Secretary an initial report on the implementation of joint experimentation. Not later than April 1, 1999, the Secretary shall submit that report, together with any comments that the Secretary considers appropriate and any comments that the Chairman of the Joint Chiefs of Staff considers appropriate, to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

(2) The report of the commander under paragraph (1) shall include the commander's assessment of the following:

(A) The authority and responsibilities of the commander as described in section 922(b).

(B) The organization of the commander's combatant command, and of its staff, for carrying out the joint warfighting experimentation mission.

(C) The process established for tasking forces to participate in experimentation and the commander's specific authority over those forces, including forces designated as joint experimentation forces.

(D) The resources provided for initial implementation of joint warfighting experimentation, the process for providing those resources to the commander, the categories of the funding, and the authority of the commander for budget execution.

(E) The process established for the development and acquisition of the materiel, supplies, services, and equipment necessary for the conduct of joint warfighting experimentation.

(F) The process established for designing, preparing, and conducting joint experiments.

(G) The role assigned the commander for—

(i) integrating and testing in joint warfighting experimentation the systems that emerge from warfighting experimentation by the Armed Forces or the Defense Agencies;

(ii) assessing the effectiveness of organizational structures, operational concepts, and technologies; and

(iii) assisting the Secretary of Defense and Chairman of the Joint Chiefs of Staff to prioritize requirements or acquisition programs.

(b) ANNUAL REPORT.—(1) Chapter 23 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 485. Joint warfighting experimentation

''(a) ANNUAL REPORT.—The commander of the combatant command assigned by the Secretary of Defense to have the mission for joint warfighting experimentation shall submit to the Secretary an annual report on the conduct of joint experimentation activities for the fiscal year ending in the year of the report. Not later than December 1 of each year, the Secretary shall submit that report, together with any comments that the Secretary considers appropriate and any comments that the Chairman of the Joint Chiefs of Staff considers appropriate, to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

''(b) MATTERS TO BE INCLUDED.—Each report under this section shall include, for the fiscal year covered by the report, the following:

''(1) Any changes in the assessments of the matters described in section 923(a)(2) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 since the preparation of the assessments of those matters set forth in the latest report submitted under this section.

''(2) A description of the conduct of joint experimentation activities, including the number of activities, the forces involved, the national security challenges addressed, the operational concepts assessed, and the scenarios and measures of effectiveness used.

''(3) An assessment of the results of joint warfighting experimentation within the Department of Defense.

''(4) With respect to joint warfighting experimentation, any recommendations that the commander considers appropriate regarding—

''(A) the development or acquisition of advanced technologies;

''(B) changes in organizational structure, operational concepts, or joint doctrine;

''(C) the conduct of experiments;

''(D) the adequacy of resources; or

''(E) changes in authority of the commander to develop or acquire materiel, supplies, services, or equipment directly for the conduct of joint warfighting experimentation.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''485. Joint warfighting experimentation.''.

(c) FIRST ANNUAL REPORT.—The first report under section 485 of title 10, United States Code, as added by subsection (b), shall be made with respect to fiscal year 1999. In the case of the report under that section for fiscal year 1999, the reference in subsection (b)(1) of that section to the most recent report under that section shall be treated as referring to the report under subsection (a) of this section.

Subtitle D—Other Matters

SEC. 931. FURTHER REDUCTIONS IN DEFENSE ACQUISITION AND SUPPORT WORKFORCE.

(a) REDUCTION OF DEFENSE ACQUISITION AND SUPPORT WORKFORCE.—The Secretary of Defense shall accomplish reductions in defense acquisition and support personnel positions during fiscal year 1999 so that the total number of such personnel as of October 1, 1999, is less than the total number of such personnel as of October 1, 1998, by at least the applicable number determined under subsection (b).

(b) REQUIRED REDUCTION.—(1) The applicable number for purposes of subsection (a) is 25,000. However, the Secretary of Defense may specify a lower number, which may not be less than 12,500, as the applicable number for purposes of subsection (a) if the Secretary determines, and certifies to Congress not later than May 1, 1999, that an applicable number greater than the number specified by the Secretary would be inconsistent with the cost-effective management of the defense acquisition system to obtain best value equipment and with ensuring military readiness.

(2) The Secretary shall include with such a certification a report setting forth a detailed explanation of each of the matters certified. The report shall include—

(A) a detailed explanation of all matters incorporated in the Secretary's determination;

(B) a definition of the components of the defense acquisition and support positions; and

(C) the allocation of the reductions under this section among the occupational elements of those positions.

(3) The authority of the Secretary under paragraph (1) may only be delegated to the Deputy Secretary of Defense.

(c) LIMITATION ON REDUCTION OF CORE ACQUISITION WORKFORCE.—The Secretary shall implement this section so that the core defense acquisition workforce identified by the Secretary in the report submitted pursuant to section 912(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1860) is reduced proportionally no more than the other occupational elements included as defense acquisition and support positions in that report.

(d) DEFENSE ACQUISITION AND SUPPORT PERSONNEL DEFINED.—For purposes of this section, the term ''defense acquisition and support personnel'' means military and civilian personnel (other than civilian personnel who are employed at a maintenance depot) who are assigned to, or employed in, acquisition organizations of the Department of Defense (as specified in Department of Defense Instruction numbered 5000.58 dated January 14, 1992), and any other organizations which the Secretary may determine to have a predominantly acquisition mission.

SEC. 932. LIMITATION ON OPERATION AND SUPPORT FUNDS FOR THE OFFICE OF THE SECRETARY OF DEFENSE.

Of the amount available for fiscal year 1999 for operation and support activities of the Office of the Secretary of Defense, not more than 90 percent may be obligated until each of the following reports has been submitted:

(1) The report required to be submitted to the congressional defense committees by section 904(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2619).

(2) The reports required to be submitted to Congress by sections 911(b) and 911(c) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1858, 1859).

SEC. 933. CLARIFICATION AND SIMPLIFICATION OF RESPONSIBILITIES OF INSPECTORS GENERAL REGARDING WHISTLEBLOWER PROTECTIONS.

(a) ROLES OF INSPECTORS GENERAL OF THE ARMED FORCES.—(1) Subsection (c) of section 1034 of title 10, United States Code, is amended—

(A) by striking out paragraph (1) and inserting in lieu thereof the following:

''(1) If a member of the armed forces submits to an Inspector General an allegation that a personnel action prohibited by subsection (b) has been taken (or threatened) against the member with respect to a communication described in paragraph (2), the Inspector General shall take the action required under paragraph (3).''; and

(B) by striking out paragraph (3) and inserting in lieu thereof the following:

''(3)(A) An Inspector General receiving an allegation as described in paragraph (1) shall expeditiously determine whether there is sufficient evidence to warrant an investigation of the allegation.

''(B) If the Inspector General receiving such an allegation is an Inspector General within a military department, that Inspector General shall promptly notify the Inspector General of the Department of Defense of the allegation. Such notification shall be made in accordance with regulations prescribed under subsection (h).

''(C) If an allegation under paragraph (1) is submitted to an Inspector General within a military department and if the determination of that Inspector General under subparagraph (A) is that there is not sufficient evidence to warrant an investigation of the allegation, that Inspector General shall forward the matter to the Inspector General of the Department of Defense for review.

''(D) Upon determining that an investigation of an allegation under paragraph (1) is warranted, the Inspector General making the determination shall expeditiously investigate the allegation. In the case of a determination made by the Inspector General of the Department of Defense, that Inspector General may delegate responsibility for the investigation to an appropriate Inspector General within a military department.

''(E) In the case of an investigation under subparagraph (D) within the Department of Defense, the results of the investigation shall be determined by, or approved by, the Inspector General of the Department of Defense (regardless of whether the investigation itself is conducted by the Inspector General of the Department of Defense or by an Inspector General within a military department).

''(4) Neither an initial determination under paragraph (3)(A) nor an investigation under paragraph (3)(D) is required in the case of an allegation made more than 60 days after the date on which the member becomes aware of the personnel action that is the subject of the allegation.

''(5) The Inspector General of the Department of Defense, or the Inspector General of the Department of Transportation (in the case of a member of the Coast Guard when the Coast Guard is not operating as a service in the Navy), shall ensure that the Inspector General conducting the investigation of an allegation under this subsection is outside the immediate chain of command of both the member submitting the allegation and the individual or individuals alleged to have taken the retaliatory action.''.

(2) Subsection (d) of such section is amended—

(A) by inserting ''receiving the allegation'' after ''the Inspector General'' the first place it appears; and

(B) by adding at the end the following: ''In the case of an allegation received by the Inspector General of the Department of Defense, the Inspector General may delegate that responsibility to the Inspector General of the armed force concerned.''.

(b) MISMANAGEMENT COVERED BY PROTECTED COMMUNICATIONS.—Subsection (c)(2)(B) of such section is amended by striking out ''Mismanagement'' and inserting in lieu thereof ''Gross mismanagement''.

(c) SIMPLIFIED REPORTING AND NOTICE REQUIREMENTS.—(1) Paragraph (1) of subsection (e) of such section is amended—

(A) by striking out ''Not later than 30 days after completion of an investigation under subsection (c) or (d),'' and inserting in lieu thereof ''After completion of an investigation under subsection (c) or (d) or, in the case of an investigation under subsection (c) by an Inspector General within a military department, after approval of the report of that investigation under subsection (c)(3)(E),''

(B) by striking out ''the Inspector General shall submit a report on'' and inserting in lieu thereof ''the Inspector General conducting the investigation shall submit a report on'';

(C) by inserting ''shall transmit a copy of the report on the results of the investigation to'' before ''the member of the armed forces''; and

(D) by adding at the end the following new sentence: ''The report shall be transmitted to the Secretary, and the copy of the report shall be transmitted to the member, not later than 30 days after the completion of the investigation or, in the case of an investigation under subsection (c) by an Inspector General within a military department, after approval of the report of that investigation under subsection (c)(3)(E).''.

(2) Paragraph (2) of such subsection is amended—

(A) by striking out ''submitted'' after ''In the copy of the report'' and inserting in lieu thereof ''transmitted''; and

(B) by adding at the end the following new sentence: ''However, the copy need not include summaries of interviews conducted, nor any document acquired, during the course of the investigation. Such items shall be transmitted to the member, if the member requests the items, with the copy of the report or after the transmittal to the member of the copy of the report, regardless of whether the request for those items is made before or after the copy of the report is transmitted to the member.''.

(3) Paragraph (3) of such subsection is amended by striking out ''90 days'' and inserting in lieu thereof ''180 days''.

(d) REPEAL OF POST-INVESTIGATION INTERVIEW REQUIREMENT.—Subsection (h) of such section is repealed.

(e) DEFINITION OF INSPECTOR GENERAL DEFINED.—Subsection (j)(2) of such section is amended—

(1) by redesignating subparagraph (B) as subparagraph (G) and, in that subparagraph, by striking out ''an officer'' and inserting in lieu thereof ''An officer'';

(2) by striking out subparagraph (A) and inserting in lieu thereof the following:

''(A) The Inspector General of the Department of Defense.

''(B) The Inspector General of the Department of Transportation, in the case of a member of the Coast Guard when the Coast Guard is not operating as a service in the Navy.

''(C) The Inspector General of the Army, in the case of a member of the Army.

''(D) The Naval Inspector General, in the case of a member of the Navy.

''(E) The Inspector General of the Air Force, in the case of a member of the Air Force.

''(F) The Deputy Naval Inspector General for Marine Corps Matters, in the case of a member of the Marine Corps.''; and

(3) in the matter preceding subparagraph (A), by striking out ''means—'' and inserting in lieu thereof ''means the following:''.

(f) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Subsections (i) and (j) of such section are redesignated as subsections (h) and (i), respectively.

(2) Subsection (b)(1)(B)(ii) of such section is amended by striking out ''subsection (j))'' and inserting in lieu thereof ''subsection (i)) or any other Inspector General appointed under the Inspector General Act of 1978''.

SEC. 934. REPEAL OF REQUIREMENT RELATING TO ASSIGNMENT OF TACTICAL AIRLIFT MISSION TO RESERVE COMPONENTS.

Section 1438 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1689), as amended by section 1023 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1460), is repealed.

SEC. 935. CONSULTATION WITH MARINE CORPS ON MAJOR DECISIONS DIRECTLY CONCERNING MARINE CORPS AVIATION.

(a) IN GENERAL.—Chapter 503 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 5026. Consultation with Commandant of the Marine Corps on major decisions directly concerning Marine Corps aviation

''The Secretary of the Navy shall ensure that the views of the Commandant of the Marine Corps are given appropriate consideration before a major decision is made by an element of the Department of the Navy outside the Marine Corps on a matter that directly concerns Marine Corps aviation.''.

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

''5026. Consultation with Commandant of the Marine Corps on major decisions directly concerning Marine Corps aviation.''.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

Sec. 1001. Transfer authority.
Sec. 1002. Incorporation of classified annex.
Sec. 1003. Authorization of prior emergency supplemental appropriations for fiscal year 1998.
Sec. 1004. Authorization of appropriations for Bosnia peacekeeping operations for fiscal year 1999.
Sec. 1005. Partnership for Peace Information Management System.
Sec. 1006. United States contribution to NATO common-funded budgets in fiscal year 1999.
Sec. 1007. Liquidity of working-capital funds.
Sec. 1008. Termination of authority to manage working-capital funds and certain activities through the Defense Business Operations Fund.
Sec. 1009. Clarification of authority to retain recovered costs of disposals in working-capital funds.
Sec. 1010. Crediting of amounts recovered from third parties for loss or damage to personal property shipped or stored at Government expense.

Subtitle B—Naval Vessels and Shipyards

Sec. 1011. Revision to requirement for continued listing of two Iowa-class battleships on the Naval Vessel Register.
Sec. 1012. Transfer of U.S.S. NEW JERSEY.
Sec. 1013. Homeporting of the U.S.S. IOWA in San Francisco, California.
Sec. 1014. Sense of Congress concerning the naming of an LPD–17 vessel.
Sec. 1015. Reports on naval surface fire-support capabilities.
Sec. 1016. Long-term charter of three vessels in support of submarine rescue, escort, and towing.
Sec. 1017. Transfer of obsolete Army tugboat.

Subtitle C—Counter Drug Activities and Other Assistance for Civilian Law Enforcement

Sec. 1021. Department of Defense support to other agencies for counter-drug activities.
Sec. 1022. Department of Defense support of National Guard drug interdiction and counter-drug activities.
Sec. 1023. Department of Defense counter-drug activities in transit zone.

Subtitle D—Miscellaneous Report Requirements and Repeals

Sec. 1031. Repeal of unnecessary and obsolete reporting provisions.
Sec. 1032. Report regarding use of tagging system to identify hydrocarbon fuels used by Department of Defense.

Subtitle E—Armed Forces Retirement Home

Sec. 1041. Appointment of Director and Deputy Director of the Naval Home.
Sec. 1042. Revision of inspection requirements relating to Armed Forces Retirement Home.
Sec. 1043. Clarification of land conveyance authority, Armed Forces Retirement Home.

Subtitle F—Matters Relating to Defense Property

Sec. 1051. Plan for improved demilitarization of excess and surplus defense property.
Sec. 1052. Transfer of F–4 Phantom II aircraft to foundation.

Subtitle G—Other Department of Defense Matters

Sec. 1061. Pilot program on alternative notice of receipt of legal process for garnishment of Federal pay for child support and alimony.
Sec. 1062. Training of special operations forces with friendly foreign forces.
Sec. 1063. Research grants competitively awarded to service academies.
Sec. 1064. Department of Defense use of frequency spectrum.
Sec. 1065. Department of Defense aviation accident investigations.
Sec. 1066. Investigation of actions relating to 174th Fighter Wing of New York Air National Guard.
Sec. 1067. Program to commemorate 50th anniversary of the Korean War.
Sec. 1068. Designation of America's National Maritime Museum.
Sec. 1069. Technical and clerical amendments.

Subtitle H—Other Matters

Sec. 1071. Act constituting presidential approval of vessel war risk insurance requested by the Secretary of Defense.
Sec. 1072. Extension and reauthorization of Defense Production Act of 1950.
Sec. 1073. Requirement that burial flags furnished by the Secretary of Veterans Affairs be wholly produced in the United States.
Sec. 1074. Sense of Congress concerning tax treatment of principal residence of members of Armed Forces while away from home on active duty.
Sec. 1075. Clarification of State authority to tax compensation paid to certain employees.

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 1999 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

SEC. 1002. INCORPORATION OF CLASSIFIED ANNEX.

(a) STATUS OF CLASSIFIED ANNEX.—The Classified Annex prepared by the committee of conference to accompany the conference report on the bill H.R. 3616 of the One Hundred Fifth Congress and transmitted to the President is hereby incorporated into this Act.

(b) CONSTRUCTION WITH OTHER PROVISIONS OF ACT.—The amounts specified in the Classified Annex are not in addition to amounts authorized to be appropriated by other provisions of this Act.

(c) LIMITATION ON USE OF FUNDS.—Funds appropriated pursuant to an authorization contained in this Act that are made available for a program, project, or activity referred to in the Classified Annex may only be expended for such program, project, or activity in accordance with such terms, conditions, limitations, restrictions, and requirements as are set out for that program, project, or activity in the Classified Annex.

(d) DISTRIBUTION OF CLASSIFIED ANNEX.—The President shall provide for appropriate distribution of the Classified Annex, or of appropriate portions of the annex, within the executive branch of the Government.

SEC. 1003. AUTHORIZATION OF PRIOR EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1998.

Amounts authorized to be appropriated to the Department of Defense for fiscal year 1998 in the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization were increased (by a supplemental appropriation) or decreased (by a rescission), or both, in the 1998 Supplemental Appropriations and Rescissions Act (Public Law 105–174).

SEC. 1004. AUTHORIZATION OF APPROPRIATIONS FOR BOSNIA PEACEKEEPING OPERATIONS FOR FISCAL YEAR 1999.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 1999 for incremental costs of the Armed Forces for Bosnia peacekeeping operations in the total amount of $1,858,600,000, as follows:

(1) For military personnel, in addition to the amounts authorized to be appropriated in title IV of this Act:

(A) For the Army, $297,700,000.

(B) For the Navy, $9,700,000.

(C) For the Marine Corps, $2,700,000.

(D) For the Air Force, $33,900,000.

(E) For the Naval Reserve, $2,200,000.

(2) For operation and maintenance for the Overseas Contingency Operations Transfer Fund, in addition to the total amount authorized to be appropriated for that fund in section 301(24) of this Act, $1,512,400,000.

(b) DESIGNATION AS EMERGENCY.—Funds authorized to be appropriated in accordance with subsection (a) are designated as emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

(c) LIMITATION.—(1) Funds available for the Department of Defense for fiscal year 1999 for military personnel for the Army, Navy, Marine Corps, Air Force, or Naval Reserve or for operation and maintenance for the Overseas Contingency Operations Transfer Fund may not be obligated or expended for Bosnia peacekeeping operations in excess of the amount authorized to be appropriated for that purpose under subsection (a).

(2) The President may waive the limitation in paragraph (1) after submitting to Congress the following:

(A) The President's written certification that the waiver is necessary in the national security interests of the United States.

(B) The President's written certification that exercising the waiver will not adversely affect the readiness of United States military forces.

(C) A report setting forth the following:

(i) The reasons that the waiver is necessary in the national security interests of the United States.

(ii) The specific reasons that additional funding is required for the continued presence of United States military forces participating in, or supporting, Bosnia peacekeeping operations for fiscal year 1999.

(iii) A discussion of the impact on the military readiness of United States Armed Forces of the continuing deployment of United States military forces participating in, or supporting, Bosnia peacekeeping operations.

(D) A supplemental appropriations request for the Department of Defense for such amounts as are necessary for the additional fiscal year 1999 costs associated with United States military forces participating in, or supporting, Bosnia peacekeeping operations.

(d) TRANSFER AUTHORITY.—The Secretary of Defense may transfer amounts of authorizations made available to the Department of Defense in subsection (a)(2) for fiscal year 1999 to any of the authorizations for that fiscal year in section 301. Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred. The transfer authority under this subsection is in addition to any other transfer authority provided in this Act.

(e) BOSNIA PEACEKEEPING OPERATIONS DEFINED.—For the purposes of this section, the term ''Bosnia peacekeeping operations''—

(1) means the operation designated as Operation Joint Forge and any other operation involving the participation of any of the Armed Forces in peacekeeping or peace enforcement activities in and around the Republic of Bosnia and Herzegovina; and

(2) includes, with respect to Operation Joint Forge or any such other operation, each activity that is directly related to the support of the operation.

SEC. 1005. PARTNERSHIP FOR PEACE INFORMATION SYSTEM MANAGEMENT.

Funds authorized to be appropriated under titles II and III of this Act shall be available for the Partnership for Peace Information Management System as follows:

(1) Of the amount authorized to be appropriated under section 201(4) for Defense-wide activities, $2,000,000.

(2) Of the amount authorized to be appropriated under section 301(5) for Defense-wide activities, $3,000,000.

SEC. 1006. UNITED STATES CONTRIBUTION TO NATO COMMON-FUNDED BUDGETS IN FISCAL YEAR 1999.

(a) FISCAL YEAR 1999 LIMITATION.—The total amount contributed by the Secretary of Defense in fiscal year 1999 for the common-funded budgets of NATO may be any amount up to, but not in excess of, the amount specified in subsection (b) (rather than the maximum amount that would otherwise be applicable to those contributions under the fiscal year 1998 baseline limitation).

(b) TOTAL AMOUNT.—The amount of the limitation applicable under subsection (a) is the sum of the following:

(1) The amounts of unexpended balances, as of the end of fiscal year 1998, of funds appropriated for fiscal years before fiscal year 1999 for payments for those budgets.

(2) The amount authorized to be appropriated under section 301(1) that is available for contributions for the NATO common-funded military budget under section 314.

(3) The amount authorized to be appropriated under section 201 that is available for contribution for the NATO common-funded civil budget under section 243.

(4) The total amount of the contributions authorized to be made under section 2501.

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

(1) COMMON-FUNDED BUDGETS OF NATO.—The term ''common-funded budgets of NATO'' means the Military Budget, the Security Investment Program, and the Civil Budget of the North Atlantic Treaty Organization (and any successor or additional account or program of NATO).

(2) FISCAL YEAR 1998 BASELINE LIMITATION.—The term ''fiscal year 1998 baseline limitation'' means the maximum annual amount of Department of Defense contributions for common-funded budgets of NATO that is set forth as the annual limitation in section 3(2)(C)(ii) of the resolution of the Senate giving the advice and consent of the Senate to the ratification of the Protocols to the North Atlantic Treaty of 1949 on the Accession of Poland, Hungary, and the Czech Republic (as defined in section 4(7) of that resolution), approved by the Senate on April 30, 1998.

SEC. 1007. LIQUIDITY OF WORKING-CAPITAL FUNDS.

(a) INCREASED CASH BALANCES.—The Secretary of Defense shall administer the working-capital funds of the Department of Defense during fiscal year 1999 so as to ensure that the total amount of the cash balances in such funds on September 30, 1999, exceeds the total amount of the cash balances in such funds on September 30, 1998, by $1,300,000,000.

(b) ACTIONS REGARDING UNBUDGETED LOSSES.—The Under Secretary of Defense (Comptroller) shall take such actions regarding unbudgeted losses for the working-capital funds as may be necessary in order to ensure that such unbudgeted losses do not preclude the Secretary of Defense from achieving the increase in cash balances in working-capital funds required under subsection (a).

(c) WAIVER.—(1) The Secretary of Defense may waive the requirements of this section upon certifying to Congress, in writing, that the waiver is necessary to meet requirements associated with—

(A) a contingency operation (as defined in section 101(a)(13) of title 10, United States Code); or

(B) an operation of the Armed Forces that commenced before October 1, 1998, and continues during fiscal year 1999.

(2) The waiver authority under paragraph (1) may not be delegated to any official other than the Deputy Secretary of Defense.

(3) The waiver authority under paragraph (1) does not apply to the limitation in subsection (d) or the limitation in section 2208(l)(3) of title 10, United States Code (as added by subsection (e)).

(d) FISCAL YEAR 1999 LIMITATION ON ADVANCE BILLINGS.—(1) The total amount of the advance billings rendered or imposed for the working-capital funds of the Department of Defense and the Defense Business Operations Fund in fiscal year 1999—

(A) for the Department of the Navy, may not exceed $400,000,000; and

(B) for the Department of the Air Force, may not exceed $400,000,000.

(2) In paragraph (1), the term ''advance billing'' has the meaning given such term in section 2208(l) of title 10, United States Code.

(e) PERMANENT LIMITATION ON ADVANCE BILLINGS.—(1) Section 2208(l) of title 10, United States Code, is amended—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following new paragraph (3):

''(3) The total amount of the advance billings rendered or imposed for all working-capital funds of the Department of Defense in a fiscal year may not exceed $1,000,000,000.''.

(2) Section 2208(l)(3) of such title, as added by paragraph (1), applies to fiscal years after fiscal year 1999.

(f) SEMIANNUAL REPORT.—(1) The Under Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives—

(A) not later than May 1, 1999, a report on the administration of this section for the six-month period ending on March 31, 1999; and

(B) not later than November 1, 1999, a report on the administration of this section for the six-month period ending on September 30, 1999.

(2) Each report shall include, for the period covered by the report, the following:

(A) The profit and loss status of each working-capital fund activity.

(B) The actions taken by the Secretary of each military department to use assessments of surcharges to correct for unbudgeted losses.

SEC. 1008. TERMINATION OF AUTHORITY TO MANAGE WORKING-CAPITAL FUNDS AND CERTAIN ACTIVITIES THROUGH THE DEFENSE BUSINESS OPERATIONS FUND.

(a) REVISION OF CERTAIN DBOF PROVISIONS AND REENACTMENT TO APPLY TO WORKING-CAPITAL FUNDS GENERALLY.—Section 2208 of title 10, United States Code, is amended by adding at the end the following:

''(m) CAPITAL ASSET SUBACCOUNTS.—Amounts charged for depreciation of capital assets shall be credited to a separate capital asset subaccount established within a working-capital fund.

''(n) SEPARATE ACCOUNTING, REPORTING, AND AUDITING OF FUNDS AND ACTIVITIES.—The Secretary of Defense, with respect to the working-capital funds of each Defense Agency, and the Secretary of each military department, with respect to the working-capital funds of the military department, shall provide for separate accounting, reporting, and auditing of funds and activities managed through the working-capital funds.

''(o) CHARGES FOR GOODS AND SERVICES PROVIDED THROUGH THE FUND.—(1) Charges for goods and services provided for an activity through a working-capital fund shall include the following:

''(A) Amounts necessary to recover the full costs of the goods and services provided for that activity.

''(B) Amounts for depreciation of capital assets, set in accordance with generally accepted accounting principles.

''(2) Charges for goods and services provided through a working-capital fund may not include the following:

''(A) Amounts necessary to recover the costs of a military construction project (as defined in section 2801(b) of this title), other than a minor construction project financed by the fund pursuant to section 2805(c)(1) of this title.

''(B) Amounts necessary to cover costs incurred in connection with the closure or realignment of a military installation.

''(C) Amounts necessary to recover the costs of functions designated by the Secretary of Defense as mission critical, such as ammunition handling safety, and amounts for ancillary tasks not directly related to the mission of the function or activity managed through the fund.

''(p) PROCEDURES FOR ACCUMULATION OF FUNDS.—The Secretary of Defense, with respect to each working-capital fund of a Defense Agency, and the Secretary of a military department, with respect to each working-capital fund of the military department, shall establish billing procedures to ensure that the balance in that working-capital fund does not exceed the amount necessary to provide for the working-capital requirements of that fund, as determined by the Secretary.

''(q) ANNUAL REPORTS AND BUDGET.—The Secretary of Defense, with respect to each working-capital fund of a Defense Agency, and the Secretary of each military department, with respect to each working-capital fund of the military department, shall annually submit to Congress, at the same time that the President submits the budget under section 1105 of title 31, the following:

''(1) A detailed report that contains a statement of all receipts and disbursements of the fund (including such a statement for each subaccount of the fund) for the fiscal year ending in the year preceding the year in which the budget is submitted.

''(2) A detailed proposed budget for the operation of the fund for the fiscal year for which the budget is submitted.

''(3) A comparison of the amounts actually expended for the operation of the fund for the fiscal year referred to in paragraph (1) with the amount proposed for the operation of the fund for that fiscal year in the President's budget.

''(4) A report on the capital asset subaccount of the fund that contains the following information:

''(A) The opening balance of the subaccount as of the beginning of the fiscal year in which the report is submitted.

''(B) The estimated amounts to be credited to the subaccount in the fiscal year in which the report is submitted.

''(C) The estimated amounts of outlays to be paid out of the subaccount in the fiscal year in which the report is submitted.

''(D) The estimated balance of the subaccount at the end of the fiscal year in which the report is submitted.

''(E) A statement of how much of the estimated balance at the end of the fiscal year in which the report is submitted will be needed to pay outlays in the immediately following fiscal year that are in excess of the amount to be credited to the subaccount in the immediately following fiscal year.''.

(b) REPEAL OF AUTHORITY TO MANAGE THROUGH THE DEFENSE BUSINESS OPERATIONS FUND.—Section 2216a of title 10, United States Code, and the item relating to that section in the table of sections at the beginning of chapter 131 of such title, are repealed.

SEC. 1009. CLARIFICATION OF AUTHORITY TO RETAIN RECOVERED COSTS OF DISPOSALS IN WORKING-CAPITAL FUNDS.

Section 2210(a) of title 10, United States Code, is amended to read as follows:

''(a)(1) A working-capital fund established pursuant to section 2208 of this title may retain so much of the proceeds of disposals of property referred to in paragraph (2) as is necessary to recover the expenses incurred by the fund in disposing of such property. Proceeds from the sale or disposal of such property in excess of

amounts necessary to recover the expenses may be credited to current applicable appropriations of the Department of Defense.

''(2) Paragraph (1) applies to disposals of supplies, material, equipment, and other personal property that were not financed by stock funds established under section 2208 of this title.''.

SEC. 1010. CREDITING OF AMOUNTS RECOVERED FROM THIRD PARTIES FOR LOSS OR DAMAGE TO PERSONAL PROPERTY SHIPPED OR STORED AT GOVERNMENT EXPENSE.

(a) IN GENERAL.—(1) Chapter 163 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2739. Amounts recovered from third parties for loss or damage to personal property shipped or stored at Government expense: crediting to appropriations

''(a) CREDITING OF COLLECTIONS.—Any qualifying military department third-party collection shall be credited to the appropriate current appropriation. Amounts so credited shall be merged with the funds in that appropriation and shall be available for the same period and purposes as the funds with which merged.

''(b) APPROPRIATE CURRENT APPROPRIATION.—For purposes of subsection (a), the appropriate current appropriation with respect to a qualifying military department third-party collection is the appropriation currently available, as of the date of the collection, for the payment of claims by that military department for loss or damage of personal property shipped or stored at Government expense.

''(c) QUALIFYING MILITARY DEPARTMENT THIRD-PARTY COLLECTIONS.—For purposes of subsection (a), a qualifying military department third-party collection is any amount that a military department collects under sections 3711, 3716, 3717, and 3721 of title 31 from a third party for a loss or damage to personal property that occurred during shipment or storage of the property at Government expense and for which the Secretary of the military department paid the owner in settlement of a claim.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2739. Amounts recovered from third parties for loss or damage to personal property shipped or stored at Government expense: crediting to appropriations.''.

(b) EFFECTIVE DATE.—Section 2739 of title 10, United States Code, as added by subsection (a), applies with respect to amounts collected by a military department on or after the date of the enactment of this Act.

Subtitle B—Naval Vessels and Shipyards

SEC. 1011. REVISION TO REQUIREMENT FOR CONTINUED LISTING OF TWO IOWA-CLASS BATTLESHIPS ON THE NAVAL VESSEL REGISTER.

In carrying out section 1011 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 421), the Secretary of the Navy shall list on the Naval Vessel Register, and maintain on that register, the following two Iowa-class battleships: the U.S.S. IOWA (BB–61) and the U.S.S. WISCONSIN (BB–64).

SEC. 1012. TRANSFER OF U.S.S. NEW JERSEY.

The Secretary of the Navy shall strike the U.S.S. NEW JERSEY (BB–62) from the Naval Vessel Register and shall transfer that vessel to a non-for-profit entity in accordance with section 7306 of title 10, United States Code. The Secretary shall require as a condition of the transfer of that vessel that the transferee locate the vessel in the State of New Jersey.

SEC. 1013. HOMEPORTING OF THE U.S.S. IOWA IN SAN FRANCISCO, CALIFORNIA.

It is the sense of Congress that the U.S.S. IOWA (BB–61) should be homeported at the Port of San Francisco, California.

SEC. 1014. SENSE OF CONGRESS CONCERNING THE NAMING OF AN LPD–17 VESSEL .

It is the sense of Congress that, consistent with section 1018 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 425), the Secretary of the Navy should name the next vessel of the LPD–17 class of amphibious vessels to be named after the date of the enactment of this Act as the U.S.S. Clifton B. Cates, in honor of former Commandant of the Marine Corps Clifton B. Cates (1893–1970), a native of Tennessee whose distinguished career of service in the Marine Corps included combat service in World War I so heroic that he became the most decorated Marine Corps officer of that war, exemplary combat leadership in the Pacific theater during World War II from Guadalcanal to Tinian and Iwo Jima and beyond, and appointment in 1948 as the 19th Commandant of the Marine Corps with the rank of lieutenant general, a position from which he led the efficient and alacritous response of the Marine Corps to the invasion of the Republic of South Korea by Communist North Korea.

SEC. 1015. REPORTS ON NAVAL SURFACE FIRE-SUPPORT CAPABILITIES.

(a) NAVY REPORT.—(1) Not later than March 31, 1999, the Secretary of the Navy shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on battleship readiness for meeting requirements of the Armed Forces for naval surface fire support.

(2) The report shall contain the following:

(A) The reasons for the Secretary's failure to comply with the requirements of section 1011 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 421) until February 1998.

(B) The requirements for specialized air-naval gunfire liaison units.

(C) The plans of the Navy for retaining and maintaining 16-inch ammunition for the main guns of battleships.

(D) The plans of the Navy for retaining the hammerhead crane essential for lifting battleship turrets.

(E) An estimate of the cost of reactivating Iowa-class battleships for listing on the Naval Vessel Register, restoring the vessels to seaworthiness with operational capabilities necessary to meet requirements for naval surface fire-support, and maintaining the battleships in that condition for continued listing on the register, together with an estimate of the time necessary to reactivate and restore the vessels to that condition.

(F) An assessment of the short-term costs and the long-term costs associated with alternative methods for executing the naval surface fire-support mission of the Navy, including the alternative of reactivating two battleships.

(3) The Secretary shall act through the Director of Expeditionary Warfare Division (N85) of the Office of the Chief of Naval Operations in preparing the report.

(b) GAO REPORT.—(1) The Comptroller General shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the naval surface fire-support capabilities of the Navy.

(2) The report shall contain the following:

(A) An assessment of the extent of the compliance by the Secretary of the Navy with the requirements of section 1011 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 421).

(B) The plans of the Navy for executing the naval surface fire-support mission of the Navy.

(C) An assessment of the short-term costs and the long-term costs associated with the plans.

(D) An analysis of the assessment required under subsection (a)(2)(F).

SEC. 1016. LONG-TERM CHARTER OF THREE VESSELS IN SUPPORT OF SUBMARINE RESCUE, ESCORT, AND TOWING.

The Secretary of the Navy may enter into contracts in accordance with section 2401 of title 10, United States Code, for the charter through September 30, 2003, of the following vessels:

(1) The CAROLYN CHOUEST (United States official number D102057).

(2) The KELLIE CHOUEST (United States official number D1038519).

(3) The DOLORES CHOUEST (United States official number D600288).

SEC. 1017. TRANSFER OF OBSOLETE ARMY TUGBOAT.

In carrying out section 1023 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1876), the Secretary of the Army may substitute the obsolete, decommissioned tugboat Attleboro (LT–1977) for the tugboat Normandy (LT–1971) as one of the two obsolete tugboats authorized to be transferred by the Secretary under that section.

Subtitle C—Counter Drug Activities and Other Assistance for Civilian Law Enforcement

SEC. 1021. DEPARTMENT OF DEFENSE SUPPORT TO OTHER AGENCIES FOR COUNTER-DRUG ACTIVITIES.

(a) CONTINUATION OF AUTHORITY.—Subsection (a) of section 1004 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 374 note) is amended by striking out ''through 1999'' and inserting in lieu thereof ''through 2002''.

(b) BASES AND FACILITIES SUPPORT.—Subsection (b)(4) of such section is amended—

(1) by striking out ''unspecified minor construction'' and inserting in lieu thereof ''an unspecified minor military construction project'';

(2) by inserting ''of the Department of Defense or any Federal, State, or local law enforcement agency'' after ''counter-drug activities''; and

(3) by inserting before the period at the end the following: ''or counter-drug activities of a foreign law enforcement agency outside the United States''.

(c) CONGRESSIONAL NOTIFICATION OF FACILITIES PROJECTS.—Such section is further amended by adding at the end the following new section:

''(h) CONGRESSIONAL NOTIFICATION OF FACILITIES PROJECTS.—(1) When a decision is made to carry out a military construction project described in paragraph (2), the Secretary of Defense shall submit to the congressional defense committees written notice of the decision, including the justification for the project and the estimated cost of the project. The project may be commenced only after the end of the 21-day period beginning on the date on which the written notice is received by Congress.

''(2) Paragraph (1) applies to an unspecified minor military construction project that—

''(A) is intended for the modification or repair of a Department of Defense facility for the purpose set forth in subsection (b)(4); and

''(B) has an estimated cost of more than $500,000.''.

SEC. 1022. DEPARTMENT OF DEFENSE SUPPORT OF NATIONAL GUARD DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES.

(a) PROCUREMENT OF EQUIPMENT.—Subsection (a)(3) of section 112 of title 32, United States Code, is amended—

(1) by striking out ''and leasing of equipment'' and inserting in lieu thereof ''and equipment, and the leasing of equipment,''; and

(2) by adding at the end the following new sentence: ''However, the use of such funds for the procurement of equipment may not exceed $5,000 per purchase order, unless approval for procurement of equipment in excess of that amount is granted in advance by the Secretary of Defense.''.

(b) TRAINING AND READINESS.—Subsection (b)(2) of such section is amended to read as follows:

''(2)(A) A member of the National Guard serving on full-time National Guard duty under orders authorized under paragraph (1) shall participate in the training required under section

502(a) of this title in addition to the duty performed for the purpose authorized under that paragraph. The pay, allowances, and other benefits of the member while participating in the training shall be the same as those to which the member is entitled while performing duty for the purpose of carrying out drug interdiction and counter-drug activities. The member is not entitled to additional pay, allowances, or other benefits for participation in training required under section 502(a)(1) of this title.

''(B) Appropriations available for the Department of Defense for drug interdiction and counter-drug activities may be used for paying costs associated with a member's participation in training described in subparagraph (A). The appropriation shall be reimbursed in full, out of appropriations available for paying those costs, for the amounts paid. Appropriations available for paying those costs shall be available for making the reimbursements.

''(C) To ensure that the use of units and personnel of the National Guard of a State pursuant to a State drug interdiction and counter-drug activities plan does not degrade the training and readiness of such units and personnel, the following requirements shall apply in determining the drug interdiction and counter-drug activities that units and personnel of the National Guard of a State may perform:

''(i) The performance of the activities may not adversely affect the quality of that training or otherwise interfere with the ability of a member or unit of the National Guard to perform the military functions of the member or unit.

''(ii) National Guard personnel will not degrade their military skills as a result of performing the activities.

''(iii) The performance of the activities will not result in a significant increase in the cost of training.

''(iv) In the case of drug interdiction and counter-drug activities performed by a unit organized to serve as a unit, the activities will support valid unit training requirements.''.

(c) ASSISTANCE TO YOUTH AND CHARITABLE ORGANIZATIONS.—Subsection (b)(3) of such section is amended to read as follows:

''(3) A unit or member of the National Guard of a State may be used, pursuant to a State drug interdiction and counter-drug activities plan approved by the Secretary of Defense under this section, to provide services or other assistance (other than air transportation) to an organization eligible to receive services under section 508 of this title if—

''(A) the State drug interdiction and counter-drug activities plan specifically recognizes the organization as being eligible to receive the services or assistance;

''(B) in the case of services, the performance of the services meets the requirements of paragraphs (1) and (2) of subsection (a) of section 508 of this title; and

''(C) the services or assistance is authorized under subsection (b) or (c) of such section or in the State drug interdiction and counter-drug activities plan''.

(d) DEFINITION OF DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES.—Subsection (i)(1) of such section is amended by inserting after ''drug interdiction and counter-drug law enforcement activities'' the following: '', including drug demand reduction activities,''.

(e) CONFORMING AMENDMENTS.—Subsection (a) of such section is further amended—

(1) by striking out ''for—'' and inserting in lieu thereof ''for the following:'';

(2) by striking out ''the'' at the beginning of paragraphs (1), (2), and (3) and inserting in lieu thereof ''The'';

(3) in paragraph (1), by striking out the semicolon at the end and inserting in lieu thereof a period; and

(4) in paragraph (2), by striking out ''; and'' and inserting in lieu thereof a period.

SEC. 1023. DEPARTMENT OF DEFENSE COUNTER-DRUG ACTIVITIES IN TRANSIT ZONE.

(a) SENSE OF CONGRESS REGARDING PRIORITY OF DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES.—It is the sense of Congress that the Secretary of Defense should—

(1) ensure that the international drug interdiction and counter-drug activities of the Department of Defense are accorded adequate resources within the budget allocation of the Department to execute the drug interdiction and counter-drug mission under the Global Military Force Policy of the Department; and

(2) make such changes to that policy as the Secretary considers necessary.

(b) SUPPORT FOR COUNTER-DRUG OPERATION CAPER FOCUS.—(1) During fiscal year 1999, the Secretary of Defense shall make available, to the maximum extent practicable, such surface vessels, maritime patrol aircraft, and personnel of the Navy as may be necessary to conduct the final phase of the counter-drug operation known as Caper Focus, which targets the maritime movement of cocaine on vessels in the eastern Pacific Ocean.

(2) Of the amount authorized to be appropriated pursuant to section 301(20) for drug interdiction and counter-drug activities, $10,500,000 shall be available for the purpose of conducting the counter-drug operation known as Caper Focus.

(c) PATROL COASTAL CRAFT FOR DRUG INTERDICTION BY SOUTHERN COMMAND.—Of the amount authorized to be appropriated pursuant to section 301(20) for drug interdiction and counter-drug activities, $14,500,000 shall be available for the purpose of equipping and operating six of the Cyclone-class coastal defense ships of the Department of Defense in the Caribbean Sea and eastern Pacific Ocean in support of the drug interdiction efforts of the United States Southern Command.

(d) RESULTING AVAILABILITY OF FUNDS FOR COUNTERPROLIFERATION AND COUNTERTERRORISM ACTIVITIES.—(1) In light of subsection (c), of the amount authorized to be appropriated pursuant to section 301(5) for the Special Operations Command, $4,500,000 shall be available for the purpose of increased training and related operations in support of the activities of the Special Operations Command regarding counterproliferation of weapons of mass destruction and counterterrorism.

(2) The amount made available under this subsection is in addition to other funds authorized to be appropriated under section 301(5) for the Special Operations Command for such purpose.

Subtitle D—Miscellaneous Report Requirements and Repeals

SEC. 1031. REPEAL OF UNNECESSARY AND OBSOLETE REPORTING PROVISIONS.

(a) HEALTH AND MEDICAL CARE STUDIES AND DEMONSTRATIONS.—Section 1092(a) of title 10, United States Code, is amended by striking out paragraph (3).

(b) EXECUTED REQUIREMENT FOR BIANNUAL REPORTS ON ALTERNATIVE UTILIZATION OF MILITARY FACILITIES.—Section 2819 of the National Defense Authorization Act, Fiscal Year 1989 (10 U.S.C. 2391 note), relating to the Commission on Alternative Utilization of Military Facilities, is repealed.

SEC. 1032. REPORT REGARDING USE OF TAGGING SYSTEM TO IDENTIFY HYDROCARBON FUELS USED BY DEPARTMENT OF DEFENSE.

(a) REPORT REQUIRED.—Not later than March 30, 1999, the Secretary of Defense shall submit to Congress a report evaluating the following:

(1) The feasibility of tagging hydrocarbon fuels used by the Department of Defense for the purposes of analyzing and identifying such fuels.

(2) The deterrent effect of such tagging on the theft and misuse of fuels purchased by the Department.

(3) The extent to which such tagging would assist in determining the source of surface and underground pollution in locations having separate fuel storage facilities of the Department and of civilian companies.

(b) SYSTEM ELEMENTS.—In preparing the report, the Secretary shall ensure that any tagging system for the Department of Defense considered by the Secretary satisfies the following requirements:

(1) The tagging system would not harm the environment.

(2) Each chemical that would be used in the tagging system is—

(A) approved for use under the Toxic Substances Control Act (15 U.S.C. 2601 et seq.); and

(B) substantially similar to the fuel to which added, as determined in accordance with criteria established by the Environmental Protection Agency for the introduction of additives into hydrocarbon fuels.

(3) The tagging system would permit a determination if a tag is present and a determination if the concentration of a tag has changed in order to facilitate identification of tagged fuels and detection of dilution of tagged fuels.

(4) The tagging system would not impair or degrade the suitability of tagged fuels for their intended use.

(c) RECOMMENDATIONS.—The report shall include any recommendations for legislation relating to the tagging of hydrocarbon fuels by the Department of Defense that the Secretary considers appropriate.

Subtitle E—Armed Forces Retirement Home

SEC. 1041. APPOINTMENT OF DIRECTOR AND DEPUTY DIRECTOR OF THE NAVAL HOME.

(a) APPOINTMENT AND QUALIFICATIONS OF DIRECTOR AND DEPUTY DIRECTOR.—Subsection (a) of section 1517 of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 417) is amended—

(1) in paragraph (2)—

(A) by striking out ''Each Director'' and inserting in lieu thereof ''The Director of the United States Soldiers' and Airmen's Home''; and

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

''(B) meet the requirements of paragraph (4).'';

(2) by redesignating paragraph (3) as paragraph (5); and

(3) by inserting after paragraph (2) the following new paragraphs (3) and (4):

''(3) The Director, and any Deputy Director, of the Naval Home shall be appointed by the Secretary of Defense from among persons recommended by the Secretaries of the military departments who—

''(A) in the case of the position of Director, are commissioned officers of the Armed Forces serving on active duty in a pay grade above O–5;

''(B) in the case of the position of Deputy Director, are commissioned officers of the Armed Forces serving on active duty in a pay grade above O–4; and

''(C) meet the requirements of paragraph (4).

''(4) Each Director shall have appropriate leadership and management skills, an appreciation and understanding of the culture and norms associated with military service, and significant military background.''.

(b) TERM OF DIRECTOR AND DEPUTY DIRECTOR.—Subsection (c) of such section is amended—

(1) by striking out ''(c) TERM OF DIRECTOR.—'' and all that follows through ''A Director'' in the second sentence and inserting in lieu thereof ''(c) TERMS OF DIRECTORS.—(1) The term of office of the Director of the United States Soldiers' and Airmen's Home shall be five years. The Director''; and

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

''(2) The Director and the Deputy Director of the Naval Home shall serve at the pleasure of the Secretary of Defense.''.

(c) DEFINITIONS.—Such section is further amended by adding at the end the following new subsection:

''(g) DEFINITIONS.—In this section:

''(1) The term 'United States Soldiers' and Airmen's Home' means the separate facility of the Retirement Home that is known as the United States Soldiers' and Airmen's Home.

''(2) The term 'Naval Home' means the separate facility of the Retirement Home that is known as the Naval Home.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1998.

SEC. 1042. REVISION OF INSPECTION REQUIREMENTS RELATING TO ARMED FORCES RETIREMENT HOME.

(a) INSPECTION BY INSPECTORS GENERAL OF THE MILITARY DEPARTMENTS.—Section 1518 of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 418) is amended to read as follows:

''SEC. 1518. INSPECTION OF RETIREMENT HOME.

''(a) TRIENNIAL INSPECTION.—Every three years the Inspector General of a military department shall inspect the Retirement Home, including the records of the Retirement Home.

''(b) ALTERNATING DUTY AMONG INSPECTORS GENERAL.—The duty to inspect the Retirement Home shall alternate among the Inspector General of the Army, the Naval Inspector General, and the Inspector General of the Air Force on such schedule as the Secretary of Defense shall direct.

''(c) REPORTS.—Not later than 45 days after completing an inspection under subsection (a), the Inspector General carrying out the inspection shall submit to the Retirement Home Board, the Secretary of Defense, and Congress a report describing the results of the inspection and containing such recommendations as the Inspector General considers appropriate.''.

(b) FIRST INSPECTION.—The first inspection under section 1518 of the Armed Forces Retirement Home Act of 1991, as amended by subsection (a), shall be carried out during fiscal year 1999.

SEC. 1043. CLARIFICATION OF LAND CONVEYANCE AUTHORITY, ARMED FORCES RETIREMENT HOME.

Section 1053 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2650) is amended—

(1) in subsection (a), by striking out ''may convey, by sale or otherwise,'' and inserting in lieu thereof ''shall convey by sale''; and

(2) by striking out subsection (b) and inserting in lieu thereof the following new subsection (b):

''(b) MANNER, TERMS AND CONDITIONS OF DISPOSAL.—(1) The sale under subsection (a) shall be made to a neighboring nonprofit organization from whose extensive educational and charitable services the public benefits and has benefited from for more than 100 years, or an entity or entities related to such organization, and whose substantial investment in the neighborhood is consistent with the continued existence and purpose of the Armed Forces Retirement Home.

''(2) As consideration for the real property conveyance under subsection (a), the purchaser selected under paragraph (1) shall pay to the United States an amount equal to the fair market value of the real property at its highest and best economic use, as determined by the Armed Forces Retirement Home Board, based on an independent appraisal.''.

Subtitle F—Matters Relating to Defense Property

SEC. 1051. PLAN FOR IMPROVED DEMILITARIZATION OF EXCESS AND SURPLUS DEFENSE PROPERTY.

(a) PLAN REQUIRED.—Not later than March 1, 1999, the Secretary of Defense shall submit to Congress a plan to address the problems with the sale or other disposal of excess and surplus defense materials identified in the report submitted to Congress by the Secretary of Defense on June 5, 1998, pursuant to section 1067 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1896). The plan shall provide for the following:

(1) Implementation for all appropriate Department personnel of the mandatory demilitarization training specified in Department of Defense revised manual 4160.21–M–1.

(2) Improvement of oversight of the performance of demilitarization functions and the maintenance of demilitarization codes throughout the life cycle of defense materials.

(3) Assignment of accurate demilitarization codes and the issuance of accurate demilitarization execution instructions during the system planning phases of the acquisition process.

(4) Implementation of such recommendations of the Defense Science Board task force appointed by the Under Secretary of Defense for Acquisition and Technology to consider the control of military excess and surplus property as the Secretary of Defense considers to be appropriate.

(b) DEMILITARIZATION TRAINING.—In connection with the demilitarization training that is required to be addressed in the plan, the Secretary shall indicate the time frame for full implementation of such training and the number of Department of Defense personnel to be trained.

(c) CENTRALIZED DEMILITARIZATION FUNCTIONS.—In connection with the matters specified in paragraphs (2) and (3) of subsection (a) that are required to be addressed in the plan, the Secretary shall consider options for the centralization of demilitarization functions and responsibilities in a single office or agency. The Secretary shall specify in the plan the responsible office or agency, and indicate the time frame for centralizing demilitarization functions and responsibilities, unless the Secretary determines that it is not practical or appropriate to centralize demilitarization functions and responsibilities, in which case the Secretary shall provide the reasons for the determination.

(d) DRAFT LEGISLATION.—The Secretary shall include in the plan any draft legislation that the Secretary considers appropriate to clarify the authority of the Government to recover critical and sensitive defense property that has been inadequately demilitarized.

(e) RELATED REPORTS.—(1) The Secretary shall submit with the plan—

(A) a copy of recommendations of the Defense Science Board task force referred to in subsection (a)(4); and

(B) a copy of the report prepared by an independent contractor in accordance with the Secretary's report referred to in subsection (a), at the request of the Defense Logistics Agency, to address options for centralizing demilitarization responsibilities, including a central demilitarization office and a central system for coding and maintaining demilitarization codes through the life cycle of the property involved.

(2) With respect to the report of the independent contractor described in paragraph (1)(B), the Secretary shall provide an evaluation of the recommendations contained in the report and any plans by the Secretary for implementing the recommendations.

SEC. 1052. TRANSFER OF F–4 PHANTOM II AIRCRAFT TO FOUNDATION.

(a) AUTHORITY.—The Secretary of the Air Force may convey, without consideration, to the Collings Foundation, Stow, Massachusetts (in this section referred to as the ''foundation''), all right, title, and interest of the United States in and to one surplus F–4 Phantom II aircraft. The conveyance shall be made by means of a conditional deed of gift.

(b) CONDITION OF AIRCRAFT.—The Secretary may not convey ownership of the aircraft under subsection (a) until the Secretary determines that the foundation has altered the aircraft in such manner as the Secretary determines necessary to ensure that the aircraft does not have any capability for use as a platform for launching or releasing munitions or any other combat capability that it was designed to have. The Secretary is not required to repair or alter the condition of the aircraft before conveying ownership of the aircraft.

(c) REVERTER UPON BREACH OF CONDITIONS.—The Secretary shall include in the instrument of conveyance of the aircraft—

(1) a condition that the foundation not convey any ownership interest in, or transfer possession of, the aircraft to any other party without the prior approval of the Secretary;

(2) a condition that the foundation operate and maintain the aircraft in compliance with all applicable limitations and maintenance requirements imposed by the Administrator of the Federal Aviation Administration; and

(3) a condition that if the Secretary determines at any time that the foundation has conveyed an ownership interest in, or transferred possession of, the aircraft to any other party without the prior approval of the Secretary, or has failed to comply with the condition set forth in paragraph (2), all right, title, and interest in and to the aircraft, including any repair or alteration of the aircraft, shall revert to the United States, and the United States shall have the right of immediate possession of the aircraft.

(d) CONVEYANCE AT NO COST TO THE UNITED STATES.—The conveyance of an aircraft authorized by this section shall be made at no cost to the United States. Any costs associated with such conveyance, costs of determining compliance with subsection (b), and costs of operation and maintenance of the aircraft conveyed shall be borne by the foundation.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

(f) CLARIFICATION OF LIABILITY.—Notwithstanding any other provision of law, upon the conveyance of ownership of the F–4 Phantom II aircraft to the foundation under subsection (a), the United States shall not be liable for any death, injury, loss, or damage that results from any use of that aircraft by any person other than the United States.

Subtitle G—Other Department of Defense Matters

SEC. 1061. PILOT PROGRAM ON ALTERNATIVE NOTICE OF RECEIPT OF LEGAL PROCESS FOR GARNISHMENT OF FEDERAL PAY FOR CHILD SUPPORT AND ALIMONY.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall conduct a pilot program on alternative notice procedures for withholding or garnishment of pay for the payment of child support and alimony under section 459 of the Social Security Act (42 U.S.C. 659).

(b) PURPOSE.—The purpose of the pilot program is to test the efficacy of providing notice in accordance with subsection (c) to the person whose pay is to be withheld or garnished.

(c) AUTHORIZATION OF ALTERNATIVE TO PROVIDING COPY OF NOTICE OR SERVICE RECEIVED BY THE SECRETARY.—(1) Under the pilot program, whenever the Secretary of Defense (acting through the DOD section 459 agent) provides a section 459 notice to an individual, the Secretary may include as part of that notice the information specified in subsection (e) in lieu of sending with that notice a copy (otherwise required pursuant to the parenthetical phrase in section 459(c)(2)(A) of the Social Security Act) of the notice or service received by the DOD section 459 agent with respect to that individual's child support or alimony payment obligations.

(2) Under the pilot program, whenever the Secretary of Defense (acting through the DOD section 5520a agent) provides a section 5520a notice to an individual, the Secretary may include as part of that notice the information specified in subsection (e) in lieu of sending with that notice a copy (otherwise required pursuant to the

second parenthetical phrase in section 5520a(c) of the title 5, United States Code) of the legal process received by the DOD section 5520a agent with respect to that individual.

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

(1) DOD SECTION 459 AGENT.—The term ''DOD section 459 agent'' means the agent or agents designated by the Secretary of Defense under subsection (c)(1)(A) of section 459 of the Social Security Act (42 U.S.C. 659) to receive orders and accept service of process in matters related to child support or alimony.

(2) SECTION 459 NOTICE.—The term ''section 459 notice'' means, with respect to the Department of Defense, the notice required by subsection (c)(2)(A) of section 459 of the Social Security Act (42 U.S.C. 659) to be sent to an individual in writing upon the receipt by the DOD section 459 agent of notice or service with respect to the individual's child support or alimony payment obligations.

(3) DOD SECTION 5520A AGENT.—The term ''DOD section 5520a agent'' means a person who is designated by law or regulation to accept service of process to which the Department of Defense is subject under section 5520a of title 5, United States Code (including the regulations promulgated under subsection (k) of that section).

(4) SECTION 5520A NOTICE.—The term ''section 5520a notice'' means, with respect to the Department of Defense, the notice required by subsection (c) of section 5520a of title 5, United States Code, to be sent in writing to an employee (or, pursuant to the regulations promulgated under subsection (k) of that section, to a member of the Armed Forces) upon the receipt by the DOD section 5520a agent of legal process covered by that section.

(e) ALTERNATIVE REQUIREMENTS.—The information referred to in subsection (c) that is to be included as part of a section 459 notice or section 5520a notice sent to an individual (in lieu of sending with that notice a copy of the notice or service received by the DOD section 459 agent or the DOD section 5520a agent) is the following:

(1) A description of the pertinent court order, notice to withhold, or other order, process, or interrogatory received by the DOD section 459 agent or the DOD section 5520a agent.

(2) The identity of the court or judicial forum involved and (in the case of a notice or process concerning the ordering of a support or alimony obligation) the case number, the amount of the obligation, and the name of the beneficiary.

(3) Information on how the individual may obtain from the Department of Defense a copy of the notice, service, or legal process, including an address and telephone number that the individual may be contact for the purpose of obtaining such a copy.

(f) PERIOD OF PILOT PROGRAM.—The Secretary shall commence the pilot program not later than 90 days after the date of the enactment of this Act. The pilot program shall terminate on September 30, 2001.

(g) REPORT.—Not later than January 1, 2001, the Secretary shall submit to Congress a report describing the experience of the Department of Defense under the authority provided by this section. The report shall include the following:

(1) The number of section 459 notices provided by the DOD section 459 agent during the period the authority provided by this section was in effect.

(2) The number of individuals who requested the DOD section 459 agent to provide to them a copy of the actual notice or service.

(3) Any complaint the Secretary received by reason of not having provided the actual notice or service in the section 459 notice.

(4) The number of section 5520a notices provided by the DOD section 5520a agent during the period the authority provided by this section was in effect.

(5) The number of individuals who requested the DOD section 5520a agent to provide to them a copy of the actual legal process.

(6) Any complaint the Secretary received by reason of not having provided the actual legal process in the section 5520a notice.

SEC. 1062. TRAINING OF SPECIAL OPERATIONS FORCES WITH FRIENDLY FOREIGN FORCES.

(a) REQUIREMENT FOR PRIOR APPROVAL OF SECRETARY OF DEFENSE.—Subsection (c) of section 2011 of title 10, United States Code, is amended by inserting after the first sentence the following new sentence: ''The regulations shall require that training activities may be carried out under this section only with the prior approval of the Secretary of Defense.''.

(b) ELEMENTS OF ANNUAL REPORT.—Subsection (e) of such section is amended by adding at the end the following new paragraphs:

''(5) A summary of the expenditures under this section resulting from the training for which expenses were paid under this section.

''(6) A discussion of the unique military training benefit to United States special operations forces derived from the training activities for which expenses were paid under this section.''.

SEC. 1063. RESEARCH GRANTS COMPETITIVELY AWARDED TO SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—(1) Chapter 403 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 4358. Grants for faculty research for scientific, literary, and educational purposes: acceptance; authorized grantees

''(a) ACCEPTANCE OF RESEARCH GRANTS.—The Secretary of the Army may authorize the Superintendent of the Academy to accept qualifying research grants under this section. Any such grant may only be accepted if the work under the grant is to be carried out by a professor or instructor of the Academy for a scientific, literary, or educational purpose.

''(b) QUALIFYING GRANTS.—A qualifying research grant under this section is a grant that is awarded on a competitive basis by an entity referred to in subsection (c) for a research project with a scientific, literary, or educational purpose.

''(c) ENTITIES FROM WHICH GRANTS MAY BE ACCEPTED.—A grant may be accepted under this section only from a corporation, fund, foundation, educational institution, or similar entity that is organized and operated primarily for scientific, literary, or educational purposes.

''(d) ADMINISTRATION OF GRANT FUNDS.—The Secretary shall establish an account for administering funds received as research grants under this section. The Superintendent shall use the funds in the account in accordance with applicable regulations and the terms and conditions of the grants received.

''(e) RELATED EXPENSES.—Subject to such limitations as may be provided in appropriations Acts, appropriations available for the Academy may be used to pay expenses incurred by the Academy in applying for, and otherwise pursuing, award of a qualifying research grant.

''(f) REGULATIONS.—The Secretary of the Army shall prescribe regulations for the administration of this section.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''4358. Grants for faculty research for scientific, literary, and educational purposes: acceptance; authorized grantees.''.

(b) UNITED STATES NAVAL ACADEMY.—(1) Chapter 603 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 6977. Grants for faculty research for scientific, literary, and educational purposes: acceptance; authorized grantees

''(a) ACCEPTANCE OF RESEARCH GRANTS.—The Secretary of the Navy may authorize the Superintendent of the Academy to accept qualifying research grants under this section. Any such grant may only be accepted if the work under the grant is to be carried out by a professor or instructor of the Academy for a scientific, literary, or educational purpose.

''(b) QUALIFYING GRANTS.—A qualifying research grant under this section is a grant that is awarded on a competitive basis by an entity referred to in subsection (c) for a research project with a scientific, literary, or educational purpose.

''(c) ENTITIES FROM WHICH GRANTS MAY BE ACCEPTED.—A grant may be accepted under this section only from a corporation, fund, foundation, educational institution, or similar entity that is organized and operated primarily for scientific, literary, or educational purposes.

''(d) ADMINISTRATION OF GRANT FUNDS.—The Secretary shall establish an account for administering funds received as research grants under this section. The Superintendent shall use the funds in the account in accordance with applicable regulations and the terms and conditions of the grants received.

''(e) RELATED EXPENSES.—Subject to such limitations as may be provided in appropriations Acts, appropriations available for the Academy may be used to pay expenses incurred in the Academy in applying for, and otherwise pursuing, award of a qualifying research grant.

''(f) REGULATIONS.—The Secretary of the Navy shall prescribe regulations for the administration of this section.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''6977. Grants for faculty research for scientific, literary, and educational purposes: acceptance; authorized grantees.''.

SEC. 1064. DEPARTMENT OF DEFENSE USE OF FREQUENCY SPECTRUM.

(a) FINDING.—Congress finds that the report submitted to Congress by the Secretary of Defense on April 2, 1998, regarding the reallocation of the frequency spectrum used or dedicated to the Department of Defense and the intelligence community does not include a discussion of the costs to the Department of Defense that are associated with past and potential future reallocations of the frequency spectrum, although such a discussion was to be included in the report as directed in connection with the enactment of the National Defense Authorization Act for Fiscal Year 1998.

(b) ADDITIONAL REPORT.—The Secretary of Defense shall, not later than October 31, 1998, submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report that discusses the costs referred to in subsection (a).

(c) RELOCATION OF FEDERAL FREQUENCIES.—Section 113(g)(1) of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 923(g)(1)) is amended—

(1) by striking out ''(1) IN GENERAL.—In order'' and inserting in lieu thereof the following:

''(1) IN GENERAL.—

''(A) AUTHORITY OF FEDERAL ENTITIES TO ACCEPT COMPENSATION.—In order'';

(2) in subparagraph (A), as so designated, by striking out the second, third, and fourth sentences and inserting in lieu thereof the following: ''Any such Federal entity which proposes to so relocate shall notify the NTIA, which in turn shall notify the Commission, before the auction concerned of the marginal costs anticipated to be associated with such relocation or with modifications necessary to accommodate prospective licensees. The Commission in turn shall notify potential bidders of the estimated relocation or modification costs based on the geographic area covered by the proposed licenses before the auction.''; and

(3) by adding at the end the following:

''(B) REQUIREMENT TO COMPENSATE FEDERAL ENTITIES.—Any person on whose behalf a Federal entity incurs costs under subparagraph (A) shall compensate the Federal entity in advance for such costs. Such compensation may take the form of a cash payment or in-kind compensation.

''(C) DISPOSITION OF PAYMENTS.—

''(i) PAYMENT BY ELECTRONIC FUNDS TRANSFER.—A person making a cash payment under this paragraph shall make the cash payment by depositing the amount of the payment by electronic funds transfer in the account of the Federal entity concerned in the Treasury of the United States or in another account as authorized by law.

''(ii) AVAILABILITY.—Subject to the provisions of authorization Acts and appropriations Acts, amounts deposited under this subparagraph shall be available to the Federal entity concerned to pay directly the costs of relocation under this paragraph, to repay or make advances to appropriations or funds which do or will initially bear all or part of such costs, or to refund excess sums when necessary.

''(D) APPLICATION TO CERTAIN OTHER RELOCATIONS.—The provisions of this paragraph also apply to any Federal entity that operates a Federal Government station assigned to used electromagnetic spectrum identified for reallocation under subsection (a) if before August 5, 1997, the Commission has not identified that spectrum for service or assigned licenses or otherwise authorized service for that spectrum.

''(E) IMPLEMENTATION PROCEDURES.—The NTIA and the Commission shall develop procedures for the implementation of this paragraph, which procedures shall include a process for resolving any differences that arise between the Federal Government and commercial licensees regarding estimates of relocation or modification costs under this paragraph.

''(F) INAPPLICABILITY TO CERTAIN RELOCATIONS.—With the exception of the band of frequencies located at 1710–1755 megahertz, the provisions of this paragraph shall not apply to Federal spectrum identified for reallocation in the first reallocation report submitted to the President and Congress under subsection (a).''.

(d) REPORTS ON COSTS OF RELOCATIONS.—The head of each department or agency of the Federal Government shall include in the annual budget submission of such department or agency to the Director of the Office of Management and Budget a report assessing the costs to be incurred by such department or agency as a result of any frequency relocations of such department or agency that are anticipated under section 113 of the National Telecommunications Information Administration Organization Act (47 U.S.C. 923) as of the date of such report.

SEC. 1065. DEPARTMENT OF DEFENSE AVIATION ACCIDENT INVESTIGATIONS.

(a) REPORT REQUIRED.—Not later than March 31, 1999, the Secretary of Defense shall submit to Congress a report on the roles of the Office of the Secretary of Defense and of the Joint Staff in the investigation of Department of Defense aviation accidents.

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

(1) An assessment of whether the Office of the Secretary of Defense and the Joint Staff should have more direct involvement in the investigation of military aviation accidents.

(2) The advisability of the Office of the Secretary of Defense, the Joint Staff, or another Department of Defense entity independent of the military departments supervising the conduct of aviation accident investigations.

(3) An assessment of the minimum training and experience required for aviation accident investigation board presidents and board members.

(4) An assessment whether or not the procedures for sharing the results of military aviation accident investigations among the military departments should be improved.

(5) An assessment of the advisability of centralized training and instruction for military aircraft accident investigators.

(c) UNIFORM REGULATIONS FOR PROVISION OF ACCIDENT INVESTIGATION UPDATE INFORMATION.—The Secretary of Defense shall prescribe regulations, which shall be applied uniformly across the Department of Defense, establishing procedures by which the military departments shall provide to the family members of any person involved in a military aviation accident periodic update reports on the conduct and progress of investigations into the accident.

SEC. 1066. INVESTIGATION OF ACTIONS RELATING TO 174TH FIGHTER WING OF NEW YORK AIR NATIONAL GUARD.

(a) INVESTIGATION.—The Inspector General of the Department of Defense shall conduct a new investigation into the circumstances that led to the December 1, 1995, grounding of the 174th Fighter Wing of the New York Air National Guard. The investigation shall review those circumstances, examine the administrative and disciplinary actions taken against members of that wing, and determine whether those administrative and disciplinary measures were appropriate.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Inspector General shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report describing the results of the investigation under subsection (a).

SEC. 1067. PROGRAM TO COMMEMORATE 50TH ANNIVERSARY OF THE KOREAN WAR.

(a) LIMITATION ON EXPENDITURES.—Subsection (f) of section 1083 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1918; 10 U.S.C. 113 note) is amended to read as follows:

''(f) LIMITATION ON EXPENDITURES.—The total amount expended by the Department of Defense to carry out the commemorative program for fiscal year 1999 may not exceed $1,820,000.''.

(b) REDESIGNATION OF COMMEMORATION ACCOUNT.—The account in the Treasury known as the ''Department of Defense Korean Conflict Commemoration Account'' is redesignated as the ''Department of Defense Korean War Commemoration Account''.

(c) OTHER REFERENCES TO KOREAN WAR.—Such section is further amended—

*(1) in the section heading, by striking out ''**Korean conflict**'' and inserting in lieu thereof ''**Korean War**'';*

(2) by striking out ''Korean conflict'' each place it appears and inserting in lieu thereof ''Korean War'';

(3) in subsection (c), by striking out ''names 'The Department of Defense Korean Conflict Commemoration','' and inserting in lieu thereof ''name the 'Department of Defense Korean War Commemoration',''; and

(4) in subsection (d)(1), by striking out ''Korean Conflict'' and inserting in lieu thereof ''Korean War''.

(d) CROSS REFERENCES.—Any reference to the Department of Defense Korean Conflict Commemoration or the Department of Defense Korean Conflict Commemoration Account in any law, regulation, document, record, or other paper of the United States shall be considered to be a reference to the Department of Defense Korean War Commemoration or the Department of Defense Korean War Commemoration Account, respectively.

SEC. 1068. DESIGNATION OF AMERICA'S NATIONAL MARITIME MUSEUM.

(a) IN GENERAL.—America's National Maritime Museum is comprised of those museums designated by law to be museums of America's National Maritime Museum on the basis that they—

(1) house a collection of maritime artifacts clearly representing the Nation's maritime heritage; and

(2) provide outreach programs to educate the public about the Nation's maritime heritage.

(b) INITIAL DESIGNATION OF MUSEUMS.—The following museums (meeting the criteria specified in subsection (a)) are hereby designated as museums of America's National Maritime Museum:

(1) The Mariners' Museum, located at 100 Museum Drive, Newport News, Virginia.

(2) The South Street Seaport Museum, located at 207 Front Street, New York, New York.

(c) FUTURE DESIGNATION OF OTHER MUSEUMS NOT PRECLUDED.—The designation of the museums referred to in subsection (b) as museums of America's National Maritime Museum does not preclude the designation by law after the date of the enactment of this Act of any other museum that meets the criteria specified in subsection (a) as a museum of America's National Maritime Museum.

(d) REFERENCE TO MUSEUMS.—Any reference in any law, map, regulation, document, paper, or other record of the United States to a museum designated by law to be a museum of America's National Maritime Museum shall be deemed to be a reference to that museum as a museum of America's National Maritime Museum.

SEC. 1069. TECHNICAL AND CLERICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) The item relating to section 484 in the table of sections at the beginning of chapter 23 is amended to read as follows:

''484. Annual report on aircraft inventory.''.

(2) Section 517(a) is amended by striking out ''Except as provided in section 307 of title 37, the'' and inserting in lieu thereof ''The''.

(3) The item relating to section 2302c in the table of sections at the beginning of chapter 137 is amended to read as follows:

''2302c. Implementation of electronic commerce capability.''.

(4) The table of subchapters at the beginning of chapter 148 is amended—

(A) by striking out ''2491'' in the item relating to subchapter I and inserting in lieu thereof ''2500''; and

(B) by striking out the item relating to subchapter IV and inserting in lieu thereof the following:

''IV. Manufacturing Technology .... 2521''.

(5) The subchapter heading for subchapter IV of chapter 148 is amended to read as follows:

''SUBCHAPTER IV—MANUFACTURING TECHNOLOGY''

(6) Section 7045(c) is amended by striking out ''the'' after ''are subject to''.

(7) Section 7572(b) is repealed.

(8) Section 12683(b)(2) is amended by striking out ''; or'' at the end and inserting in lieu thereof a period.

(b) PUBLIC LAW 105–85.—Effective as of November 18, 1997, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) is amended as follows:

(1) Section 389(g) (111 Stat. 1715) is amended by striking out ''Secretary of Defense'' and inserting in lieu thereof ''Comptroller General''.

(2) Section 1006(a) (111 Stat. 1869) is amended by striking out ''or'' in the quoted matter and inserting in lieu thereof ''and''.

(3) Section 3133(b)(3) (111 Stat. 2036) is amended by striking out ''III'' and inserting in lieu thereof ''XIV''.

(c) DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION ACT OF 1996.—The Defense Against Weapons of Mass Destruction Act of 1996 (title XIV of Public Law 104–201) is amended as follows:

(1) Section 1423(b)(4) (50 U.S.C. 2332(b)(4); 110 Stat. 2726) is amended by striking out ''(22 U.S.C. 2156a(c))'' and inserting in lieu thereof ''(42 U.S.C. 2139a(c))''.

(2) Section 1441(b)(2) (50 U.S.C. 2351(b)(2); 110 Stat. 2727) is amended by striking out ''established under section 1342'' and inserting in lieu thereof ''of the National Security Council''.

(3) Section 1444 (50 U.S.C. 2354; 110 Stat. 2730) is amended by striking out ''1341'' and ''1342'' and inserting in lieu thereof ''1441'' and ''1442'', respectively.

(4) Section 1453(1) (50 U.S.C. 2363(1); 110 Stat. 2730) is amended by striking out ''the National Defense Authorization Act for Fiscal Years 1993 and 1994'' and inserting in lieu thereof ''title XIV of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 22 U.S.C. 5901 et seq.)''.

(d) OTHER ACTS.—

(1) Section 18(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(c)(1)) is amended by striking out the period at the end of subparagraph (A) and inserting in lieu thereof a semicolon.

(2) Section 3(c)(2) of Public Law 101–533 (22 U.S.C. 3142(c)(2)) is amended by striking out ''included in the most recent plan submitted to the Congress under section 2506 of title 10'' and inserting in lieu thereof ''identified in the most recent assessment prepared under section 2505 of title 10''.

(e) COORDINATION WITH OTHER AMENDMENTS.—For purposes of applying amendments made by provisions of this Act other than provisions of this section, this section shall be treated as having been enacted immediately before the other provisions of this Act.

Subtitle H—Other Matters

SEC. 1071. ACT CONSTITUTING PRESIDENTIAL APPROVAL OF VESSEL WAR RISK INSURANCE REQUESTED BY THE SECRETARY OF DEFENSE.

(a) IN GENERAL.—Section 1205(b) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1285(b)), is amended by adding at the end the following new sentence: ''The signature of the President (or of an official designated by the President) on the agreement shall be treated as an expression of the approval required under section 1202(a) to provide the insurance.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply only to a signature of the President (or of an official designated by the President) on or after the date of the enactment of this Act.

SEC. 1072. EXTENSION AND REAUTHORIZATION OF DEFENSE PRODUCTION ACT OF 1950.

(a) EXTENSION OF TERMINATION DATE.—Section 717(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2166(a)) is amended by striking ''September 30, 1998'' and inserting ''September 30, 1999''.

(b) EXTENSION OF AUTHORIZATION.—Section 711(b) of the Defense Production Act of 1950 (50 U.S.C. App. 2161(b)) is amended by striking ''and 1998'' and inserting ''1998, and 1999''.

SEC. 1073. REQUIREMENT THAT BURIAL FLAGS FURNISHED BY THE SECRETARY OF VETERANS AFFAIRS BE WHOLLY PRODUCED IN THE UNITED STATES.

(a) REQUIREMENT.—Section 2301 of title 38, United States Code, as amended by section 517, is further amended by adding at the end the following new subsection:

''(g)(1) The Secretary may not procure any flag for the purposes of this section that is not wholly produced in the United States.

''(2)(A) The Secretary may waive the requirement of paragraph (1) if the Secretary determines—

''(i) that the requirement cannot be reasonably met; or

''(ii) that compliance with the requirement would not be in the national interest of the United States.

''(B) The Secretary shall submit to Congress in writing notice of a determination under subparagraph (A) not later than 30 days after the date on which such determination is made.

''(3) For the purpose of paragraph (1), a flag shall be considered to be wholly produced in the United States only if—

''(A) the materials and components of the flag are entirely grown, manufactured, or created in the United States;

''(B) the processing (including spinning, weaving, dyeing, and finishing) of such materials and components is entirely performed in the United States; and

''(C) the manufacture and assembling of such materials and components into the flag is entirely performed in the United States.''.

(b) EFFECTIVE DATE.—Subsection (g) of section 2301 of title 38, United States Code, as added by subsection (a), shall apply to flags procured by the Secretary of Veterans Affairs for the purposes of section 2301 of title 38, United States Code, after the end of the 30-day period beginning on the date of the enactment of this Act.

SEC. 1074. SENSE OF CONGRESS CONCERNING TAX TREATMENT OF PRINCIPAL RESIDENCE OF MEMBERS OF ARMED FORCES WHILE AWAY FROM HOME ON ACTIVE DUTY.

It is the sense of Congress that a member of the Armed Forces should be treated for purposes of section 121 of the Internal Revenue Code of 1986 as using property as a principal residence during any continuous period that the member is serving on active duty for 180 days or more with the Armed Forces, but only if the member used the property as a principal residence for any period during or immediately before that period of active duty.

SEC. 1075. CLARIFICATION OF STATE AUTHORITY TO TAX COMPENSATION PAID TO CERTAIN EMPLOYEES.

(a) LIMITATION ON STATE AUTHORITY TO TAX COMPENSATION PAID TO INDIVIDUALS PERFORMING SERVICES AT FORT CAMPBELL, KENTUCKY.—

(1) IN GENERAL.—Chapter 4 of title 4, United States Code, is amended by adding at the end the following:

''§ 115. Limitation on State authority to tax compensation paid to individuals performing services at Fort Campbell, Kentucky

''Pay and compensation paid to an individual for personal services at Fort Campbell, Kentucky, shall be subject to taxation by the State or any political subdivision thereof of which such employee is a resident.''.

(2) CONFORMING AMENDMENT.—The table of sections for chapter 4 of title 4, United States Code, is amended by adding at the end the following:

''115. Limitation on State authority to tax compensation paid to individuals performing services at Fort Campbell, Kentucky.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to pay and compensation paid after the date of the enactment of this Act.

(b) CLARIFICATION OF STATE AUTHORITY TO TAX COMPENSATION PAID TO CERTAIN FEDERAL EMPLOYEES.—

(1) IN GENERAL.—Section 111 of title 4, United States Code, is amended—

(A) by inserting ''(a) GENERAL RULE.—'' before ''The United States'' the first place it appears; and

(B) by adding at the end the following:

''(b) TREATMENT OF CERTAIN FEDERAL EMPLOYEES EMPLOYED AT FEDERAL HYDROELECTRIC FACILITIES LOCATED ON THE COLUMBIA RIVER.—Pay or compensation paid by the United States for personal services as an employee of the United States at a hydroelectric facility—

''(1) which is owned by the United States;

''(2) which is located on the Columbia River; and

''(3) portions of which are within the States of Oregon and Washington,

shall be subject to taxation by the State or any political subdivision thereof of which such employee is a resident.

''(c) TREATMENT OF CERTAIN FEDERAL EMPLOYEES EMPLOYED AT FEDERAL HYDROELECTRIC FACILITIES LOCATED ON THE MISSOURI RIVER.—Pay or compensation paid by the United States for personal services as an employee of the United States at a hydroelectric facility—

''(1) which is owned by the United States;

''(2) which is located on the Missouri River; and

''(3) portions of which are within the States of South Dakota and Nebraska,

shall be subject to taxation by the State or any political subdivision thereof of which such employee is a resident.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to pay and compensation paid after the date of the enactment of this Act.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

Sec. 1101. Defense Advanced Research Projects Agency experimental personnel management program for technical personnel.
Sec. 1102. Maximum pay rate comparability for faculty members of the United States Air Force Institute of Technology.
Sec. 1103. Authority for release to Coast Guard of drug test results of civil service mariners of the Military Sealift Command.
Sec. 1104. Limitations on back pay awards.
Sec. 1105. Restoration of annual leave accumulated by civilian employees at installations in the Republic of Panama to be closed pursuant to the Panama Canal Treaty of 1977.
Sec. 1106. Repeal of program providing preference for employment of military spouses in military child care facilities.
Sec. 1107. Observance of certain holidays at duty posts outside the United States.
Sec. 1108. Continuation of random drug testing program for certain Department of Defense employees.
Sec. 1109. Department of Defense employee voluntary early retirement authority.

SEC. 1101. DEFENSE ADVANCED RESEARCH PROJECTS AGENCY EXPERIMENTAL PERSONNEL MANAGEMENT PROGRAM FOR TECHNICAL PERSONNEL.

(a) PROGRAM AUTHORIZED.—During the five-year period beginning on the date of the enactment of this Act, the Secretary of Defense may carry out a program of experimental use of the special personnel management authority provided in subsection (b) in order to facilitate recruitment of eminent experts in science or engineering for research and development projects administered by the Defense Advanced Research Projects Agency.

(b) SPECIAL PERSONNEL MANAGEMENT AUTHORITY.—Under the program, the Secretary may—

(1) appoint scientists and engineers from outside the civil service and uniformed services (as such terms are defined in section 2101 of title 5, United States Code) to not more than 20 scientific and engineering positions in the Defense Advanced Research Projects Agency without regard to any provision of title 5, United States Code, governing the appointment of employees in the civil service;

(2) prescribe the rates of basic pay for positions to which employees are appointed under paragraph (1) at rates not in excess of the maximum rate of basic pay authorized for senior-level positions under section 5376 of title 5, United States Code, notwithstanding any provision of such title governing the rates of pay or classification of employees in the executive branch; and

(3) pay any employee appointed under paragraph (1) payments in addition to basic pay within the limit applicable to the employee under subsection (d)(1).

(c) LIMITATION ON TERM OF APPOINTMENT.—(1) Except as provided in paragraph (2), the

service of an employee under an appointment under subsection (b)(1) may not exceed four years.

(2) The Secretary may, in the case of a particular employee, extend the period to which service is limited under paragraph (1) by up to two years if the Secretary determines that such action is necessary to promote the efficiency of the Defense Advanced Research Projects Agency.

(d) LIMITATIONS ON ADDITIONAL PAYMENTS.—(1) The total amount of the additional payments paid to an employee under subsection (b)(3) for any 12-month period may not exceed the least of the following amounts:

(A) $25,000.

(B) The amount equal to 25 percent of the employee's annual rate of basic pay.

(C) The amount of the limitation that is applicable for a calendar year under section 5307(a)(1) of title 5, United States Code.

(2) An employee appointed under subsection (b)(1) is not eligible for any bonus, monetary award, or other monetary incentive for service except for payments authorized under subsection (b)(3).

(e) PERIOD OF PROGRAM.—(1) The program authorized under this section shall terminate at the end of the five-year period referred to in subsection (a).

(2) After the termination of the program—

(A) no appointment may be made under paragraph (1) of subsection (b);

(B) a rate of basic pay prescribed under paragraph (2) of that subsection may not take effect for a position; and

(C) no period of service may be extended under subsection (c)(1).

(f) SAVINGS PROVISIONS.—In the case of an employee who, on the day before the termination of the program, is serving in a position pursuant to an appointment under subsection (b)(1)—

(1) the termination of the program does not terminate the employee's employment in that position before the expiration of the lesser of—

(A) the period for which the employee was appointed; or

(B) the period to which the employee's service is limited under subsection (c), including any extension made under paragraph (2) of that subsection before the termination of the program; and

(2) the rate of basic pay prescribed for the position under subsection (b)(2) may not be reduced for so long (within the period applicable to the employee under paragraph (1)) as the employee continues to serve in the position without a break in service.

(g) ANNUAL REPORT.—(1) Not later than October 15 of each year, beginning in 1999 and ending in 2004, the Secretary of Defense shall submit a report on the program to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives. The report submitted in a year shall cover the 12-month period ending on the day before the anniversary, in that year, of the date of the enactment of this Act.

(2) The annual report shall contain, for the period covered by the report, the following:

(A) A detailed discussion of the exercise of authority under this section.

(B) The sources from which individuals appointed under subsection (b)(1) were recruited.

(C) The methodology used for identifying and selecting such individuals.

(D) Any additional information that the Secretary considers helpful for assessing the utility of the authority under this section.

SEC. 1102. MAXIMUM PAY RATE COMPARABILITY FOR FACULTY MEMBERS OF THE UNITED STATES AIR FORCE INSTITUTE OF TECHNOLOGY.

Section 9314(b)(2)(B) of title 10, United States Code, is amended by striking out ''section 5306(e)'' and inserting in lieu thereof ''section 5373''.

SEC. 1103. AUTHORITY FOR RELEASE TO COAST GUARD OF DRUG TEST RESULTS OF CIVIL SERVICE MARINERS OF THE MILITARY SEALIFT COMMAND.

(a) IN GENERAL.—Chapter 643 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 7479. Civil service mariners of Military Sealift Command: release of drug test results to Coast Guard

''(a) RELEASE OF DRUG TEST RESULTS TO COAST GUARD.—The Secretary of the Navy may release to the Commandant of the Coast Guard the results of a drug test of any employee of the Department of the Navy who is employed in any capacity on board a vessel of the Military Sealift Command. Any such release shall be in accordance with the standards and procedures applicable to the disclosure and reporting to the Coast Guard of drug tests results and drug test records of individuals employed on vessels documented under the laws of the United States.

''(b) WAIVER.—The results of a drug test of an employee may be released under subsection (a) without the prior written consent of the employee that is otherwise required under section 503(e) of the Supplemental Appropriations Act, 1987 (5 U.S.C. 7301 note).''.

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

''7479. Civil service mariners of Military Sealift Command: release of drug test results to Coast Guard.''.

SEC. 1104. LIMITATIONS ON BACK PAY AWARDS.

(a) In General.—Section 5596(b) of title 5, United States Code, is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting after paragraph (3) the following new paragraph:

''(4) The pay, allowances, or differentials granted under this section for the period for which an unjustified or unwarranted personnel action was in effect shall not exceed that authorized by the applicable law, rule, regulations, or collective bargaining agreement under which the unjustified or unwarranted personnel action is found, except that in no case may pay, allowances, or differentials be granted under this section for a period beginning more than 6 years before the date of the filing of a timely appeal or, absent such filing, the date of the administrative determination.''.

(b) CONFORMING AMENDMENT.—Section 7121 of title 5, United States Code, is amended by adding at the end the following new subsection:

''(h) Settlements and awards under this chapter shall be subject to the limitations in section 5596(b)(4) of this title.''.

SEC. 1105. RESTORATION OF ANNUAL LEAVE ACCUMULATED BY CIVILIAN EMPLOYEES AT INSTALLATIONS IN THE REPUBLIC OF PANAMA TO BE CLOSED PURSUANT TO THE PANAMA CANAL TREATY OF 1977.

Section 6304(d)(3)(A) of title 5, United States Code, is amended by inserting ''the closure of an installation of the Department of Defense in the Republic of Panama in accordance with the Panama Canal Treaty of 1977,'' after ''2687 note) during any period,''.

SEC. 1106. REPEAL OF PROGRAM PROVIDING PREFERENCE FOR EMPLOYMENT OF MILITARY SPOUSES IN MILITARY CHILD CARE FACILITIES.

Section 1792 of title 10, United States Code, is amended—

(1) by striking out subsection (d); and

(2) by redesignating subsection (e) as subsection (d).

SEC. 1107. OBSERVANCE OF CERTAIN HOLIDAYS AT DUTY POSTS OUTSIDE THE UNITED STATES.

Section 6103(b) of title 5, United States Code, is amended by inserting after paragraph (2) the following new paragraph:

''(3) Instead of a holiday that is designated under subsection (a) to occur on a Monday, for an employee at a duty post outside the United States whose basic workweek is other than Monday through Friday, and for whom Monday is a regularly scheduled workday, the legal public holiday is the first workday of the workweek in which the Monday designated for the observance of such holiday under subsection (a) occurs.''.

SEC. 1108. CONTINUATION OF RANDOM DRUG TESTING PROGRAM FOR CERTAIN DEPARTMENT OF DEFENSE EMPLOYEES.

(a) CONTINUATION OF EXISTING PROGRAM.—The Secretary of Defense shall continue to actively carry out the drug testing program, originally required by section 3(a) of Executive Order 12564 (51 Fed. Reg. 32889; September 15, 1986), involving civilian employees of the Department of Defense who are considered to be employees in sensitive positions. The Secretary shall comply with the drug testing procedures prescribed pursuant to section 4 of the Executive Order.

(b) TESTING UPON REASONABLE SUSPICION OF ILLEGAL DRUG USE.—The Secretary of Defense shall ensure that the drug testing program referred to in subsection (a) authorizes the testing of a civilian employee of the Department of Defense for illegal drug use when there is a reasonable suspicion that the employee uses illegal drugs.

(c) NOTIFICATION TO APPLICANTS.—The Secretary of Defense shall notify persons who apply for employment with the Department of Defense that, as a condition of employment by the Department, the person may be required to submit to drug testing under the drug testing program required by Executive Order 12564 (51 Fed. Reg. 32889; September 15, 1986) pursuant to the terms of the Executive Order.

(d) DEFINITIONS.—In this section, the terms ''illegal drugs'' and ''employee in a sensitive position'' have the meanings given such terms in section 7 of Executive Order 12564 (51 Fed. Reg. 32889; September 15, 1986).

SEC. 1109. DEPARTMENT OF DEFENSE EMPLOYEE VOLUNTARY EARLY RETIREMENT AUTHORITY.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8336 of title 5, United States Code, is amended—

(1) in subsection (d)(2), by inserting ''except in the case of an employee described in subsection (o)(1),'' after ''(2)''; and

(2) by adding at the end the following:

''(o)(1) An employee of the Department of Defense who is separated from the service under conditions described in paragraph (2) after completing 25 years of service or after becoming 50 years of age and completing 20 years of service is entitled to an annuity.

''(2) Paragraph (1) applies to an employee who—

''(A) has been employed continuously by the Department of Defense for more than 30 days before the date on which the Secretary concerned requests the determinations required under in subparagraph (D)(i);

''(B) is serving under an appointment that is not limited by time;

''(C) has not received a decision notice of involuntary separation for misconduct or unacceptable performance that is pending decision; and

''(D) is separated from the service voluntarily during a period in which—

''(i) the Department of Defense or the military department or subordinate organization within the Department of Defense or military department in which the employee is serving is undergoing a major reorganization, a major reduction in force, or a major transfer of function, and employees comprising a significant percentage of the employees serving in that department or organization are to be separated or subject to an immediate reduction in the rate of basic pay (without regard to subchapter VI of chapter 53, or comparable provisions of law), as determined by the Office of Personnel Management (under

regulations prescribed by the Office) upon the request of the Secretary concerned; and

''(ii) the employee is within the scope of an offer of voluntary early retirement (as defined by organizational unit, occupational series or level, geographical location, any other similar factor that the Office of Personnel Management determines appropriate, or any combination of such definitions of scope), as determined by the Secretary concerned under regulations prescribed by the Office.

''(3) In this subsection, the term 'Secretary concerned' means—

''(A) the Secretary of Defense, with respect to an employee of the Department of Defense not employed in a position in a military department;

''(B) the Secretary of the Army, with respect to an employee of the Department of the Army;

''(C) the Secretary of the Navy, with respect to an employee of the Department of the Navy; and

''(D) the Secretary of the Air Force, with respect to an employee of the Department of the Air Force.''.

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8414 of such title is amended—

(1) in subsection (b)(1)(B), by inserting ''except in the case of an employee described in subsection (d)(1),'' after ''(B)''; and

(2) by adding at the end the following:

''(d)(1) An employee of the Department of Defense who is separated from the service under conditions described in paragraph (2) after completing 25 years of service or after becoming 50 years of age and completing 20 years of service is entitled to an annuity.

''(2) Paragraph (1) applies to an employee who—

''(A) has been employed continuously by the Department of Defense for more than 30 days before the date on which the Secretary concerned requests the determinations required under subparagraph (D)(i);

''(B) is serving under an appointment that is not limited by time;

''(C) has not received a decision notice of involuntary separation for misconduct or unacceptable performance that is pending decision; and

''(D) is separated from the service voluntarily during a period in which—

''(i) the Department of Defense or the military department or subordinate organization within the Department of Defense or military department in which the employee is serving is undergoing a major reorganization, a major reduction in force, or a major transfer of function, and employees comprising a significant percentage of the employees serving in that department or organization are to be separated or subject to an immediate reduction in the rate of basic pay (without regard to subchapter VI of chapter 53, or comparable provisions of law), as determined by the Office of Personnel Management (under regulations prescribed by the Office) upon the request of the Secretary concerned; and

''(ii) the employee is within the scope of an offer of voluntary early retirement (as defined by organizational unit, occupational series or level, geographical location, any other similar factor that the Office of Personnel Management determines appropriate, or any combination of such definitions of scope), as determined by the Secretary concerned under regulations prescribed by the Office.

''(3) In this subsection, the term 'Secretary concerned' means—

''(A) the Secretary of Defense, with respect to an employee of the Department of Defense not employed in a position in a military department;

''(B) the Secretary of the Army, with respect to an employee of the Department of the Army;

''(C) the Secretary of the Navy, with respect to an employee of the Department of the Navy; and

''(D) the Secretary of the Air Force, with respect to an employee of the Department of the Air Force.''.

(c) CONFORMING AMENDMENTS.—(1) Section 8339(h) of such title is amended by striking out ''or (j)'' in the first sentence and inserting in lieu thereof ''(j), or (o)''.

(2) Section 8464(a)(1)(A)(i) of such title is amended by striking out ''or (b)(1)(B)'' and inserting in lieu thereof '', (b)(1)(B), or (d)''.

(d) EFFECTIVE DATE; APPLICABILITY.—The amendments made by this section—

(1) shall take effect on October 1, 2000; and

(2) shall apply with respect to an approval for voluntary early retirement made on or after that date.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

Subtitle A—United States Armed Forces in Bosnia and Herzegovina

Sec. 1201. Findings.
Sec. 1202. Sense of Congress.
Sec. 1203. Presidential reports.
Sec. 1204. Secretary of Defense reports on operations in Bosnia and Herzegovina.
Sec. 1205. Definitions.

Subtitle B—Matters Relating to Contingency Operations

Sec. 1211. Report on involvement of Armed Forces in contingency and ongoing operations.
Sec. 1212. Submission of report on objectives of a contingency operation with requests for funding for the operation.

Subtitle C—Matters Relating to NATO and Europe

Sec. 1221. Limitation on United States share of costs of NATO expansion.
Sec. 1222. Report on military capabilities of an expanded NATO alliance.
Sec. 1223. Reports on the development of the European security and defense identity.

Subtitle D—Other Matters

Sec. 1231. Limitation on assignment of United States forces for certain United Nations purposes.
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Sec. 1233. Defense burdensharing.
Sec. 1234. Transfer of excess UH–1 Huey and AH–1 Cobra helicopters to foreign countries.
Sec. 1235. Transfers of naval vessels to certain foreign countries.
Sec. 1236. Repeal of landmine moratorium.
Sec. 1237. Application of authorities under the International Emergency Economic Powers Act to Communist Chinese military companies.

Subtitle A—United States Armed Forces in Bosnia and Herzegovina

SEC. 1201. FINDINGS.

Congress makes the following findings:

(1) The contributions of the people of the United States and other nations have, in large measure, resulted in the suspension of fighting and alleviated the suffering of the people of Bosnia and Herzegovina since December 1995.

(2) The United States has expended approximately $9,500,000,000 between 1992 and mid-1998 just in support of the United States military operations in Bosnia to achieve those results.

(3) Efforts to restore the economy and political structure in Bosnia and Herzegovina have achieved some success in accordance with the Dayton Accords.

(4) On March 3, 1998, the President certified to Congress (A) that the continued presence of United States forces in Bosnia and Herzegovina after June 30, 1998, was required in order to meet the national security interests of the United States, and (B) that United States Armed Forces will not serve as, or be used as, civil police in Bosnia and Herzegovina.

(5) With that certification, the President submitted to Congress a report stating that the goal of the military presence in Bosnia and Herzegovina is to establish the conditions under which implementation of the Dayton Accords can continue without the support of a major NATO-led military force and setting forth the criteria for determining when that goal has been accomplished.

(6) Since the administration has not specified how long achievement of that goal is expected to take, the mission of United States ground combat forces in Bosnia and Herzegovina is essentially of indefinite duration.

(7) The NATO operations plan for the Stabilization Force (Operations Plan 10407, which went into effect on June 20, 1998, after approval by allied foreign ministers) incorporates all of the benchmarks set forth in the report referred to in paragraph (5) and states that the Stabilization Force will develop detailed criteria for assessing progress in achieving those benchmarks in close coordination with key international organizations participating in civilian implementation of the Dayton Accords.

(8) The military representatives of NATO member nations have been tasked by the North Atlantic Council to provide estimates of the time likely to be required for implementation of the Dayton Accords.

(9) NATO has decided to conduct formal reviews when appropriate (but at intervals of not more than six months) to assess the security situation and the progress being made in the implementation of the civil aspects of the Dayton Accords. Those reviews will enable the Alliance to make decisions as to reductions in the size or the Stabilization Force, leading to its eventual full withdrawal.

(10) NATO has approved the creation of a multinational specialized unit of gendarmes or paramilitary police composed of European security forces to help promote public security in Bosnia and Herzegovina as a part of the post-June 1998 mission for the Stabilization Force.

(11) The limit established for spending by the United States for the defense discretionary budget category for fiscal year 1998 in the Balanced Budget and Emergency Deficit Control Act of 1985 does not take into account the continued deployment of United States forces in Bosnia and Herzegovina after June 30, 1998, leading to the request by the President for emergency supplemental appropriations for the Bosnia and Herzegovina mission through September 30, 1998.

(12) Amounts for Department of Defense operations in Bosnia and Herzegovina during fiscal year 1999 were not included in the budget of the President for fiscal year 1999, as submitted to Congress on February 2, 1998.

(13) The President requested $1,858,600,000 in emergency appropriations in his March 4, 1998, amendment to the fiscal year 1999 budget to cover the shortfall in funding in fiscal year 1999 for the costs of extending the mission in Bosnia.

SEC. 1202. SENSE OF CONGRESS.

(a) SENSE OF CONGRESS CONCERNING UNITED STATES FORCES AND ACCOMPLISHMENT OF TASKS IN BOSNIA AND HERZEGOVINA.—It is the sense of Congress that—

(1) United States ground combat forces should not remain in Bosnia and Herzegovina indefinitely in view of the worldwide commitments of the Armed Forces of the United States;

(2) the President should work with NATO allies and the other nations whose military forces are participating in the NATO-led Stabilization Force to withdraw United States ground combat forces from Bosnia and Herzegovina within a reasonable period of time, consistent with the safety of those forces and the accomplishment of the Stabilization Force's military tasks;

(3) a NATO-led force without the participation of United States ground combat forces in Bosnia and Herzegovina might be suitable for a follow-on force for Bosnia and Herzegovina if

the European Security and Defense Identity is not sufficiently developed or is otherwise considered inappropriate for such a mission; and

(4) the United States may decide to provide appropriate support to a Western European Union-led or NATO-led follow-on force for Bosnia and Herzegovina, including command and control, intelligence, logistics, and, if necessary, a ready reserve force in the region.

(b) SENSE OF CONGRESS CONCERNING PRESIDENTIAL ACTIONS.—It is the sense of Congress that the President—

(1) should inform the European NATO allies of the expression of the sense of Congress in subsection (a) and should strongly urge them to undertake preparations for establishing a Western European Union-led or a NATO-led force as a follow-on force to the Stabilization Force if needed to maintain peace and stability in Bosnia and Herzegovina; and

(2) should consult closely with the congressional leadership and the congressional defense committees with respect to the progress being made toward achieving a sustainable peace in Bosnia and Herzegovina and the progress being made toward a reduction and ultimate withdrawal of United States ground combat forces from Bosnia and Herzegovina.

(c) SENSE OF CONGRESS CONCERNING DEFENSE BUDGET.—It is the sense of Congress that—

(1) the President should include in the budget for the Department of Defense that the President submits to Congress under section 1105(a) of title 31, United States Code, for each fiscal year sufficient amounts to pay for any proposed continuation of the participation of United States forces in NATO operations in Bosnia and Herzegovina during that fiscal year; and

(2) amounts included in the budget for the purpose stated in paragraph (1) should be over and above the defense discretionary estimates as identified in the Bipartisan Budget Agreement of May 16, 1997 and the fiscal year 1998 concurrent budget resolution and not be transferred from amounts in the budget of any other agency of the executive branch, but instead should be an overall increase in the budget for the Department of Defense and the discretionary spending limits in the Balanced Budget Act of 1997.

SEC. 1203. PRESIDENTIAL REPORTS.

(a) REQUIRED REPORTS.—The President shall ensure that the semiannual reports required by section 7(b) of the general provisions of chapter I of the 1998 Supplemental Appropriations and Rescissions Act (Public Law 105–174; 112 Stat. 64) are submitted to Congress in a timely manner as long as United States ground combat forces continue to participate in the Stabilization Force (SFOR). In addition, whenever the President submits to Congress a request for funds for continued operations of United States forces in Bosnia and Herzegovina, the President shall submit a supplemental report providing information to update Congress on developments since the last semiannual report.

(b) REQUIRED INFORMATION.—In addition to the information required by the section referred to in subsection (a) to be included in a report under that section, each report under that section or under subsection (a) shall include the following:

(1) The expected duration of the deployment of United States ground combat forces in Bosnia and Herzegovina in support of implementation of the benchmarks set forth in the President's report of March 3, 1998 (referred to in section 1201(5)) for achieving a sustainable peace process.

(2) The percentage of those benchmarks that have been completed as of the date of the report, the percentage that are expected to be completed within the next reporting period, and the expected time for completion of the remaining tasks.

(3) The status of the NATO force of gendarmes or paramilitary police, including the mission of the force, the composition of the force, and the extent, if any, to which members of the Armed Forces of the United States are participating (or are to participate) in the force.

(4) The military and nonmilitary missions that the President has directed for United States forces in Bosnia and Herzegovina, including a specific discussion of—

(A) the mission of those forces, if any, in connection with the pursuit and apprehension of war criminals;

(B) the mission of those forces, if any, in connection with civilian police functions;

(C) the mission of those forces, if any, in connection with the resettlement of refugees; and

(D) the missions undertaken by those forces, if any, in support of international and local civilian authorities.

(5) An assessment of the risk for the United States forces in Bosnia and Herzegovina, including, for each mission identified pursuant to paragraph (4), the assessment of the Chairman of the Joint Chiefs of Staff regarding the nature and level of risk of the mission for the safety and well-being of United States military personnel.

(6) An assessment of the cost to the United States, by fiscal year, of carrying out the missions identified pursuant to paragraph (4) and a detailed projection of any additional funding that will be required by the Department of Defense to meet mission requirements for those operations for the remainder of the fiscal year.

(7) A joint assessment by the Secretary of Defense and the Secretary of State of the status of planning for—

(A) the assumption of all remaining military missions inside Bosnia and Herzegovina by European military and paramilitary forces; and

(B) the establishment and support of a forward-based United States rapid response force outside of Bosnia and Herzegovina that would be capable of deploying rapidly to defeat military threats to a European follow-on force inside Bosnia and Herzegovina and of providing whatever logistical, intelligence, and air support is needed to ensure that a European follow-on force is fully capable of accomplishing its missions under the Dayton Accords.

SEC. 1204. SECRETARY OF DEFENSE REPORTS ON OPERATIONS IN BOSNIA AND HERZEGOVINA.

(a) REPORT ON EFFECTS ON CAPABILITIES OF UNITED STATES MILITARY FORCES.—Not later than December 15, 1998, the Secretary of Defense shall submit to the congressional defense committees a report on the effects of military operations in Bosnia and Herzegovina and the Balkans region on the capabilities of United States military forces. The report shall, in particular, describe the effects of those operations on the capability of United States military forces to conduct successfully two nearly simultaneous major theater wars as specified in current Defense Planning Guidance and in accordance with the deployment timelines called for in the war plans of the commanders of the unified combatant commands.

(b) ADDITIONAL REPORTS.—Whenever the number of United States ground combat forces in Bosnia and Herzegovina increases or decreases by 20 percent or more compared to the number of such forces as of the most recent previous report under this section, the Secretary shall submit an additional report as specified in subsection (a). Any such additional report shall be submitted within 30 days of the date on which the requirement to submit the report becomes effective under the preceding sentence.

(c) MATTERS TO BE INCLUDED.—The Secretary shall include in each report under this section information with respect to the effects of military operations in Bosnia and Herzegovina and the Balkans region on the capabilities of United States military forces to conduct successfully two nearly simultaneous major theater wars as specified in current Defense Planning Guidance and in accordance with the deployment timelines called for in the war plans of the commanders of the unified combatant commands. Such information shall include information on the effects of those operations on anticipated deployment plans for major theater wars in Southwest Asia or on the Korean peninsula, including the following:

(1) Deficiencies or delays in deployment of strategic lift, logistics support and infrastructure, ammunition (including precision guided munitions), support forces, intelligence assets, follow-on forces used for planned counteroffensives, and similar forces.

(2) Additional planned reserve component mobilization, including specific units to be ordered to active duty and required dates for activation of presidential call-up authority.

(3) Specific plans and timelines for redeployment of United States forces from Bosnia and Herzegovina, the Balkans region, or supporting forces in the region, to both the first and second major theater war.

(4) Preventative actions or deployments involving United States forces in Bosnia and Herzegovina and the Balkans region that would be taken in the event of a single theater war to deter the outbreak of a second theater war.

(5) Specific plans and timelines to replace forces deployed to Bosnia and Herzegovina, the Balkans region, or the surrounding region to maintain United States military presence.

(6) An assessment, undertaken in consultation with the Chairman of the Joint Chiefs of Staff and the commanders of the unified combatant commands, of the level of increased risk to successful conduct of the major theater wars and the maintenance of security and stability in Bosnia and Herzegovina and the Balkans region, by the requirement to redeploy forces from Bosnia and the Balkans in the event of a major theater war.

SEC. 1205. DEFINITIONS.

As used in this subtitle:

(1) DAYTON PEACE ACCORDS.—The term ''Dayton Peace Accords'' means the General Framework Agreement for Peace in Bosnia and Herzegovina, initialed by the parties in Dayton, Ohio, on November 21, 1995, and signed in Paris on December 14, 1995.

(2) STABILIZATION FORCE.—The term ''Stabilization Force'' means the NATO-led force in Bosnia and Herzegovina and other countries in the region (referred to as ''SFOR''), authorized under United Nations Security Council Resolution 1088 (December 12, 1996).

(3) NATO.—The term ''NATO'' means the North Atlantic Treaty Organization.

Subtitle B—Matters Relating to Contingency Operations

SEC. 1211. REPORT ON INVOLVEMENT OF ARMED FORCES IN CONTINGENCY AND ONGOING OPERATIONS.

(a) REPORT REQUIRED.—Not later than January 31, 1999, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the involvement of the Armed Forces in major contingency operations and major ongoing operations since the end of the Persian Gulf War. The report shall include the following:

(1) A discussion of the effects of the involvement of the Armed Forces in those operations on retention of personnel in the Armed Forces, shown in the aggregate and separately for officers and enlisted personnel.

(2) The extent to which the use of combat support and combat service support personnel and equipment of the Armed Forces in those operations has resulted in shortages of Armed Forces personnel and equipment in other regions of the world.

(3) The accounts from which funds have been drawn to pay for those operations and the specific programs for which those funds were available until diverted to pay for those operations.

(4) For each such operation—

(A) a statement of the vital interests of the United States that are involved in the operation

or, if none, the interests of the United States that are involved in the operation and a characterization of those interests;

(B) a statement of what clear and distinct objectives guide the activities of United States forces in the operation; and

(C) a statement of what the President has identified on the basis of those objectives as the date, or the set of conditions, that defines the end of the operation.

(b) FORM OF REPORT.—The report shall be submitted in unclassified form, but may also be submitted in a classified form if necessary.

(c) MAJOR OPERATION DEFINED.—For the purposes of this section, a contingency operation or an ongoing operation is a major contingency operation or a major ongoing operation, respectively, if the operation involves the deployment of more than 500 members of the Armed Forces.

SEC. 1212. SUBMISSION OF REPORT ON OBJECTIVES OF A CONTINGENCY OPERATION WITH REQUESTS FOR FUNDING FOR THE OPERATION.

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

(1) On May 3, 1994, the President issued Presidential Decision Directive 25 declaring that American participation in United Nations and other peace operations would depend in part on whether the role of United States forces is tied to clear objectives and an endpoint for United States participation can be identified.

(2) Between that date and mid-1998, the President and other executive branch officials have obligated or requested appropriations of approximately $9,400,000,000 for military-related operations throughout Bosnia and Herzegovina without providing to Congress, in conjunction with the budget submission for any fiscal year, a strategic plan for such operations under the criteria set forth in that Presidential Decision Directive.

(3) Between November 27, 1995, and mid-1998 the President has established three deadlines, since elapsed, for the termination of United States military-related operations throughout Bosnia and Herzegovina.

(4) On December 17, 1997, the President announced that United States ground combat forces would remain in Bosnia and Herzegovina for an unknown period of time.

(5) Approximately 47,880 United States military personnel (excluding personnel serving in units assigned to the Republic of Korea) have participated in 14 international contingency operations between fiscal years 1991 and 1998.

(6) The 1998 posture statements of the Navy and Air Force included declarations that the pace of military operations over fiscal year 1997 adversely affected the readiness of non-deployed forces, personnel retention rates, and spare parts inventories of the Navy and Air Force.

(b) INFORMATION TO BE REPORTED WITH FUNDING REQUESTS.—Section 113 of title 10, United States Code, is amended by adding after subsection (l), as added by section 915, the following new subsection:

''(m) INFORMATION TO ACCOMPANY FUNDING REQUEST FOR CONTINGENCY OPERATION.—Whenever the President submits to Congress a request for appropriations for costs associated with a contingency operation that involves, or likely will involve, the deployment of more than 500 members of the armed forces, the Secretary of Defense shall submit to Congress a report on the objectives of the operation. The report shall include a discussion of the following:

''(1) What clear and distinct objectives guide the activities of United States forces in the operation.

''(2) What the President has identified on the basis of those objectives as the date, or the set of conditions, that defines the endpoint of the operation.''.

Subtitle C—Matters Relating to NATO and Europe

SEC. 1221. LIMITATION ON UNITED STATES SHARE OF COSTS OF NATO EXPANSION.

(a) LIMITATION.—The United States share of defined NATO expansion costs may not exceed the lesser of—

(1) the amount equal to 25 percent of those costs; or

(2) $2,000,000,000.

(b) DEFINED NATO EXPANSION COSTS.—For purposes of subsection (a), the term ''defined NATO expansion costs'' means the commonly funded costs of the North Atlantic Treaty Organization (NATO) during fiscal years 1999 through 2011 for enlargement of NATO due to the admission to NATO of Poland, Hungary, and the Czech Republic.

SEC. 1222. REPORT ON MILITARY CAPABILITIES OF AN EXPANDED NATO ALLIANCE.

(a) REPORT.—The Secretary of Defense shall prepare a report, in both classified and unclassified form, on the planned future military capabilities of the North Atlantic Treaty Organization (NATO) with the anticipated accession of Poland, the Czech Republic, and Hungary to the NATO alliance. The report shall set forth the following:

(1) An assessment of the tactical, operational, and strategic military requirements, including interoperability, reinforcement, and force modernization issues, as well as strategic and territorial issues, that are raised by the inclusion of Poland, the Czech Republic, and Hungary in the NATO alliance.

(2) The minimum military requirements to be satisfied by those countries before accession to the NATO alliance in April 1999.

(3) The improvements to common alliance military assets that are necessary as a result of expanding the NATO alliance to include those nations.

(4) The improvements to national capabilities of current NATO members that would be necessitated by the inclusion of those nations in the alliance.

(5) The necessary improvements to national capabilities of the military forces of those new member nations.

(6) Any additional necessary improvements to common alliance military assets of the military forces of those new members for which funds are not planned to be included in the NATO budget.

(7) The additional requirements, related to NATO expansion, that the United States would agree to assist each new member nation to meet on a bilateral basis.

(b) MATTERS TO BE INCLUDED.—The report shall include the following:

(1) An assessment of the tactical and operational capabilities of the military forces of Poland, the Czech Republic, and Hungary.

(2) An assessment of the ability of each such new member nation to meet the minimum military requirements upon accession to the NATO alliance in April 1999, and the ability of that nation to provide logistical, command and control, and other vital infrastructure required for alliance defense (as specified in Article V of the NATO Charter), including a description in general terms of alliance plans for reinforcing each new NATO member nation during a crisis or war and detailing means for deploying both United States and other NATO forces from current member states and from the continental United States or other United States bases worldwide and, in particular, describing plans for ground reinforcement of Hungary.

(3) An assessment of the ability of the current and new alliance members to deploy and sustain combat forces in alliance defense missions conducted in the territory of any of the new member nations, as specified in Article V of the NATO Charter.

(4) A description of projected defense programs through 2009 (shown on an annual basis and cumulatively) of each current and new alliance member nation—

(A) including planned investments in capabilities pursuant to Article V to ensure that—

(i) the nation's military force structure, defense planning, command structures, and force goals promote NATO's capacity to project power when the security of a NATO member is threatened; and

(ii) NATO members possess national military capabilities to rapidly deploy forces over long distances, sustain operations for extended periods, and operate jointly with the United States in high intensity conflicts as well as potential alliance contingency operations;

(B) showing both planned national efforts as well as planned alliance common efforts; and

(C) describing any deficiencies in investments by current or new alliance member nations.

(5) A detailed comparison and description of the differences in scope, methodology, and assessments of common alliance or national responsibilities, or any other factor related to alliance capabilities between (A) the report on alliance expansion costs prepared by the Department of Defense (in the report submitted to Congress in February 1998 entitled ''Report to the Congress on the Military Requirements and Costs of NATO Enlargement''), and (B) the report on alliance expansion costs prepared by NATO collectively and referred to as the ''NATO estimate'', issued at Brussels in November 1997.

(6) Any other factor that, in the judgment of the Secretary of Defense, bears upon the strategic, operational, or tactical military capabilities of an expanded NATO alliance.

(c) SUBMISSION OF REPORT.—The report shall be submitted to Congress not later than March 15, 1999.

SEC. 1223. REPORTS ON THE DEVELOPMENT OF THE EUROPEAN SECURITY AND DEFENSE IDENTITY.

(a) REQUIREMENT FOR REPORTS.—The Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives in accordance with this section reports on the development of the European Security and Defense Identity (ESDI) within the NATO Alliance that would enable the Western European Union (WEU), with the consent of the NATO Alliance, to assume the political control and strategic direction of NATO assets and capabilities made available by the Alliance.

(b) REPORTS TO BE SUBMITTED.—The reports required to be submitted under subsection (a) are as follows:

(1) An initial report, submitted not later than December 15, 1998, that contains a discussion of the actions taken, and the plans for future actions, to build the European Security and Defense Identity, together with the matters required under subsection (c).

(2) A semiannual report on the progress made toward establishing the European Security and Defense Identity, submitted not later than June 15 and December 15 of each year after 1998.

(c) CONTENT OF REPORTS.—The Secretary shall include in each report under this section the following:

(1) A discussion of the arrangements between NATO and the Western European Union for the release, transfer, monitoring, return, and recall of NATO assets and capabilities.

(2) A discussion of the development of such planning and other capabilities by the Western European Union that are necessary to provide political control and strategic direction of NATO assets and capabilities.

(3) A discussion of the development of terms of reference for the Deputy Supreme Allied Commander, Europe, with respect to the European Security and Defense Identity.

(4) A discussion of the arrangements for the assignment or appointment of NATO officers to serve in two positions concurrently (commonly referred to as ''dual-hatting'').

(5) A discussion of the development of the Combined Joint Task Force (CJTF) concept, including lessons-learned from the NATO-led Stabilization Force in Bosnia.

(6) Identification within the NATO Alliance of the types of separable but not separate capabilities, assets, and support assets for Western European Union-led operations.

(7) Identification of separable but not separate headquarters, headquarters elements, and command positions for command and conduct of Western European Union-led operations.

(8) The conduct by NATO, at the request of and in coordination with the Western European Union, of military planning and exercises for illustrative missions.

(9) A discussion of the arrangements between NATO and the Western European Union for the sharing of information, including intelligence.

(10) Such other information as the Secretary considers useful for a complete understanding of the establishment of the European Security and Defense Identity within the NATO Alliance.

(d) TERMINATION OF REPORTING REQUIREMENT.—The requirement to submit reports under subsection (b)(2) terminates upon the submission by the Secretary under that subsection of a report in which the Secretary states that the European Security and Defense Identity has been fully established.

Subtitle D—Other Matters

SEC. 1231. LIMITATION ON ASSIGNMENT OF UNITED STATES FORCES FOR CERTAIN UNITED NATIONS PURPOSES.

(a) LIMITATION ON PARTICIPATION IN UNITED NATIONS RAPIDLY DEPLOYABLE MISSION HEADQUARTERS.—If members of the Armed Forces are assigned during fiscal year 1999 to the United Nations Rapidly Deployable Mission Headquarters, the number of members so assigned may not exceed eight at any time during that year.

(b) PROHIBITION.—No funds available to the Department of Defense may be used—

(1) for a monetary contribution to the United Nations for the establishment of a standing international force under the United Nations; or

(2) to assign or detail any member of the Armed Forces to duty with a United Nations Stand By Force.

SEC. 1232. PROHIBITION ON RESTRICTION OF ARMED FORCES UNDER KYOTO PROTOCOL TO THE UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE.

(a) IN GENERAL.—Notwithstanding any other provision of law, no provision of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, or any regulation issued pursuant to such protocol, shall restrict the training or operations of the United States Armed Forces or limit the military equipment procured by the United States Armed Forces.

(b) WAIVER.—A provision of law may not be construed as modifying or superseding the provisions of subsection (a) unless that provision of law—

(1) specifically refers to this section; and

(2) specifically states that such provision of law modifies or supersedes the provisions of this section.

(c) MATTERS NOT AFFECTED.—Nothing in this section shall be construed to preclude the Department of Defense from implementing any measure to achieve efficiencies or for any other reason independent of the Kyoto Protocol.

SEC. 1233. DEFENSE BURDENSHARING.

(a) REVISED GOALS FOR EFFORTS TO INCREASE ALLIED BURDENSHARING.—Effective October 1, 1998, subsection (a) of section 1221 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1935; 22 U.S.C. 1928 note) is amended—

(1) in paragraph (2), by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999'';

(2) in paragraph (3)—

(A) by striking out ''economic'' and all that follows through ''rights'' and inserting in lieu thereof ''governmental accountability and transparency, economic stabilization and development, defense economic conversion, respect for the rule of law and internationally recognized human rights, and humanitarian relief efforts)''; and

(B) by striking out ''at least to a level commensurate to that of the United States by September 30, 1998'' and inserting in lieu thereof ''to provide such foreign assistance at an annual rate that is not less than one percent of its gross domestic product, by September 30, 1999''; and

(3) in paragraph (4)—

(A) by striking out ''amount of'';

(B) by striking out '', or would be prepared to contribute,'' and inserting in lieu thereof ''or has pledged to contribute''; and

(C) by inserting before the period at the end the following: ''by 10 percent by September 30, 1999''.

(b) REVISED REQUIREMENT FOR REPORT ON PROGRESS IN INCREASING ALLIED BURDENSHARING.—Subsection (c) of such section is amended—

(1) by striking out ''March 1, 1998'' in the matter preceding paragraph (1) and inserting in lieu thereof ''March 1, 1999''; and

(2) in paragraph (3), by striking out ''March 1, 1996'' and all that follows through the semicolon and inserting in lieu thereof ''October 1, 1996, and ending on September 30, 1997, and during the period beginning on October 1, 1997, and ending on September 30, 1998, or, in the case of any nation for which the data for such periods is inadequate, the difference between the amounts for the latest periods for which adequate data is available;''.

(c) EXTENSION OF DEADLINE FOR REPORT REGARDING NATIONAL SECURITY BASES FOR FORWARD DEPLOYMENT AND BURDENSHARING RELATIONSHIPS.—Subsection (d)(2) of such section is amended by striking out ''March 1, 1998'' and inserting in lieu thereof ''March 1, 1999''.

SEC. 1234. TRANSFER OF EXCESS UH–1 HUEY AND AH–1 COBRA HELICOPTERS TO FOREIGN COUNTRIES.

(a) IN GENERAL.—Chapter 153 of title 10, United States Code, is amended by adding at the end the following new section:

''§2581. Excess UH–1 Huey and AH–1 Cobra helicopters: requirements for transfer to foreign countries

''(a) REQUIREMENTS.—(1) Before an excess UH–1 Huey helicopter or AH–1 Cobra helicopter is transferred on a grant or sales basis to a foreign country for the purpose of flight operations by that country, the Secretary of Defense shall make all reasonable efforts to ensure that the helicopter receives, to the extent necessary, maintenance and repair equivalent to the depot-level maintenance and repair (as defined in section 2460 of this title) that the helicopter would need were the helicopter to remain in operational use with the armed forces. Any such maintenance and repair work shall be performed at no cost to the Department of Defense.

''(2) The Secretary shall make all reasonable efforts to ensure that maintenance and repair work described in paragraph (1) is performed in the United States.

''(b) EXCEPTION.—Subsection (a) does not apply with respect to salvage helicopters provided to the foreign country solely as a source for spare parts.''.

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

''2581. Excess UH–1 Huey and AH–1 Cobra helicopters: requirements for transfer to foreign countries.''.

SEC. 1235. TRANSFERS OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) TRANSFERS BY GRANT.—The Secretary of the Navy is authorized to transfer vessels to foreign countries on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) as follows:

(1) To the Government of Argentina, the NEWPORT class tank landing ship NEWPORT (LST 1179).

(2) To the Government of Greece—

(A) the KNOX class frigate HEPBURN (FF 1055); and

(B) the ADAMS class guided missile destroyers STRAUSS (DDG 16), SEMMS (DDG 18), and WADDELL (DDG 24).

(3) To the Government of Portugal, the STALWART class ocean surveillance ship ASSURANCE (T-AGOS 5).

(4) To the Government of Turkey, the KNOX class frigates PAUL (FF 1080), MILLER (FF 1091), and W.S. SIMMS (FF 1059).

(b) TRANSFERS BY SALE.—The Secretary of the Navy is authorized to transfer vessels to foreign countries on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761) as follows:

(1) To the Government of Brazil, the NEWPORT class tank landing ships CAYUGA (LST 1186) and PEORIA (LST 1183).

(2) To the Government of Chile—

(A) the NEWPORT class tank landing ship SAN BERNARDINO (LST 1189); and

(B) the auxiliary repair dry dock WATERFORD (ARD 5).

(3) To the Government of Greece—

(A) the OAK RIDGE class medium dry dock ALAMAGORDO (ARDM 2); and

(B) the KNOX class frigates VREELAND (FF 1068) and TRIPPE (FF 1075).

(4) To the Government of Mexico—

(A) the auxiliary repair dock SAN ONOFRE (ARD 30); and

(B) the KNOX class frigate PHARRIS (FF 1094).

(5) To the Government of the Philippines, the STALWART class ocean surveillance ship TRIUMPH (T-AGOS 4).

(6) To the Government of Spain, the NEWPORT class tank landing ships HARLAN COUNTY (LST 1196) and BARNSTABLE COUNTY (LST 1197).

(7) To the Taipai Economic and Cultural Representative Office in the United States (the Taiwan instrumentality that is designated pursuant to section 10(a) of the Taiwan Relations Act)—

(A) the KNOX class frigates PEARY (FF 1073), JOSEPH HEWES (FF 1078), COOK (FF 1083), BREWTON (FF 1086), KIRK (FF 1987), and BARBEY (FF 1088);

(B) the NEWPORT class tank landing ships MANITOWOC (LST 1180) and SUMTER (LST 1181);

(C) the floating dry dock COMPETENT (AFDM 6); and

(D) the ANCHORAGE class dock landing ship PENSACOLA (LSD 38).

(8) To the Government of Turkey—

(A) the OLIVER HAZARD PERRY class guided missile frigates MAHLON S. TISDALE (FFG 27), REID (FFG 30), and DUNCAN (FFG 10); and

(B) the KNOX class frigates REASONER (FF 1063), FANNING (FF 1076), BOWEN (FF 1079), MCCANDLESS (FF 1084), DONALD BEARY (FF 1085), AINSWORTH (FF 1090), THOMAS C. HART (FF 1092), and CAPODANNO (FF 1093).

(9) To the Government of Venezuela, the medium auxiliary floating dry dock bearing hull number AFDM 2.

(c) TRANSFERS ON A COMBINED LEASE-SALE BASIS.—The Secretary of the Navy is authorized to transfer vessels to foreign countries on a combined lease-sale basis under sections 61 and 21 of the Arms Export Control Act (22 U.S.C. 2796, 2761) and in accordance with subsection (d) as follows:

(1) To the Government of Brazil, the CIMARRON class oiler MERRIMACK (AO 179).

(2) To the Government of Greece, the KIDD class guided missile destroyers KIDD (DDG 993),

CALLAGHAN (DDG 994), SCOTT (DDG 995), and CHANDLER (DDG 996).

(d) CONDITIONS RELATING TO COMBINED LEASE-SALE TRANSFERS.—A transfer of a vessel on a combined lease-sale basis authorized by subsection (c) shall be made in accordance with the following requirements:

(1) The Secretary may initially transfer the vessel by lease, with lease payments suspended for the term of the lease, if the country entering into the lease for the vessel simultaneously enters into a foreign military sales agreement for the transfer of title to the vessel.

(2) The Secretary may not deliver to the purchasing country title to the vessel until the purchase price of the vessel under such a foreign military sales agreement is paid in full.

(3) Upon payment of the purchase price in full under such a sales agreement and delivery of title to the recipient country, the Secretary shall terminate the lease.

(4) If the purchasing country fails to make full payment of the purchase price in accordance with the sales agreement by the date required under the sales agreement—

(A) the sales agreement shall be immediately terminated;

(B) the suspension of lease payments under the lease shall be vacated; and

(C) the United States shall be entitled to retain all funds received on or before the date of the termination under the sales agreement, up to the amount of the lease payments due and payable under the lease and all other costs required by the lease to be paid to that date.

(5) If a sales agreement is terminated pursuant to paragraph (4), the United States shall not be required to pay any interest to the recipient country on any amount paid to the United States by the recipient country under the sales agreement and not retained by the United States under the lease.

(e) REQUIREMENT FOR PROVISION IN ADVANCE IN AN APPROPRIATIONS ACT.—Authority to transfer vessels on a sale basis under subsection (b) or a combined lease-sale basis under subsection (c) is effective only to the extent that authority to effectuate such transfers, together with appropriations to cover the associated cost (as defined in section 502 of the Congressional Budget of 1974 (2 U.S.C. 661a)), are provided in advance in an appropriations Act.

(f) AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN COSTS OF TRANSFERS.—There is established in the Treasury of the United States a special account to be known as the Defense Vessels Transfer Program Account. There is hereby authorized to be appropriated into that account such sums as may be necessary for the costs (as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a)) of the lease-sale transfers authorized by subsection (c). Funds in that account are available only for the purpose of covering those costs.

(g) NOTIFICATION OF CONGRESS.—Not later than 30 days after the date of the enactment of this Act, the Secretary of the Navy shall submit to Congress, for each naval vessel that is to be transferred under this section before January 1, 1999, the notifications required under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) and section 525 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (Public Law 105–118; 111 Stat. 2413).

(h) GRANTS NOT COUNTED IN ANNUAL TOTAL OF TRANSFERRED EXCESS DEFENSE ARTICLES.—The value of a vessel transferred to another country on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) pursuant to authority provided by subsection (a) shall not be counted for the purposes of subsection (g) of that section in the aggregate value of excess defense articles transferred to countries under that section in any fiscal year.

(i) COSTS OF TRANSFERS.—Any expense incurred by the United States in connection with a transfer authorized by this section shall be charged to the recipient (notwithstanding section 516(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)(1)) in the case of a transfer authorized to be made on a grant basis under subsection (a)).

(j) REPAIR AND REFURBISHMENT IN UNITED STATES SHIPYARDS.—To the maximum extent practicable, the Secretary of the Navy shall require, as a condition of the transfer of a vessel under this section, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a shipyard located in the United States, including a United States Navy shipyard.

(k) EXPIRATION OF AUTHORITY.—The authority to transfer a vessel under this section shall expire at the end of the two-year period beginning on the date of the enactment of this Act.

SEC. 1236. REPEAL OF LANDMINE MORATORIUM.

Section 580 of the Foreign Operations Appropriations Act, 1996 (Public Law 104–107; 110 Sat 751), is repealed.

SEC. 1237. APPLICATION OF AUTHORITIES UNDER THE INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT TO COMMUNIST CHINESE MILITARY COMPANIES.

(a) PRESIDENTIAL AUTHORITY.—

(1) IN GENERAL.—The President may exercise IEEPA authorities (other than authorities relating to importation) without regard to section 202 of the International Emergency Economic Powers Act (50 U.S.C. 1701) in the case of any commercial activity in the United States by a person that is on the list published under subsection (b).

(2) PENALTIES.—The penalties set forth in section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) apply to violations of any license, order, or regulation issued under paragraph (1).

(3) IEEPA AUTHORITIES.—For purposes of paragraph (1), the term ''IEEPA authorities'' means the authorities set forth in section 203(a) of the International Emergency Economic Powers Act (50 U.S.C. 1702(a)).

(b) DETERMINATION AND PUBLICATION OF COMMUNIST CHINESE MILITARY COMPANIES OPERATING IN UNITED STATES.—

(1) INITIAL DETERMINATION AND PUBLICATION.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall make a determination of those persons operating directly or indirectly in the United States or any of its territories and possessions that are Communist Chinese military companies and shall publish a list of those persons in the Federal Register.

(2) REVISIONS TO LIST.—The Secretary of Defense shall make additions or deletions to the list published under paragraph (1) on an ongoing basis based on the latest information available.

(3) CONSULTATION.—The Secretary of Defense shall consult with the following officers in carrying out paragraphs (1) and (2):

(A) The Attorney General.

(B) The Director of Central Intelligence.

(C) The Director of the Federal Bureau of Investigation.

(4) COMMUNIST CHINESE MILITARY COMPANY.—For purposes of making the determination required by paragraph (1) and of carrying out paragraph (2), the term ''Communist Chinese military company'' means—

(A) any person identified in the Defense Intelligence Agency publication numbered VP–1920–271–90, dated September 1990, or PC–1921–57–95, dated October 1995, and any update of those publications for the purposes of this section; and

(B) any other person that—

(i) is owned or controlled by the People's Liberation Army; and

(ii) is engaged in providing commercial services, manufacturing, producing, or exporting.

(c) PEOPLE'S LIBERATION ARMY.—For purposes of this section, the term ''People's Liberation Army'' means the land, naval, and air military services, the police, and the intelligence services of the Communist Government of the People's Republic of China, and any member of any such service or of such police.

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

Sec. 1301. Specification of Cooperative Threat Reduction Programs and funds.
Sec. 1302. Funding allocations.
Sec. 1303. Prohibition on use of funds for specified purposes.
Sec. 1304. Limitation on use of funds for chemical weapons destruction activities in Russia.
Sec. 1305. Limitation on use of funds for biological weapons proliferation prevention activities in Russia.
Sec. 1306. Cooperative counter proliferation program.
Sec. 1307. Requirement to submit summary of amounts requested by project category.
Sec. 1308. Report on biological weapons programs in Russia.
Sec. 1309. Report on individuals with expertise in former Soviet weapons of mass destruction programs.

SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS AND FUNDS.

(a) SPECIFICATION OF CTR PROGRAMS.—(1) For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in section 1501(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2731; 50 U.S.C. 2362 note) (as amended by paragraph (2)).

(2) Section 1501(b)(3) of such Act is amended by inserting ''materials, '' after ''components,''.

(b) FISCAL YEAR 1999 COOPERATIVE THREAT REDUCTION FUNDS DEFINED.—As used in this title, the term ''fiscal year 1999 Cooperative Threat Reduction funds'' means the funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs.

(c) AVAILABILITY OF FUNDS.—Funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs shall be available for obligation for three fiscal years.

SEC. 1302. FUNDING ALLOCATIONS.

(a) FUNDING FOR SPECIFIC PURPOSES.—Of the amounts authorized to be appropriated to the Department of Defense for fiscal year 1999 in section 301(23), $440,400,000 shall be available to carry out Cooperative Threat Reduction programs, of which not more than the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in Russia, $142,400,000.

(2) For strategic nuclear arms elimination in Ukraine, $47,500,000.

(3) For activities to support warhead dismantlement processing in Russia, $9,400,000.

(4) For activities associated with chemical weapons destruction in Russia, $88,400,000.

(5) For weapons transportation security in Russia, $10,300,000.

(6) For planning, design, and construction of a storage facility for Russian fissile material, $60,900,000.

(7) For weapons storage security in Russia, $41,700,000.

(8) For development of a cooperative program with the Government of Russia to eliminate the production of weapons grade plutonium at Russian reactors, $29,800,000.

(9) For biological weapons proliferation prevention activities in Russia, $2,000,000.

(10) For activities designated as Other Assessments/Administrative Support $8,000,000.

(b) LIMITED AUTHORITY TO VARY INDIVIDUAL AMOUNTS.—(1) If the Secretary of Defense determines that it is necessary to do so in the national interest, the Secretary may, subject to paragraphs (2) and (3), obligate amounts for the purposes stated in any of the paragraphs of subsection (a) in excess of the amount specified for those purposes in that paragraph. However, the total amount obligated for the purposes stated in the paragraphs in subsection (a) may not by reason of the use of the authority provided in the preceding sentence exceed the sum of the amounts specified in those paragraphs.

(2) An obligation for the purposes stated in any of the paragraphs in subsection (a) in excess of the amount specified in that paragraph may be made using the authority provided in paragraph (1) only after—

(A) the Secretary submits to Congress notification of the intent to do so together with a complete discussion of the justification for doing so; and

(B) 15 days have elapsed following the date of the notification.

(3) The Secretary may not, under the authority provided in paragraph (1), obligate amounts appropriated for the purposes stated in any of paragraphs (3) through (10) of subsection (a) in excess of 115 percent of the amount stated in those paragraphs.

SEC. 1303. PROHIBITION ON USE OF FUNDS FOR SPECIFIED PURPOSES.

(a) IN GENERAL.—No fiscal year 1999 Cooperative Threat Reduction funds, and no funds appropriated for Cooperative Threat Reduction programs for any prior fiscal year and remaining available for obligation, may be obligated or expended for any of the following purposes:

(1) Conducting with Russia any peacekeeping exercise or other peacekeeping-related activity.

(2) Provision of housing.

(3) Provision of assistance to promote environmental restoration.

(4) Provision of assistance to promote job retraining.

(b) LIMITATION WITH RESPECT TO DEFENSE CONVERSION ASSISTANCE.—None of the funds appropriated pursuant to this Act may be obligated or expended for the provision of assistance to Russia or any other state of the former Soviet Union to promote defense conversion.

SEC. 1304. LIMITATION ON USE OF FUNDS FOR CHEMICAL WEAPONS DESTRUCTION ACTIVITIES IN RUSSIA.

(a) LIMITATION.—Subject to the limitation in section 1405(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1961), no funds authorized to be appropriated for Cooperative Threat Reduction programs under this Act or any other Act may be obligated or expended for chemical weapons destruction activities in Russia (including activities for the planning, design, or construction of a chemical weapons destruction facility or for the dismantlement of an existing chemical weapons production facility) until the President submits to Congress a written certification described in subsection (b).

(b) PRESIDENTIAL CERTIFICATION.—A certification under this subsection is either of the following certifications by the President:

(1) A certification that—

(A) Russia is making reasonable progress toward the implementation of the Bilateral Destruction Agreement;

(B) the United States and Russia have made substantial progress toward the resolution, to the satisfaction of the United States, of outstanding compliance issues under the Wyoming Memorandum of Understanding and the Bilateral Destruction Agreement; and

(C) Russia has fully and accurately declared all information regarding its unitary and binary chemical weapons, chemical weapons facilities, and other facilities associated with chemical weapons.

(2) A certification that the national security interests of the United States could be undermined by a policy of the United States not to carry out chemical weapons destruction activities under Cooperative Threat Reduction programs for which funds are authorized to be appropriated under this Act or any other Act for fiscal year 1999.

(b) DEFINITIONS.—In this section:

(1) The term ''Bilateral Destruction Agreement'' means the Agreement Between the United States of America and the Union of Soviet Socialist Republics on Destruction and Non-production of Chemical Weapons and on Measures to Facilitate the Multilateral Convention on Banning Chemical Weapons signed on June 1, 1990.

(2) The term ''Wyoming Memorandum of Understanding'' means the Memorandum of Understanding Between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics Regarding a Bilateral Verification Experiment and Data Exchange Related to Prohibition on Chemical Weapons, signed at Jackson Hole, Wyoming, on September 23, 1989.

SEC. 1305. LIMITATION ON USE OF FUNDS FOR BIOLOGICAL WEAPONS PROLIFERATION PREVENTION ACTIVITIES IN RUSSIA.

No fiscal year 1999 Cooperative Threat Reduction funds may be obligated or expended for biological weapons proliferation prevention activities in Russia until 15 days after the date on which the Secretary submits to the congressional defense committees a report on—

(1) whether Cooperative Threat Reduction funds provided for cooperative research activities at biological research institutes in Russia have been used—

(A) to support activities to develop new strains of anthrax; or

(B) for any purpose inconsistent with the objectives of providing such funds; and

(2) the new strains of anthrax alleged to have been developed at a biological research institute in Russia and any efforts by the United States to examine such strains.

SEC. 1306. COOPERATIVE COUNTER PROLIFERATION PROGRAM.

(a) IN GENERAL.—Of the amount authorized to be appropriated in section 1302 (other than the amounts authorized to be appropriated in subsections (a)(1) and (a)(2) of that section) and subject to the limitations in that section and subsection (b), the Secretary of Defense may provide a country of the former Soviet Union with emergency assistance for removing or obtaining from that country—

(1) weapons of mass destruction; or

(2) materials, equipment, or technology related to the development or delivery of weapons of mass destruction.

(b) CERTIFICATION REQUIRED.—(1) The Secretary may not provide assistance under subsection (a) until 15 days after the date that the Secretary submits to the congressional defense committees a certification in writing that the weapons, materials, equipment, or technology described in that subsection meet each of the following requirements:

(A) The weapons, materials, equipment, or technology are at risk of being sold or otherwise transferred to a restricted foreign state or entity.

(B) The transfer of the weapons, materials, equipment, or technology would pose a significant near-term threat to the national security interests of the United States or would significantly advance a foreign country's weapon program that threatens the national security interests of the United States.

(C) Other options for securing or otherwise preventing the transfer of the weapons, materials, equipment, or technology have been considered and rejected as ineffective or inadequate.

(2) The 15-day notice requirement in paragraph (1) may be waived if the Secretary determines that compliance with the requirement would compromise the national security interests of the United States. In such case, the Secretary shall promptly notify the congressional defense committees of the circumstances regarding such determination in advance of providing assistance under subsection (a) and shall submit the certification required not later than 30 days after providing such assistance.

(c) CONTENT OF CERTIFICATIONS.—Each certification required under subsection (b) shall contain information on the following with respect to the assistance being provided:

(1) The specific assistance provided and the purposes for which the assistance is being provided.

(2) The sources of funds for the assistance.

(3) Whether any assistance is being provided by any other Federal department or agency.

(4) The options considered and rejected for preventing the transfer of the weapons, materials, equipment, or technology, as described in subsection (b)(1)(C).

(5) Whether funding was requested by the Secretary from other Federal departments or agencies.

(6) Any additional information that the Secretary determines is relevant to the assistance being provided.

(d) ADDITIONAL SOURCES OF FUNDING.—The Secretary may request assistance and accept funds from other Federal departments or agencies in carrying out this section.

(e) DEFINITIONS.—In this section:

(1) The term ''restricted foreign state or entity'', with respect to weapons, materials, equipment, or technology covered by a certification or notification of the Secretary of Defense under subsection (b), means—

(A) any foreign country the government of which has repeatedly provided support for acts of international terrorism, as determined by the Secretary of State under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371); or

(B) any foreign state or entity that the Secretary of Defense determines would constitute a military threat to the United States, its allies, or interests, if that foreign state or entity were to possess the weapons, materials, equipment, or technology.

(2) The term ''weapon of mass destruction'' has the meaning given that term in section 1403(1) of the Defense Against Weapons of Mass Destruction Act of 1996 (title XIV of Public Law 104–201; 50 U.S.C. 2302(1)).

SEC. 1307. REQUIREMENT TO SUBMIT SUMMARY OF AMOUNTS REQUESTED BY PROJECT CATEGORY.

(a) SUMMARY REQUIRED.—The Secretary of Defense shall submit to Congress as part of the Secretary's annual budget request to Congress—

(1) a descriptive summary, with respect to the appropriations requested for Cooperative Threat Reduction programs for the fiscal year after the fiscal year in which the summary is submitted, of the amounts requested for each project category under each Cooperative Threat Reduction program element; and

(2) a descriptive summary, with respect to appropriations for Cooperative Threat Reduction programs for the fiscal year in which the list is submitted and the previous fiscal year, of the amounts obligated or expended, or planned to be obligated or expended, for each project category under each Cooperative Threat Reduction program element.

(b) DESCRIPTION OF PURPOSE AND INTENT.—The descriptive summary required under subsection (a) shall include a narrative description of each program and project category under each Cooperative Threat Reduction program element that explains the purpose and intent of the funds requested.

SEC. 1308. REPORT ON BIOLOGICAL WEAPONS PROGRAMS IN RUSSIA.

(a) REPORT.—Not later than March 1, 1999, the Secretary of Defense shall submit to the congressional defense committees a report, in classified and unclassified forms, containing—

(1) an assessment of the extent of compliance by Russia with international agreements relating to the control of biological weapons; and

(2) a detailed evaluation of the potential political and military costs and benefits of collaborative biological pathogen research efforts by the United States and Russia.

(b) CONTENT OF REPORT.—The report required under subsection (a) shall include the following:

(1) An evaluation of the extent of the control and oversight by the Government of Russia over the military and civilian-military biological warfare programs formerly controlled or overseen by states of the former Soviet Union.

(2) The extent and scope of continued biological warfare research, development, testing, and production in Russia, including the sites where such activity is occurring and the types of activity being conducted.

(3) An assessment of compliance by Russia with the terms of the Biological Weapons Convention.

(4) An identification and assessment of the measures taken by Russia to comply with the obligations assumed under the Joint Statement on Biological Weapons, agreed to by the United States, the United Kingdom, and Russia on September 14, 1992.

(5) A description of the extent to which Russia has permitted individuals from the United States or other countries to visit military and nonmilitary biological research, development, testing, and production sites in order to resolve ambiguities regarding activities at such sites.

(6) A description of the information provided by Russia about its biological weapons dismantlement efforts to date.

(7) An assessment of the accuracy and comprehensiveness of declarations by Russia regarding its biological weapons activities.

(8) An identification of collaborative biological research projects carried out by the United States and Russia for which Cooperative Threat Reduction funds have been used.

(9) An evaluation of the political and military utility of prior, existing, and prospective cooperative biological pathogen research programs carried out between the United States and Russia, and an assessment of the impact of such programs on increasing Russian military transparency with respect to biological weapons activities.

(10) An assessment of the political and military utility of the long-term collaborative program advocated by the National Academy of Sciences in its October 27, 1997 report, ''Controlling Dangerous Pathogens: A Blueprint for U.S.-Russian Cooperation''.

SEC. 1309. REPORT ON INDIVIDUALS WITH EXPERTISE IN FORMER SOVIET WEAPONS OF MASS DESTRUCTION PROGRAMS.

Not later than January 31, 1999, the Secretary of Defense, in consultation with the Secretary of State, the Secretary of Energy, and any other appropriate officials, shall submit to the congressional defense committees a report on the number of individuals in the former Soviet Union who have significant expertise in the research, development, production, testing, and operational employment of ballistic missiles and weapons of mass destruction. The report shall contain the following:

(1) A listing of the specific expertise of the individuals, by category and discipline.

(2) An assessment of which categories of expertise would pose the greatest risks to the security of the United States if that expertise were transferred to potentially hostile states.

(3) An estimate, by category, of the number of the individuals in paragraph (1) who are fully or partly employed at the time the report is submitted by the military-industrial complex of the former Soviet Union, the number of such individuals who are fully employed at the time the report is submitted by commercial ventures outside the military-industrial complex of the former Soviet Union, and the number of such individuals who are unemployed and underemployed at the time the report is submitted.

(4) An identification of the nature, scope, and cost of activities conducted by the United States and other countries to assist in the employment in nonproliferation and nonmilitary-related endeavors and enterprises of individuals involved in the weapons complex of the former Soviet Union, and which categories of individuals are being targeted in these efforts.

(5) An assessment of whether the activities identified under paragraph (4) should be reduced, maintained, or expanded.

TITLE XIV—DOMESTIC PREPAREDNESS FOR DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION

Sec. 1401. Short title.
Sec. 1402. Domestic preparedness for response to threats of terrorist use of weapons of mass destruction.
Sec. 1403. Report on domestic emergency preparedness.
Sec. 1404. Threat and risk assessments.
Sec. 1405. Advisory panel to assess domestic response capabilities for terrorism involving weapons of mass destruction.

SEC. 1401. SHORT TITLE.

This title may be cited as the ''Defense Against Weapons of Mass Destruction Act of 1998''.

SEC. 1402. DOMESTIC PREPAREDNESS FOR RESPONSE TO THREATS OF TERRORIST USE OF WEAPONS OF MASS DESTRUCTION.

(a) ENHANCED RESPONSE CAPABILITY.—In light of the continuing potential for terrorist use of weapons of mass destruction against the United States and the need to develop a more fully coordinated response to that threat on the part of Federal, State, and local agencies, the President shall act to increase the effectiveness at the Federal, State, and local level of the domestic emergency preparedness program for response to terrorist incidents involving weapons of mass destruction by utilizing the President's existing authorities to develop an integrated program that builds upon the program established under the Defense Against Weapons of Mass Destruction Act of 1996 (title XIV of Public Law 104–201; 110 Stat. 2714; 50 U.S.C. 2301 et seq.).

(b) REPORT.—Not later than January 31, 1999, the President shall submit to Congress a report containing information on the actions taken at the Federal, State, and local level to develop an integrated program to prevent and respond to terrorist incidents involving weapons of mass destruction.

SEC. 1403. REPORT ON DOMESTIC EMERGENCY PREPAREDNESS.

Section 1051 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1889; 31 U.S.C. 1113 note) is amended by adding at the end the following new subsection:

''(c) ANNEX ON DOMESTIC EMERGENCY PREPAREDNESS PROGRAM.—As part of the annual report submitted to Congress under subsection (b), the President shall include an annex which provides the following information on the domestic emergency preparedness program for response to terrorist incidents involving weapons of mass destruction (as established under section 1402 of the Defense Against Weapons of Mass Destruction Act of 1998):

''(1) Information on program responsibilities for each participating Federal department, agency, and bureau.

''(2) A summary of program activities performed during the preceding fiscal year for each participating Federal department, agency, and bureau.

''(3) A summary of program obligations and expenditures during the preceding fiscal year for each participating Federal department, agency, and bureau.

''(4) A summary of the program plan and budget for the current fiscal year for each participating Federal department, agency, and bureau.

''(5) The program budget request for the following fiscal year for each participating Federal department, agency, and bureau.

''(6) Recommendations for improving Federal, State, and local domestic emergency preparedness to respond to incidents involving weapons of mass destruction that have been made by the advisory panel to assess the capabilities of domestic response to terrorism involving weapons of mass destruction (as established under section 1405 of the Defense Against Weapons of Mass Destruction Act of 1998), and actions taken as a result of such recommendations.

''(7) Additional program measures and legislative authority for which congressional action may be required.''.

SEC. 1404. THREAT AND RISK ASSESSMENTS.

(a) REQUIREMENT TO DEVELOP METHODOLOGIES.— The Attorney General, in consultation with the Director of the Federal Bureau of Investigation and representatives of appropriate Federal, State, and local agencies, shall develop and test methodologies for assessing the threat and risk of terrorist employment of weapons of mass destruction against cities and other local areas. The results of the tests may be used to determine the training and equipment requirements under the program developed under section 1402. The methodologies required by this subsection shall be developed using cities or local areas selected by the Attorney General, acting in consultation with the Director of the Federal Bureau of Investigation and appropriate representatives of Federal, State, and local agencies.

(b) REQUIRED COMPLETION DATE.—The requirements in subsection (a) shall be completed not later than one year after the date of the enactment of this Act.

SEC. 1405. ADVISORY PANEL TO ASSESS DOMESTIC RESPONSE CAPABILITIES FOR TERRORISM INVOLVING WEAPONS OF MASS DESTRUCTION.

(a) REQUIREMENT FOR PANEL.—The Secretary of Defense, in consultation with the Attorney General, the Secretary of Energy, the Secretary of Health and Human Services, and the Director of the Federal Emergency Management Agency, shall enter into a contract with a federally funded research and development center to establish a panel to assess the capabilities for domestic response to terrorism involving weapons of mass destruction.

(b) COMPOSITION OF PANEL; SELECTION.—(1) The panel shall be composed of members who shall be private citizens of the United States with knowledge and expertise in emergency response matters.

(2) Members of the panel shall be selected by the federally funded research and development center in accordance with the terms of the contract established pursuant to subsection (a).

(c) PROCEDURES FOR PANEL.—The federally funded research and development center shall be responsible for establishing appropriate procedures for the panel, including procedures for selection of a panel chairman.

(d) DUTIES OF PANEL.— The panel shall—

(1) assess Federal agency efforts to enhance domestic preparedness for incidents involving weapons of mass destruction;

(2) assess the progress of Federal training programs for local emergency responses to incidents involving weapons of mass destruction;

(3) assess deficiencies in programs for response to incidents involving weapons of mass destruction, including a review of unfunded communications, equipment, and planning requirements, and the needs of maritime regions;

(4) recommend strategies for ensuring effective coordination with respect to Federal agency weapons of mass destruction response efforts, and for ensuring fully effective local response capabilities for weapons of mass destruction incidents; and

(5) assess the appropriate roles of State and local government in funding effective local response capabilities.

(e) DEADLINE TO ENTER INTO CONTRACT.—The Secretary of Defense shall enter into the contract required under subsection (a) not later than 60 days after the date of the enactment of this Act.

(f) DEADLINE FOR SELECTION OF PANEL MEMBERS.—Selection of panel members shall be made not later than 30 days after the date on which the Secretary enters into the contract required by subsection (a).

(g) INITIAL MEETING OF THE PANEL.— The panel shall conduct its first meeting not later than 30 days after the date that all the selections to the panel have been made.

(h) REPORTS.—(1) Not later than 6 months after the date of the first meeting of the panel, the panel shall submit to the President and to Congress an initial report setting forth its findings, conclusions, and recommendations for improving Federal, State, and local domestic emergency preparedness to respond to incidents involving weapons of mass destruction.

(2) Not later than December 15 of each year, beginning in 1999 and ending in 2001, the panel shall submit to the President and to the Congress a report setting forth its findings, conclusions, and recommendations for improving Federal, State, and local domestic emergency preparedness to respond to incidents involving weapons of mass destruction.

(i) COOPERATION OF OTHER AGENCIES.—(1) The panel may secure directly from the Department of Defense, the Department of Energy, the Department of Health and Human Services, the Department of Justice, and the Federal Emergency Management Agency, or any other Federal department or agency information that the panel considers necessary for the panel to carry out its duties.

(2) The Attorney General, the Secretary of Defense, the Secretary of Energy, the Secretary of Health and Human Services, the Director of the Federal Emergency Management Agency, and any other official of the United States shall provide the panel with full and timely cooperation in carrying out its duties under this section.

(j) FUNDING.—The Secretary of Defense shall provide the funds necessary for the panel to carry out its duties from the funds available to the Department of Defense for weapons of mass destruction preparedness initiatives.

(k) COMPENSATION OF PANEL MEMBERS.—(1) Members of the panel shall serve without pay by reason of their work on the panel.

(2) Members of the panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter 57 of title 5, United States Code, while away from their homes or regular place of business in performance of services for the panel.

(l) TERMINATION OF THE PANEL.—The panel shall terminate three years after the date of the appointment of the member selected as chairman of the panel.

(m) DEFINITION.—In this section, the term ''weapon of mass destruction'' has the meaning given that term in section 1403(1) of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1)).

TITLE XV—MATTERS RELATING TO ARMS CONTROL, EXPORT CONTROLS, AND COUNTER-PROLIFERATION

Subtitle A—Arms Control Matters

Sec. 1501. One-year extension of limitation on retirement or dismantlement of strategic nuclear delivery systems.
Sec. 1502. Transmission of executive branch reports providing Congress with classified summaries of arms control developments.
Sec. 1503. Report on adequacy of emergency communications capabilities between United States and Russia.
Sec. 1504. Russian nonstrategic nuclear weapons.

Subtitle B—Satellite Export Controls

Sec. 1511. Sense of Congress.
Sec. 1512. Certification of exports of missile equipment or technology to China.
Sec. 1513. Satellite controls under the United States Munitions List.
Sec. 1514. National security controls on satellite export licensing.
Sec. 1515. Report on export of satellites for launch by People's Republic of China.
Sec. 1516. Related items defined.

Subtitle C—Other Export Control Matters

Sec. 1521. Authority for export control activities of the Department of Defense.
Sec. 1522. Release of export information by Department of Commerce to other agencies for purpose of national security assessment.
Sec. 1523. Nuclear export reporting requirement.
Sec. 1524. Execution of objection authority within the Department of Defense.

Subtitle D—Counterproliferation Matters

Sec. 1531. One-year extension of counterproliferation authorities for support of United Nations Special Commission on Iraq.
Sec. 1532. Sense of Congress on nuclear tests in South Asia.
Sec. 1533. Report on requirements for response to increased missile threat in Asia-Pacific region.

Subtitle A—Arms Control Matters

SEC. 1501. ONE-YEAR EXTENSION OF LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS.

Section 1302 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1948) is amended—

(1) in subsections (a), (b), and (c)(2), by striking out ''during fiscal year 1998'' and inserting in lieu thereof ''during the strategic delivery systems retirement limitation period'' ;

(2) in subsection (c)(1), by striking out ''during fiscal year 1998'';

(3) in subsection (d)(1)—

(A) by striking out ''for fiscal year 1998''; and

(B) by striking out ''during fiscal year 1998''; and

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

''(g) STRATEGIC DELIVERY SYSTEMS RETIREMENT LIMITATION PERIOD.—For purposes of this section, the term ''strategic delivery systems retirement limitation period'' means the period of fiscal years 1998 and 1999.''.

SEC. 1502. TRANSMISSION OF EXECUTIVE BRANCH REPORTS PROVIDING CONGRESS WITH CLASSIFIED SUMMARIES OF ARMS CONTROL DEVELOPMENTS.

(a) REPORTING REQUIREMENT.—The Director of the Arms Control and Disarmament Agency (or the Secretary of State, if the Arms Control and Disarmament Agency becomes an element of the Department of State) shall transmit to the Committee on National Security of the House of Representatives on a periodic basis reports containing classified summaries of arms control developments.

(b) CONTENTS OF REPORTS.—The reports required by subsection (a) shall include information reflecting the activities of forums established to consider issues relating to treaty implementation and treaty compliance.

SEC. 1503. REPORT ON ADEQUACY OF EMERGENCY COMMUNICATIONS CAPABILITIES BETWEEN UNITED STATES AND RUSSIA.

Not later than three months after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the status and adequacy of current direct communications capabilities between the governments of the United States and Russia. The report shall identify each existing direct communications link between those governments and each such link that is designed to be used, or is available to be used, in an emergency situation. The Secretary shall describe in the report any shortcomings with the existing communications capabilities and shall include such proposals as the Secretary considers appropriate to improve those capabilities. In considering improvements to propose, the Secretary shall assess the feasibility and desirability of establishing a direct communications link between the commanders of appropriate United States unified and specified commands, including the United States Space Command and the United States Strategic Command, and their Russian counterparts.

SEC. 1504. RUSSIAN NONSTRATEGIC NUCLEAR WEAPONS.

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

(1) The 7,000 to 12,000 or more nonstrategic (or ''tactical'') nuclear weapons estimated by the United States Strategic Command to be in the Russian arsenal may present the greatest threat of sale or theft of a nuclear warhead in the world today.

(2) As the number of deployed strategic warheads in the Russian and United States arsenals declines to just a few thousand under the START accords, Russia's vast superiority in tactical nuclear warheads—many of which have yields equivalent to strategic nuclear weapons—could become strategically destabilizing.

(3) While the United States has unilaterally reduced its inventory of tactical nuclear weapons by nearly 90 percent since the end of the Cold War, Russia is behind schedule in implementing the steep tactical nuclear arms reductions pledged by former Soviet President Gorbachev in 1991 and Russian President Yeltsin in 1992, perpetuating the dangers from Russia's tactical nuclear stockpile.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the President should call on Russia to expedite reduction of its tactical nuclear arsenal in accordance with the promises made in 1991 and 1992.

(c) REPORT.—Not later than March 15, 1999, the Secretary of Defense shall submit to Congress a report on the nonstrategic nuclear weapons of Russia. The report shall include—

(1) estimates regarding the current numbers, types, yields, viability, and locations of those weapons;

(2) an assessment of the strategic implications of Russia's nonstrategic arsenal, including the potential use of those weapons in a strategic role or the use of their components in strategic nuclear systems and the potential of Russian superiority in tactical nuclear weapons to destabilize the overall nuclear balance as strategic nuclear weapons are sharply reduced under the START accords;

(3) an assessment of the extent of the current threat of theft, sale, or unauthorized use of the warheads of those weapons, including an analysis of Russian command and control as it concerns the use of tactical nuclear weapons;

(4) a summary of past, current, and planned efforts to work cooperatively with Russia to account for, secure, and reduce Russia's stockpile of tactical nuclear weapons and associated fissile material;

(5) a summary of how the United States would prevent, or plans to cope militarily with, scenarios in which a deterioration in relations with Moscow causes Russia to redeploy tactical nuclear weapons or in which Russia threatens to employ, or actually employs, tactical nuclear weapons in a local or regional conflict involving the United States or allies of the United States; and

(6) an assessment of the steps that could be taken by the United States to enhance military preparedness in order (A) to deter any potential attempt by Russia to possibly exploit its advantage in tactical nuclear weapons through coercive ''nuclear diplomacy'' or on the battlefield, or (B) to counter Russia if Russia should make such an attempt to exploit its advantage in tactical nuclear weapons.

(d) VIEWS.—The Secretary of Defense shall include in the report under subsection (c) the views of the Director of Central Intelligence and of the commander of the United States Strategic Command.

Subtitle B—Satellite Export Controls

SEC. 1511. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) United States business interests must not be placed above United States national security interests;

(2) United States foreign policy and the policies of the United States regarding commercial relations with other countries should affirm the importance of observing and adhering to the Missile Technology Control Regime (MTCR);

(3) the United States should encourage universal observance of the Guidelines to the Missile Technology Control Regime;

(4) the exportation or transfer of advanced communication satellites and related technologies from United States sources to foreign recipients should not increase the risks to the national security of the United States;

(5) due to the military sensitivity of the technologies involved, it is in the national security interests of the United States that United States satellites and related items be subject to the same export controls that apply under United States law and practices to munitions;

(6) the United States should not issue any blanket waiver of the suspensions contained in section 902 of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (Public Law 101-246), regarding the export of satellites of United States origin intended for launch from a launch vehicle owned by the People's Republic of China;

(7) the United States should pursue policies that protect and enhance the United States space launch industry; and

(8) the United States should not export to the People's Republic of China missile equipment or technology that would improve the missile or space launch capabilities of the People's Republic of China.

SEC. 1512. CERTIFICATION OF EXPORTS OF MISSILE EQUIPMENT OR TECHNOLOGY TO CHINA.

The President shall certify to the Congress at least 15 days in advance of any export to the People's Republic of China of missile equipment or technology (as defined in section 74 of the Arms Export Control Act (22 U.S.C. 2797c)) that—

(1) such export is not detrimental to the United States space launch industry; and

(2) the missile equipment or technology, including any indirect technical benefit that could be derived from such export, will not measurably improve the missile or space launch capabilities of the People's Republic of China.

SEC. 1513. SATELLITE CONTROLS UNDER THE UNITED STATES MUNITIONS LIST.

(a) CONTROL OF SATELLITES ON THE UNITED STATES MUNITIONS LIST.—Notwithstanding any other provision of law, all satellites and related items that are on the Commerce Control List of dual-use items in the Export Administration Regulations (15 C.F.R. Part 730 et seq.) on the date of the enactment of this Act shall be transferred to the United States Munitions List and controlled under section 38 of the Arms Export Control Act (22 U.S.C. 2778).

(b) DEFENSE TRADE CONTROLS REGISTRATION FEES.—Section 45 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2717) is amended—

(1) in subsection (a)—

(A) by striking out ''$700,000'' and inserting in lieu thereof ''100 percent''; and

(B) by striking out ''(a) DEFENSE TRADE CONTROLS REGISTRATION FEES.—''; and

(2) by striking out subsection (b).

(c) EFFECTIVE DATE.—(1) Subsection (a) shall take effect on March 15, 1999, and shall not apply to any export license issued before such effective date or to any export license application made under the Export Administration Regulations before such effective date.

(2) The amendments made by subsection (b) shall be effective as of October 1, 1998.

(d) REPORT.—Not later than January 1, 1999, the Secretary of State, in consultation with the Secretary of Defense and the Secretary of Commerce, shall submit to Congress a report containing—

(1) a detailed description of the plans of the Department of State to implement the requirements of this section, including any organizational changes that are required and any Executive orders or regulations that may be required;

(2) an identification and explanation of any steps that should be taken to improve the license review process for exports of the satellites and related items described in subsection (a), including measures to shorten the timelines for license application reviews, and any measures relating to the transparency of the license review process and dispute resolution procedures;

(3) an evaluation of the adequacy of resources available to the Department of State, including fiscal and personnel resources, to carry out the additional activities required by this section; and

(4) any recommendations for additional actions, including possible legislation, to improve the export licensing process under the Arms Export Control Act for the satellites and related items described in subsection (a).

SEC. 1514. NATIONAL SECURITY CONTROLS ON SATELLITE EXPORT LICENSING.

(a) ACTIONS BY THE PRESIDENT.—Notwithstanding any other provision of law, the President shall take such actions as are necessary to implement the following requirements for improving national security controls in the export licensing of satellites and related items:

(1) MANDATORY TECHNOLOGY CONTROL PLANS.—All export licenses shall require a technology transfer control plan approved by the Secretary of Defense and an encryption technology transfer control plan approved by the Director of the National Security Agency.

(2) MANDATORY MONITORS AND REIMBURSEMENT.—

(A) MONITORING OF PROPOSED FOREIGN LAUNCH OF SATELLITES.—In any case in which a license is approved for the export of a satellite or related items for launch in a foreign country, the Secretary of Defense shall monitor all aspects of the launch in order to ensure that no unauthorized transfer of technology occurs, including technical assistance and technical data. The costs of such monitoring services shall be fully reimbursed to the Department of Defense by the person or entity receiving such services. All reimbursements received under this subparagraph shall be credited to current appropriations available for the payment of the costs incurred in providing such services.

(B) CONTENTS OF MONITORING.—The monitoring under subparagraph (A) shall cover, but not be limited to—

(i) technical discussions and activities, including the design, development, operation, maintenance, modification, and repair of satellites, satellite components, missiles, other equipment, launch facilities, and launch vehicles;

(ii) satellite processing and launch activities, including launch preparation, satellite transportation, integration of the satellite with the launch vehicle, testing and checkout prior to launch, satellite launch, and return of equipment to the United States;

(iii) activities relating to launch failure, delay, or cancellation, including post-launch failure investigations; and

(iv) all other aspects of the launch.

(3) MANDATORY LICENSES FOR CRASH-INVESTIGATIONS.—In the event of the failure of a launch from a foreign country of a satellite of United States origin—

(A) the activities of United States persons or entities in connection with any subsequent investigation of the failure are subject to the controls established under section 38 of the Arms Export Control Act, including requirements for licenses issued by the Secretary of State for participation in that investigation;

(B) officials of the Department of Defense shall monitor all activities associated with the investigation to insure against unauthorized transfer of technical data or services; and

(C) the Secretary of Defense shall establish and implement a technology transfer control plan for the conduct of the investigation to prevent the transfer of information that could be used by the foreign country to improve its missile or space launch capabilities.

(4) MANDATORY NOTIFICATION AND CERTIFICATION.—All technology transfer control plans for satellites or related items shall require any United States person or entity involved in the export of a satellite of United States origin or related items to notify the Department of Defense in advance of all meetings and interactions with any foreign person or entity providing launch services and require the United States person or entity to certify after the launch that it has complied with this notification requirement.

(5) MANDATORY INTELLIGENCE COMMUNITY REVIEW.—The Secretary of Commerce and the Secretary of State shall provide to the Secretary of Defense and the Director of Central Intelligence copies of all export license applications and technical assistance agreements submitted for approval in connection with launches in foreign countries of satellites to verify the legitimacy of the stated end-user or end-users.

(6) MANDATORY SHARING OF APPROVED LICENSES AND AGREEMENTS.—The Secretary of State shall provide copies of all approved export licenses and technical assistance agreements associated with launches in foreign countries of satellites to the Secretaries of Defense and Energy, the Director of Central Intelligence, and the Director of the Arms Control and Disarmament Agency.

(7) MANDATORY NOTIFICATION TO CONGRESS ON LICENSES.—Upon issuing a license for the export of a satellite or related items for launch in a foreign country, the head of the department or agency issuing the license shall so notify Congress.

(8) MANDATORY REPORTING ON MONITORING ACTIVITIES.—The Secretary of Defense shall provide to Congress an annual report on the monitoring of all launches in foreign countries of satellites of United States origin.

(9) ESTABLISHING SAFEGUARDS PROGRAM.—The Secretary of Defense shall establish a program for recruiting, training, and maintaining a staff dedicated to monitoring launches in foreign countries of satellites and related items of United States origin.

(b) EXCEPTION.—This section shall not apply to the export of a satellite or related items for launch in, or by nationals of, a country that is a member of the North Atlantic Treaty Organization or that is a major non-NATO ally of the United States.

(c) EFFECTIVE DATE.—The President shall take the actions required by subsection (a) not later than 45 days after the date of the enactment of this Act.

SEC. 1515. REPORT ON EXPORT OF SATELLITES FOR LAUNCH BY PEOPLE'S REPUBLIC OF CHINA.

(a) REQUIREMENT FOR REPORT.—Each report to Congress submitted pursuant to subsection (b) of section 902 of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (22

U.S.C. 2151 note; Public Law 101–246) to waive the restrictions contained in subsection (a) of that section on the export to the People's Republic of China of any satellite of United States origin or related items shall be accompanied by a detailed justification setting forth the following:

(1) A detailed description of all militarily sensitive characteristics integrated within, or associated with, the satellite.

(2) An estimate of the number of United States civilian contract personnel expected to be needed in country to carry out the proposed satellite launch.

(3)(A) A detailed description of the United States Government's plan to monitor the proposed satellite launch to ensure that no unauthorized transfer of technology occurs, together with an estimate of the number of officers and employees of the United States that are expected to be needed in country to carry out monitoring of the proposed satellite launch; and

(B) the estimated cost to the Department of Defense of monitoring the proposed satellite launch and the amount of such cost that is to be reimbursed to the department.

(4) The reasons why the proposed satellite launch is in the national security interest of the United States.

(5) The impact of the proposed export on employment in the United States, including the number of new jobs created in the United States, on a State-by-State basis, as a direct result of the proposed export.

(6) The number of existing jobs in the United States that would be lost, on a State-by-State basis, as a direct result of the proposed export not being licensed.

(7) The impact of the proposed export on the balance of trade between the United States and the People's Republic of China and on reducing the current United States trade deficit with the People's Republic of China.

(8) The impact of the proposed export on the transition of the People's Republic of China from a nonmarket economy to a market economy and the long-term economic benefit to the United States.

(9) The impact of the proposed export on opening new markets to United States-made products through the purchase by the People's Republic of China of United States-made goods and services not directly related to the proposed export.

(10) The impact of the proposed export on reducing acts, policies, and practices that constitute significant trade barriers to United States exports or foreign direct investment in the People's Republic of China by United States nationals.

(11) The increase that will result from the proposed export in the overall market share of the United States for goods and services in comparison to Japan, France, Germany, the United Kingdom, and Russia.

(12) The impact of the proposed export on the willingness of the People's Republic of China to modify its commercial and trade laws, practices, and regulations to make United States-made goods and services more accessible to that market.

(13) The impact of the proposed export on the willingness of the People's Republic of China to reduce formal and informal trade barriers and tariffs, duties, and other fees on United States-made goods and services entering that country.

(b) MILITARILY SENSITIVE CHARACTERISTICS DEFINED.—In this section, the term ''militarily sensitive characteristics'' includes antijamming capability, antennas, crosslinks, baseband processing, encryption devices, radiation-hardened devices, propulsion systems, pointing accuracy, kick motors, and other such characteristics as are specified by the Secretary of Defense.

SEC. 1516. RELATED ITEMS DEFINED.

In this subtitle, the term ''related items'' means the satellite fuel, ground support equipment, test equipment, payload adapter or interface hardware, replacement parts, and non-embedded solid propellant orbit transfer engines described in the report submitted to Congress by the Department of State on February 6, 1998, pursuant to section 38(f) of the Arms Export Control Act (22 U.S.C. 2778(f)).

Subtitle C—Other Export Control Matters

SEC. 1521. AUTHORITY FOR EXPORT CONTROL ACTIVITIES OF THE DEPARTMENT OF DEFENSE.

(a) FUNCTIONS OF THE UNDER SECRETARY FOR POLICY.—Section 134(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(3) Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary shall have responsibility for supervising and directing activities of the Department of Defense relating to export controls.''.

(b) ESTABLISHMENT OF DEPUTY UNDER SECRETARY FOR TECHNOLOGY SECURITY POLICY.—(1) Chapter 4 of title 10, United States Code, is amended by inserting after section 134a the following new section:

''§ 134b. Deputy Under Secretary of Defense for Technology Security Policy

''(a) There is in the Office of the Under Secretary of Defense for Policy a Deputy Under Secretary of Defense for Technology Security Policy.

''(b) The Deputy Under Secretary serves as the Director of the Defense Technology Security Administration (or any successor organization charged with similar responsibilities).

''(c) The principal duties of the Deputy Under Secretary are—

''(1) assisting the Under Secretary of Defense for Policy in supervising and directing the activities of the Department of Defense relating to export controls; and

''(2) assisting the Under Secretary of Defense for Policy in developing policies and positions regarding the appropriate export control policies and procedures that are necessary to protect the national security interests of the United States.

''(d) The Deputy Under Secretary shall perform such additional duties and exercise such authority as the Secretary of Defense may prescribe.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 134a the following new item:

''134b. Deputy Under Secretary of Defense for Technology Security Policy.''.

(c) TIME FOR IMPLEMENTATION.—The Secretary of Defense shall complete the actions necessary to implement the amendment made by subsection (a) and to establish the office of Deputy Under Secretary of Defense for Technology Security Policy in accordance with section 134b of title 10, United States Code, as added by subsection (b), not later than 60 days after the date of the enactment of this Act.

(d) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the plans of the Secretary for implementing the amendments made by subsections (a) and (b). The report shall include the following:

(1) A description of any organizational changes that are to be made within the Department of Defense to implement those amendments.

(2) A description of the role of the Chairman of the Joint Chiefs of Staff in the export control activities of the Department of Defense after those subsections are implemented, together with a discussion of how that role compares to the Chairman's role in those activities before the implementation of those subsections.

SEC. 1522. RELEASE OF EXPORT INFORMATION BY DEPARTMENT OF COMMERCE TO OTHER AGENCIES FOR PURPOSE OF NATIONAL SECURITY ASSESSMENT.

(a) RELEASE OF EXPORT INFORMATION.—The Secretary of Commerce shall, upon the written request of an official specified in subsection (c), transmit to that official any information relating to exports that is held by the Department of Commerce and is requested by that official for the purpose of assessing national security risks. The Secretary shall transmit such information within 10 business days after receiving such a request.

(b) NATURE OF INFORMATION.—The information referred to in subsection (a) includes information concerning—

(1) export licenses issued by the Department of Commerce;

(2) exports that were carried out under an export license issued by the Department of Commerce; and

(3) exports from the United States that were carried out without an export license.

(c) REQUESTING OFFICIALS.—The officials referred to in subsection (a) are the Secretary of State, the Secretary of Defense, the Secretary of Energy, and the Director of Central Intelligence. Each of those officials may delegate to any other official within their respective departments and agency the authority to request information under subsection (a).

SEC. 1523. NUCLEAR EXPORT REPORTING REQUIREMENT.

(a) NOTIFICATION OF CONGRESS.—The President shall notify Congress upon the granting of a license by the Nuclear Regulatory Commission for the export or reexport of any nuclear-related technology or equipment, including source material, special nuclear material, or equipment or material especially designed or prepared for the processing, use, or production of special nuclear material.

(b) APPLICABILITY.—The requirements of this section shall apply only to an export or reexport to a country that—

(1) the President has determined is a country that has detonated a nuclear explosive device; and

(2) is not a member of the North Atlantic Treaty Organization.

SEC. 1524. EXECUTION OF OBJECTION AUTHORITY WITHIN THE DEPARTMENT OF DEFENSE.

Section 1211 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1932) is amended by adding at the end the following new subsection:

''(g) DELEGATION OF OBJECTION AUTHORITY WITHIN THE DEPARTMENT OF DEFENSE.—For the purposes of the Department of Defense, the authority to issue an objection referred to in subsection (a) shall be executed for the Secretary of Defense by an official at the Assistant Secretary level within the office of the Under Secretary of Defense for Policy. In implementing subsection (a), the Secretary of Defense shall ensure that Department of Defense procedures maximize the ability of the Department of Defense to be able to issue an objection within the 10–day period specified in subsection (c).''.

Subtitle D—Counterproliferation Matters

SEC. 1531. ONE-YEAR EXTENSION OF COUNTERPROLIFERATION AUTHORITIES FOR SUPPORT OF UNITED NATIONS SPECIAL COMMISSION ON IRAQ.

(a) AMOUNT AUTHORIZED FOR FISCAL YEAR 1999.—The total amount of assistance for fiscal year 1999 provided by the Secretary of Defense under section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) that is provided for activities of the Department of Defense in support of the United Nations Special Commission on Iraq, may not exceed $15,000,000.

(b) EXTENSION OF AUTHORITY TO PROVIDE ASSISTANCE.—Subsection (f) of section 1505 of the Weapons of Mass Destruction Control Act of

1992 (22 U.S.C. 5859a) is amended by striking out ''1998'' and inserting in lieu thereof ''1999''.

SEC. 1532. SENSE OF CONGRESS ON NUCLEAR TESTS IN SOUTH ASIA.

The Congress—

(1) strongly condemns the decisions by the Governments of India and Pakistan to conduct nuclear tests in May 1998;

(2) calls for the Governments of India and Pakistan to commit not to conduct any additional nuclear tests;

(3) urges the Governments of India and Pakistan to take immediate steps to reduce tensions between the two countries;

(4) urges India and Pakistan to engage in high-level dialogue aimed at reducing the likelihood of armed conflict, enacting confidence and security building measures, and resolving areas of dispute;

(5) commends all nations to take steps which will reduce tensions in South Asia, including appropriate measures to prevent the transfer of technology that could further exacerbate the arms race in South Asia, and thus avoid further deterioration of security there;

(6) calls upon the President, leaders of all nations, and the United Nations to encourage a diplomatic, negotiated solution between the governments of India and Pakistan to promote peace and stability in South Asia and resolve the current impasse;

(7) encourages United States diplomatic leadership in assisting the governments of India and Pakistan to seek a negotiated resolution of their 50-year conflict over the disputed territory in Kashmir;

(8) urges India and Pakistan to take immediate, binding, and verifiable steps to roll back their nuclear programs and come into compliance with internationally accepted norms regarding the proliferation of weapons of mass destruction; and

(9) urges the United States to reevaluate its bilateral relationship with India and Pakistan, in light of the new regional security realities in South Asia, with the goal of preventing further nuclear and ballistic missile proliferation, diffusing long-standing regional rivalries between India and Pakistan, and securing commitments from India and Pakistan which, if carried out, could result in a calibrated lifting of United States sanctions imposed under the Arms Export Control Act and the Nuclear Proliferation Prevention Act of 1994.

SEC. 1533. REPORT ON REQUIREMENTS FOR RESPONSE TO INCREASED MISSILE THREAT IN ASIA-PACIFIC REGION.

(a) STUDY.—The Secretary of Defense shall carry out a study of the architecture requirements for the establishment and operation of a theater ballistic missile defense system in the Asia-Pacific region that would have the capability to protect key regional allies of the United States.

(b) REPORT.—(1) Not later than January 1, 1999, the Secretary shall submit to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate a report containing—

(A) the results of the study conducted under subsection (a);

(B) the factors used to obtain such results; and

(C) a description of any United States missile defense system currently deployed or under development that could be transferred to key allies of the United States in the Asia-Pacific region to provide for their self-defense against limited ballistic missile attacks.

(2) The report shall be submitted in both classified and unclassified form.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the ''Military Construction Authorization Act for Fiscal Year 1999''.

TITLE XXI—ARMY

Sec. 2101. Authorized Army construction and land acquisition projects.
Sec. 2102. Family housing.
Sec. 2103. Improvements to military family housing units.
Sec. 2104. Authorization of appropriations, Army.
Sec. 2105. Modification of authority to carry out fiscal year 1998 projects.

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Anniston Army Depot	$3,550,000
	Fort Rucker	$14,300,000
	Redstone Arsenal	$1,550,000
Alaska	Fort Wainwright	$22,600,000
California	Fort Irwin	$14,800,000
Georgia	Fort Benning	$28,600,000
Hawaii	Schofield Barracks	$71,000,000
Illinois	Rock Island Arsenal	$5,300,000
Indiana	Crane Army Ammunition Activity	$7,100,000
Kansas	Fort Riley	$41,000,000
Kentucky	Blue Grass Army Depot	$5,300,000
	Fort Campbell	$75,000,000
	Fort Knox	$23,000,000
Louisiana	Fort Polk	$8,300,000
Maryland	Fort Detrick	$3,550,000
	Fort Meade	$5,300,000
Missouri	Fort Leonard Wood	$28,200,000
New Jersey	Fort Monmouth	$7,600,000
	Picatinny Arsenal	$8,400,000
New York	Fort Drum	$4,650,000
	United States Military Academy, West Point	$85,000,000
North Carolina.	Fort Bragg	$95,900,000
Oklahoma	Fort Sill	$13,800,000
	McAlester Army Ammunition Plant	$10,800,000
Texas	Fort Bliss	$4,100,000
	Fort Hood	$32,500,000
	Fort Sam Houston	$27,300,000
Utah	Tooele Army Depot	$3,900,000
Virginia	National Ground Intelligence Center, Charlottesville	$46,200,000
	Fort Eustis	$41,181,000
	Fort Myer	$6,200,000
Washington	Fort Lewis	$18,200,000
CONUS Classified.	Classified Location	$4,600,000
	Total	$768,781,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or location	Amount
Belgium	80th Area Support Group.	$6,300,000
Germany	Schweinfurt	$18,000,000
	Wurzburg	$4,250,000
Korea	Camp Casey	$21,400,000
	Camp Castle	$18,226,000
	Camp Humphreys	$8,500,000
	Camp Stanley	$5,800,000
Kwajalein	Kwajalein Atoll	$48,600,000
	Total	$131,076,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Army: Family Housing

State	Installation or location	Purpose	Amount
Alabama	Redstone Arsenal.	118 Units	$14,000,000
Hawaii	Schofield Barracks.	64 Units	$14,700,000
North Carolina.	Fort Bragg	170 Units	$19,800,000
Texas	Fort Hood	154 Units	$21,600,000
Virginia	Fort Lee	80 Units	$13,000,000
		Total	$83,100,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $6,350,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed $48,479,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1998, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,098,713,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $609,781,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $95,076,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $12,500,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $64,269,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $137,929,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,097,697,000.

(6) For the construction of the missile software engineering annex, phase II, Redstone Arsenal, Alabama, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1966), $13,600,000.

(7) For the construction of a disciplinary barracks, phase II, Fort Leavenworth, Kansas, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998, $29,000,000.

(8) For the construction of the whole barracks complex renewal, Fort Sill, Oklahoma, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998, $20,500,000.

(9) For rail yard expansion at Fort Carson, Colorado, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998, $23,000,000.

(10) For the construction of an aerial gunnery range at Fort Drum, New York, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998, $9,000,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $16,000,000 (the balance of the amount authorized under section 2101(a) for the construction of a multipurpose digital training range at Fort Knox, Kentucky);

(3) $15,000,000 (the balance of the amount authorized under section 2101(a) for the construction of a railhead facility at Fort Hood, Texas);

(4) $73,000,000 (the balance of the amount authorized under section 2101(a) for the construction of a cadet development center at the United States Military Academy, West Point, New York);

(5) $36,000,000 (the balance of the amount authorized under section 2101(b) for the construction of a powerplant on Roi Namur Island at Kwajalein Atoll, Kwajalein);

(6) $3,500,000 (the balance of the amount authorized under section 2101(a) for the construction of the whole barracks complex renewal at Fort Wainwright, Alaska);

(7) $24,500,000 (the balance of the amount authorized under section 2101(a) for the construction of the whole barracks complex renewal at Fort Riley, Kansas); and

(8) $27,000,000 (the balance of the amount authorized under section 2101(a) for the construction of the whole barracks complex renewal at Fort Campbell, Kentucky).

(c) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (10) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by—

(1) $2,639,000, which represents the combination of project savings in military family housing construction resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes;

(2) $3,000,000, which represents the combination of savings in military family housing support resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes; and

(3) $8,000,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1998 PROJECTS.

(a) MODIFICATION.—The table in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1967) is amended—

(1) in the item relating to Fort Drum, New York, by striking out ''$24,400,000'' in the amount column and inserting in lieu thereof ''$24,900,000'';

(2) in the item relating to Fort Sill, Oklahoma, by striking out ''$25,000,000'' in the amount column and inserting in lieu thereof ''$28,500,000''; and

(3) by striking out the amount identified as the total in the amount column and inserting in lieu thereof ''$602,750,000''.

(b) CONFORMING AMENDMENTS.—Section 2104 of that Act (111 Stat. 1968) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking out ''$2,010,466,000'' and inserting in lieu thereof ''$2,013,966,000''; and

(B) in paragraph (1), by striking out ''$435,350,000'' and inserting in lieu thereof ''$438,850,000''; and

(2) in subsection (b)(8), by striking out ''$8,500,000'' and inserting in lieu thereof ''$9,000,000''.

TITLE XXII—NAVY

Sec. 2201. Authorized Navy construction and land acquisition projects.
Sec. 2202. Family housing.
Sec. 2203. Improvements to military family housing units.
Sec. 2204. Authorization of appropriations, Navy.
Sec. 2205. Authorization to accept road construction project, Marine Corps Base, Camp Lejeune, North Carolina.

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Marine Corps Air Station, Yuma.	$11,010,000
	Naval Observatory Detachment, Flagstaff	$990,000
California	Marine Corps Air Station, Miramar	$29,570,000
	Marine Corps Base, Camp Pendleton	$40,430,000
	Naval Air Station, Lemoore.	$20,640,000
	Naval Air Warfare Center Weapons Division, China Lake.	$10,140,000
	Naval Facility, San Clemente Island	$8,350,000
	Naval Submarine Base, San Diego.	$11,400,000
Connecticut	Naval Submarine Base, New London	$11,330,000
District of Columbia.	Naval District, Washington.	$790,000
Florida	Naval Air Station, Key West.	$3,730,000
	Naval Air Station, Jacksonville.	$1,500,000
	Naval Air Station, Whiting Field.	$1,400,000
	Naval Station, Mayport.	$6,163,000
Georgia	Marine Corps Logistics Base, Albany	$2,800,000
	Naval Submarine Base, Kings Bay	$2,550,000
Hawaii	Fleet and Industrial Supply Center, Pearl Harbor	$9,730,000
	Marine Corps Air Station, Kaneohe Bay	$46,410,000
	Naval Communications & Telecommunications Area Master Station Eastern Pacific, Wahiawa	$1,970,000
	Naval Shipyard, Pearl Harbor.	$11,400,000
	Naval Station, Pearl Harbor.	$18,180,000
	Naval Submarine Base, Pearl Harbor	$8,060,000
	Navy Public Works Center, Pearl Harbor	$28,967,000
Illinois	Naval Training Center, Great Lakes	$19,950,000
Indiana	Naval Surface Warfare Center, Crane	$11,110,000
Maryland	Naval Surface Warfare Center, Indian Head Division, Indian Head	$13,270,000
	United States Naval Academy	$4,300,000
Mississippi	Naval Air Station, Meridian.	$3,280,000
	Naval Construction Battalion Center, Gulfport	$10,670,000
North Carolina.	Marine Corps Air Station, Cherry Point	$6,040,000
	Marine Corps Base, Camp LeJeune	$14,600,000
Pennsylvania	Naval Surface Warfare Center Ship Systems Engineering Station, Philadelphia	$2,410,000
	Naval Inventory Control Point, Mechanicsburg	$1,600,000
	Naval Inventory Control Point, Philadelphia	$1,550,000
Rhode Island	Naval Education and Training Center, Newport	$5,630,000
	Naval Undersea Warfare Center Division, Newport	$9,140,000
South Carolina.	Marine Corps Air Station, Beaufort	$1,770,000
	Marine Corps Reserve Detachment, Parris Island	$15,990,000
	Naval Weapons Station, Charleston	$9,737,000
Texas	Naval Station, Ingleside.	$12,200,000
Virginia	Fleet and Industrial Supply Center, Norfolk (Craney Island)	$1,770,000
	Fleet Training Center, Norfolk.	$5,700,000
	Naval Air Station, Oceana.	$6,400,000
	Naval Shipyard, Norfolk, Portsmouth	$6,180,000
	Naval Station, Norfolk	$45,530,000
	Naval Surface Warfare Center, Dahlgren	$15,680,000
	Tactical Training Group Atlantic, Dam Neck	$2,430,000
Washington	Naval Shipyard, Puget Sound.	$4,300,000
	Strategic Weapons Facility Pacific, Bremerton	$2,750,000
	Total	$521,497,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Navy: Outside the United States

Country	Installation or location	Amount
Greece	Naval Support Activity, Souda Bay	$5,260,000
Guam	Naval Activities, Guam	$10,310,000

Navy: Outside the United States—Continued

Country	Installation or location	Amount
Italy	Naval Support Activity, Naples.	$18,270,000
United Kingdom.	Joint Maritime Communications Center, St. Mawgan	$2,010,000
	Total	$35,850,000

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Navy: Family Housing

State	Installation or location	Purpose	Amount
California	Naval Air Station, Lemoore	162 Units	$30,379,000
Hawaii	Navy Public Works Center, Pearl Harbor	150 Units	$29,125,000
		Total	$59,504,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $15,618,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $227,791,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1998, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $1,812,476,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $503,997,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $35,850,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $9,900,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $60,846,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $302,913,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $915,293,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $13,500,000 (the balance of the amount authorized under section 2202(a) for the construction of a berthing pier at Naval Station, Norfolk, Virginia); and

(3) $4,000,000 (the balance of the amount authorized under section 2201(a) for the construction of a bachelor enlisted quarters at Marine Corps Air Station, Kaneohe Bay, Hawaii).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by—

(1) $7,323,000, which represents the combination of project savings in military family housing construction resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes;

(2) $3,000,000, which represents the combination of savings in military family housing support resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes; and

(3) $6,000,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2205. AUTHORIZATION TO ACCEPT ROAD CONSTRUCTION PROJECT, MARINE CORPS BASE, CAMP LEJEUNE, NORTH CAROLINA.

The Secretary of the Navy may accept from the State of North Carolina a road construction project valued at approximately $2,000,000, which is to be constructed at Marine Corps Base, Camp Lejeune, North Carolina, in accordance with plans and specifications acceptable to the Secretary.

TITLE XXIII—AIR FORCE

Sec. 2301. Authorized Air Force construction and land acquisition projects.
Sec. 2302. Family housing.
Sec. 2303. Improvements to military family housing units.
Sec. 2304. Authorization of appropriations, Air Force.

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base.	$19,398,000
Alaska	Eielson Air Force Base	$4,352,000
Arizona	Luke Air Force Base	$3,400,000
Arkansas	Little Rock Air Force Base.	$1,500,000
California	Edwards Air Force Base.	$10,361,000
	Travis Air Force Base	$4,250,000
	Vandenberg Air Force Base.	$18,709,000
Colorado	Falcon Air Force Station.	$9,601,000
	United States Air Force Academy	$4,413,000
District of Columbia.	Bolling Air Force Base	$2,948,000
Florida	Eglin Air Force Base	$20,437,000
	Eglin Auxiliary Field 9	$3,837,000
	MacDill Air Force Base	$9,808,000
	Tyndall Air Force Base	$3,600,000
Georgia	Robins Air Force Base	$11,894,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
Hawaii	Hickam Air Force Base	$5,890,000
Idaho	Mountain Home Air Force Base	$17,897,000
Kansas	McConnell Air Force Base.	$4,450,000
Louisiana	Barksdale Air Force Base.	$9,300,000
Maryland	Andrews Air Force Base.	$4,448,000
Massachusetts.	Hanscom Air Force Base.	$10,000,000
Mississippi	Columbus Air Force Base.	$5,700,000
	Keesler Air Force Base	$35,526,000
Montana	Malmstrom Air Force Base.	$7,900,000
Nevada	Indian Springs Air Force Auxiliary Air Field	$15,013,000
	Nellis Air Force Base	$6,378,000
New Jersey	McGuire Air Force Base.	$6,044,000
New Mexico	Holloman Air Force Base.	$11,100,000
	Kirtland Air Force Base.	$8,574,000
North Carolina.	Seymour Johnson Air Force Base	$6,100,000
North Dakota	Grand Forks Air Force Base.	$11,486,000
	Minot Air Force Bae	$8,500,000
Ohio	Wright-Patterson Air Force Base	$22,000,000
Oklahoma	Altus Air Force Base	$9,300,000
	Tinker Air Force Base	$24,985,000
	Vance Air Force Base	$6,223,000
South Carolina.	Charleston Air Force Base.	$24,330,000
South Dakota	Ellsworth Air Force Base.	$6,500,000
Tennessee	Arnold Air Force Base	$11,600,000
Texas	Dyess Air Force Base	$4,750,000
	Goodfellow Air Force Base.	$7,300,000
	Lackland Air Force Base.	$14,930,000
	Laughlin Air Force Base.	$7,315,000
	Randolph Air Force Base.	$3,166,000
Utah	Hill Air Force Base	$2,600,000
Washington	Fairchild Air Force Base.	$15,220,000
	McChord Air Force Base.	$51,847,000
	Total	$514,880,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

Country	Installation or location	Amount
Germany	Spangdahlem Air Base	$9,501,000
Korea	Kunsan Air Base	$5,958,000
	Osan Air Base	$7,496,000
Turkey	Incirlik Air Base	$2,949,000
United Kingdom.	Royal Air Force, Lakenheath.	$15,838,000
	Royal Air Force, Mildenhall.	$24,960,000
	Total	$66,702,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Air Force: Family Housing

State	Installation or location	Purpose	Amount
Alabama	Maxwell Air Force Base	143 Units.	$16,300,000
Alaska	Eielson Air Force Base	46 Units	$12,932,000
California	Edwards Air Force Base	48 Units	$12,580,000
	Vandenberg Air Force Base	95 Units	$18,499,000
Delaware	Dover Air Force Base.	55 Units	$8,998,000
Florida	MacDill Air Force Base.	48 Units	$7,609,000
	Patrick Air Force Base.	46 Units	$9,692,000
	Tyndall Air Force Base.	122 Units.	$14,500,000
Mississippi	Columbus Air Force Base.	52 Units	$6,800,000
	Keesler Air Force Base.	52 Units	$6,800,000
Montana	Malmstrom Air Force Base.	50 Units	$10,000,000
Nebraska	Offutt Air Force Base	Ancillary Facility	$870,000
	Offutt Air Force Base	Ancillary Facility	$900,000
	Offutt Air Force Base	90 Units	$12,212,000
Nevada	Nellis Air Force Base	28 Units	$5,000,000
New Mexico	Kirtland Air Force Base	37 Units	$6,400,000
Ohio	Wright-Patterson Air Force Base	40 Units	$5,600,000
Texas	Dyess Air Force Base.	64 Units	$9,415,000
	Sheppard Air Force Base	65 Units	$7,000,000
Washington	Fairchild Air Force Base	Ancillary Facility	$1,692,000
	Fairchild Air Force Base	14 Units	$2,300,000
		Total	$176,099,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $11,342,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $104,108,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1998, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,679,978,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $514,880,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $66,702,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $8,135,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $38,092,000.

(5) For military housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $291,549,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $785,204,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by—

(1) $10,584,000, which represents the combination of project savings in military family housing construction resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes;

(2) $2,000,000,000, which represents the combination of savings in military family housing support resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes; and

(3) $12,000,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

TITLE XXIV—DEFENSE AGENCIES

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.

Sec. 2402. Improvements to military family housing units.

Sec. 2403. Energy conservation projects.

Sec. 2404. Authorization of appropriations, Defense Agencies.

Sec. 2405. Repeal of fiscal year 1997 authorization of appropriations for certain military housing improvement program.

Sec. 2406. Modification of authority to carry out certain fiscal year 1995 projects.

Sec. 2407. Modification of authority to carry out fiscal year 1990 project.

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Chemical Demilitarization	Aberdeen Proving Ground, Maryland	$186,350,000
	Newport Army Depot, Indiana	$191,550,000

Defense Agencies: Inside the United States—Continued

Agency	Installation or location	Amount
Defense Logistics Agency	Defense Fuel Support Point, Fort Sill, Oklahoma	$3,500,000
	Defense Fuel Support Point, Jacksonville Annex, Mayport, Florida	$11,020,000
	Defense Fuel Support Point, Jacksonville, Florida	$11,000,000
	Defense General Supply Center, Richmond (DLA), Virginia	$10,500,000
	Defense Fuel Supply Center, Camp Shelby, Mississippi	$5,300,000
	Defense Fuel Supply Center, Elmendorf Air Force Base, Alaska	$19,500,000
	Defense Fuel Supply Center, Pope Air Force Base, North Carolina	$4,100,000
	Various Locations	$1,300,000
Defense Medical Facilities Office	Barksdale Air Force Base, Louisiana	$3,450,000
	Beale Air Force Base, California	$3,500,000
	Carlisle Barracks, Pennsylvania	$4,678,000
	Cheatham Annex, Virginia.	$11,300,000
	Edwards Air Force Base, California	$6,000,000
	Eglin Air Force Base, Florida.	$9,200,000
	Fort Bragg, North Carolina.	$6,500,000
	Fort Hood, Texas	$14,100,000
	Fort Stewart/Hunter Army Air Field, Georgia	$10,400,000
	Grand Forks Air Force Base, North Dakota	$5,600,000
	Holloman Air Force Base, New Mexico	$1,300,000
	Keesler Air Force Base, Mississippi	$700,000
	Marine Corps Air Station, Camp Pendleton, California	$6,300,000
	McChord Air Force Base, Washington	$20,000,000
	Moody Air Force Base, Georgia	$11,000,000
	Naval Air Station, Pensacola, Florida	$25,400,000
	Naval Hospital, Bremerton, Washington	$28,000,000
	Naval Hospital, Great Lakes, Illinois	$7,100,000
	Naval Station, San Diego, California	$1,350,000
	Naval Submarine Base, Bangor, Washington	$5,700,000
	Travis Air Force Base, California	$1,700,000
Defense Education Activity	Marine Corps Base, Camp LeJeune, North Carolina	$16,900,000
	United States Military Academy, West Point, New York	$2,840,000
National Security Agency	Fort Meade, Maryland	$668,000
Special Operations Command	Eglin Auxiliary Field 3, Florida	$7,310,000
	Elgin Auxiliary Field 9, Florida	$2,400,000
	Fort Campbell, Kentucky.	$15,000,000
	MacDill Air Force Base, Florida	$8,400,000

Defense Agencies: Inside the United States—Continued

Agency	Installation or location	Amount
	Naval Amphibious Base, Coronado, California	$3,600,000
	Stennis Space Center, Mississippi	$5,500,000
	Total	$690,016,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Outside the United States

Agency	Installation or location	Amount
Defense Logistics Agency	Lajes Field, Azores, Portugal	$7,700,000
Defense Medical Facilities Office	Naval Air Station, Sigonella, Italy	$5,300,000
	Royal Air Force, Lakenheath, United Kingdom	$10,800,000
Defense Education Activity	Fort Buchanan, Puerto Rico.	$8,805,000
	Naval Activities, Guam	$13,100,000
Special Operations Command	Naval Station, Roosevelt Roads, Puerto Rico	$9,600,000
	Total	$55,305,000

SEC. 2402. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriation in section 2404(a)(11)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $345,000.

SEC. 2403. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(9), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code.

SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1998, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments) in the total amount of $2,223,260,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $369,966,000.

(2) For military construction projects outside the United States authorized by section 2401(a), $55,305,000.

(3) For construction of the Ammunition Demilitarization Facility, Pine Bluff Arsenal, Arkansas authorized by section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539), section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1982), and section 2406 of this Act, $16,500,000.

(4) For construction of the Ammunition Demilitarization Facility, Umatilla Army Depot, Oregon, authorized by section 2401 of the Military Construction Authorization Act for Fiscal Year 1995, as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996, section 2408 of the Military Construction Authorization Act for Fiscal Year 1998, and section 2406 of this Act, $50,950,000.

(5) For military construction projects at Portsmouth Naval Hospital, Virginia, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 106 Stat. 1640), as amended by section 2407 of this Act, $17,954,000.

(6) For unspecified minor construction projects under section 2805 of title 10, United States Code, $13,394,000.

(7) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $4,890,000.

(8) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $41,005,000.

(9) For energy conservation projects authorized by section 2403, $46,950,000.

(10) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $1,630,902,000.

(11) For military family housing functions:

(A) For improvement of military family housing and facilities, $345,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $36,899,000 of which not more than $31,139,000 may be obligated or expended for the leasing of military family housing units worldwide.

(C) For credit to the Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of title 10, United States Code, $2,000,000.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variation authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $162,050,000 (the balance of the amount authorized under section 2401(a) for the construction of the Ammunition Demilitarization Facility at Newport Army Depot, Indiana); and

(3) $158,000,000 (the balance of the amount authorized under section 2401(a) for the construction of the Ammunition Demilitarization Facility at Aberdeen Proving Ground, Maryland).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (11) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $63,800,000 (of which $50,500,000 represents savings from military construction for chemical demilitarization), which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2405. REPEAL OF FISCAL YEAR 1997 AUTHORIZATION OF APPROPRIATIONS FOR CERTAIN MILITARY HOUSING IMPROVEMENT PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 2406(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2778) is amended—

(1) by striking out ''$3,379,703,000'' and inserting in lieu thereof ''$3,374,703,000''; and

(2) in paragraph (14), by striking out subparagraph (D).

(b) CREDIT AND USE OF FUNDS.—Section 2404 of that Act (110 Stat. 2777) is amended—

(1) in subsection (a)—

(A) by striking out ''(1)'' before ''Of''; and

(B) by striking out paragraph (2); and

(2) in subsection (b)—

(A) by striking out ''(1)'' before ''The'';

(B) by striking out ''subsection (a)(1)'' and inserting in lieu thereof ''subsection (a)''; and

(C) by striking out paragraph (2).

SEC. 2406. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1995 PROJECTS.

The table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539) and section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1982), under the agency heading relating to Chemical Weapons and Munitions Destruction, is amended—

(1) in the item relating to Pine Bluff Arsenal, Arkansas, by striking out $134,000,000'' in the amount column and inserting in lieu thereof ''$154,400,000''; and

(2) in the item relating to Umatilla Army Depot, Oregon, by striking out ''$187,000,000'' in the amount column and inserting in lieu thereof ''$193,377,000''.

SEC. 2407. MODIFICATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1990 PROJECT.

(a) INCREASE.—The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 100–189; 103 Stat. 1640) is amended in the item relating to Portsmouth Naval Hospital, Virginia, by striking out ''$330,000,000'' and inserting in lieu thereof ''$351,354,000''.

(b) CONFORMING AMENDMENT.—Section 2405(b)(2) of that Act (103 Stat. 1642) is amended by striking out ''$321,500,000'' and inserting in lieu thereof ''$342,854,000''.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

Sec. 2501. Authorized NATO construction and land acquisition projects.
Sec. 2502. Authorization of appropriations, NATO.

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1998, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Security Investment program authorized by section 2501, in the amount of $154,000,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.
Sec. 2602. Modification of authority to carry out fiscal year 1998 project.

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal years beginning after September 30, 1998, for

the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $142,403,000; and

(B) for the Army Reserve, $102,119,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $31,621,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $169,801,000; and

(B) for the Air Force Reserve, $34,371,000.

(b) ADJUSTMENT.—(1) The amount authorized to be appropriated pursuant to subsection (a)(1)(A) is reduced by $2,000,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

(2) The amount authorized to be appropriated pursuant to subsection (a)(3)(A) is reduced by $4,000,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2602. MODIFICATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1998 PROJECT.

Section 2603 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1983) is amended to read as follows:

"SEC. 2603. ARMY RESERVE CONSTRUCTION PROJECT, SALT LAKE CITY, UTAH.

''With regard to the military construction project for the Army Reserve concerning construction of a reserve center and organizational maintenance shop at an appropriate site in, or in the vicinity of, Salt Lake City, Utah, to be carried out using funds appropriated pursuant to the authorization of appropriations in section 2601(a)(1)(B), the Secretary of the Army shall enter into an agreement with the State of Utah under which the State agrees to provide financial or in-kind contributions in connection with the project.''.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.
Sec. 2702. Extension of authorizations of certain fiscal year 1996 projects.
Sec. 2703. Extension of authorization of fiscal year 1995 project.
Sec. 2704. Effective date.

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 2001; or

(2) the date of enactment of an Act authorizing funds for military construction for fiscal year 2002.

(b) EXCEPTION.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before the later of—

(1) October 1, 2001; or

(2) the date of enactment of an Act authorizing funds for fiscal year 2002 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Security Investment program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1996 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 541), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2201, 2202, 2302, or 2601 of that Act, shall remain in effect until October 1, 1999, or the date of enactment of an Act authorizing funds for military construction for fiscal year 2000, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Navy: Extension of 1996 Project Authorizations

State	Installation or location	Project	Amount
Puerto Rico	Naval Station Roosevelt Roads	Housing Office.	$710,000
California ...	Camp Pendleton.	Family Housing Construction (138 units) ..	$20,000,000

Air Force: Extension of 1996 Project Authorization

State	Installation or location	Project	Amount
Texas	Lackland Air Force Base	Family Housing (67 units) ..	$6,200,000

Army National Guard: Extension of 1996 Project Authorizations

State	Installation or location	Project	Amount
Mississippi ..	Camp Shelby.	Multipurpose Range Complex (Phase I)	$5,000,000
Missouri	National Guard Training Site, Jefferson City	Multipurpose Range	$2,236,000

SEC. 2703. EXTENSION OF AUTHORIZATION OF FISCAL YEAR 1995 PROJECT.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3046), the authorization for the project set forth in the table in subsection (b), as provided in section 2201 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1985), shall remain in effect until October 1, 1999, or the date of enactment of an Act authorizing funds for military construction for fiscal year 2000, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

Navy: Extension of 1995 Project Authorization

State	Installation or location	Project	Amount
Maryland ...	Indian Head Naval Surface Warfare Center	Denitrification/Acid Mixing Facility	$6,400,000

SEC. 2704. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 1998; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

Sec. 2801. Architectural and engineering services and construction design.
Sec. 2802. Expansion of Army overseas family housing lease authority.
Sec. 2803. Definition of ancillary supporting facilities under alternative authority for acquisition and improvement of military housing.
Sec. 2804. Purchase of build-to-lease family housing at Eielson Air Force Base, Alaska.
Sec. 2805. Report relating to improvement of housing for unaccompanied members.

Subtitle B—Real Property and Facilities Administration

Sec. 2811. Exceptions to real property transaction reporting requirements for war and certain emergency and other operations.
Sec. 2812. Restoration of Department of Defense lands used by another Federal agency.
Sec. 2813. Outdoor recreation development on military installations for disabled veterans, military dependents with disabilities, and other persons with disabilities.
Sec. 2814. Report on leasing and other alternative uses of non-excess military property.
Sec. 2815. Report on implementation of utility system conveyance authority.

Subtitle C—Defense Base Closure and Realignment

Sec. 2821. Applicability of property disposal laws to leases at installations to be closed or realigned under base closure laws.
Sec. 2822. Elimination of waiver authority regarding prohibition against certain conveyances of property at Naval Station, Long Beach, California.
Sec. 2823. Payment of stipulated penalties assessed under CERCLA in connection with McClellan Air Force Base, California.

Subtitle D—Land Conveyances

PART I—ARMY CONVEYANCES

Sec. 2831. Modification of land conveyance, Army Reserve Center, Youngstown, Ohio.
Sec. 2832. Release of interests in real property, former Kennebec Arsenal, Augusta, Maine.
Sec. 2833. Release, waiver, or conveyance of interests in real property, former Redstone Army Arsenal property, Alabama.

Sec. 2834. Conveyance of utility systems, Lone Star Army Ammunition Plant, Texas.
Sec. 2835. Conveyance of water rights and related interests, Rocky Mountain Arsenal, Colorado, for purposes of acquisition of perpetual contracts for water.
Sec. 2836. Land conveyance, Army Reserve Center, Massena, New York.
Sec. 2837. Land conveyance, Army Reserve Center, Ogdensburg, New York.
Sec. 2838. Land conveyance, Army Reserve Center, Jamestown, Ohio.
Sec. 2839. Land conveyance, Army Reserve Center, Peoria, Illinois.
Sec. 2840. Land conveyance, Army Reserve Center, Bridgton, Maine.
Sec. 2841. Land conveyance, Fort Sheridan, Illinois.
Sec. 2842. Land conveyance, Skaneateles, New York.
Sec. 2843. Land conveyance, Indiana Army Ammunition Plant, Charlestown, Indiana.
Sec. 2844. Land conveyance, Volunteer Army Ammunition Plant, Chattanooga, Tennessee.
Sec. 2845. Land conveyance, Stewart Amy Sub-Post, New Windsor, New York.

PART II—NAVY CONVEYANCES

Sec. 2851. Conveyance of easement, Marine Corps Base, Camp Pendleton, California.
Sec. 2852. Land exchange, Naval Reserve Readiness Center, Portland, Maine.
Sec. 2853. Land conveyance, Naval and Marine Corps Reserve facility, Youngstown, Ohio.
Sec. 2854. Land conveyance, Naval Air Reserve Center, Minneapolis, Minnesota.

PART III—AIR FORCE CONVEYANCES

Sec. 2861. Modification of land conveyance, Eglin Air Force Base, Florida.
Sec. 2862. Modification of land conveyance, Finley Air Force Station, North Dakota.
Sec. 2863. Land conveyance, Lake Charles Air Force Station, Louisiana.
Sec. 2864. Land conveyance, Air Force Housing Facility, La Junta, Colorado.

Subtitle E—Other Matters

Sec. 2871. Modification of authority relating to Department of Defense Laboratory Revitalization Demonstration Program.
Sec. 2872. Repeal of prohibition on joint use of Gray Army Airfield, Fort Hood, Texas, with civil aviation.
Sec. 2873. Modification of demonstration project for purchase of fire, security, police, public works, and utility services from local government agencies.
Sec. 2874. Designation of building containing Navy and Marine Corps Reserve Center, Augusta, Georgia.

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION DESIGN.

(a) INCREASE IN THRESHOLD FOR NOTICE TO CONGRESS.—Subsection (b) of section 2807 of title 10, United States Code, is amended by striking out ''$300,000'' and inserting in lieu thereof ''$500,000''.

(b) AVAILABILITY OF APPROPRIATIONS.—Subsection (d) of that section is amended by striking out ''study, planning, design, architectural, and engineering services'' and inserting in lieu thereof ''architectural and engineering services and construction design''.

SEC. 2802. EXPANSION OF ARMY OVERSEAS FAMILY HOUSING LEASE AUTHORITY.

(a) ALTERNATIVE MAXIMUM UNIT AMOUNTS.—Section 2828(e) of title 10, United States Code, is amended—

(1) in paragraph (2), by inserting, '', and the Secretary of the Army may lease not more than 500 units of family housing in Italy,'' after ''family housing in Italy'';

(2) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(3) by inserting after paragraph (2) the following new paragraph (3):

''(3) In addition to the 450 units of family housing referred to in paragraph (1) for which the maximum lease amount is $25,000 per unit per year, the Secretary of the Army may lease not more than 800 units of family housing in Korea subject to that maximum lease amount.''.

(b) CONFORMING AMENDMENT.—Paragraph (4) of that section, as redesignated by subsection (a)(2) of this section, is amended by striking out ''and (2)'' and inserting in lieu thereof '', (2), and (3)''.

SEC. 2803. DEFINITION OF ANCILLARY SUPPORTING FACILITIES UNDER ALTERNATIVE AUTHORITY FOR ACQUISITION AND IMPROVEMENT OF MILITARY HOUSING.

Section 2871(1) of title 10, United States Code, is amended by inserting after ''including'' the following: ''facilities to provide or support elementary or secondary education,''.

SEC. 2804. PURCHASE OF BUILD-TO-LEASE FAMILY HOUSING AT EIELSON AIR FORCE BASE, ALASKA.

(a) AUTHORITY TO PURCHASE.—The Secretary of the Air Force may purchase the entire interest of the developer in the military family housing project at Eielson Air Force Base, Alaska, described in subsection (b) if the Secretary determines that the purchase is in the best economic interests of the Air Force.

(b) DESCRIPTION OF PROJECT.—The military family housing project referred to in this section is the 366-unit military family housing project at Eielson Air Force Base that was constructed by the developer and is being leased by the Secretary under the authority of former subsection (g) of section 2828 of title 10, United States Code (now section 2835 of such title), as added by section 801 of the Military Construction Authorization Act, 1984 (Public Law 98–115; 97 Stat. 782).

(c) PURCHASE PRICE.—The purchase price to be paid by the Secretary under this section for the interest of the developer in the military family housing project may not exceed an amount equal to the amount of the outstanding indebtedness of the developer to the lender for the project that would have remained at the time of the purchase under this section if the developer had paid down its indebtedness to the lender for the project in accordance with the original debt instruments for the project.

(d) TIME FOR PURCHASE.—(1) Subject to paragraph (2), the Secretary may elect to make the purchase authorized by subsection (a) at any time during or after the term of the lease for the military family housing project.

(2) The Secretary may not make the purchase until 30 days after the date on which the Secretary notifies the congressional defense committees of the Secretary's election to make the purchase under paragraph (1).

SEC. 2805. REPORT RELATING TO IMPROVEMENT OF HOUSING FOR UNACCOMPANIED MEMBERS.

(a) REPORT REQUIRED.—(1) Not later than April 1, 1999, the Secretary of Defense shall submit to Congress a report on—

(A) the plans of each of the military departments to improve the condition, suitability, and availability of housing for members of the Armed Forces who are unaccompanied by dependents; and

(B) the costs associated with the implementation of the plans.

(2) The Secretary of Defense shall prepare the report in consultation with the Secretaries of the military departments.

(b) ELEMENTS.—The report under subsection (a) shall include the following:

(1) The plans and programs of each of the military departments to improve housing on military installations for unaccompanied members of the Armed Forces, including an assessment of the requirement, a schedule to implement such plans and programs, and an explanation of the standards used to determine the adequacy, suitability, and availability of housing outside of military installations.

(2) A justification for the initiative to build single occupancy rooms with a shared bath (commonly known as the ''1 Plus 1 Initiative''), including—

(A) a description of the manner in which the initiative is designed to enhance the quality of life for enlisted members and the retention of such members in adequate numbers; and

(B) an assessment of the analysis and data used in the justification to implement the initiative.

(3) The cost for each military department of implementing the initiative, including the amount of funds, by fiscal year, authorized and appropriated for military construction and real property maintenance obligated or expended on the improvement of military housing for unaccompanied members beginning on October 1, 1996, and the amount of funds required to be expended to ensure the suitability of such housing for unaccompanied members.

(4) An explanation of the difference in cost between—

(A) upgrading existing military housing to the standard proposed in the initiative; and

(B) rehabilitating such housing within existing standards.

(5) An assessment of the viability and utility of the authorities provided by subchapter IV of chapter 169 of title 10, United States Code, to contribute to the improvement of the condition, suitability, and availability of housing for unaccompanied members, especially members in junior grades.

(6) The views of the Chief of Staff of the Army, the Chief of Naval Operations, the Chief of Staff of the Air Force, the Commandant of the Marine Corps, the Commandant of the Coast Guard, and each of the senior enlisted members of the Armed Forces regarding the initiative referred to in paragraph (2) and regarding any alternatives to the initiative having the potential of enhancing the quality of life for unaccompanied members, improving the readiness of the Armed Forces, and improving the retention of enlisted members in adequate numbers.

Subtitle B—Real Property and Facilities Administration

SEC. 2811. EXCEPTIONS TO REAL PROPERTY TRANSACTION REPORTING REQUIREMENTS FOR WAR AND CERTAIN EMERGENCY AND OTHER OPERATIONS.

(a) EXCEPTIONS.—Section 2662 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(g) EXCEPTIONS FOR TRANSACTIONS FOR WAR AND CERTAIN EMERGENCY AND OTHER OPERATIONS.—(1) The reporting requirement set forth in subsection (a) shall not apply with respect to a real property transaction otherwise covered by that subsection, and the reporting requirement set forth in subsection (e) shall not apply with respect to a real property transaction otherwise covered by that subsection, if the Secretary concerned determines that the transaction is made as a result of any of the following:

''(A) A declaration of war.

''(B) A declaration of a national emergency by the President pursuant to the National Emergencies Act (50 U.S.C. 1601 et seq.).

''(C) A declaration of an emergency or major disaster pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

''(D) The use of the militia or the armed forces after a proclamation to disperse under section 334 of this title.

''(E) A contingency operation.

''(2) The reporting requirement set forth in subsection (a) shall not apply with respect to a

real property transaction otherwise covered by that subsection if the Secretary concerned determines that—

''(A) an event listed in paragraph (1) is imminent; and

''(B) the transaction is necessary for purposes of preparation for such event.

''(3) Not later than 30 days after entering into a real property transaction covered by paragraph (1) or (2), the Secretary concerned shall submit to the committees named in subsection (a) a report on the transaction. The report shall set forth any facts or information which would otherwise have been submitted in a report on the transaction under subsection (a) or (e), as the case may be, but for the operation of paragraph (1) or (2).''.

(b) STYLISTIC AMENDMENTS.—That section is further amended—

(1) in subsection (a), by inserting ''GENERAL NOTICE AND WAIT REQUIREMENTS.—'' after ''(a)'';

(2) in subsection (b), by inserting ''ANNUAL REPORTS ON CERTAIN MINOR TRANSACTIONS.—'' after ''(b)'';

(3) in subsection (c), by inserting ''GEOGRAPHIC SCOPE; EXCEPTED PROJECTS.—'' after ''(c)'';

(4) in subsection (d), by inserting ''STATEMENTS OF COMPLIANCE IN TRANSACTION INSTRUMENTS.—'' after ''(d)'';

(5) in subsection (e), by inserting ''NOTICE AND WAIT REGARDING LEASES OF SPACE FOR DOD BY GSA.—'' after ''(e)''; and

(6) in subsection (f), by inserting ''REPORTS ON TRANSACTIONS INVOLVING INTELLIGENCE COMPONENTS.—'' after ''(f)''.

SEC. 2812. RESTORATION OF DEPARTMENT OF DEFENSE LANDS USED BY ANOTHER FEDERAL AGENCY.

(a) RESTORATION AS TERM OF AGREEMENT.—Section 2691 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c)(1) As a condition of any lease, permit, license, or other grant of access entered into by the Secretary of a military department with another Federal agency authorizing the agency to use lands under the control of the Secretary, the Secretary may require the agency to agree to remove any improvements and to take any other action necessary in the judgment of the Secretary to restore the land used by the agency to its condition before its use by the agency.

''(2) In lieu of performing any removal or restoration work under paragraph (1), a Federal agency may elect, with the consent of the Secretary, to reimburse the Secretary for the costs incurred by the military department in performing such removal or restoration work.''.

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

''§ 2691. Restoration of land used by permit or lease''.

(2) The table of sections at the beginning of chapter 159 of title 10, United States Code, is amended by striking the item relating to section 2691 and inserting in lieu thereof the following new item:

''2691. Restoration of land used by permit or lease.''.

SEC. 2813. OUTDOOR RECREATION DEVELOPMENT ON MILITARY INSTALLATIONS FOR DISABLED VETERANS, MILITARY DEPENDENTS WITH DISABILITIES, AND OTHER PERSONS WITH DISABILITIES.

(a) ACCESS ENHANCEMENT.—Section 103 of the Sikes Act (16 U.S.C. 670c) is amended by adding at the end the following new subsections:

''(b) ACCESS FOR DISABLED VETERANS, MILITARY DEPENDENTS WITH DISABILITIES, AND OTHER PERSONS WITH DISABILITIES.—(1) In developing facilities and conducting programs for public outdoor recreation at military installations, consistent with the primary military mission of the installations, the Secretary of Defense shall ensure, to the extent reasonably practicable, that outdoor recreation opportunities (including fishing, hunting, trapping, wildlife viewing, boating, and camping) made available to the public also provide access for persons described in paragraph (2) when topographic, vegetative, and water resources allow access for such persons without substantial modification to the natural environment.

''(2) Persons referred to in paragraph (1) are the following:

''(A) Disabled veterans.

''(B) Military dependents with disabilities.

''(C) Other persons with disabilities, when access to a military installation for such persons and other civilians is not otherwise restricted.

''(3) The Secretary of Defense shall carry out this subsection in consultation with the Secretary of Veterans Affairs, national service, military, and veterans organizations, and sporting organizations in the private sector that participate in outdoor recreation projects for persons described in paragraph (2).

''(c) ACCEPTANCE OF DONATIONS.—In connection with the facilities and programs for public outdoor recreation at military installations, in particular the requirement under subsection (b) to provide access for persons described in paragraph (2) of such subsection, the Secretary of Defense may accept—

''(1) the voluntary services of individuals and organizations; and

''(2) donations of property, whether real or personal.

''(d) TREATMENT OF VOLUNTEERS.—A volunteer under subsection (c) shall not be considered to be a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, except that—

''(1) for the purposes of the tort claims provisions of chapter 171 of title 28, United States Code, the volunteer shall be considered to be a Federal employee; and

''(2) for the purposes of subchapter I of chapter 81 of title 5, United States Code, relating to compensation to Federal employees for work injuries, the volunteer shall be considered to be an employee, as defined in section 8101(1)(B) of title 5, United States Code, and the provisions of such subchapter shall apply.''.

(b) CONFORMING AMENDMENT.—Such section is further amended by striking out ''SEC. 103.'' and inserting in lieu thereof the following:

''SEC. 103. PROGRAM FOR PUBLIC OUTDOOR RECREATION.

''(a) PROGRAM AUTHORIZED.—''.

SEC. 2814. REPORT ON LEASING AND OTHER ALTERNATIVE USES OF NON-EXCESS MILITARY PROPERTY.

(a) REPORT REQUIRED.—Not later than March 15, 1999, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report regarding the authority of the military departments and Defense Agencies to lease to the private sector non-excess real and personal property. The Secretary shall prepare the report in consultation with the Secretaries of the military departments and the Director of the Office of Management and Budget.

(b) REQUIRED ELEMENTS OF REPORT.—The report shall set forth the following:

(1) The number and purpose of all leases entered into under sections 2667 and 2667a of title 10, United States Code, other than leases under section 2667(f) of that title, during the five-year period ending on the date of the enactment of this Act.

(2) The types and amounts of payments received under the leases specified in paragraph (1) and the costs, if any, foregone as a result of the leases.

(3) An assessment of the positive and negative aspects of leasing real property and surplus capacity at military installations to the private sector, including the potential effect of the use of the leases on force protection and the military functions of the installations.

(4) An assessment of the current efforts of the Department of Defense to identify for the private sector any surplus capacity at military installations that could be leased or otherwise used by the private sector.

(5) An assessment of the proposal of the Secretary of the Air Force to reduce infrastructure costs at Brooks Air Force Base, Texas, using the authority provided in section 2667 of title 10, United States Code, and the proposal of the Secretary of the Navy regarding the potential for development of Ford Island as part of Naval Complex, Pearl Harbor, Hawaii.

(6) An assessment (including an economic analysis) of the ability of the military departments and Defense Agencies to reduce the quantity of real property leased by them through the relocation of activities located in such leased space to property of a military installation, or another Federal agency, that is unutilized or underutilized, while also lowering operational and maintenance costs and minimizing the need for new construction.

(c) ADDITIONAL ELEMENTS OF REPORT.—In the event that the Secretary of Defense considers the authority under section 2667 or 2667a of title 10, United States Code, to be insufficient, the Secretary shall also include in the report—

(1) a proposal for authority to conduct a pilot project based on the assessment made under subsection (b)(5) or for such general legislative authority as the Secretary considers appropriate to enhance the ability of the Department of Defense to utilize surplus capacity at military installations in order to improve military readiness, achieve cost savings with respect to such installations, or decrease the cost of operating such installations;

(2) an estimate of the income that could accrue to the Department of Defense as a result of the implementation of enhanced authority proposed under paragraph (1) during the five-year period beginning on the date of such implementation; and

(3) an assessment of the extent to which any such income should be reserved for the use of the installations exercising such authority and of the extent to which installations would be likely to enter into such leases if they cannot retain such income.

SEC. 2815. REPORT ON IMPLEMENTATION OF UTILITY SYSTEM CONVEYANCE AUTHORITY.

Not later than March 1, 1999, the Secretary of Defense, in consultation with the Secretaries of the military departments, shall submit to Congress a report containing—

(1) the criteria to be used by the Secretary of a military department to select utility systems, and related improvements, easements, and rights-of-way, under the jurisdiction of the Secretary, for conveyance to a municipal, private, regional, district, or cooperative utility company or other entity under the authority of section 2688 of title 10, United States Code;

(2) an assessment of the need to include, as part of the conveyance authority under such section, authority for the Secretary to convey real property associated with a utility system conveyed under such section; and

(3) a description of the manner in which the Secretary will ensure that any conveyance under such section does not adversely affect the national security of the United States.

Subtitle C—Defense Base Closure and Realignment

SEC. 2821. APPLICABILITY OF PROPERTY DISPOSAL LAWS TO LEASES AT INSTALLATIONS TO BE CLOSED OR REALIGNED UNDER BASE CLOSURE LAWS.

Section 2667(f)(1) of title 10, United States Code, is amended by inserting after ''subsection (a)(3)'' the following: ''or the Federal Property and Administrative Services Act of 1949 (to the

extent such Act is inconsistent with this subsection)''.

SEC. 2822. ELIMINATION OF WAIVER AUTHORITY REGARDING PROHIBITION AGAINST CERTAIN CONVEYANCES OF PROPERTY AT NAVAL STATION, LONG BEACH, CALIFORNIA.

Section 2826 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 2001) is amended by striking out subsection (e).

SEC. 2823. PAYMENT OF STIPULATED PENALTIES ASSESSED UNDER CERCLA IN CONNECTION WITH MCCLELLAN AIR FORCE BASE, CALIFORNIA.

(a) SOURCE OF PAYMENT.—Notwithstanding subsection (b) of section 2906 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), the Secretary of Defense may use amounts in the Department of Defense Base Closure Account 1990 established under subsection (a) of such section to pay stipulated penalties assessed under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) against McClellan Air Force Base, California.

(b) AMOUNT OF PAYMENT.—The amount expended under the authority of subsection (a) may not exceed $15,000.

Subtitle D—Land Conveyances

PART I—ARMY CONVEYANCES

SEC. 2831. MODIFICATION OF LAND CONVEYANCE, ARMY RESERVE CENTER, YOUNGSTOWN, OHIO.

Section 2861(b) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 573) is amended by striking out ''retain'' and all that follows through the period at the end and inserting in lieu thereof ''develop the parcel for educational purposes.''.

SEC. 2832. RELEASE OF INTERESTS IN REAL PROPERTY, FORMER KENNEBEC ARSENAL, AUGUSTA, MAINE.

(a) AUTHORITY TO RELEASE.—The Secretary of the Army may release, without consideration, all right, title, and interest of the United States in and to the real property described in subsection (b).

(b) COVERED PROPERTY.—The real property referred to in subsection (a) is the parcel of real property consisting of approximately 40 acres located in Augusta, Maine, and formerly known as the Kennebec Arsenal, which parcel was conveyed by the Secretary of War to the State of Maine under the provisions of the Act entitled ''An Act Authorizing the Secretary of War to convey the Kennebec Arsenal property, situated in Augusta, Maine, to the State of Maine for public purposes'', approved March 3, 1905 (33 Stat. 1270), as amended by section 771 of the Department of Defense Appropriations Act, 1981 (Public Law 96–527; 94 Stat. 3093).

(c) INSTRUMENT OF RELEASE.—The Secretary of the Army shall execute and file in the appropriate office a deed of release, amended deed, or other appropriate instrument effectuating the release of interests authorized by this section.

SEC. 2833. RELEASE, WAIVER, OR CONVEYANCE OF INTERESTS IN REAL PROPERTY, FORMER REDSTONE ARMY ARSENAL PROPERTY, ALABAMA.

(a) RELEASE AUTHORIZED.—The Secretary of the Army may release, without consideration and to such extent as the Secretary considers appropriate to protect the interests of the United States, the reversionary interests of the United States in the real property described in subsection (b), which were retained by the United States when the property was conveyed to the Alabama Space Science Exhibit Commission, an agency of the State of Alabama. The release shall be executed in the manner provided in this section.

(b) DESCRIPTION OF PROPERTY.—The real property referred to in this section is the real property conveyed to the Alabama Space Science Exhibit Commission under the authority of the following provisions of law:

(1) The first section of Public Law 90–276 (82 Stat. 68).

(2) Section 813 of the Military Construction Authorization Act, 1980 (Public Law 96–125; 93 Stat. 952).

(3) Section 813 of the Military Construction Authorization Act, 1984 (Public Law 98–115; 97 Stat. 790).

(c) RELEASE, WAIVER, OR CONVEYANCE OF OTHER RIGHTS, TERMS, AND CONDITIONS.—As part of the release under subsection (a), the Secretary may release, waive, or convey, without consideration and to such extent as the Secretary considers appropriate to protect the interests of the United States—

(1) any and all other rights retained by the United States in and to the real property described in subsection (b) when the property was conveyed to the Alabama Space Science Exhibit Commission; and

(2) any and all terms and conditions and restrictions on the use of the real property imposed as part of the conveyances described in subsection (b).

(d) CONDITIONS ON RELEASE, WAIVER, OR CONVEYANCE.—(1) The Secretary may execute the release under subsection (a) or a release, waiver, or conveyance under subsection (c) only after—

(A) the Secretary approves of the master plan prepared by the Alabama Space Science Exhibit Commission, as such plan may exist or be revised from time to time, for development of the real property described in subsection (b); and

(B) the installation commander at Redstone Arsenal, Alabama, certifies to the Secretary that the release, waiver, or conveyance is consistent with the master plan.

(2) A new facility or structure may not be constructed on the real property described in subsection (b) unless the facility or structure is included in the master plan, which has been approved and certified as provided in paragraph (1).

(e) INSTRUMENT OF RELEASE, WAIVER, OR CONVEYANCE.—In making a release, waiver, or conveyance authorized by this section, the Secretary shall execute and file in the appropriate office or offices a deed of release, amended deed, or other appropriate instrument effectuating the release, waiver, or conveyance.

(f) EFFECT OF RELEASE.—Except as provided in subsection (g), upon release of any reversionary interest under this section, the right, title and interest of the Alabama Space Science Exhibit Commission in and to the real property described in subsection (b) shall, to the extent of the release, no longer be subject to the conditions prescribed in the provisions of law specified in such subsection. Except as provided in subsection (g), the Alabama Space Science Exhibit Commission may use the real property for any such purpose or purposes as it considers appropriate consistent with the master plan approved and certified as provided in subsection (d), and the real property may be conveyed by the Alabama Space Science Exhibit Commission without restriction and unencumbered by any claims or rights of the United States with respect to the property, subject to such rights, terms, and conditions of the United States previously imposed on the real property and not released, waived, or conveyed by the Secretary under subsection (c).

(g) EXCEPTIONS.—(1) Conveyance of the drainage and utility easement reserved to the United States pursuant to section 813(b)(3) of the Military Construction Authorization Act, 1984 (Public Law 98–115; 97 Stat. 791), is not authorized under this section.

(2) In no event may title to any portion of the real property described in subsection (b) be conveyed by the Alabama Space Science Exhibit Commission or any future deed holder of the real property to any person other than an agency, instrumentality, political subdivision, municipal corporation, or public corporation of the State of Alabama. Any deed conveying title to any portion of the real property described in subsection (b) shall restrict the further use of the conveyed property to purposes and uses consistent with the master plan approved and certified as provided in subsection (d), unless otherwise approved by the Secretary.

(3) Paragraph (2) does not prevent the Alabama Space Science Exhibit Commission or any future deed holder of the real property described in subsection (b) from giving a mortgage with respect to any portion of the real property to any person, except that any such mortgage shall provide that the further use of the real property shall be restricted to purposes and uses consistent with the master plan approved and certified as provided in subsection (d), unless otherwise approved by the Secretary.

SEC. 2834. CONVEYANCE OF UTILITY SYSTEMS, LONE STAR ARMY AMMUNITION PLANT, TEXAS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey all right, title, and interest of the United States in and to any utility system, or part thereof, including any real property associated with such system, at the Lone Star Army Ammunition Plant, Texas, to the redevelopment authority for the Red River Army Depot, Texas, in conjunction with the disposal of property at the Depot under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note).

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the redevelopment authority shall pay to the United States an amount equal to the fair market value of the conveyed utility system and any real property conveyed as part of the conveyance, as determined by an independent appraisal satisfactory to the Secretary and paid for by the redevelopment authority.

(c) RULE OF CONSTRUCTION.—Nothing in subsection (a) may be construed to prohibit or otherwise limit the Secretary from conveying any utility system referred to in that subsection under any other provision of law, including section 2688 of title 10, United States Code.

(d) UTILITY SYSTEM DEFINED.—In this section, the term ''utility system'' has the meaning given that term in section 2688(g) of title 10, United States Code.

SEC. 2835. CONVEYANCE OF WATER RIGHTS AND RELATED INTERESTS, ROCKY MOUNTAIN ARSENAL, COLORADO, FOR PURPOSES OF ACQUISITION OF PERPETUAL CONTRACTS FOR WATER.

(a) CONVEYANCE AUTHORIZED.—Subject to subsection (c), the Secretary of the Army may convey any and all interest of the United States in the water rights and related rights at Rocky Mountain Arsenal, Colorado, described in subsection (b) to the City and County of Denver, Colorado, acting through its Board of Water Commissioners.

(b) COVERED WATER RIGHTS AND RELATED RIGHTS.—The water rights and related rights authorized to be conveyed under subsection (a) are the following:

(1) Any and all interest in 300 acre rights to water from Antero Reservoir as set forth in Antero Reservoir Contract No. 382 dated August 22, 1923, for 160 acre rights; Antero Reservoir Contract No. 383 dated August 22, 1923, for 50 acre rights; Antero Reservoir Contract No. 384 dated October 30, 1923, for 40 acre rights; Antero Reservoir Contract No. 387 dated March 3, 1923, for 50 acre rights; and Supplemental Contract No. 382–383–384–387 dated July 24, 1932, defining the amount of water to be delivered under the 300 acre rights in the prior contracts as 220 acre feet.

(2) Any and all interest in the 305 acre rights of water from the High Line Canal, diverted at its headgate on the South Platte River and delivered to the Fitzsimons Army Medical Center and currently subject to cost assessments pursuant to Denver Water Department contract #001990.

(3) Any and all interest in the 2,603.55 acre rights of water from the High Line Canal, diverted at its headgate on the South Platte River and delivered to the Rocky Mountain Arsenal in Adams County, Colorado, and currently subject to cost assessments by the Denver Water Department, including 680 acre rights transferred from Lowry Field to the Rocky Mountain Arsenal by the October 5, 1943, agreement between the City and County of Denver, acting by and through its Board of Water Commissioners, and the United States of America.

(4) Any and all interest in 4,058.34 acre rights of water not currently subject to cost assessments by the Denver Water Department.

(5) A new easement for the placement of water lines approximately 50 feet wide inside the Southern boundary of Rocky Mountain Arsenal and across the Reserve Center along the northern side of 56th Avenue.

(6) A permanent easement for utilities where Denver has an existing temporary easement near the southern and western boundaries of Rocky Mountain Arsenal.

(c) CONSIDERATION.—(1) The Secretary of the Army may make the conveyance under subsection (a) only if the Board of Water Commissioners, on behalf of the City and County of Denver, Colorado—

(A) enters into a permanent contract with the Secretary of the Army for purposes of ensuring the delivery of nonpotable water and potable water to Rocky Mountain Arsenal; and

(B) enters into a permanent contract with the Secretary of the Interior for purposes of ensuring the delivery of nonpotable water and potable water to Rocky Mountain Arsenal National Wildlife Refuge, Colorado.

(2) Section 2809(e) of title 10, United States Code, shall not operate to limit the term of the contract entered into under paragraph (1)(A).

(d) REQUIREMENT RELATING TO CONVEYANCE.—The Secretary of the Army may not make the conveyance authorized by subsection (a) until the execution of the proposed agreement provided for under subsection (c) between the City and County of Denver, Colorado, acting through its Board of Water Commissioners, the South Adams County Water and Sanitation District, the United States Fish and Wildlife Service, and the Army.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Army may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2836. LAND CONVEYANCE, ARMY RESERVE CENTER, MASSENA, NEW YORK.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Village of Massena, New York (in this section referred to as the ''Village''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of the Army Reserve Center in Massena, New York, for the purpose of permitting the Village to develop the parcel for public benefit, including the development of municipal office space.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Village.

(c) REVERSIONARY INTEREST.—During the five-year period beginning on the date the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed real property is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2837. LAND CONVEYANCE, ARMY RESERVE CENTER, OGDENSBURG, NEW YORK.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the City of Ogdensburg, New York (in this section referred to as the ''City''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of the Army Reserve Center in Ogdensburg, New York, for the purpose of permitting the City to develop the parcel for public benefit, including the development of municipal office space.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(c) REVERSIONARY INTEREST.—During the five-year period beginning on the date the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed real property is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2838. LAND CONVEYANCE, ARMY RESERVE CENTER, JAMESTOWN, OHIO.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Greeneview Local School District of Jamestown, Ohio, all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 5693 Plymouth Road in Jamestown, Ohio, and contains an Army Reserve Center, for the purpose of permitting the Greeneview Local School District to retain and use the conveyed property for educational purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Greeneview Local School District.

(c) REVERSIONARY INTEREST.—During the five-year period beginning on the date the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed real property is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2839. LAND CONVEYANCE, ARMY RESERVE CENTER, PEORIA, ILLINOIS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Peoria School District #150 of Peoria, Illinois (in this section referred to as the ''School District''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of the Army Reserve Center located at 1429 Northmoor Road in Peoria, Illinois, for the purpose of permitting the School District to develop the parcel for educational and transportation purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the School District.

(c) REVERSIONARY INTEREST.—During the five-year period beginning on the date the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed real property is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2840. LAND CONVEYANCE, ARMY RESERVE CENTER, BRIDGTON, MAINE.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Town of Bridgton, Maine (in this section referred to as the ''Town''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 3.65 acres and containing the Army Reserve Center in Bridgton, Maine, for the purpose of permitting the Town to develop the parcel for public benefit, including the development of municipal office space.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Town.

(c) REVERSIONARY INTEREST.—During the five-year period beginning on the date the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed real property is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2841. LAND CONVEYANCE, FORT SHERIDAN, ILLINOIS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the City of Lake Forest, Illinois (in this section referred to as the ''City''), all right, title, and interest, of the United States in and to all or some portion of

the parcel of real property, including improvements thereon, at the former Fort Sheridan, Illinois, consisting of approximately 14 acres and known as the northern Army Reserve enclave area.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the City shall pay to the United States an amount equal to not less than the fair market value of the real property to be conveyed, as determined by the Secretary.

(c) USE OF PROCEEDS.—In such amounts as are provided in advance in appropriations Acts, the Secretary may use the funds paid by the City under subsection (b) to provide for the construction of replacement facilities and for the relocation costs for Reserve units and activities affected by the conveyance.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(e) NOTICE AND WAIT.—The Secretary may not make the conveyance authorized by subsection (a) until 21 days after the date on which the Secretary submits to the congressional defense committees a certification that the relocation of the Reserve units and activities affected by the conveyance is consistent with an approved master plan for the consolidation of Reserve activities in, or in the vicinity of, Chicago, Illinois.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2842. LAND CONVEYANCE, SKANEATELES, NEW YORK.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Town of Skaneateles, New York (in this section referred to as the ''Town''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 147.10 acres in Skaneateles, New York, and commonly known as the ''Federal Farm'', for the purpose of permitting the Town to develop the parcel for public benefit, including for recreational purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Town.

(c) REVERSIONARY INTEREST.—During the five-year period beginning on the date the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed real property is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interest of the United States.

SEC. 2843. LAND CONVEYANCE, INDIANA ARMY AMMUNITION PLANT, CHARLESTOWN, INDIANA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the Indiana Army Ammunition Plant Reuse Authority (in this section referred to as the ''Reuse Authority'') all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 4660 acres located at the Indiana Army Ammunition Plant, Charlestown, Indiana, for the purpose of developing the parcel as an industrial park to replace all or part of the economic activity lost at the inactivated plant.

(b) CONSIDERATION.—Except as provided in subsection (d), as consideration for the conveyance under subsection (a), the Reuse Authority shall pay to the Secretary an amount equal to the fair market value of the conveyed property as of the time of the conveyance, determined by the Secretary in accordance with Federal appraisal standards and procedures.

(c) TIME FOR PAYMENT.—The consideration required under subsection (b) shall be paid by the Reuse Authority at the end of the 10-year period beginning on the date on which the conveyance under subsection (a) is completed.

(d) EFFECT OF RECONVEYANCE OR LEASE.—(1) If, during the 10-year period specified in subsection (c), the Reuse Authority reconveys all or any part of the property conveyed under subsection (a), the Reuse Authority shall pay to the United States an amount equal to the fair market value of the reconveyed property as of the time of the reconveyance, excluding the value of any improvements made to the property by the Reuse Authority, determined by the Secretary in accordance with Federal appraisal standards and procedures.

(2) The Secretary may treat a lease of the property within such 10-year period as a reconveyance if the Secretary determines that the lease is being used to avoid application of paragraph (1).

(e) DEPOSIT OF PROCEEDS.—The Secretary shall deposit any proceeds received under subsection (b) or (d) in the special account established pursuant to section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)).

(f) ADMINISTRATIVE EXPENSES.—In connection with the conveyance under subsection (a), the Secretary may accept amounts provided by the Reuse Authority or other persons to cover administrative expenses incurred by the Secretary in making the conveyance. Amounts received under this subsection for administrative expenses shall be credited to the appropriation, fund, or account from which the expenses were paid. Amounts so credited shall be merged with funds in such appropriation, fund, or account and shall be available for the same purposes and subject to the same limitations as the funds with which merged.

(g) DESCRIPTION OF PROPERTY.—The property to be conveyed under subsection (a) includes the administrative area of the Indiana Army Ammunition Plant as well as open space in the southern end of the plant. The exact acreage and legal description of the property to be conveyed shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Reuse Authority.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

(i) ADDITIONAL CONVEYANCE FOR RECREATIONAL PURPOSES.—Section 2858(a) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 571), as amended by section 2838 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 2006), is further amended by adding at the end the following new paragraph:

''(3) The Secretary may also convey to the State, without consideration, another parcel of real property at the Indiana Army Ammunition Plant consisting of approximately 2,000 acres of additional riverfront property in order to connect the parcel conveyed under paragraph (2) with the parcels of Charlestown State Park conveyed to the State under paragraph (1) and title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note).''.

SEC. 2844. LAND CONVEYANCE, VOLUNTEER ARMY AMMUNITION PLANT, CHATTANOOGA, TENNESSEE.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to Hamilton County, Tennessee (in this section referred to as the ''County''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 1033 acres located at the Volunteer Army Ammunition Plant, Chattanooga, Tennessee, for the purpose of developing the parcel as an industrial park to replace all or part of the economic activity lost at the inactivated plant.

(b) CONSIDERATION.—Except as provided in subsection (d), as consideration for the conveyance under subsection (a), the County shall pay to the Secretary an amount equal to the fair market value of the conveyed property as of the time of the conveyance, determined by the Secretary in accordance with Federal appraisal standards and procedures.

(c) TIME FOR PAYMENT.—The consideration required under subsection (b) shall be paid by the County at the end of the 10-year period beginning on the date on which the conveyance under subsection (a) is completed.

(d) EFFECT OF RECONVEYANCE OR LEASE.—(1) If the County reconveys all or any part of the conveyed property during the 10-year period specified in subsection (c), the County shall pay to the United States an amount equal to the fair market value of the reconveyed property as of the time of the reconveyance, excluding the value of any improvements made to the property by the County, determined by the Secretary in accordance with Federal appraisal standards and procedures.

(2) The Secretary may treat a lease of the property within such 10-year period as a reconveyance if the Secretary determines that the lease is being used to avoid application of paragraph (1).

(e) DEPOSIT OF PROCEEDS.—The Secretary shall deposit any proceeds received under subsection (b) or (d) in the special account established pursuant to section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)).

(f) EFFECT ON EXISTING LEASES.—The conveyance of the real property under subsection (a) shall not affect the terms or length of any contract entered into by the Secretary before the date of the enactment of this Act with regard to the property to be conveyed.

(g) ADMINISTRATIVE EXPENSES.—In connection with the conveyance under subsection (a), the Secretary may accept amounts provided by the County or other persons to cover administrative expenses incurred by the Secretary in making the conveyance. Amounts received under this subsection for administrative expenses shall be credited to the appropriation, fund, or account from which the expenses were paid. Amounts so credited shall be merged with funds in such appropriation, fund, or account and shall be available for the same purposes and subject to the same limitations as the funds with which merged.

(h) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the County.

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2845. LAND CONVEYANCE, STEWART ARMY SUB-POST, NEW WINDSOR, NEW YORK.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Town of New Windsor, New York (in this section referred to as the ''Town''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 291 acres at the Stewart Army Sub-Post in New Windsor, New York, for the purpose of permitting the Town to develop the parcel for economic purposes.

(b) EXCLUSION.—The real property to be conveyed under subsection (a) does not include any portion of the approximately 89.2-acre parcel at Stewart Army Sub-Post that is proposed for transfer to the jurisdiction and control of the Marine Corps or the approximately 22-acre parcel at Stewart Army Sub-Post that is proposed for transfer to the jurisdiction and control of the Army Reserve.

(c) CONDITIONS OF CONVEYANCE.—The conveyance authorized by subsection (a) may only be made subject to the following conditions:

(1) The Town must agree to provide connections to the local wastewater and sewage treatment system for all existing and future improvements to the parcels of real property referred to in subsection (b).

(2) The Town must agree to provide wastewater and sewage treatment service to such parcels at a rate established by the appropriate Federal or State regulatory authority.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Town.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

PART II—NAVY CONVEYANCES

SEC. 2851. CONVEYANCE OF EASEMENT, MARINE CORPS BASE, CAMP PENDLETON, CALIFORNIA.

(a) EASEMENT AUTHORIZED.—The Secretary of the Navy may grant an easement, in perpetuity, to the Foothill/Eastern Transportation Corridor Agency (in this section referred to as the ''Agency'') over a parcel of real property at Marine Corps Base, Camp Pendleton, California, consisting of approximately 340 acres to permit the recipient of the easement to construct, operate, and maintain a restricted access highway. The area covered by the easement shall include slopes and all necessary incidents thereto.

(b) CONSIDERATION.—As consideration for the grant of an easement under subsection (a), the Agency shall pay to the United States an amount equal to the fair market value of the easement, as determined by an independent appraisal satisfactory to the Secretary and paid for by the Agency.

(c) USE OF PROCEEDS.—In such amounts as are provided in advance in appropriation Acts, the Secretary shall use the funds paid by the Agency under subsection (b) to carry out one or more of the following programs at Camp Pendleton:

(1) Enhancement of access from Red, White, and Green Beaches under Interstate Route 5 and railroad crossings to inland areas.

(2) Improvement of roads and bridge structures in the range and training area.

(3) Realignment of Basilone Road.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the easement to be granted under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Agency.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the grant of an easement under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2852. LAND EXCHANGE, NAVAL RESERVE READINESS CENTER, PORTLAND, MAINE.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Navy may convey to the Gulf of Maine Aquarium Development Corporation, Portland, Maine (in this section referred to as the ''Corporation''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 3.72 acres in Portland, Maine, and containing the Naval Reserve Readiness Center, Portland, Maine, for the purpose of permitting the Corporation to use the parcel for economic development and as the site for an aquarium and marine research facility.

(2) As part of the conveyance under paragraph (1), the Secretary shall also convey to the Corporation any interest of the United States in the submerged lands adjacent to the real property conveyed under that paragraph that is appurtenant to the real property conveyed under that paragraph.

(b) PROVISION OF REPLACEMENT FACILITIES.—As consideration for the conveyance authorized by subsection (a), the Corporation shall design and construct such facilities as the Secretary determines appropriate for the Naval Reserve to replace the facilities conveyed under that subsection.

(c) LOCATION OF REPLACEMENT FACILITIES.—(1) To provide a location for the replacement facilities required under subsection (b), the Corporation shall—

(A) convey to the United States all right, title, and interest in and to a parcel of real property determined by the Secretary to be an appropriate location for such facilities; or

(B) design and construct such facilities on such parcel of real property under the jurisdiction of the Secretary as the Secretary shall specify.

(2) The Secretary shall select the alternative provided under paragraph (1) to be used by the Corporation.

(d) NOTICE AND WAIT.—The Secretary may not make the conveyance authorized by subsection (a) until 21 days after the date on which the Secretary submits to the congressional defense committees a report specifying the terms and conditions under which the conveyance will occur.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a)(1), of any interest to be conveyed under subsection (a)(2), and of the real property, if any, to be conveyed under subsection (c)(1)(A) shall be determined by surveys satisfactory to the Secretary. The cost of the surveys shall be borne by the Corporation.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2853. LAND CONVEYANCE, NAVAL AND MARINE CORPS RESERVE FACILITY, YOUNGSTOWN, OHIO.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey, without consideration, to the City of Youngstown, Ohio (in this section referred to as the ''City''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 315 East Laclede Avenue in Youngstown, Ohio, and is the location of a Naval and Marine Corps Reserve facility, for the purpose of permitting the City to use the parcel for educational purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(c) REVERSIONARY INTEREST.—During the five-year period beginning on the date the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed real property is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2854. LAND CONVEYANCE, NAVAL AIR RESERVE CENTER, MINNEAPOLIS, MINNESOTA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey to the Minneapolis-St. Paul Metropolitan Airports Commission, Minnesota (in this section referred to as the ''Commission''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 32 acres located in Minneapolis, Minnesota, and comprising the Naval Air Reserve Center, Minneapolis, Minnesota, for the purpose of facilitating the expansion of the Minneapolis-St. Paul International Airport.

(b) ALTERNATIVE LEASE AUTHORITY.—In lieu of the conveyance authorized by subsection (a), the Secretary may elect to lease the property referred to in that subsection to the Commission if the Secretary determines that a lease of the property would better serve the interests of the United States.

(c) PROVISION OF REPLACEMENT FACILITIES.—As consideration for the conveyance under subsection (a), or the lease under subsection (b), the Commission shall—

(1) provide for such facilities as the Secretary considers appropriate for the Naval Reserve to replace the facilities conveyed or leased under this section;

(2) assume the costs of designing and constructing such replacement facilities, as may be acceptable to the Secretary; and

(3) assume any costs incurred by the Secretary in relocating the operations of the Naval Air Reserve Center to such replacement facilities.

(d) LOCATION OF REPLACEMENT FACILITIES.—To provide a location for the replacement facilities required under subsection (c), the Commission may—

(1) convey to the United States all right, title, and interest in and to a parcel of real property determined by the Secretary to be an appropriate location for such facilities, if the Secretary elects to make the conveyance authorized by subsection (a); or

(2) lease to the United States a parcel of real property determined by the Secretary to be an appropriate location for such facilities, if the Secretary elects to make the lease authorized by subsection (b).

(e) AVAILABILITY OF REPLACEMENT FACILITIES.—The Secretary may not make the conveyance authorized by subsection (a), or enter into the lease authorized by subsection (b), until the replacement facilities required by subsection (c) are available for the relocation of the operations of the Naval Air Reserve Center.

(f) AGREEMENT RELATING TO CONVEYANCE.—(1) If the Secretary determines to proceed with the conveyance authorized by subsection (a), or the lease authorized by subsection (b), the Secretary and the Commission shall enter into an agreement specifying the terms and conditions under which the conveyance or lease will occur.

(2) The Secretary may not enter into the agreement under paragraph (1) until 21 days after the date on which the Secretary submits to the congressional defense committees a report specifying the terms and conditions under which the conveyance or lease will occur.

(g) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed to the Commission under subsection (a), or leased to the Commission under subsection (b), and the exact acreage and legal description of the real property to be conveyed or leased under subsection (d) to the United States, shall be determined by surveys satisfactory to the Secretary. The cost of the surveys shall be borne by the Commission.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a), or the lease under subsection (b), as the Secretary considers appropriate to protect the interests of the United States.

PART III—AIR FORCE CONVEYANCES

SEC. 2861. MODIFICATION OF LAND CONVEYANCE, EGLIN AIR FORCE BASE, FLORIDA.

Section 809(c) of the Military Construction Authorization Act, 1979 (Public Law 95–356; 92 Stat. 587), as amended by section 2826 of the Military Construction Authorization Act, 1989 (division B of Public Law 100–456; 102 Stat. 2123), is further amended by striking out ''and a third parcel containing forty-two acres'' and inserting in lieu thereof '', a third parcel containing forty-two acres, a fourth parcel containing approximately 3.43 acres, and a fifth parcel containing approximately 0.56 acres''.

SEC. 2862. MODIFICATION OF LAND CONVEYANCE, FINLEY AIR FORCE STATION, NORTH DAKOTA.

Section 2835 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3063) is amended—

(1) by striking out subsections (a), (b), and (c) and inserting in lieu thereof the following new subsections:

''(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the City of Finley, North Dakota (in this section referred to as the 'City'), all right, title, and interest of the United States in and to the parcels of real property, including improvements thereon, in the vicinity of Finley, North Dakota, described in subsection (b), for the purpose of permitting the City to use the parcels for economic development.

''(b) COVERED PARCELS.—The parcels of real property authorized for conveyance under subsection (a) are as follows:

''(1) A parcel of approximately 14 acres that served as the support complex of the Finley Air Force Station and Radar Site.

''(2) A parcel of approximately 57 acres known as the Finley Air Force Station Complex.

''(3) A parcel of approximately 6 acres that includes a well site and wastewater treatment system.

''(c) REVERSIONARY INTEREST.—During the five-year period beginning on the date the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed real property is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.''; and

(2) in subsections (d) and (e), by striking out ''subsection (a)(1)'' and inserting in lieu thereof ''subsection (a)''.

SEC. 2863. LAND CONVEYANCE, LAKE CHARLES AIR FORCE STATION, LOUISIANA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to McNeese State University of Louisiana (in this section referred to as the ''University''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 4.38 acres at Lake Charles Air Force Station, Louisiana, for the purpose of permitting the University to use the parcel for educational purposes and agricultural research.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the University.

(c) REVERSIONARY INTEREST.—During the five-year period beginning on the date the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed real property is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2864. LAND CONVEYANCE, AIR FORCE HOUSING FACILITY, LA JUNTA, COLORADO.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the City of La Junta, Colorado (in this section referred to as the ''City''), all right, title, and interest of the United States in and to the unused Air Force housing facility, consisting of approximately 28 acres and improvements thereon, located within the southern-most boundary of the City, for the purpose of permitting the City to develop the conveyed property for housing and educational purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(c) REVERSIONARY INTEREST.—During the five-year period beginning on the date the Secretary makes the conveyance authorized under subsection (a), if the Secretary determines that the conveyed real property is not being used in accordance with the purpose of the conveyance specified in such subsection, all right, title, and interest in and to the property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry onto the property. Any determination of the Secretary under this subsection shall be made on the record after an opportunity for a hearing.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

Subtitle E—Other Matters

SEC. 2871. MODIFICATION OF AUTHORITY RELATING TO DEPARTMENT OF DEFENSE LABORATORY REVITALIZATION DEMONSTRATION PROGRAM.

(a) PROGRAM REQUIREMENTS.—Subsection (c) of section 2892 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 590; 10 U.S.C. 2805 note) is amended to read as follows:

''(c) PROGRAM REQUIREMENTS.—(1) Not later than 30 days before commencing the program, the Secretary shall establish procedures for the review and approval of requests from Department of Defense laboratories for construction under the program.

''(2) The laboratories at which construction may be carried out under the program may not include Department of Defense laboratories that are contractor-owned.''.

(b) REPORT.—Subsection (d) of that section is amended to read as follows:

''(d) REPORT.—Not later than February 1, 2003, the Secretary shall submit to Congress a report on the program. The report shall include the Secretary's conclusions and recommendation regarding the desirability of making the authority set forth under subsection (b) permanent.''.

(c) EXTENSION.—Subsection (g) of that section is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 2003''.

SEC. 2872. REPEAL OF PROHIBITION ON JOINT USE OF GRAY ARMY AIRFIELD, FORT HOOD, TEXAS, WITH CIVIL AVIATION.

Section 319 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99–661; 100 Stat. 3855) is repealed.

SEC. 2873. MODIFICATION OF DEMONSTRATION PROJECT FOR PURCHASE OF FIRE, SECURITY, POLICE, PUBLIC WORKS, AND UTILITY SERVICES FROM LOCAL GOVERNMENT AGENCIES.

Section 816 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2820), as amended by section 352 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2491), is further amended—

(1) in subsection (a), by striking out '', beginning October 1, 1994,'';

(2) in subsection (b), by striking out ''and 1998'' and inserting in lieu thereof ''through 2000''; and

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

''(c) DURATION OF PROJECT.—The authority to purchase or receive services under the demonstration project shall expire on September 30, 2000.''.

SEC. 2874. DESIGNATION OF BUILDING CONTAINING NAVY AND MARINE CORPS RESERVE CENTER, AUGUSTA, GEORGIA.

The building containing the Navy and Marine Corps Reserve Center located at 2869 Central Avenue in Augusta, Georgia, shall be known and designated as the ''A. James Dyess Building''.

TITLE XXIX—JUNIPER BUTTE RANGE WITHDRAWAL

Sec. 2901. Short title.
Sec. 2902. Withdrawal and reservation.
Sec. 2903. Map and legal description.
Sec. 2904. Agency agreement.
Sec. 2905. Right-of-way grants.
Sec. 2906. Indian sacred sites.
Sec. 2907. Actions concerning ranching operations in withdrawn area.
Sec. 2908. Management of withdrawn and reserved lands.
Sec. 2909. Integrated natural resource management plan.
Sec. 2910. Memorandum of understanding.
Sec. 2911. Maintenance of roads.
Sec. 2912. Management of withdrawn and acquired mineral resources.
Sec. 2913. Hunting, fishing, and trapping.
Sec. 2914. Water rights.
Sec. 2915. Duration of withdrawal.
Sec. 2916. Environmental remediation of relinquished withdrawn lands or upon termination of withdrawal.
Sec. 2917. Delegation of authority.
Sec. 2918. Hold harmless.
Sec. 2919. Authorization of appropriations.

SEC. 2901. SHORT TITLE.

This title may be cited as the ''Juniper Butte Range Withdrawal Act''.

SEC. 2902. WITHDRAWAL AND RESERVATION.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this

title, the lands at the Juniper Butte Range, Idaho, referred to in subsection (c), are withdrawn from all forms of appropriation under the public land laws, including the mining laws and the mineral and geothermal leasing laws but not the Act of July 31, 1947 (commonly known as the Materials Act of 1947; 30 U.S.C. 601 et seq.).

(b) RESERVED USES.—The lands withdrawn under subsection (a) are reserved for use by the Secretary of the Air Force for—

(1) a high hazard training area;

(2) dropping non-explosive training ordnance with spotting charges;

(3) electronic warfare and tactical maneuvering and air support; and

(4) other defense-related purposes consistent with the purposes specified in paragraphs (1), (2), and (3), including continued natural resource management and environmental remediation in accordance with section 2916.

(c) SITE DEVELOPMENT PLANS.—(1) Site development plans shall be prepared before construction.

(2) Site development plans shall be incorporated in the integrated natural resource management plan developed under section 2909.

(3) Except in the case of any minimal improvements, development on the withdrawn lands of any facilities beyond those proposed and analyzed in the Environmental Impact Statement concerning Enhanced Training in Idaho, prepared by the Secretary of the Air Force, the Record of Decision dated March 10, 1998, concerning Enhanced Training in Idaho, prepared by the Secretary of the Air Force, and the site development plans shall be contingent upon review and approval of the Idaho State Director of the Bureau of Land Management.

(d) GENERAL DESCRIPTION.—(1) The public lands withdrawn and reserved by this section comprise approximately 11,300 acres of public land in Owhyee County, Idaho, as generally depicted on the map entitled ''Juniper Butte Range Withdrawal—Proposed'', dated June 1998, that will be filed in accordance with section 2903.

(2) The withdrawal is for an approximately 10,600-acre tactical training range, a 640-acre no-drop target site, four 5-acre no-drop target sites and nine 1-acre electronic threat emitter sites.

SEC. 2903. MAP AND LEGAL DESCRIPTION.

(a) IN GENERAL.—As soon as practicable after the date of the enactment of this Act, the Secretary of the Interior shall—

(1) publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved by this title; and

(2) file a map or maps and the legal description of the lands withdrawn and reserved by this title with the Committee on Energy and Natural Resources of the Senate and with the Committee on Resources of the House of Representatives.

(b) INCORPORATION BY REFERENCE.—Such maps and legal description shall have the same force and effect as if included in this title.

(c) CORRECTION OF ERRORS.—The Secretary of the Interior may correct clerical and typographical errors in such map or maps and legal description.

(d) AVAILABILITY.—Copies of such map or maps and the legal description shall be available for public inspection in the following offices:

(1) The office of the Idaho State Director of the Bureau of Land Management.

(2) The offices of the managers of the Lower Snake River District, Bureau Field Office and Jarbidge Field Office of the Bureau of Land Management.

(3) The Office of the commander of Mountain Home Air Force Base, Idaho.

(e) UTILIZATION OF AIR FORCE DESCRIPTIONS AND MAPS.—To the extent practicable, the Secretary of the Interior shall adopt the legal description and maps prepared by the Secretary of the Air Force in support of this title.

(f) REIMBURSEMENT OF COSTS.—The Secretary of the Air Force shall reimburse the Secretary of the Interior for the costs incurred by the Department of the Interior in implementing this section.

SEC. 2904. AGENCY AGREEMENT.

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

(1) The Bureau of Land Management and the Air Force have agreed upon additional mitigation measures associated with this land withdrawal as specified in the ''ENHANCED TRAINING IN IDAHO Memorandum of Understanding Between The Bureau of Land Management and The United States Air Force'' dated June 11, 1998.

(2) This agreement specifies that these mitigation measures will be adopted as part of the Air Force's Record of Decision for Enhanced Training in Idaho.

(3) Congress endorses this collaborative effort between the agencies and directs that the agreement be implemented.

(b) MODIFICATION.—The parties may, in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), mutually agree to modify the mitigation measures specified in the agreement in light of experience gained through the actions called for in the agreement or as a result of changed military circumstances.

(c) CONSTRUCTION.—Neither the agreement, any modification thereof, nor this section creates any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or any person.

SEC. 2905. RIGHT-OF-WAY GRANTS.

In addition to the withdrawal under section 2902 and in accordance with all applicable laws, the Secretary of the Interior shall process and grant the Secretary of the Air Force rights-of-way using the Department of the Interior regulations and policies in effect at the time of filing applications for the one-quarter acre electronic warfare threat emitter sites, roads, powerlines, and other ancillary facilities as described and analyzed in the Enhanced Training in Idaho Final Environmental Impact Statement, dated January 1998.

SEC. 2906. INDIAN SACRED SITES.

(a) MANAGEMENT.—(1) In the management of the Federal lands withdrawn and reserved by this title, the Air Force shall, to the extent practicable and not clearly inconsistent with essential agency functions—

(A) accommodate access to and ceremonial use of Indian sacred sites by Indian religious practitioners; and

(B) avoid adversely affecting the integrity of such sacred sites.

(2) The Secretary of the Air Force shall maintain the confidentiality of such sites where appropriate.

(b) CONSULTATION.—The commander of Mountain Home Air Force Base, Idaho, shall regularly consult with the Tribal Chairman of the Shoshone-Paiute Tribes of the Duck Valley Reservation to assure that tribal government rights and concerns are fully considered during the development of the Juniper Butte Range.

(c) DEFINITIONS.—In this section:

(1) The term ''sacred site'' shall mean any specific, discrete, narrowly delineated location on Federal land that is identified by an Indian tribe, or Indian individual determined to be an appropriately authoritative representative of an Indian religion, as sacred by virtue of its established religious significance to, or ceremonial use by, an Indian religion but only to the extent that the tribe or appropriately authoritative representative of an Indian religion has informed the Air Force of the existence of such a site.

(2) The term ''Indian tribe'' means an Indian or Alaska Native tribe, band, nation, pueblo, village, or community that the Secretary of the Interior acknowledges to exist as an Indian tribe pursuant to the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a–1).

(3) The term ''Indian'' refers to a member of an Indian tribe.

SEC. 2907. ACTIONS CONCERNING RANCHING OPERATIONS IN WITHDRAWN AREA.

(a) AUTHORITY TO CONCLUDE AND IMPLEMENT AGREEMENTS.—The Secretary of the Air Force is authorized and directed to, upon such terms and conditions as the Secretary of the Air Force considers just and in the national interest, conclude and implement agreements with the grazing permittees to provide appropriate consideration, including future grazing arrangements.

(b) IMPLEMENTATION.—(1) Upon the conclusion of these agreements, the Assistant Secretary of the Interior for Land and Minerals Management shall grant rights-of-way and approvals and take such actions as are necessary to implement promptly this title and the agreements with the grazing permittees.

(2) The Secretary of the Air Force and the Secretary of the Interior shall allow the grazing permittees for lands withdrawn and reserved by this title to continue their activities on the lands in accordance with the permits and their applicable regulations until the Secretary of the Air Force has fully implemented the agreement with the grazing permittees under this section.

(3) Upon the implementation of these agreements, the Bureau of Land Management is authorized and directed, subject to the limitations included in this section, to terminate grazing on the lands withdrawn.

SEC. 2908. MANAGEMENT OF WITHDRAWN AND RESERVED LANDS.

(a) IN GENERAL.—Except as provided in section 2916(d), during the withdrawal and reservation of any lands under this title, the Secretary of the Air Force shall manage such lands for purposes relating to the uses set forth in section 2902(b).

(b) MANAGEMENT ACCORDING TO PLAN.—The lands withdrawn and reserved by this title shall be managed in accordance with the provisions of this title under the integrated natural resources management plan prepared under section 2909.

(c) AUTHORITY TO CLOSE LAND.—(1) If the Secretary of the Air Force determines that military operations, public safety, or the interests of national security require the closure to public use of any road, trail, or other portion of the lands withdrawn by this title that are commonly in public use, the Secretary of the Air Force may take such action.

(2) Closures under paragraph (1) shall be limited to the minimum areas and periods required for the purposes specified in this subsection.

(3) During closures, the Secretary of the Air Force shall keep appropriate warning notices posted and take appropriate steps to notify the public about the closures.

(d) LEASE AUTHORITY.—The Secretary of the Air Force may enter into leases for State lands with the State of Idaho in support of the Juniper Butte Range and operations at the Juniper Butte Range.

(e) PREVENTION AND SUPPRESSION OF FIRE.—(1) The Secretary of the Air Force shall take appropriate precautions to prevent and suppress brush fires and range fires that occur within the boundaries of the Juniper Butte Range, as well as brush and range fires occurring outside the boundaries of the Range resulting from military activities.

(2) Notwithstanding section 2465 of title 10, United States Code, the Secretary of the Air Force may obligate funds appropriated or otherwise available to the Secretary to enter into contracts for fire-fighting.

(3)(A) The memorandum of understanding under section 2910 shall provide for the Bureau of Land Management to assist the Secretary of the Air Force in the suppression of the fires described in paragraph (1).

(B) The memorandum of understanding shall provide that the Secretary of the Air Force reimburse the Bureau of Land Management for any costs incurred by the Bureau of Land Management under this paragraph.

(f) USE OF MINERAL MATERIALS.—Notwithstanding any other provision of this title or the Act of July 31, 1947 (commonly known as the Materials Act of 1947; 30 U.S.C. 601 et seq.), the Secretary of the Air Force may use, from the lands withdrawn and reserved by this title, sand, gravel, or similar mineral material resources of the type subject to disposition under the Act of July 31, 1947, when the use of such resources is required for construction needs of the Juniper Butte Range.

SEC. 2909. INTEGRATED NATURAL RESOURCE MANAGEMENT PLAN.

(a) REQUIREMENT.—(1)(A) Not later than 2 years after the date of the enactment of this Act, the Secretary of the Air Force shall, in cooperation with the Secretary of the Interior, the State of Idaho, and Owyhee County, Idaho, develop an integrated natural resources management plan to address the management of the resources of the lands withdrawn and reserved by this title during their withdrawal and reservation under this title.

(B) Additionally, the integrated natural resource management plan shall address mitigation and monitoring activities by the Air Force for State and Federal lands affected by military training activities associated with the Juniper Butte Range.

(C) The foregoing will be done cooperatively between the Air Force, the Bureau of Land Management, the State of Idaho, and Owyhee County, Idaho.

(2) Except as otherwise provided under this title, the integrated natural resources management plan under this section shall be developed in accordance with, and meet the requirements of, section 101 of the Sikes Act (16 U.S.C. 670a).

(3)(A) Site development plans shall be prepared before construction of facilities.

(B) Such plans shall be reviewed by the Bureau of Land Management, for Federal lands, and the State of Idaho, for State lands, for consistency with the proposal assessed in the Enhanced Training in Idaho Environmental Impact Statement.

(C) The portion of such development plans describing reconfigurable or replacement targets may be conceptual.

(b) ELEMENTS.—The integrated natural resources management plan under subsection (a) shall—

(1) include provisions for the proper management and protection of the natural, cultural, and other resources and values of the lands withdrawn and reserved by this title and for the use of such resources in a manner consistent with the uses set forth in section 2902(b);

(2) permit livestock grazing at the discretion of the Secretary of the Air Force in accordance with section 2907 or any other authorities relating to livestock grazing that are available to that Secretary;

(3) permit fencing, water pipeline modifications and extensions, and the construction of aboveground water reservoirs, and the maintenance and repair of these items on the lands withdrawn and reserved by this title, and on other lands under the jurisdiction of the Bureau of Land Management; and

(4) otherwise provide for the management by the Secretary of the Air Force of any lands withdrawn and reserved by this title while retained under the jurisdiction of that Secretary under this title.

(c) PERIODIC REVIEW.—The Secretary of the Air Force shall, in cooperation with the Secretary of the Interior and the State of Idaho, review the adequacy of the provisions of the integrated natural resources management plan developed under this section at least once every 5 years after the effective date of the plan.

SEC. 2910. MEMORANDUM OF UNDERSTANDING.

(a) REQUIREMENT.—The Secretary of the Air Force, the Secretary of the Interior, and the Governor of the State of Idaho shall jointly enter into a memorandum of understanding to implement the integrated natural resources management plan required under section 2909.

(b) TERM.—The memorandum of understanding under subsection (a) shall apply to any lands withdrawn and reserved by this title until their relinquishment by the Secretary of the Air Force under this title.

(c) MODIFICATION.—The memorandum of understanding under subsection (a) may be modified by agreement of all the parties specified in that subsection.

SEC. 2911. MAINTENANCE OF ROADS.

The Secretary of the Air Force shall enter into agreements with the Owyhee County Highway District, Idaho, and the Three Creek Good Roads Highway District, Idaho, under which the Secretary of the Air Force shall pay the costs of road maintenance incurred by such districts that are attributable to operations of the Department of the Air Force associated with the Juniper Butte Range.

SEC. 2912. MANAGEMENT OF WITHDRAWN AND ACQUIRED MINERAL RESOURCES.

Except as provided in subsection 2908(f), the Secretary of the Interior shall manage all withdrawn and acquired mineral resources within the boundaries of the Juniper Butte Range in accordance with the Act of February 28, 1958 (commonly known as the Engle Act; 43 U.S.C. 155 et seq.).

SEC. 2913. HUNTING, FISHING, AND TRAPPING.

All hunting, fishing, and trapping on the lands withdrawn and reserved by this title shall be conducted in accordance with section 2671 of title 10, United States Code.

SEC. 2914. WATER RIGHTS.

(a) LIMITATION.—The Secretary of the Air Force shall not seek or obtain any water rights associated with any water pipeline modified or extended, or aboveground water reservoir constructed, for purposes of consideration under section 2907.

(b) NEW RIGHTS.—(1) Nothing in this title shall be construed to establish a reservation in favor of the United States with respect to any water or water right on the lands withdrawn and reserved by this title.

(2) Nothing in this title shall be construed to authorize the appropriation of water on the lands withdrawn and reserved by this title by the United States after the date of the enactment of this Act unless such appropriation is carried out in accordance with the laws of the State of Idaho.

(c) APPLICABILITY.—This section may not be construed to affect any water rights acquired by the United States before the date of the enactment of this Act.

SEC. 2915. DURATION OF WITHDRAWAL.

(a) TERMINATION—(1) Except as otherwise provided in this section and section 2916, the withdrawal and reservation made by this title shall terminate 25 years after the date of the enactment of this Act.

(2) At the time of termination, the previously withdrawn lands shall not be open to the general land laws, including the mining laws and the mineral and geothermal leasing laws, until the Secretary of the Interior publishes in the Federal Register an appropriate order which shall state the date upon which such lands shall be opened.

(b) RELINQUISHMENT.—(1) If the Secretary of the Air Force determines under subsection (c) that the Air Force has no continuing military need for any lands withdrawn and reserved by this title, the Secretary of the Air Force shall submit to the Secretary of the Interior a notice of intent to relinquish jurisdiction over such lands to the Secretary of the Interior.

(2) The Secretary of the Interior may accept jurisdiction over any lands covered by a notice of intent to relinquish jurisdiction under paragraph (1) if the Secretary of the Interior determines that the Secretary of the Air Force has completed the environmental review required under section 2916(a) and the conditions under section 2916(c) have been met.

(3) If the Secretary of the Interior decides to accept jurisdiction over lands under paragraph (2) before the date of termination, as provided for in subsection (a)(1), the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall—

(A) revoke the withdrawal and reservation of such lands under this title;

(B) constitute official acceptance of administrative jurisdiction over the lands by the Secretary of the Interior; and

(C) state the date upon which such lands shall be opened to the operation of the general land laws, including the mining laws and the mineral and geothermal leasing laws, if appropriate.

(4) The Secretary of the Interior shall manage any lands relinquished under this subsection as multiple use status lands.

(5) If the Secretary of the Interior declines pursuant to subsection (b)(2) to accept jurisdiction of any parcel of land proposed for relinquishment, that parcel shall remain under the continued administration of the Secretary of the Air Force pursuant to section 2916(d).

(c) EXTENSION.—(1) In the case of any lands withdrawn and reserved by this title that the Air Force proposes to include in a notice of extension because of continued military need under paragraph (2), the Secretary of the Air Force shall, before issuing the notice under paragraph (2)—

(A) evaluate the environmental effects of the extension of the withdrawal and reservation of such lands in accordance with all applicable laws and regulations; and

(B) hold at least one public meeting in the State of Idaho regarding that evaluation.

(2)(A) Not later than 2 years before the termination of the withdrawal and reservation of lands by this title under subsection (a), the Secretary of the Air Force shall notify Congress and the Secretary of the Interior as to whether or not the Air Force has a continuing military need for any of the lands withdrawn and reserved by this title, and not previously relinquished under this section, after the termination date as specified in subsection (a).

(B)(i) The Secretary of the Air force shall specify in the notice under subparagraph (A) the duration of any extension or further extension of withdrawal and reservation of such lands under this title.

(ii) The duration of each extension or further extension under clause (i) shall not exceed 25 years.

(C) The notice under subparagraph (A) shall be published in the Federal Register and a newspaper of local distribution with the opportunity for comments, within a 60-day period, which shall be provided to the Secretary of the Air Force and the Secretary of the Interior.

(3)(A) Subject to subparagraph (B), in the case of any lands withdrawn and reserved by this title that are covered by a notice of extension under subsection (c)(2), the withdrawal and reservation of such lands shall extend under the provisions of this title after the termination date otherwise provided for under subsection (a) for such period as is specified in the notice under subsection (c)(2).

(B) Subparagraph (A) shall not apply with respect to any lands covered by a notice referred to in that paragraph until 90 legislative days after the date on which the notice with respect to such lands is submitted to Congress under paragraph (2).

SEC. 2916. ENVIRONMENTAL REMEDIATION OF RELINQUISHED WITHDRAWN LANDS OR UPON TERMINATION OF WITHDRAWAL.

(a) ENVIRONMENTAL REVIEW.—(1) Before submitting under section 2915 a notice of an intent

to relinquish jurisdiction over lands withdrawn and reserved by this title, and in all cases not later than 2 years before the date of termination of withdrawal and reservation, the Secretary of the Air Force shall, in consultation with the Secretary of the Interior, complete a review that fully characterizes the environmental conditions of such lands (including any water and air associated with such lands) in order to identify any contamination on such lands.

(2) The Secretary of the Air Force shall submit to the Secretary of the Interior a copy of the review prepared with respect to any lands under paragraph (1). The Secretary of the Air Force shall also submit at the same time any notice of intent to relinquish jurisdiction over such lands under section 2915.

(3) The Secretary of the Air Force shall submit a copy of any such review to Congress.

(b) ENVIRONMENTAL REMEDIATION OF LANDS.—The Secretary of the Air Force shall, in accordance with applicable State and Federal law, carry out and complete environmental remediation—

(1) before relinquishing jurisdiction to the Secretary of the Interior over any lands identified in a notice of intent to relinquish under section 2915(b); or

(2) before the date of termination of the withdrawal and reservation, except as provided under subsection (d).

(c) POSTPONEMENT OF RELINQUISHMENT.—The Secretary of the Interior shall not accept jurisdiction over any lands that are the subject of activities under subsection (b) until the Secretary of the Interior determines that environmental conditions on the lands are such that—

(1) all necessary environmental remediation has been completed by the Secretary of the Air Force;

(2) the lands are safe for nonmilitary uses; and

(3) the lands could be opened consistent with the Secretary of the Interior's public land management responsibilities.

(d) JURISDICTION WHEN WITHDRAWAL TERMINATES.—If the determination required by section (c) cannot be achieved for any parcel of land subject to the withdrawal and reservation before the termination date of the withdrawal and reservation, the Secretary of the Air Force shall retain administrative jurisdiction over such parcels of land notwithstanding the termination date for the limited purposes of—

(1) environmental remediation activities under subsection (b); and

(2) any activities relating to the management of such lands after the termination of the withdrawal reservation for military purposes that are provided for in the integrated natural resources management plan under section 2909.

(e) EFFECT ON OTHER LAWS.—Nothing in this title shall affect, or be construed to affect, the obligations, if any, of the Secretary of the Air Force to decontaminate lands withdrawn by this title pursuant to applicable law, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

SEC. 2917. DELEGATION OF AUTHORITY.

(a) DEPARTMENT OF THE AIR FORCE FUNCTIONS.—Except for executing the agreement referred to in section 2907, the Secretary of the Air Force may delegate that Secretary's functions under this title.

(b) DEPARTMENT OF THE INTERIOR FUNCTIONS.—(1) Except as provided in paragraph (2), the Secretary of the Interior may delegate that Secretary's functions under this title.

(2) The order referred to in section 2915(b)(3) may be approved and signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Interior.

(3) The approvals granted by the Bureau of Land Management shall be pursuant to the decisions of the Secretary of the Interior, or the Assistant Secretary for Land and Minerals Management.

SEC. 2918. HOLD HARMLESS.

Any party conducting any mining, mineral, or geothermal leasing activity on lands withdrawn and reserved by this title shall indemnify the United States against any costs, fees, damages, or other liabilities (including costs of litigation) incurred by the United States and arising from or relating to such mining activities, including costs of mineral materials disposal, whether arising under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), or otherwise.

SEC. 2919. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this title.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

Sec. 3101. Weapons activities.
Sec. 3102. Defense environmental restoration and waste management.
Sec. 3103. Other defense activities.
Sec. 3104. Defense nuclear waste disposal.
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Subtitle B—Recurring General Provisions

Sec. 3121. Reprogramming.
Sec. 3122. Limits on general plant projects.
Sec. 3123. Limits on construction projects.
Sec. 3124. Fund transfer authority.
Sec. 3125. Authority for conceptual and construction design.
Sec. 3126. Authority for emergency planning, design, and construction activities.
Sec. 3127. Funds available for all national security programs of the Department of Energy.
Sec. 3128. Availability of funds.
Sec. 3129. Transfers of defense environmental management funds.

Subtitle C—Program Authorizations, Restrictions, and Limitations

Sec. 3131. Permanent extension of funding prohibition relating to international cooperative stockpile stewardship.
Sec. 3132. Support of ballistic missile defense activities of the Department of Defense.
Sec. 3133. Nonproliferation activities.
Sec. 3134. Licensing of certain mixed oxide fuel fabrication and irradiation facilities.
Sec. 3135. Continuation of processing, treatment, and disposition of legacy nuclear materials.
Sec. 3136. Authority for Department of Energy federally funded research and development centers to participate in merit-based technology research and development programs.
Sec. 3137. Activities of Department of Energy facilities.
Sec. 3138. Hanford overhead and service center costs.
Sec. 3139. Hanford waste tank cleanup program reforms.
Sec. 3140. Hanford Health Information Network.
Sec. 3141. Hazardous materials management and emergency response training program.
Sec. 3142. Support for public education in the vicinity of Los Alamos National Laboratory, New Mexico.
Sec. 3143. Relocation of National Atomic Museum, Albuquerque, New Mexico.
Sec. 3144. Tritium production.

Subtitle D—Other Matters

Sec. 3151. Study and plan relating to worker and community transition assistance.
Sec. 3152. Extension of authority for appointment of certain scientific, engineering, and technical personnel.
Sec. 3153. Requirement for plan to modify employment system used by Department of Energy in defense environmental management programs.
Sec. 3154. Department of Energy nuclear materials couriers.
Sec. 3155. Increase in maximum rate of pay for scientific, engineering, and technical personnel responsible for safety at defense nuclear facilities.
Sec. 3156. Extension of authority of Department of Energy to pay voluntary separation incentive payments.
Sec. 3157. Repeal of fiscal year 1998 statement of policy on stockpile stewardship program.
Sec. 3158. Report on stockpile stewardship criteria.
Sec. 3159. Panel to assess the reliability, safety, and security of the United States nuclear stockpile.
Sec. 3160. International cooperative information exchange.
Sec. 3161. Protection against inadvertent release of Restricted Data and Formerly Restricted Data.
Sec. 3162. Sense of Congress regarding treatment of Formerly Utilized Sites Remedial Action Program under a nondefense discretionary budget function.
Sec. 3163. Reports relating to tritium production.

Subtitle A—National Security Programs Authorizations

SEC. 3101. WEAPONS ACTIVITIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for weapons activities in carrying out programs necessary for national security in the amount of $4,511,600,000, to be allocated as follows:

(1) STOCKPILE STEWARDSHIP.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for stockpile stewardship in carrying out weapons activities necessary for national security programs in the amount of $2,148,375,000, to be allocated as follows:

(A) For core stockpile stewardship, $1,591,375,000, to be allocated as follows:

(i) For operation and maintenance, $1,475,832,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $115,543,000, to be allocated as follows:

Project 99–D–102, rehabilitation of maintenance facility, Lawrence Livermore National Laboratory, Livermore, California, $6,500,000.

Project 99–D–103, isotope sciences facilities, Lawrence Livermore National Laboratory, Livermore, California, $4,000,000.

Project 99–D–104, protection of real property (roof reconstruction, Phase II), Lawrence Livermore National Laboratory, Livermore, California, $7,300,000.

Project 99–D–105, central health physics calibration facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $3,900,000.

Project 99–D–106, model validation and system certification test center, Sandia National Laboratories, Albuquerque, New Mexico, $1,600,000.

Project 99–D–107, joint computational engineering laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $1,800,000.

Project 99–D–108, renovate existing roadways, Nevada Test Site, Nevada, $2,000,000.

Project 97–D–102, dual-axis radiographic hydrotest facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $36,000,000.

Project 96–D–102, stockpile stewardship facilities revitalization, Phase VI, various locations, $20,423,000.

Project 96–D–103, ATLAS, Los Alamos National Laboratory, Los Alamos, New Mexico, $6,400,000.

Project 96–D–104, processing and environmental technology laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $18,920,000.

Project 96–D–105, contained firing facility addition, Lawrence Livermore National Laboratory, Livermore, California, $6,700,000.

(B) For inertial fusion, $498,000,000, to be allocated as follows:

(i) For operation and maintenance, $213,800,000.

(ii) For the following plant project (including maintenance, restoration, planning, construction, acquisition, and modification of facilities, and land acquisition related thereto), $284,200,000, to be allocated as follows:

Project 96–D–111, national ignition facility, Lawrence Livermore National Laboratory, Livermore, California, $284,200,000.

(C) For technology partnership and education, $59,000,000, to be allocated as follows:

(i) For technology partnership, $50,000,000.

(ii) For education, $9,000,000.

(2) STOCKPILE MANAGEMENT.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for stockpile management in carrying out weapons activities necessary for national security programs in the amount of $2,113,225,000, to be allocated as follows:

(A) For operation and maintenance, $2,014,303,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $98,922,000, to be allocated as follows:

Project 99–D–122, rapid reactivation, various locations, $11,200,000.

Project 99–D–123, replace mechanical utility systems, Y–12 Plant, Oak Ridge, Tennessee, $1,900,000.

Project 99–D–125, replace boilers and controls, Kansas City Plant, Kansas City, Missouri, $1,000,000.

Project 99–D–127, stockpile management restructuring initiative, Kansas City Plant, Kansas City, Missouri, $13,700,000.

Project 99–D–128, stockpile management restructuring initiative, Pantex Plant consolidation, Amarillo, Texas, $1,108,000.

Project 99–D–132, stockpile management restructuring initiative, nuclear material safeguards and security upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $9,700,000.

Project 98–D–123, stockpile management restructuring initiative, tritium facility modernization and consolidation, Savannah River Site, Aiken, South Carolina, $27,500,000.

Project 98–D–124, stockpile management restructuring initiative, Y–12 Plant consolidation, Oak Ridge, Tennessee, $10,700,000.

Project 97–D–122, nuclear materials storage facility renovation, Los Alamos National Laboratory, Los Alamos, New Mexico, $3,764,000.

Project 97–D–123, structural upgrades, Kansas City Plant, Kansas City, Missouri, $6,400,000.

Project 96–D–122, sewage treatment quality upgrade, Pantex Plant, Amarillo, Texas, $3,700,000.

Project 95–D–102, chemistry and metallurgy research building upgrades, Los Alamos National Laboratory, Los Alamos, New Mexico, $5,000,000.

Project 93–D–122, life safety upgrades, Y–12 Plant, Oak Ridge, Tennessee, $3,250,000.

(3) PROGRAM DIRECTION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for program direction in carrying out weapons activities necessary for national security programs in the amount of $250,000,000.

(b) ADJUSTMENTS.—

(1) CONSTRUCTION.—The total amount authorized to be appropriated pursuant to paragraphs (1)(A)(ii), (1)(B)(ii), and (2)(B) of subsection (a) is the sum of the amounts authorized to be appropriated in those paragraphs, reduced by $13,600,000.

(2) NON-CONSTRUCTION.—The total amount authorized to be appropriated pursuant to paragraphs (1)(A)(i), (1)(B)(i), (1)(C), (2)(A), and (3) of subsection (a) is the sum of the amounts authorized to be appropriated in those paragraphs, reduced by $178,900,000, to be derived from use of prior year balances.

SEC. 3102. DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for environmental restoration and waste management in carrying out programs necessary for national security in the amount of $5,446,143,000, to be allocated as follows:

(1) CLOSURE PROJECTS.—For closure projects carried out in accordance with section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2836; 42 U.S.C. 7274n) in the amount of $1,038,240,000.

(2) SITE PROJECT AND COMPLETION.—For site project and completion in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,067,253,000, to be allocated as follows:

(A) For operation and maintenance, $868,090,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $199,163,000, to be allocated as follows:

Project 99–D–402, tank farm support services, F&H areas, Savannah River Site, Aiken, South Carolina, $2,745,000.

Project 99–D–404, health physics instrumentation laboratory, Idaho National Engineering Laboratory, Idaho, $950,000.

Project 98–D–401, H-tank farm storm water systems upgrade, Savannah River Site, Aiken, South Carolina, $3,120,000.

Project 98–D–453, plutonium stabilization and handling system for plutonium finishing plant, Richland, Washington, $26,814,000.

Project 98–D–700, road rehabilitation, Idaho National Engineering Laboratory, Idaho, $7,710,000.

Project 97–D–450, Actinide packaging and storage facility, Savannah River Site, Aiken, South Carolina, $79,184,000.

Project 97–D–470, environmental monitoring laboratory, Savannah River Site, Aiken, South Carolina, $7,000,000.

Project 96–D–406, spent nuclear fuels canister storage and stabilization facility, Richland, Washington, $38,680,000.

Project 96–D–408, waste management upgrades, Kansas City Plant, Kansas City, Missouri, and Savannah River Site, Aiken, South Carolina, $4,512,000.

Project 96–D–464, electrical and utility systems upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $11,544,000.

Project 96–D–471, chlorofluorocarbon heating, ventilation, and air conditioning and chiller retrofit, Savannah River Site, Aiken, South Carolina, $8,000,000.

Project 95–D–456, security facilities consolidation, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $485,000.

Project 92–D–140, F&H canyon exhaust upgrades, Savannah River Site, Aiken, South Carolina, $3,667,000.

Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $4,752,000.

(3) POST-2006 COMPLETION.—For post-2006 project completion in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $2,744,451,000, to be allocated as follows:

(A) For operation and maintenance, $2,663,195,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $81,256,000, to be allocated as follows:

Project 99–D–403, privatization phase I infrastructure support, Richland, Washington, $14,800,000.

Project 97–D–402, tank farm restoration and safe operations, Richland, Washington, $22,723,000.

Project 96–D–408, waste management upgrades, Richland, Washington, $171,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $32,860,000.

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, $10,702,000.

(4) SCIENCE AND TECHNOLOGY.—For science and technology in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $250,000,000.

(5) PROGRAM DIRECTION.—For program direction in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $346,199,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1), (2)(A), (3)(A), (4), and (5) of subsection (a) is the sum of the amounts authorized to be appropriated in those paragraphs, reduced by $94,100,000, to be derived from use of prior year balances.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for other defense activities in carrying out programs necessary for national security in the amount of $1,716,160,000, to be allocated as follows:

(1) NONPROLIFERATION AND NATIONAL SECURITY.—For nonproliferation and national security, $699,300,000, to be allocated as follows:

(A) For verification and control technology, $503,500,000, to be allocated as follows:

(i) For nonproliferation and verification research and development, $210,000,000.

(ii) For arms control, $256,900,000.

(iii) For intelligence, $36,600,000.

(B) For nuclear safeguards and security, $53,200,000.

(C) For security investigations, $30,000,000.

(D) For emergency management, $23,700,000.

(E) For program direction, $88,900,000.

(2) WORKER AND COMMUNITY TRANSITION ASSISTANCE.—For worker and community transition assistance, $40,000,000, to be allocated as follows:

(A) For worker and community transition, $36,000,000.

(B) For program direction, $4,000,000.

(3) FISSILE MATERIALS CONTROL AND DISPOSITION.—For fissile materials control and disposition, $168,960,000, to be allocated as follows:

(A) For operation and maintenance, $111,372,000.

(B) For program direction, $4,588,000.

(C) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $53,000,000, to be allocated as follows:

Project 99–D–141, pit disassembly and conversion facility, various locations, $25,000,000.

Project 99–D–143, mixed oxide fuel fabrication facility, various locations, $28,000,000.

(4) ENVIRONMENT, SAFETY, AND HEALTH.—For environment, safety, and health, defense, $89,000,000, to be allocated as follows:

(A) For the Office of Environment, Safety, and Health (Defense), $84,231,000.

(B) For program direction, $4,769,000.

(5) OFFICE OF HEARINGS AND APPEALS.—For the Office of Hearings and Appeals, $2,400,000.

(6) INTERNATIONAL NUCLEAR SAFETY.—For international nuclear safety, $35,000,000.

(7) NAVAL REACTORS.—For naval reactors, $681,500,000, to be allocated as follows:

(A) For naval reactors development, $661,400,000, to be allocated as follows:

(i) For operation and maintenance, $639,600,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $21,800,000, to be allocated as follows:

GPN–101 general plant projects, various locations, $9,000,000.

Project 98–D–200, site laboratory/facility upgrade, various locations, $7,000,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $5,800,000.

(B) For program direction, $20,100,000.

(b) ADJUSTMENT.—(1) The total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in paragraphs (1) through (7) of subsection (a) reduced by $2,000,000.

(2) The amount authorized to be appropriated pursuant to subsection(a)(1)(C) is reduced by $20,000,000 to reflect an offset provided by user organizations for security investigations.

SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $190,000,000.

SEC. 3105. DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for privatization initiatives in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $286,857,000, to be allocated as follows:

Project 99–PVT–1, remote handled transuranic waste transportation, Carlsbad, New Mexico, $19,605,000.

Project 98–PVT–2, spent nuclear fuel dry storage, Idaho Falls, Idaho, $30,000,000.

Project 98–PVT–5, waste disposal, Oak Ridge, Tennessee, $50,000,000.

Project 97–PVT–1, tank waste remediation system phase I, Hanford, Washington, $100,000,000.

Project 97–PVT–2, advanced mixed waste treatment facility, Idaho Falls, Idaho, $87,252,000.

(b) ADJUSTMENT.—The amount authorized to be appropriated in subsection (a) is the sum of the amounts authorized to be appropriated for the projects set forth in that subsection, reduced by $32,000,000 for use of prior year balances of funds for defense environmental management privatization.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) IN GENERAL.—Until the Secretary of Energy submits to the congressional defense committees the report referred to in subsection (b) and a period of 30 days has elapsed after the date on which such committees receive the report, the Secretary may not use amounts appropriated pursuant to this title for any program—

(1) in amounts that exceed, in a fiscal year—

(A) 110 percent of the amount authorized for that program by this title; or

(B) $1,000,000 more than the amount authorized for that program by this title; or

(2) which has not been presented to, or requested of, Congress.

(b) REPORT.—(1) The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) LIMITATIONS.—(1) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

(2) Funds appropriated pursuant to this title may not be used for an item for which Congress has specifically denied funds.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any construction project under the general plant projects authorized by this title if the total estimated cost of the construction project does not exceed $5,000,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $5,000,000, the Secretary shall immediately furnish a complete report to the congressional defense committees explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by section 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) TRANSFER TO OTHER FEDERAL AGENCIES.—The Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title to other Federal agencies for the performance of work for which the funds were authorized. Funds so transferred may be merged with and be available for the same purposes and for the same period as the authorizations of the Federal agency to which the amounts are transferred.

(b) TRANSFER WITHIN DEPARTMENT OF ENERGY.—(1) Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title between any such authorizations. Amounts of authorizations so transferred may be merged with and be available for the same purposes and for the same period as the authorization to which the amounts are transferred.

(2) Not more than five percent of any such authorization may be transferred between authorizations under paragraph (1). No such authorization may be increased or decreased by more than five percent by a transfer under such paragraph.

(c) LIMITATION.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide funds for items relating to activities necessary for national security programs that have a higher priority than the items from which the funds are transferred; and

(2) may not be used to provide funds for an item for which Congress has specifically denied funds.

(d) NOTICE TO CONGRESS.—The Secretary of Energy shall promptly notify the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives of any transfer of funds to or from authorizations under this title.

SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) REQUIREMENT FOR CONCEPTUAL DESIGN.—(1) Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.

(2) If the estimated cost of completing a conceptual design for a construction project exceeds $3,000,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.

(3) The requirement in paragraph (1) does not apply to a request for funds—

(A) for a construction project the total estimated cost of which is less than $5,000,000; or

(B) for emergency planning, design, and construction activities under section 3126.

(b) AUTHORITY FOR CONSTRUCTION DESIGN.—(1) Within the amounts authorized by this title, the Secretary of Energy may carry out construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such design does not exceed $600,000.

(2) If the total estimated cost for construction design in connection with any construction project exceeds $600,000, funds for such design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy pursuant to an authorization in this title, including those funds authorized to be appropriated for advance planning and construction design under sections 3101, 3102, and 3103, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, to meet the needs of national defense, or to protect property.

(b) LIMITATION.—The Secretary may not exercise the authority under subsection (a) in the case of any construction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making such activities necessary.

(c) SPECIFIC AUTHORITY.—The requirement of section 3125(b)(2) does not apply to emergency

planning, design, and construction activities conducted under this section.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriations Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

(a) IN GENERAL.—Except as provided in subsection (b), when so specified in an appropriations Act, amounts appropriated for operation and maintenance or for plant projects may remain available until expended.

(b) EXCEPTION FOR PROGRAM DIRECTION FUNDS.—Amounts appropriated for program direction pursuant to an authorization of appropriations in subtitle A shall remain available to be expended only until the end of fiscal year 2001.

SEC. 3129. TRANSFERS OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.

(a) TRANSFER AUTHORITY FOR DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer defense environmental management funds from a program or project under the jurisdiction of the office to another such program or project.

(b) LIMITATIONS.—(1) Only one transfer may be made to or from any program or project under subsection (a) in a fiscal year.

(2) The amount transferred to or from a program or project under subsection (a) may not exceed $5,000,000 in a fiscal year.

(3) A transfer may not be carried out by a manager of a field office under subsection (a) unless the manager determines that the transfer is necessary to address a risk to health, safety, or the environment or to assure the most efficient use of defense environmental management funds at the field office.

(4) Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3121 shall not apply to transfers of funds pursuant to subsection (a).

(d) NOTIFICATION.—The Secretary, acting through the Assistant Secretary of Energy for Environmental Management, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such transfer occurs.

(e) DEFINITIONS.—In this section:

(1) The term ''program or project'' means, with respect to a field office of the Department of Energy, any of the following:

(A) A program referred to or a project listed in paragraph (2) or (3) of section 3102.

(B) A program or project not described in subparagraph (A) that is for environmental restoration or waste management activities necessary for national security programs of the Department, that is being carried out by the office, and for which defense environmental management funds have been authorized and appropriated before the date of enactment of this Act.

(2) The term ''defense environmental management funds'' means funds appropriated to the Department of Energy pursuant to an authorization for carrying out environmental restoration and waste management activities necessary for national security programs.

(f) DURATION OF AUTHORITY.—The managers of the field offices of the Department may exercise the authority provided under subsection (a) during the period beginning on October 1, 1998, and ending on September 30, 1999.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. PERMANENT EXTENSION OF FUNDING PROHIBITION RELATING TO INTERNATIONAL COOPERATIVE STOCKPILE STEWARDSHIP.

Section 3133(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2036) is amended by striking out ''for fiscal year 1998'' and inserting in lieu thereof ''for any fiscal year''.

SEC. 3132. SUPPORT OF BALLISTIC MISSILE DEFENSE ACTIVITIES OF THE DEPARTMENT OF DEFENSE.

(a) FUNDS TO CARRY OUT CERTAIN BALLISTIC MISSILE DEFENSE ACTIVITIES.—Of the amounts authorized to be appropriated to the Department of Energy pursuant to section 3101, $30,000,000 shall be available for research, development, and demonstration activities to support the mission of the Ballistic Missile Defense Organization of the Department of Defense, including the following activities:

(1) Technology development, concept demonstration, and integrated testing to improve reliability and reduce risk in hit-to-kill interceptors for missile defense.

(2) Support for science and engineering teams to address technical problems identified by the Director of the Ballistic Missile Defense Organization as critical to acquisition of a theater missile defense capability.

(b) MEMORANDUM OF UNDERSTANDING.—The activities referred to in subsection (a) shall be carried out under the memorandum of understanding entered into by the Secretary of Energy and the Secretary of Defense for the use of national laboratories for ballistic missile defense programs, as required by section 3131 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2034).

(c) METHOD OF FUNDING.—Funds for activities referred to in subsection (a) may be provided—

(1) by direct payment from funds available pursuant to subsection (a); or

(2) in the case of such an activity carried out by a national laboratory but paid for by the Ballistic Missile Defense Organization, through a method under which the Secretary of Energy waives any requirement for the Department of Defense to pay any indirect expenses (including overhead and federal administrative charges) of the Department of Energy or its contractors.

SEC. 3133. NONPROLIFERATION ACTIVITIES.

(a) INITIATIVES FOR PROLIFERATION PREVENTION.—Of the amount authorized to be appropriated by section 3103(a)(1)(A)(ii), up to $20,000,000 may be used for the Initiatives for Proliferation Prevention program.

(b) NUCLEAR CITIES INITIATIVE.—(1) Funds authorized under this title may not be obligated or expended for the purpose of implementing the Nuclear Cities Initiative until—

(A) the Secretary of Energy submits to the congressional defense committees the report described in paragraph (2); and

(B) a period of 20 legislative days has expired following the date on which the report is submitted to Congress.

(2) The Secretary of Energy shall prepare a report on the Nuclear Cities Initiative. The report shall describe—

(A) the objectives of the initiative;

(B) methods and processes for the implementation of the initiative;

(C) a program timeline for the initiative with milestones; and

(D) the funding requirements for the initiative through its completion.

(3) For purposes of this section, the term ''Nuclear Cities Initiative'' means the initiative arising pursuant to the March 1998 discussion between the Vice President of the United States and the Prime Minister of the Russian Federation and between the Secretary of Energy of the United States and the Minister of Atomic Energy of the Russian Federation.

(4) For purposes of paragraph (1)(B), a legislative day is a day on which both Houses of Congress are in session.

SEC. 3134. LICENSING OF CERTAIN MIXED OXIDE FUEL FABRICATION AND IRRADIATION FACILITIES.

(a) LICENSE REQUIREMENT.—Section 202 of the Energy Reorganization Act of 1974 (42 U.S.C. 5842) is amended by adding at the end the following new paragraph:

''(5) Any facility under a contract with and for the account of the Department of Energy that is utilized for the express purpose of fabricating mixed plutonium-uranium oxide nuclear reactor fuel for use in a commercial nuclear reactor licensed under such Act, other than any such facility that is utilized for research, development, demonstration, testing, or analysis purposes.''.

(b) AVAILABILITY OF FUNDS FOR LICENSING BY NRC.—Section 210 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1981 (42 U.S.C. 7272) shall not apply to any licensing activities required pursuant to section 202(5) of the Energy Reorganization Act of 1974 (42 U.S.C. 5842), as added by subsection (a).

(c) APPLICABILITY OF OCCUPATIONAL SAFETY AND HEALTH REQUIREMENTS TO ACTIVITIES UNDER LICENSE.—Any activities carried out under a license required pursuant to section 202(5) of the Energy Reorganization Act of 1974 (42 U.S.C. 5842), as added by subsection (a), shall be subject to regulation under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.).

SEC. 3135. CONTINUATION OF PROCESSING, TREATMENT, AND DISPOSITION OF LEGACY NUCLEAR MATERIALS.

The Secretary of Energy shall continue operations and maintain a high state of readiness at the F–canyon and H–canyon facilities at the Savannah River Site, Aiken, South Carolina, and shall provide technical staff necessary to operate and so maintain such facilities.

SEC. 3136. AUTHORITY FOR DEPARTMENT OF ENERGY FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS TO PARTICIPATE IN MERIT-BASED TECHNOLOGY RESEARCH AND DEVELOPMENT PROGRAMS.

(a) AUTHORITY.—Section 217(f)(1) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2695) is amended—

(1) by inserting ''(A)'' after ''(1)'';

(2) by inserting ''or of the Department of Energy'' after ''the Department of Defense''; and

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

''(B) A federally funded research and development center of the Department of Energy described in subparagraph (A) may respond to solicitations and announcements described in that subparagraph only for activities conducted by the center under contract with or on behalf of the Department of Defense.''.

(b) CONFORMING AMENDMENT.—Section 217(f)(2) of such Act is amended by inserting ''(A)'' after ''(1)''.

SEC. 3137. ACTIVITIES OF DEPARTMENT OF ENERGY FACILITIES.

(a) RESEARCH AND ACTIVITIES ON BEHALF OF NON-DEPARTMENT PERSONS AND ENTITIES.—(1) The Secretary of Energy may conduct research and other activities referred to in paragraph (2) at facilities of the Department of Energy on behalf of other departments and agencies of the Government, agencies of State and local governments, and private persons and entities.

(2) The research and other activities that may be conducted under paragraph (1) are those which the Secretary is authorized to conduct by law, including research and activities authorized under the following provisions of law:

(A) The Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.).

(B) The Energy Reorganization Act of 1974 (42 U.S.C. 5811 et seq.).

(C) The Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.).

(b) CHARGES.—(1) The Secretary shall impose on the department, agency, or person or entity for which research and other activities are carried out under subsection (a) a charge for such research and activities in carrying out such research and activities, which shall include—

(A) the direct cost incurred in carrying out such research and activities; and

(B) the overhead cost, including site-wide indirect costs, associated with such research and activities.

(2)(A) Subject to subparagraph (B), the Secretary shall also impose on the department, agency, or person or entity concerned a Federal administrative charge (which includes any depreciation and imputed interest charges) in an amount not to exceed 3 percent of the full cost incurred in carrying out the research and activities concerned.

(B) The Secretary may waive the imposition of the Federal administrative charge required by subparagraph (A) in the case of research and other activities conducted on behalf of small business concerns, institutions of higher education, non-profit entities, and State and local governments.

(3) Not later than two years after the date of the enactment of this Act, the Secretary shall terminate any waiver of charges under section 33 of the Atomic Energy Act of 1954 (42 U.S.C. 2053) that were made before such date, unless the Secretary determines that such waiver should be continued.

(c) PILOT PROGRAM OF REDUCED FACILITY OVERHEAD CHARGES.—(1) The Secretary may, with the cooperation of participating contractors of the contractor-operated facilities of the Department, carry out a pilot program under which the Secretary and such contractors reduce the facility overhead charges imposed under this section for research and other activities conducted under this section.

(2) The Secretary shall carry out the pilot program at contractor-operated facilities selected by the Secretary in consultation with the contractors concerned.

(3) The Secretary shall determine the facility overhead charges to be imposed under the pilot program at a facility based on a joint review by the Secretary and the contractor for the facility of all items included in the overhead costs of the facility in order to determine which items are appropriately incurred as facility overhead charges by the contractor in carrying out research and other activities at such facility under this section.

(4) The Secretary shall commence carrying out the pilot program under this subsection not later than October 1, 1999, and shall terminate the pilot program on September 30, 2003.

(5) Not later than January 31, 2003, the Secretary shall submit to Congress an interim report on the results of the pilot program under this subsection. The report shall include any recommendations for the extension or expansion of the pilot program, including the establishment of multiple rates of overhead charges for various categories of persons and entities seeking research and other activities in contractor-operated facilities of the Department.

(d) APPLICABILITY WITH RESPECT TO USER FEE PRACTICE.—This section does not apply to the practice of the Department of Energy with respect to user fees at Department facilities.

SEC. 3138. HANFORD OVERHEAD AND SERVICE CENTER COSTS.

(a) TARGET FOR REDUCTION OF COSTS.—The Secretary of Energy shall establish a target for the overhead and service center costs for the Project Hanford Management Contractor for fiscal year 1999 that is less than the established baseline for such costs for that fiscal year.

(b) USE OF FUNDS RESULTING FROM REDUCTION.—If the actual overhead and service center costs for that contractor for fiscal year 1999 are less than the established baseline for such costs for that fiscal year, the Secretary, to the extent consistent with fiscal year 1999 appropriations, shall use an amount equal to the difference between the baseline and such actual costs to perform additional clean-up work at Hanford in order to reduce the most threatening environmental risks at Hanford and to comply with applicable laws and regulations and the Tri-Party Agreement among the Department of Energy, the Environmental Protection Agency, and the State of Washington.

(c) REVIEW.—The Director of the Defense Contract Audit Agency shall review the Project Hanford Management Contract for compliance with cost accounting standards promulgated pursuant to section 26(f) of the Office of Federal Procurement Policy Act (42 U.S.C. 422(f)). The review shall include the following:

(1) An identification and assessment of methods for calculating overhead costs.

(2) A description of activities the costs of which are allocated to—

(A) all accounts at the Hanford site other than overhead accounts; or

(B) other contracts under which work is performed at the Hanford site.

(3) A description of service center costs, including—

(A) computer service and information management costs and other support service costs; and

(B) costs of any activity which is paid for on a per-unit basis.

(4) An identification and assessment of all fees, awards, or other profit on overhead or service center costs that are not attributed to performance on a single project or contract.

(5) An identification and assessment of all contracts awarded without competition.

(6) An identification and assessment of any other costs that the Director considers necessary or appropriate to present a full and complete review of Hanford costs.

(d) REPORT.—Not later than March 1, 1999, the Director of the Defense Contract Audit Agency shall submit to the congressional defense committees a report on the results of the review under subsection (c).

SEC. 3139. HANFORD WASTE TANK CLEANUP PROGRAM REFORMS.

(a) ESTABLISHMENT OF OFFICE OF RIVER PROTECTION.—The Secretary of Energy shall establish an office at the Hanford Reservation, Richland, Washington, to be known as the ''Office of River Protection'' (in this section referred to as the ''Office'').

(b) MANAGEMENT AND RESPONSIBILITIES OF OFFICE.—(1) The Office shall be headed by a senior official of the Department of Energy, who shall report to the Assistant Secretary of Energy for Environmental Management.

(2) The head of the Office shall be responsible for managing all aspects of the Tank Waste Remediation System (also referred to as the Hanford Tank Farm operations), including those portions under privatization contracts, of the Department of Energy at Hanford.

(c) DEPARTMENT RESPONSIBILITIES.—The Secretary shall provide the manager of the Office with the resources and personnel necessary to manage the tank waste privatization program at Hanford in an efficient and streamlined manner.

(d) INTEGRATED MANAGEMENT PLAN.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committees on Commerce and on National Security of the House of Representatives an integrated management plan for all aspects of the Hanford Tank Farm operations, including the roles, responsibilities, and reporting relationships of the Office.

(e) REPORT.—Not later than two years after the commencement of operations of the Office, the Secretary shall submit to the committees referred to in subsection (d) a report describing—

(1) any progress in or resulting from the utilization of the Tank Waste Remediation System; and

(2) any improvements in the management structure of the Department at Hanford with respect to the Tank Waste Remediation System as a result of the Office.

(f) TERMINATION.—(1) The Office shall terminate five years after the commencement of operations under this section unless the Secretary determines that termination on that date would disrupt effective management of the Hanford Tank Farm operations.

(2) The Secretary shall notify, in writing, the committees referred to in subsection (d) of a determination under paragraph (1).

SEC. 3140. HANFORD HEALTH INFORMATION NETWORK.

Of the funds authorized to be appropriated or otherwise made available to the Department of Energy by section 3102, $1,500,000 shall be available for activities relating to the Hanford Health Information Network established pursuant to the authority in section 3138 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1834), as amended by section 3138(b) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 3087).

SEC. 3141. HAZARDOUS MATERIALS MANAGEMENT AND EMERGENCY RESPONSE TRAINING PROGRAM.

The Secretary of Energy may enter into partnership arrangements with Federal and non-Federal entities to share the costs of operating the hazardous materials management and hazardous materials emergency response training program authorized under section 3140(a) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 3088). Such arrangements may include the exchange of equipment and services, in lieu of payment for the training program.

SEC. 3142. SUPPORT FOR PUBLIC EDUCATION IN THE VICINITY OF LOS ALAMOS NATIONAL LABORATORY, NEW MEXICO.

(a) AVAILABILITY OF FUNDS.—Of the funds authorized to be appropriated or otherwise made available to the Department of Energy by this title, up to $5,000,000 shall be made available for payment by the Secretary of Energy to the educational foundation chartered to enhance educational activities in the public schools in the vicinity of Los Alamos National Laboratory, New Mexico (in this section referred to as the ''Foundation'').

(b) USE OF FUNDS.—(1) The Foundation shall utilize funds provided under subsection (a) as a contribution to an endowment fund for the Foundation.

(2) The Foundation shall use the income generated from investments in the endowment fund that are attributable to the payment made under subsection (a) to fund programs to support the educational needs of children in public schools in the vicinity of Los Alamos National Laboratory.

SEC. 3143. RELOCATION OF NATIONAL ATOMIC MUSEUM, ALBUQUERQUE, NEW MEXICO.

The Secretary of Energy shall submit to the congressional defense committees a plan for the relocation of the National Atomic Museum in Albuquerque, New Mexico.

SEC. 3144. TRITIUM PRODUCTION.

The Secretary of Energy may not obligate or expend any funds authorized to be appropriated or otherwise available to the Department of Energy for fiscal year 1999 to implement a final decision on the technology to be utilized for tritium production, made pursuant to section 3135 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2037), until October 1, 1999.

Subtitle D—Other Matters

SEC. 3151. STUDY AND PLAN RELATING TO WORKER AND COMMUNITY TRANSITION ASSISTANCE.

(a) STUDY BY THE GENERAL ACCOUNTING OFFICE.—

(1) STUDY REQUIREMENT.—The Comptroller General shall conduct a study on the effects of workforce restructuring plans for defense nuclear facilities developed pursuant to section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 7274h).

(2) MATTERS COVERED BY STUDY.—The study shall cover the four-year period preceding the date of the enactment of this Act and shall include the following:

(A) An analysis of the number of jobs created by any employee retraining, education, and reemployment assistance and any community impact assistance provided in each workforce restructuring plan developed pursuant to section 3161 of the National Defense Authorization Act for Fiscal Year 1993.

(B) An analysis of other benefits provided pursuant to such plans, including any assistance provided to community reuse organizations.

(C) A description of the funds expended, and the funds obligated but not expended, pursuant to such plans as of the date of the report.

(D) A description of the criteria used since October 23, 1992, in providing assistance pursuant to such plans.

(E) A comparison of any similar benefits provided—

(i) pursuant to such a plan to employees whose employment at the defense nuclear facility covered by the plan is terminated; and

(ii) to employees whose employment at a facility where more than 50 percent of the revenues are derived from contracts with the Department of Defense has been terminated as a result of cancellation, termination, or completion of contracts with the Department of Defense and the employees whose employment is terminated constitute more than 15 percent of the employees at that facility.

(F) A comparison of—

(i) involuntary separation benefits provided to employees of Department of Energy contractors and subcontractors under such plans; and

(ii) involuntary separation benefits provided to employees of the Federal Government.

(G) A comparison of costs to the Federal Government (including costs of involuntary separation benefits) for—

(i) involuntary separations of employees of Department of Energy contractors and subcontractors; and

(ii) involuntary separations of employees of contractors and subcontractors of other Federal Government departments and agencies.

(H) A description of the length of service and hiring dates of employees of Department of Energy contractors and subcontractors provided benefits under such plans in the two-year period preceding the date of the enactment of this Act.

(3) REPORT ON STUDY.—The Comptroller General shall submit a report to Congress on the results of the study not later than March 31, 1999.

(4) DEFINITION.—In this section, the term ''defense nuclear facility'' has the meaning provided the term ''Department of Energy defense nuclear facility'' in section 3163 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 42 U.S.C. 7274j).

(b) PLAN FOR TERMINATION OF WORKER AND COMMUNITY TRANSITION PROGRAM.—Not later than July 1, 1999, the Secretary of Energy shall submit to the congressional defense committees a plan to terminate the Office of Worker and Community Transition. The plan shall include—

(1) a description of how the authority of the Office would be terminated; and

(2) a description of how the responsibility to manage downsizing of the contractor workforce of the Department of Energy would be transferred to other offices or programs within the Department.

SEC. 3152. EXTENSION OF AUTHORITY FOR APPOINTMENT OF CERTAIN SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL.

Section 3161(c)(1) of the National Defense Authorization Act for Fiscal Year 1995 (42 U.S.C. 7231 note) is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''September 30, 2000''.

SEC. 3153. REQUIREMENT FOR PLAN TO MODIFY EMPLOYMENT SYSTEM USED BY DEPARTMENT OF ENERGY IN DEFENSE ENVIRONMENTAL MANAGEMENT PROGRAMS.

(a) PLAN REQUIREMENT.—Not later than February 1, 1999, the Secretary of Energy shall submit to Congress a report containing a plan to modify the Federal employment system used within the defense environmental management programs of the Department of Energy to allow for workforce restructuring in those programs.

(b) SPECIFIED ELEMENTS OF PLAN.—The plan shall address strategies to recruit and hire—

(1) individuals with a high degree of scientific and technical competence in the areas of nuclear and toxic waste remediation and environmental restoration; and

(2) individuals with the necessary skills to manage large construction and environmental remediation projects.

(c) LEGISLATIVE CHANGES.—The plan shall include an identification of the provisions of Federal law that would need to be changed to allow the Secretary of Energy to restructure the Department of Energy defense environmental management workforce to hire individuals described in subsection (b), while staying within any numerical limitations required by law (including section 3161 of Public Law 103–337 (42 U.S.C. 7231 note)) on employment of such individuals.

SEC. 3154. DEPARTMENT OF ENERGY NUCLEAR MATERIALS COURIERS.

(a) MAXIMUM AGE FOR ENTRY INTO NUCLEAR MATERIALS COURIER FORCE.—Section 3307 of title 5, United States Code, is amended—

(1) in subsection (a), by striking ''and (d)'' and inserting ''(d), (e), and (f)''; and

(2) by adding at the end the following:

''(f) The Secretary of Energy may determine and fix the maximum age limit for an original appointment to a position as a nuclear materials courier, as defined by section 8331(27) or 8401(33).''.

(b) DEFINITION FOR PURPOSES OF CIVIL SERVICE RETIREMENT SYSTEM.—Section 8331 of title 5, United States Code, is amended—

(1) by striking ''and'' at the end of paragraph (25);

(2) by striking the period at the end of paragraph (26) and inserting ''; and''; and

(3) by adding at the end the following:

''(27) 'Nuclear materials courier'—

''(A) means an employee of the Department of Energy, the duties of whose position are primarily to transport, and provide armed escort and protection during transit of, nuclear weapons, nuclear weapon components, strategic quantities of special nuclear materials or other materials related to national security; and

''(B) includes an employee who is transferred directly to a supervisory or administrative position within the same Department of Energy organization, after performing duties referred to in subparagraph (A) for at least 3 years.''.

(c) DEDUCTIONS, CONTRIBUTIONS, AND DEPOSITS UNDER CSRS.—(1) Subsection (a)(1) of section 8334 of title 5, United States Code, is amended by striking ''or member of the Capitol Police,'' and inserting ''member of the Capitol Police, or nuclear materials courier,''.

(2) Subsection (c) of that section is amended by adding after the item for a Member of the Capitol Police the following new item:

''Nuclear materials courier.	*7 .....*	*October 1, 1977 to the day before the date of enactment of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999.*
	7.5	*The date of enactment of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 to December 31, 1998.*
	7.75	*January 1, 1999 to December 31, 1999.*
	7.9	*January 1, 2000 to December 31, 2000.*
	8	*January 1, 2001 to December 31, 2002.*
	7.5	*After December 31, 2002.''.*

(3) Notwithstanding subsection (a)(1) or (k)(1) of section 8334 of title 5, United States Code, or section 7001(a) of Public Law 105–33, during the period beginning on the effective date provided for under subsection (n)(1) and ending on September 30, 2002, the Department of Energy shall deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund on behalf of each nuclear materials courier from whose basic pay a deduction is made under such subsection (a)(1) during that period an amount equal to 9.01 percent of such basic pay, in lieu of the agency contributions otherwise required under such subsection (a)(1) during that period.

(d) MANDATORY SEPARATION UNDER CSRS.—Section 8335(b) of title 5, United States Code, is amended in the second sentence—

(1) by inserting ''or nuclear materials courier'' after ''law enforcement officer''; and

(2) by inserting ''or courier, as the case may be,'' after ''that officer''.

(e) IMMEDIATE RETIREMENT UNDER CSRS.—Section 8336(c)(1) of title 5, United States Code, is amended by striking ''or firefighter'' and inserting '', firefighter, or nuclear materials courier''.

(f) DEFINITION FOR PURPOSES OF FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8401 of title 5, United States Code, is amended—

(1) by striking ''and'' at the end of paragraph (31);

(2) by striking the period at the end of paragraph (32) and inserting ''; and''; and

(3) by adding at the end the following:

''(33) 'Nuclear materials courier' has the meaning given that term in section 8331(27).''.

(g) IMMEDIATE RETIREMENT UNDER FERS.—Section 8412(d) of title 5, United States Code, is amended by striking ''or firefighter'' each place it appears in paragraphs (1) and (2) and inserting ''firefighter, or nuclear materials courier''.

(h) COMPUTATION OF BASIC ANNUITY UNDER FERS.—Section 8415(g) of title 5, United States Code, is amended by inserting ''nuclear materials courier,'' after ''firefighter,''.

(i) DEDUCTIONS AND CONTRIBUTIONS UNDER FERS.—(1) Section 8422(a)(3) of title 5, United States Code, is amended by adding after the item relating to a law enforcement officer, firefighter, member of the Capitol Police, or air traffic controller the following new item:

''Nuclear materials courier.	*7 .....*	*January 1, 1987 to the day before the date of enactment of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999.*
	7.5	*The date of enactment of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 to December 31, 1998.*
	7.75	*January 1, 1999 to December 31, 1999.*
	7.9	*January 1, 2000 to December 31, 2000.*
	8	*January 1, 2001 to December 31, 2001.*
	7.5	*After December 31, 2002.''.*

(2) Contributions under subsections (a) and (b) of section 8423 of title 5, United States Code, shall not be reduced as a result of that portion of the amendment made by paragraph (1) requiring employee deductions at a rate in excess of 7.5 percent for the period beginning on January 1, 1999, and ending on December 31, 2002.

(j) AGENCY CONTRIBUTIONS UNDER FERS.—Paragraphs (1)(B)(i) and (3)(A) of section 8423(a) of title 5, United States Code, are each amended by inserting ''nuclear materials couriers,'' after ''firefighters,''.

(k) MANDATORY SEPARATION UNDER FERS.—Section 8425(b) of title 5, United States Code, is amended by inserting ''or nuclear materials courier'' after ''law enforcement officer'' both places it appears in the second sentence.

(l) PAYMENTS.—(1) The Department of Energy shall pay into the Civil Service Retirement and Disability Fund an amount determined by the Director of the Office of Personnel Management to be necessary to reimburse the Fund for any estimated increase in the unfunded liability of the Fund resulting from the amendments related to the Civil Service Retirement System under this section, and for any estimated increase in the supplemental liability of the Fund resulting from the amendments related to the Federal Employees Retirement System under this section.

(2) The Department shall pay the amount so determined in five equal annual installments with interest computed at the rate used in the most recent valuation of the Federal Employees Retirement System.

(3) The Department shall make payments under this subsection from amounts available for weapons activities of the Department.

(m) APPLICABILITY.—Subsections (b) through (l) shall apply only to an individual who is employed as a nuclear materials courier, as defined by section 8331(27) or 8401(33) of title 5, United States Code (as amended by this section), after the later of—

(1) September 30, 1998; or

(2) the date of the enactment of this Act.

(n) EFFECTIVE DATES.—(1) Except as provided in paragraph (2), the amendments made by this section shall take effect at the beginning of the first pay period that begins after the later of—

(A) October 1, 1998; or

(B) the date of the enactment of this Act.

(2)(A) The amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

(B) The amendments made by subsections (d) and (k) shall take effect one year after the date of the enactment of this Act.

SEC. 3155. INCREASE IN MAXIMUM RATE OF PAY FOR SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL RESPONSIBLE FOR SAFETY AT DEFENSE NUCLEAR FACILITIES.

Section 3161(a)(2) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 42 U.S.C. 7231 note) is amended by striking out ''level IV of the Executive Schedule under section 5315'' and inserting in lieu thereof ''level III of the Executive Schedule under section 5314''.

SEC. 3156. EXTENSION OF AUTHORITY OF DEPARTMENT OF ENERGY TO PAY VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

(a) EXTENSION.—Notwithstanding subsection (c)(2)(D) of section 663 of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (Public Law 104–208; 110 Stat. 3009–383; 5 U.S.C. 5597 note), the Department of Energy may pay voluntary separation incentive payments to qualifying employees who voluntarily separate (whether by retirement or resignation) before January 1, 2001.

(b) EXERCISE OF AUTHORITY.—The Department shall pay voluntary separation incentive payments under subsection (a) in accordance with the provisions of such section 663.

SEC. 3157. REPEAL OF FISCAL YEAR 1998 STATEMENT OF POLICY ON STOCKPILE STEWARDSHIP PROGRAM.

Section 3156 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2045; 42 U.S.C. 2121 note) is repealed.

SEC. 3158. REPORT ON STOCKPILE STEWARDSHIP CRITERIA.

(a) REQUIREMENT FOR CRITERIA.—The Secretary of Energy shall develop clear and specific criteria for judging whether the science-based tools being used by the Department of Energy for determining the safety and reliability of the nuclear weapons stockpile are performing in a manner that will provide an adequate degree of certainty that the stockpile is safe and reliable.

(b) COORDINATION WITH SECRETARY OF DEFENSE.—The Secretary of Energy, in developing the criteria required by subsection (a), shall coordinate with the Secretary of Defense.

(c) REPORT.—Not later than March 1, 2000, the Secretary of Energy shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the efforts by the Department of Energy to develop the criteria required by subsection (a). The report shall include—

(1) a description of the information needed to determine that the nuclear weapons stockpile is safe and reliable and the relationship of the science-based tools to the collection of that information; and

(2) a description of the criteria required by subsection (a) to the extent they have been developed as of the date of the submission of the report.

SEC. 3159. PANEL TO ASSESS THE RELIABILITY, SAFETY, AND SECURITY OF THE UNITED STATES NUCLEAR STOCKPILE.

(a) REQUIREMENT FOR PANEL.—The Secretary of Defense, in consultation with the Secretary of Energy, shall enter into a contract with a federally funded research and development center to establish a panel for the assessment of the certification process for the reliability, safety, and security of the United States nuclear stockpile.

(b) COMPOSITION AND ADMINISTRATION OF PANEL.—(1) The panel shall consist of private citizens of the United States with knowledge and expertise in the technical aspects of design, manufacture, and maintenance of nuclear weapons.

(2) The federally funded research and development center shall be responsible for establishing appropriate procedures for the panel, including selection of a panel chairman.

(c) DUTIES OF PANEL.—Each year the panel shall review and assess the following:

(1) The annual certification process, including the conclusions and recommendations resulting from the process, for the safety, security, and reliability of the nuclear weapons stockpile of the United States, as carried out by the directors of the national weapons laboratories.

(2) The long-term adequacy of the process of certifying the safety, security, and reliability of the nuclear weapons stockpile of the United States.

(3) The adequacy of the criteria established by the Secretary of Energy pursuant to section 3158 for achieving the purposes for which those criteria are established.

(d) REPORT.—Not later than October 1 of each year, beginning with 1999, the panel shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report setting forth its findings and conclusions resulting from the review and assessment carried out for the year covered by the report. The report shall be submitted in classified and unclassified form.

(e) COOPERATION OF OTHER AGENCIES.—(1) The panel may secure directly from the Department of Energy, the Department of Defense, or any of the national weapons laboratories or plants or any other Federal department or agency information that the panel considers necessary to carry out its duties.

(2) For carrying out its duties, the panel shall be provided full and timely cooperation by the Secretary of Energy, the Secretary of Defense, the Commander of United States Strategic Command, the Directors of the Los Alamos National Laboratory, the Lawrence Livermore National Laboratory, the Sandia National Laboratories, the Savannah River Site, the Y–12 Plant, the Pantex Facility, and the Kansas City Plant, and any other official of the United States that the chairman of the panel determines as having information described in paragraph (1).

(3) The Secretary of Energy and the Secretary of Defense shall each designate at least one officer or employee of the Department of Energy and the Department of Defense, respectively, to serve as a liaison officer between the department and the panel.

(f) FUNDING.—The Secretary of Defense and the Secretary of Energy shall each contribute 50 percent of the amount of funds that are necessary for the panel to carry out its duties. Funds available for the Department of Energy for atomic energy defense activities shall be available for the Department of Energy contribution.

(g) TERMINATION OF PANEL.—The panel shall terminate three years after the date of the appointment of the member designated as chairman of the panel.

(h) INITIAL IMPLEMENTATION.—The Secretary of Defense shall enter into the contract required under subsection (a) not later than 60 days after the date of the enactment of this Act. The panel shall convene its first meeting not later than 30 days after the date as of which all members of the panel have been appointed.

SEC. 3160. INTERNATIONAL COOPERATIVE INFORMATION EXCHANGE.

(a) FINDINGS.—Congress finds the following:

(1) Currently in the post-cold war world, there are new opportunities to facilitate international political and scientific cooperation on cost-effective, advanced, and innovative nuclear management technologies.

(2) There is increasing public interest in monitoring and remediation of nuclear waste.

(3) It is in the best interest of the United States to explore and develop options with the international community to facilitate the exchange of evolving advanced nuclear wastes technologies.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Energy, in consultation with the Secretary of State, the Secretary of Defense, the Administrator of the Environmental Protection Agency, and other officials as appropriate, should prepare and submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report containing the following:

(1) An assessment of whether the United States should encourage the establishment of an international project to facilitate the international exchange of information (including costs data) relating to nuclear waste technologies, including technologies for solid and liquid radioactive wastes and contaminated soils and sediments.

(2) An assessment of whether such a project could be funded privately through industry, public interest, and scientific organizations and administered by an international nongovernmental organization, with operations in the United States, Russia, and other countries that have an interest in developing such technologies.

(3) A description of the Federal programs that facilitate the exchange of such information and of any added benefit of consolidating such programs into such a project.

(4) Recommendations for any legislation that the Secretary of Energy believes would be required to enable such a project to be undertaken.

SEC. 3161. PROTECTION AGAINST INADVERTENT RELEASE OF RESTRICTED DATA AND FORMERLY RESTRICTED DATA.

(a) PLAN FOR PROTECTION AGAINST RELEASE.—The Secretary of Energy and the Archivist of the United States shall, after consultation with the members of the National Security Council and in consultation with the Secretary of Defense and the heads of other appropriate Federal agencies, develop a plan to prevent the

inadvertent release of records containing Restricted Data or Formerly Restricted Data during the automatic declassification of records under Executive Order 12958 (50 U.S.C. 435 note).

(b) PLAN ELEMENTS.—The plan under subsection (a) shall include the following:

(1) The actions to be taken in order to ensure that records subject to Executive Order 12958 are reviewed on a page-by-page basis for Restricted Data and Formerly Restricted Data unless they have been determined to be highly unlikely to contain Restricted Data or Formerly Restricted Data.

(2) The criteria and process by which documents are determined to be highly unlikely to contain Restricted Data or Formerly Restricted Data.

(3) The actions to be taken in order to ensure proper training, supervision, and evaluation of personnel engaged in declassification under that Executive Order so that such personnel recognize Restricted Data and Formerly Restricted Data.

(4) The extent to which automated declassification technologies will be used under that Executive Order to protect Restricted Data and Formerly Restricted Data from inadvertent release.

(5) Procedures for periodic review and evaluation by the Secretary of Energy, in consultation with the Director of the Information Security Oversight Office of the National Archives and Records Administration, of compliance by Federal agencies with the plan.

(6) Procedures for resolving disagreements among Federal agencies regarding declassification procedures and decisions under the plan.

(7) The funding, personnel, and other resources required to carry out the plan.

(8) A timetable for implementation of the plan.

(c) LIMITATION ON DECLASSIFICATION OF CERTAIN RECORDS.—(1) Effective on the date of the enactment of this Act and except as provided in paragraph (3), a record referred to in subsection (a) may not be declassified unless the agency having custody of the record reviews the record on a page-by-page basis to ensure that the record does not contain Restricted Data or Formerly Restricted Data.

(2) Any record determined as a result of a review under paragraph (1) to contain Restricted Data or Formerly Restricted Data may not be declassified until the Secretary of Energy, in conjunction with the head of the agency having custody of the record, determines that the document is suitable for declassification.

(3) After the date occurring 60 days after the submission of the plan required by subsection (a) to the committees referred to in paragraphs (1) and (2) of subsection (d), the requirement under paragraph (1) to review a record on a page-by-page basis shall not apply in the case of a record determined, under the actions specified in the plan pursuant to subsection (b)(1), to be a record that is highly unlikely to contain Restricted Data or Formerly Restricted Data.

(d) SUBMISSION OF PLAN.—The Secretary of Energy shall submit the plan required under subsection (a) to the following:

(1) The Committee on Armed Services of the Senate.

(2) The Committee on National Security of the House of Representatives.

(3) The Assistant to the President for National Security Affairs.

(e) SUBMISSION OF REVIEWS.—The Secretary of Energy shall, on a periodic basis, submit a summary of the results of the periodic reviews and evaluations specified in the plan pursuant to subsection (b)(4) to the committees and Assistant to the President specified in subsection (d).

(f) REPORT AND NOTIFICATION REGARDING INADVERTENT RELEASES.—(1) The Secretary of Energy shall submit to the committees and Assistant to the President specified in subsection (d) a report on inadvertent releases of Restricted Data or Formerly Restricted Data under Executive Order 12958 that occurred before the date of the enactment of this Act.

(2) Not later than 30 days after any such inadvertent release occurring after the date of the enactment of this Act, the Secretary of Energy shall notify the committees and Assistant to the President specified in subsection (d) of such releases.

(g) DEFINITION.—In this section, the term ''Restricted Data'' has the meaning given that term in section 11 y. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)).

SEC. 3162. SENSE OF CONGRESS REGARDING TREATMENT OF FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM UNDER A NONDEFENSE DISCRETIONARY BUDGET FUNCTION.

It is the sense of Congress that the Office of Management and Budget should, beginning with fiscal year 2000, transfer the Formerly Utilized Sites Remedial Action Program from the National Defense budget function (budget function 050) to a nondefense discretionary budget function.

SEC. 3163. REPORTS RELATING TO TRITIUM PRODUCTION.

(a) REPORT ON TRITIUM PRODUCTION TECHNOLOGY OPTIONS.—(1) The Secretary of Defense, in consultation with the Secretary of Energy, shall establish a task force of the Defense Science Board to examine tritium production technology options.

(2) The task force shall examine the following issues:

(A) The risk associated with the design, construction, operation, and cost of each option for tritium production under consideration.

(B) The implications for nuclear weapons proliferation of each such option.

(C) The extent to which each such option contributes to the capability of the Government to reliably meet the national defense requirements of the United States.

(D) Any other factors that the Secretary of Defense or the Secretary of Energy considers appropriate.

(3) The task force shall submit to the Secretary of Defense and the Secretary of Energy a report on the results of its examination. The Secretaries shall submit the report to Congress not later than June 30, 1999.

(b) REPORT ON TEST PROGRAM FOR TRITIUM PRODUCTION AT WATTS BAR.—(1) The Secretary of Energy shall submit to the congressional defense committees a report on the results of the test program at the Watts Bar Nuclear Station, Tennessee, after the test program is completed and the results of the program are evaluated. The report shall include—

(A) data on the performance of the test rods, including any leakage of tritium from the test rods;

(B) the amount of tritium produced during the test;

(C) the performance of the reactor during the test; and

(D) any other technical findings resulting from the test.

(2) The Secretary of Energy shall submit to the congressional defense committees an interim report on the test program not later than 60 days after the test rods are removed from the Watts Bar reactor.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1999, $17,500,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Sec. 3301. Definitions.
Sec. 3302. Authorized uses of stockpile funds.
Sec. 3303. Authority to dispose of certain materials in National Defense Stockpile.
Sec. 3304. Use of stockpile funds for certain environmental remediation, restoration, waste management, and compliance activities.

SEC. 3301. DEFINITIONS.

In this title:

(1) The term ''National Defense Stockpile'' means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(2) The term ''National Defense Stockpile Transaction Fund'' means the fund in the Treasury of the United States established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 1999, the National Defense Stockpile Manager may obligate up to $83,000,000 of the funds in the National Defense Stockpile Transaction Fund for the authorized uses of such funds under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)), including the disposal of hazardous materials that are environmentally sensitive.

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date on which Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

SEC. 3303. AUTHORITY TO DISPOSE OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL REQUIRED.—Subject to subsection (c), the President shall dispose of materials contained in the National Defense Stockpile and specified in the table in subsection (b) so as to result in receipts to the United States in the amount of—

(1) $105,000,000 by the end of fiscal year 1999;

(2) $460,000,000 by the end of fiscal year 2002;

(3) $555,000,000 by the end of fiscal year 2003; and

(4) $590,000,000 by the end of fiscal year 2005.

(b) LIMITATION ON DISPOSAL QUANTITY.—The total quantities of materials authorized for disposal by the President under subsection (a) may not exceed the amounts set forth in the following table:

Authorized Stockpile Disposals

Material for disposal	*Quantity*
Bauxite Refractory	*29,000 long calcined ton*
Beryllium Metal	*100 short tons*
Chromite Chemical	*34,000 short dry tons*
Chromite Refractory	*159,000 short dry tons*
Chromium Ferroalloy	*125,000 short tons*
Columbium Carbide Powder	*21,372 pounds of contained Columbium*
Columbium Concentrates	*1,733,454 pounds of contained Columbium*
Columbium Ferro	*249,396 pounds of contained Columbium*
Columbium Metal—Ingots	*161,123 pounds of contained Columbium*
Diamond, Stones	*3,000,000 carats*
Germanium Metal	*28,198 kilograms*
Graphite Natural Ceylon Lump	*5,492 short tons*
Indium	*14,248 troy ounces*
Mica Muscovite Block	*301,000 pounds*
Mica Phlogopite Block	*130,745 pounds*
Platinum	*439,887 troy ounces*
Platinum—Iridium	*4,450 troy ounces*
Platinum—Palladium	*750,000 troy ounces*

Authorized Stockpile Disposals—Continued

Material for disposal	Quantity
Tantalum Carbide Powder	22,688 pounds of contained Tantalum
Tantalum Metal Ingots	125,000 pounds of contained Tantalum
Tantalum Metal Powder	125,000 pounds of contained Tantalum
Tantalum Minerals	1,751,364 pounds contained of Tantalum
Tantalum Oxide	122,730 pounds contained of Tantalum
Tungsten Carbide Powder	2,032,896 pounds of contained Tungsten
Tungsten Ferro	2,024,143 pounds of contained Tungsten
Tungsten Metal Powder	1,898,009 pounds of contained Tungsten
Tungsten Ores & Concentrates	76,358,235 pounds of contained Tungsten

(c) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or

(2) avoidable loss to the United States.

(d) TREATMENT OF RECEIPTS.—Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), funds received as a result of the disposal of materials authorized for disposal under subsection (a) shall be treated as follows:

(1) The following amounts shall be transferred to the Secretary of Health and Human Services, to be credited in the manner determined by the Secretary to the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund:

(A) $3,000,000 during fiscal year 1999.

(B) $22,000,000 during fiscal year 2000.

(C) $28,000,000 during fiscal year 2001.

(D) $31,000,000 during fiscal year 2002.

(E) $8,000,000 during fiscal year 2003.

(2) The balance of the funds received shall be deposited into the general fund of the Treasury.

(e) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in such subsection.

(f) AUTHORIZATION OF SALE.—The authority provided by this section to dispose of materials contained in the National Defense Stockpile so as to result in receipts of $100,000,000 of the amount specified for fiscal year 1999 in subsection (a) by the end of that fiscal year shall be effective only to the extent provided in advance in appropriation Acts.

SEC. 3304. USE OF STOCKPILE FUNDS FOR CERTAIN ENVIRONMENTAL REMEDIATION, RESTORATION, WASTE MANAGEMENT, AND COMPLIANCE ACTIVITIES.

Section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)) is amended—

(1) by redesignating subparagraphs (J) and (K) as subparagraphs (K) and (L), respectively; and

(2) by inserting after subparagraph (I) the following new subparagraph (J):

''(J) Performance of environmental remediation, restoration, waste management, or compliance activities at locations of the stockpile that are required under a Federal law or are undertaken by the Government under an administrative decision or negotiated agreement.''.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

Sec. 3401. Definitions.
Sec. 3402. Authorization of appropriations.
Sec. 3403. Disposal of Naval Petroleum Reserve Numbered 2.
Sec. 3404. Disposal of Naval Petroleum Reserve Numbered 3.
Sec. 3405. Disposal of Oil Shale Reserve Numbered 2.
Sec. 3406. Administration.

SEC. 3401. DEFINITIONS.

In this title:

(1) The term ''naval petroleum reserves'' has the meaning given the term in section 7420(2) of title 10, United States Code.

(2) The term ''Naval Petroleum Reserve Numbered 2'' means the naval petroleum reserve, commonly referred to as the Buena Vista unit, that is located in Kern County, California, and was established by Executive order of the President, dated December 13, 1912.

(3) The term ''Naval Petroleum Reserve Numbered 3'' means the naval petroleum reserve, commonly referred to as the Teapot Dome unit, that is located in the State of Wyoming and was established by Executive order of the President, dated April 30, 1915.

(4) The term ''Oil Shale Reserve Numbered 2'' means the naval petroleum reserve that is located in the State of Utah and was established by Executive order of the President, dated December 6, 1916.

(5) The term ''antitrust laws'' means has the meaning given the term in section 1(a) of the Clayton Act (15 U.S.C. 12(a)), except that the term also includes—

(A) the Act of June 19, 1936 (15 U.S.C. 13 et seq.; commonly known as the Robinson-Patman Act); and

(B) section 5 of the Federal Trade Commission Act (15 U.S.C. 45), to the extent that such section applies to unfair methods of competition.

(6) The term ''petroleum'' has the meaning given the term in section 7420(3) of title 10, United States Code.

SEC. 3402. AUTHORIZATION OF APPROPRIATIONS.

(a) AMOUNT.—There are hereby authorized to be appropriated to the Secretary of Energy $22,500,000 for fiscal year 1999 for the purpose of carrying out—

(1) activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves;

(2) closeout activities at Naval Petroleum Reserve Numbered 1 upon the sale of that reserve under subtitle B of title XXXIV of the National Defense Authorization Act for fiscal year 1996 (Public Law 104–106; 10 U.S.C. 7420 note); and

(3) activities under this title relating to the disposition of Naval Petroleum Reserve Numbered 2, Naval Petroleum Reserve Numbered 3, and Oil Shale Reserve Numbered 2.

(b) PERIOD OF AVAILABILITY.—Funds appropriated pursuant to the authorization of appropriations in subsection (a) shall remain available until expended.

SEC. 3403. DISPOSAL OF NAVAL PETROLEUM RESERVE NUMBERED 2.

(a) DISPOSAL OF FORD CITY LOTS AUTHORIZED.—(1) Subject to section 3406, the Secretary of Energy may dispose of the portion of Naval Petroleum Reserve Numbered 2 that is located within the town lots in Ford City, California, which are identified as ''Drill Sites Numbered 3A, 4, 6, 9A, 20, 22, 24, and 26'' and described in the document entitled ''Ford City Drill Site Locations—NPR–2,'' and accompanying maps on file in the office of the Deputy Assistant Secretary for Naval Petroleum and Oil Shale Reserves of the Department of Energy.

(2) The Secretary of Energy shall carry out the disposal authorized by paragraph (1) by competitive sale or lease consistent with commercial practices, by transfer to another Federal agency or a public or private entity, or by such other means as the Secretary considers appropriate. Any competitive sale or lease under this subsection shall provide for the disposal of all right, title, and interest of the United States in the property to be conveyed. The Secretary of Energy may use the authority provided by the Act of June 14, 1926 (43 U.S.C. 869 et seq.; commonly known as the Recreation and Public Purposes Act), in the same manner and to the same extent as the Secretary of the Interior, to dispose of the portion of Naval Petroleum Reserve Numbered 2 described in paragraph (1).

(3) Section 2696(a) of title 10, United States Code, regarding the screening of real property for further Federal use before disposal, shall apply to the disposal authorized by paragraph (1).

(b) TRANSFER OF ADMINISTRATIVE JURISDICTION AUTHORIZED.—(1) The Secretary of Energy shall continue to administer Naval Petroleum Reserve Numbered 2 (other than the portion of the reserve authorized for disposal under subsection (a)) in accordance with chapter 641 of title 10, United States Code, until such time as the Secretary makes a determination to abandon oil and gas operations in Naval Petroleum Reserve Numbered 2 in accordance with commercial operating practices.

(2) After oil and gas operations are abandoned in Naval Petroleum Reserve Numbered 2, the Secretary of Energy may transfer to the Secretary of the Interior administrative jurisdiction and control over all public domain lands included within Naval Petroleum Reserve Numbered 2 (other than the portion of the reserve authorized for disposal under subsection (a)) for management in accordance with the general land laws.

(c) RELATIONSHIP TO ANTITRUST LAWS.—This section does not modify, impair, or supersede the operation of the antitrust laws.

SEC. 3404. DISPOSAL OF NAVAL PETROLEUM RESERVE NUMBERED 3.

(a) ADMINISTRATION PENDING TERMINATION OF OPERATIONS.—The Secretary of Energy shall continue to administer Naval Petroleum Reserve Numbered 3 in accordance with chapter 641 of title 10, United States Code, until such time as the Secretary makes a determination to abandon oil and gas operations in Naval Petroleum Reserve Numbered 3 in accordance with commercial operating practices.

(b) DISPOSAL AUTHORIZED.—After oil and gas operations are abandoned in Naval Petroleum Reserve Numbered 3, the Secretary of Energy may dispose of the reserve as provided in this subsection. Subject to section 3406, the Secretary shall carry out any such disposal of the reserve by sale or lease or by transfer to another Federal agency. Any sale or lease shall provide for the disposal of all right, title, and interest of the United States in the property to be conveyed and shall be conducted in accordance with competitive procedures consistent with commercial practices, as established by the Secretary.

(c) RELATIONSHIP TO ANTITRUST LAWS.—This section does not modify, impair, or supersede the operation of the antitrust laws.

SEC. 3405. DISPOSAL OF OIL SHALE RESERVE NUMBERED 2.

(a) TRANSFER OF ADMINISTRATIVE JURISDICTION AUTHORIZED.—Subject to section 3406, the Secretary of Energy may transfer to the Secretary of the Interior administrative jurisdiction and control over all public domain lands included within Oil Shale Reserve Numbered 2 for management in accordance with the general land laws.

(b) RELATIONSHIP TO INDIAN RESERVATION.—The transfer of administrative jurisdiction under this section does not affect any interest, right, or obligation respecting the Uintah and Ouray Indian Reservation located in Oil Shale Reserve Numbered 2.

SEC. 3406. ADMINISTRATION.

(a) PROTECTION OF EXISTING RIGHTS.—At the discretion of the Secretary of Energy, the disposal of property under this title shall be subject to any contract related to the United States ownership interest in the property in effect at

the time of disposal, including any lease agreement pertaining to the United States interest in Naval Petroleum Reserve Numbered 2.

(b) DEPOSIT OF RECEIPTS.—Notwithstanding any other law, all monies received by the United States from the disposal of property under this title, including any monies received from a lease entered into under this title, shall be deposited in the general fund of the Treasury.

(c) TREATMENT OF ROYALTIES.—Any petroleum accruing to the United States as royalty from any lease of lands transferred under this title shall be delivered to the United States, or shall be paid for in money, as the Secretary of the Interior may elect.

(d) ELEMENTS OF LEASE.—A lease under this title may provide for the exploration for, and development and production of, petroleum, other than petroleum in the form of oil shale.

(e) WAIVER OF REQUIREMENTS REGARDING CONSULTATION AND APPROVAL.—Section 7431 of title 10, United States Code, shall not apply to the disposal of property under this title.

TITLE XXXV—PANAMA CANAL COMMISSION

Sec. 3501. Short title; references to Panama Canal Act of 1979.
Sec. 3502. Authorization of expenditures.
Sec. 3503. Purchase of vehicles.
Sec. 3504. Expenditures only in accordance with treaties.
Sec. 3505. Donations to the Commission.
Sec. 3506. Agreements for United States to provide post-transfer administrative services for certain employee benefits.
Sec. 3507. Sunset of United States overseas benefits just before transfer.
Sec. 3508. Central examining office.
Sec. 3509. Liability for vessel accidents.
Sec. 3510. Panama Canal Board of Contract Appeals.
Sec. 3511. Restatement of requirement that Secretary of Defense designee on Panama Canal Commission supervisory board be a current officer of the Department of Defense.
Sec. 3512. Technical amendments.

SEC. 3501. SHORT TITLE; REFERENCES TO PANAMA CANAL ACT OF 1979.

(a) SHORT TITLE.—This title may be cited as the ''Panama Canal Commission Authorization Act for Fiscal Year 1999''.

(b) REFERENCES TO PANAMA CANAL ACT OF 1979.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.).

SEC. 3502. AUTHORIZATION OF EXPENDITURES.

(a) IN GENERAL.—Subject to subsection (b), the Panama Canal Commission is authorized to use amounts in the Panama Canal Revolving Fund to make such expenditures within the limits of funds and borrowing authority available to it in accordance with law, and to make such contracts and commitments, as may be necessary under the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) for the operation, maintenance, improvement, and administration of the Panama Canal for fiscal year 1999.

(b) LIMITATIONS.—For fiscal year 1999, the Panama Canal Commission may expend from funds in the Panama Canal Revolving Fund not more than $100,000 for official reception and representation expenses, of which—

(1) not more than $28,000 may be used for official reception and representation expenses of the Supervisory Board of the Commission;

(2) not more than $14,000 may be used for official reception and representation expenses of the Secretary of the Commission; and

(3) not more than $58,000 may be used for official reception and representation expenses of the Administrator of the Commission.

SEC. 3503. PURCHASE OF VEHICLES.

Notwithstanding any other provision of law, the funds available to the Commission shall be available for the purchase and transportation to the Republic of Panama of passenger motor vehicles, the purchase price of which shall not exceed $23,000 per vehicle.

SEC. 3504. EXPENDITURES ONLY IN ACCORDANCE WITH TREATIES.

Expenditures authorized under this title may be made only in accordance with the Panama Canal Treaties of 1977 and any law of the United States implementing those treaties.

SEC. 3505. DONATIONS TO THE COMMISSION.

Section 1102b (22 U.S.C. 3612b) is amended by adding at the end the following new subsection:

''(f)(1) The Commission may seek and accept donations of funds, property, and services from individuals, foundations, corporations, and other private and public entities for the purpose of carrying out its promotional activities.

''(2) The Commission shall establish written guidelines setting forth the criteria to be used in determining whether the acceptance of funds, property, or services authorized by paragraph (1) would reflect unfavorably upon the ability of the Commission (or any employee of the Commission) to carry out its responsibilities or official duties in a fair and objective manner or would compromise the integrity or the appearance of the integrity of its programs or of any official in those programs.''.

SEC. 3506. AGREEMENTS FOR UNITED STATES TO PROVIDE POST-TRANSFER ADMINISTRATIVE SERVICES FOR CERTAIN EMPLOYEE BENEFITS.

Section 1110 (22 U.S.C. 3620) is amended by adding at the end the following new subsection:

''(c)(1) The Secretary of State may enter into one or more agreements to provide for the United States to furnish administrative services relating to the benefits described in paragraph (2) after December 31, 1999, and to establish appropriate procedures for providing advance funding for the services.

''(2) The benefits referred to in paragraph (1) are the following:

''(A) Pension, disability, and medical benefits provided by the Panama Canal Commission pursuant to section 1245.

''(B) Compensation for work injuries covered by chapter 81 of title 5, United States Code.''.

SEC. 3507. SUNSET OF UNITED STATES OVERSEAS BENEFITS JUST BEFORE TRANSFER.

(a) REPEALS.—Effective 11:59 p.m. (Eastern Standard Time), December 30, 1999, the following provisions are repealed and any right or condition of employment provided for in, or arising from, those provisions is terminated: sections 1206 (22 U.S.C. 3646), 1207 (22 U.S.C. 3647), 1217(a) (22 U.S.C. 3657(a)), and 1224(11) (22 U.S.C. 3664(11)), subparagraphs (A), (B), (F), (G), and (H) of section 1231(a)(2) (22 U.S.C. 3671(a)(2)) and section 1321(e) (22 U.S.C. 3731(e)).

(b) SAVINGS PROVISION FOR BASIC PAY.—Notwithstanding subsection (a), benefits based on basic pay, as listed in paragraphs (1), (2), (3), (5), and (6) of section 1218 of the Panama Canal Act of 1979, shall be paid as if sections 1217(a) and 1231(a)(2) (A) and (B) of that Act had been repealed effective 12:00 noon, December 31, 1999. The exception under the preceding sentence shall not apply to any pay for hours of work performed on December 31, 1999.

(c) NONAPPLICABILITY TO AGENCIES IN PANAMA OTHER THAN PANAMA CANAL COMMISSION.—Section 1212(b)(3) (22 U.S.C. 3652(b)(3)) is amended by striking out ''the Panama Canal Transition Facilitation Act of 1997'' and inserting in lieu thereof ''the Panama Canal Transition Facilitation Act of 1997 (subtitle B of title XXXV of Public Law 105–85; 110 Stat. 2062), or the Panama Canal Commission Authorization Act for Fiscal Year 1999''.

SEC. 3508. CENTRAL EXAMINING OFFICE.

(a) REPEAL.—Section 1223 (22 U.S.C. 3663) is repealed.

(b) CLERICAL AMENDMENT.—The table of contents in section 1 is amended by striking out the item relating to section 1223.

SEC. 3509. LIABILITY FOR VESSEL ACCIDENTS.

(a) COMMISSION LIABILITY SUBJECT TO CLAIMANT INSURANCE.—(1) Section 1411(a) (22 U.S.C. 3771(a)) is amended by inserting ''to section 1419(b) of this Act and'' after ''Subject'' in the first sentence.

(2) Section 1412 (22 U.S.C. 3772) is amended by striking out ''The Commission'' in the first sentence and inserting in lieu thereof ''Subject to section 1419(b) of this Act, the Commission''.

(3) Section 1416 (22 U.S.C. 3776) is amended by striking out ''A claimant'' in the first sentence and inserting in lieu thereof ''Subject to section 1419(b) of this Act, a claimant''.

(b) AUTHORITY TO REQUIRE CLAIMANTS TO BE COVERED BY INSURANCE.—Section 1419 (22 U.S.C. 3779) is amended—

(1) by inserting ''(a)'' before ''The Commission''; and

(2) by adding at the end the following:

''(b)(1) The Commission may by regulation require as a condition of transit through the Panama Canal or presence in the Panama Canal or waters adjacent thereto that any potential claimant under section 1411 or 1412 of this Act be covered by insurance against the types of injuries described in those sections. The amount of insurance so required shall be specified in those regulations, but may not exceed $1,000,000.

''(2) In a claim under section 1411 or 1412 of this Act for which the Commission has required insurance under this subsection, the Commission's liability shall be limited to the amount of damages in excess of the amount of insurance required by the Commission.

''(3) In regulations under this subsection, the Commission may prohibit consideration or payment by it of claims presented by or on behalf of an insurer or subrogee of a claimant in a case for which the Commission has required insurance under this subsection.''.

SEC. 3510. PANAMA CANAL BOARD OF CONTRACT APPEALS.

(a) ESTABLISHMENT AND PAY OF BOARD.—Section 3102(a) (22 U.S.C. 3862(a)) is amended—

(1) in paragraph (1), by striking out ''shall'' in the first sentence and inserting in lieu thereof ''may''; and

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

''(3) Compensation for members of the Board of Contract Appeals shall be established by the Commission's supervisory board. The annual compensation established for members may not exceed the rate of basic pay established for level IV of the Executive Schedule under section 5315 of title 5, United States Code. The compensation of a member may not be reduced during the member's term of office from the level established at the time of the appointment of the member.''.

(b) DEADLINE FOR COMMENCEMENT OF BOARD.—Section 3102(e) (22 U.S.C. 3862(e)) is amended by striking out '', but not later than January 1, 1999''.

SEC. 3511. RESTATEMENT OF REQUIREMENT THAT SECRETARY OF DEFENSE DESIGNEE ON PANAMA CANAL COMMISSION SUPERVISORY BOARD BE A CURRENT OFFICER OF THE DEPARTMENT OF DEFENSE.

(a) AUTHORITY.—Section 1102(a) (22 U.S.C. 3612(a)) is amended—

(1) by striking out the first sentence and inserting in lieu thereof the following: ''The Commission shall be supervised by a Board composed of nine members, one of whom shall be an officer of the Department of Defense. The officer of the Department of Defense who shall serve on the Board shall be designated by the Secretary of Defense and may continue to serve on the Board only while continuing to serve as an officer of the Department of Defense.''; and

(2) in the last sentence, by striking out ''Secretary of Defense or a designee of the Secretary

of Defense'' and inserting in lieu thereof ''the officer of the Department of Defense designated by the Secretary of Defense to be a member of the Board''.

(b) REPEAL OF SUPERSEDED PROVISION.—Section 302 of Public Law 105–18 (111 Stat. 168) is repealed.

SEC. 3512. TECHNICAL AMENDMENTS.

(a) PANAMA CANAL ACT OF 1979.—The Panama Canal Act of 1979 is amended as follows:

(1) Section 1202(c) (22 U.S.C. 3642(c)) is amended—

(A) by striking out ''the day before the date of the enactment of the Panama Canal Transition Facilitation Act of 1997'' and inserting in lieu thereof ''November 17, 1997,'';

(B) by striking out ''on or after that date''; and

(C) by striking out ''the day before the date of enactment'' and inserting in lieu thereof ''that date''.

(2) Section 1212(b)(3) (22 U.S.C. 3652(b)(3)) is amended by inserting ''the'' after ''by the head of''.

(3) Section 1313 (22 U.S.C. 3723) is amended by striking out ''subsection (d)'' in each of subsections (a), (b), and (d) and inserting in lieu thereof ''subsection (c)''.

(4) Sections 1411(a) and 1412 (22 U.S.C. 3771(a), 3772) are amended by striking out ''the date of the enactment of the Panama Canal Transition Facilitation Act of 1997'' and inserting in lieu thereof ''by November 18, 1998''.

(5) Section 1416 (22 U.S.C. 3776) is amended by striking out ''the date of the enactment of the Panama Canal Transition Facilitation Act of 1997'' and inserting in lieu thereof ''by May 17, 1998''.

(b) PUBLIC LAW 104–201.—Effective as of September 23, 1996, and as if included therein as enacted, section 3548(b)(3) of the Panama Canal Act Amendments of 1996 (subtitle B of title XXXV of Public Law 104–201; 110 Stat. 2869) is amended by striking out ''section'' in both items of quoted matter and inserting in lieu thereof ''sections''.

TITLE XXXVI—MARITIME ADMINISTRATION

Sec. 3601. Authorization of appropriations for fiscal year 1999.
Sec. 3602. Authority to convey National Defense Reserve Fleet vessel.
Sec. 3603. Authority to convey certain National Defense Reserve Fleet vessels.
Sec. 3604. Clearinghouse for maritime information.
Sec. 3605. Conveyance of NDRF vessel ex-USS LORAIN COUNTY.

SEC. 3601. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1999.

Funds are hereby authorized to be appropriated for fiscal year 1999, to be available without fiscal year limitation if so provided in appropriations Act, for the use of the Department of Transportation for the Maritime Administration as follows:

(1) For expenses necessary for operations and training activities, $70,553,000.

(2) For expenses under the loan guarantee program authorized by title XI of the Merchant Marine Act, 1936 (46 U.S.C. App. 1271 et seq.), $20,000,000 of which—

(A) $16,000,000 is for the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))) of loan guarantees under the program; and

(B) $4,000,000 is for administrative expenses related to loan guarantee commitments under the program.

SEC. 3602. AUTHORITY TO CONVEY NATIONAL DEFENSE RESERVE FLEET VESSEL.

(a) AUTHORITY TO CONVEY.—The Secretary of Transportation may convey all right, title, and interest of the United States Government in and to the vessel M/V BAYAMON (United States official number 530007) to a purchaser for use as a self-propelled floating trade exposition to showcase United States technology, industrial products, and services.

(b) TERMS OF CONVEYANCE.—

(1) DELIVERY OF VESSEL.—In carrying out subsection (a), the Secretary shall deliver the vessel—

(A) at the place where the vessel is located on the date of conveyance;

(B) in its condition on that date; and

(C) at no cost to the United States Government.

(2) REQUIRED CONDITIONS.—The Secretary may not convey a vessel under this section unless—

(A) competitive procedures are used for sales under this section;

(B) the vessel is sold for not less than the fair market value of the vessel in the United States, as determined by the Secretary of Transportation;

(C) the recipient agrees that any repair, except for emergency repairs, restoration, or reconstruction work for the vessel will be performed in the United States;

(D) the recipient agrees to hold the Government harmless for any claims arising from exposure to hazardous material, including asbestos and polychlorinated biphenyls, after the conveyance of the vessel, except for claims arising before the date of the conveyance or from use of the vessel by the Government after that date; and

(E) the recipient provides sufficient evidence to the Secretary that it has adequate financial resources in the form of cash, liquid assets, or a written loan commitment to complete the reconstruction of the vessel.

(3) ADDITIONAL TERMS.—The Secretary may require such additional terms in connection with the conveyance authorized by this section as the Secretary considers appropriate.

(c) PROCEEDS.—Any amounts received by the United States as proceeds from the sale of the M/V BAYAMON shall be deposited in the Vessel Operations Revolving Fund established by section 801 of the Act of June 2, 1951 (65 Stat. 59; 46 U.S.C. App. 1241a) and shall be available and expended in accordance with section 6(a) of the National Maritime Heritage Act (16 U.S.C. App. 5405(a)).

SEC. 3603. AUTHORITY TO CONVEY CERTAIN NATIONAL DEFENSE RESERVE FLEET VESSELS.

(a) AUTHORITY TO CONVEY.—The Secretary of Transportation may convey all right, title, and interest of the United States Government in and to the vessels BENJAMIN ISHERWOOD (TAO–191) and HENRY ECKFORD (TAO–192) to a purchaser for the limited purpose of reconstruction of those vessels for sale or charter to a North Atlantic Treaty Organization country for full use as an oiler.

(b) TERMS OF CONVEYANCE.—

(1) DELIVERY OF VESSEL.—In carrying out subsection (a), the Secretary shall deliver the vessel—

(A) at the place where the vessel is located on the date of the conveyance;

(B) in its condition on that date; and

(C) at no cost to the United States Government.

(2) REQUIRED CONDITIONS.—The Secretary may not convey a vessel under this section unless—

(A) competitive procedures are used for sales under this section;

(B) the vessel is sold for not less than the fair market value of the vessel in the United States, as determined by the Secretary of Transportation;

(C) the recipient agrees that any repair, except for emergency repairs, restoration, or reconstruction work for the vessel will be performed in the United States;

(D) the recipient agrees to hold the Government harmless for any claims arising from defects in the vessel or from exposure to hazardous material, including asbestos and polychlorinated biphenyls, after the conveyance of the vessel, except for claims arising before the date of the conveyance or from use of the vessel by the Government after that date;

(E) the recipient provides sufficient evidence to the Secretary that it has adequate financial resources in the form of cash, liquid assets, or a written loan commitment to complete the reconstruction of the vessel; and

(F) with respect to the vessel, the recipient remains subject to all laws and regulations governing the export of military items, including the requirements administered by the Department of State regarding export licenses and certification of nontransfer end use.

(3) ADDITIONAL TERMS.—The Secretary may require such additional terms in connection with a conveyance authorized by this section as the Secretary considers appropriate.

(c) PROCEEDS.—Any amounts received by the United States as proceeds from the sale of a vessel under this section shall be deposited in the Vessel Operations Revolving Fund established by section 801 of the Act of June 2, 1951 (65 Stat. 59; 46 U.S.C. App. 1241a) and shall be available and expended in accordance with section 6(a) of the National Maritime Heritage Act (16 U.S.C. App. 5405(a)).

SEC. 3604. CLEARINGHOUSE FOR MARITIME INFORMATION.

Of the amount authorized to be appropriated pursuant to section 3601(1) for operations of the Maritime Administration, $75,000 may be available for the establishment at a State Maritime Academy of a clearinghouse for maritime information that makes that information publicly available, including by use of the Internet.

SEC. 3605. CONVEYANCE OF NDRF VESSEL EX-USS LORAIN COUNTY.

(a) AUTHORITY TO CONVEY.—The Secretary of Transportation may convey all right, title, and interest of the Federal Government in and to the vessel ex-USS LORAIN COUNTY (LST–1177) to the Ohio War Memorial, Inc., located in Sandusky, Ohio (in this section referred to as the ''recipient''), for use as a memorial to Ohio veterans.

(b) TERMS OF CONVEYANCE.—

(1) DELIVERY OF VESSEL.—In carrying out subsection (a), the Secretary shall deliver the vessel—

(A) at the place where the vessel is located on the date of conveyance;

(B) in its condition on that date; and

(C) at no cost to the Federal Government.

(2) REQUIRED CONDITIONS.—The Secretary may not convey a vessel under this section unless—

(A) the recipient agrees to hold the Government harmless for any claims arising from exposure to hazardous material, including asbestos and polychlorinated biphenyls, after conveyance of the vessel, except for claims arising before the date of the conveyance or from use of the vessel by the Government after that date; and

(B) the recipient has available, for use to restore the vessel, in the form of cash, liquid assets, or a written loan commitment, financial resources of at least $100,000.

(3) ADDITIONAL TERMS.—The Secretary may require such additional terms in connection with the conveyance authorized by this section as the Secretary considers appropriate.

(c) OTHER UNNEEDED EQUIPMENT.—The Secretary may convey to the recipient of the vessel conveyed under this section any unneeded equipment from other vessels in the National Defense Reserve Fleet, for use to restore the vessel conveyed under this section to museum quality.

TITLE XXXVII—INCREASED MONITORING OF PRODUCTS MADE WITH FORCED LABOR

Sec. 3701. Authorization for additional customs personnel to monitor the importation of products made with forced labor.

Sec. 3702. Reporting requirement on forced labor products destined for the United States market.
Sec. 3703. Renegotiating memoranda of understanding on forced labor.

SEC. 3701. AUTHORIZATION FOR ADDITIONAL CUSTOMS PERSONNEL TO MONITOR THE IMPORTATION OF PRODUCTS MADE WITH FORCED LABOR.

There are authorized to be appropriated for monitoring by the United States Customs Service of the importation into the United States of products made with forced labor, the importation of which violates section 307 of the Tariff Act of 1930 or section 1761 of title 18, United States Code, $2,000,000 for fiscal year 1999.

SEC. 3702. REPORTING REQUIREMENT ON FORCED LABOR PRODUCTS DESTINED FOR THE UNITED STATES MARKET.

(a) REPORT TO CONGRESS.—Not later than one year after the date of the enactment of this Act, the Commissioner of Customs shall prepare and transmit to the Congress a report on products made with forced labor that are destined for the United States market.

(b) CONTENTS OF REPORT.—The report under subsection (a) shall include information concerning the following:

(1) The extent of the use of forced labor in manufacturing products destined for the United States market.

(2) The volume of products made with forced labor, destined for the United States market, that is in violation of section 307 of the Tariff Act of 1930 or section 1761 of the title 18, United States Code, and is seized by the United States Customs Service.

(3) The progress of the United States Customs Service in identifying and interdicting products made with forced labor that are destined for the United States market.

SEC. 3703. RENEGOTIATING MEMORANDA OF UNDERSTANDING ON FORCED LABOR.

It is the sense of the Congress that the President should determine whether any country with which the United States has a memorandum of understanding with respect to reciprocal trade which involves goods made with forced labor is frustrating implementation of the memorandum. Should an affirmative determination be made, the President should immediately commence negotiations to replace the current memorandum of understanding with one providing for effective procedures for the monitoring of forced labor, including improved procedures to request investigations by international monitors of worksites suspected to be in violation of any such memorandum.

TITLE XXXVIII—FAIR TRADE IN AUTOMOTIVE PARTS

Sec. 3801. Short title.
Sec. 3802. Definitions.
Sec. 3803. Re-establishment of initiative on automotive parts sales to Japan.
Sec. 3804. Establishment Of Special Advisory Committee on automotive parts sales in Japanese and other Asian markets.
Sec. 3805. Expiration date.

SEC. 3801. SHORT TITLE.

This title may be cited as the ''Fair Trade in Automotive Parts Act of 1998''.

SEC. 3802. DEFINITIONS.

In this title:

(1) JAPANESE MARKETS.—The term ''Japanese markets'' refers to markets, including markets in the United States and Japan, where automotive parts and accessories, both original equipment and aftermarket, are purchased for use in the manufacture or repair of Japanese automobiles.

(2) JAPANESE AND OTHER ASIAN MARKETS.—The term ''Japanese and other Asian markets'' refers to markets, including markets in the United States, Japan, and other Asian countries, where automotive parts and accessories, both original equipment and aftermarket, are purchased for use in the manufacture or repair of Japanese, United States, or other Asian automobiles.

SEC. 3803. RE-ESTABLISHMENT OF INITIATIVE ON AUTOMOTIVE PARTS SALES TO JAPAN.

(a) IN GENERAL.—The Secretary of Commerce shall re-establish the initiative to increase the sale of United States-made automotive parts and accessories to Japanese markets.

(b) FUNCTIONS.—In carrying out this section, the Secretary shall—

(1) foster increased access for United States-made automotive parts and accessories to Japanese companies, including specific consultations on access to Japanese markets;

(2) facilitate the exchange of information between United States automotive parts manufacturers and the Japanese automobile industry;

(3) collect data and market information on the Japanese automotive industry regarding needs, trends, and procurement practices, including the types, volume, and frequency of parts sales to Japanese automobile manufacturers;

(4) establish contacts with Japanese automobile manufacturers in order to facilitate contact between United States automotive parts manufacturers and Japanese automobile manufacturers;

(5) report on and attempt to resolve disputes, policies, or practices, whether public or private, that result in barriers to increased commerce between United States automotive parts manufacturers and Japanese automobile manufacturers;

(6) take actions to initiate periodic consultations with officials of the Government of Japan regarding sales of United States-made automotive parts in Japanese markets; and

(7) transmit to Congress the annual report prepared by the Special Advisory Committee under section 3804(c)(5).

SEC. 3804. ESTABLISHMENT OF SPECIAL ADVISORY COMMITTEE ON AUTOMOTIVE PARTS SALES IN JAPANESE AND OTHER ASIAN MARKETS.

(a) IN GENERAL.—The Secretary of Commerce shall seek the advice of the United States automotive parts industry in carrying out this title.

(b) ESTABLISHMENT OF COMMITTEE.—The Secretary of Commerce shall establish a Special Advisory Committee for purposes of carrying out this title.

(c) FUNCTIONS.—The Special Advisory Committee established under subsection (b) shall—

(1) report to the Secretary of Commerce on barriers to sales of United States-made automotive parts and accessories in Japanese and other Asian markets;

(2) review and consider data collected on sales of United States-made automotive parts and accessories in Japanese and other Asian markets;

(3) advise the Secretary of Commerce during consultations with other governments on issues concerning sales of United States-made automotive parts in Japanese and other Asian markets;

(4) assist in establishing priorities for the initiative established under section 3803, and otherwise provide assistance and direction to the Secretary of Commerce in carrying out the intent of that section; and

(5) assist the Secretary in reporting to Congress by submitting an annual written report to the Secretary on the sale of United States-made automotive parts in Japanese and other Asian markets, as well as any other issues with respect to which the Committee provides advice pursuant to this title.

(d) AUTHORITY.—The Secretary of Commerce shall draw on existing budget authority in carrying out this title.

SEC. 3805. EXPIRATION DATE.

The authority under this title shall expire on December 31, 2003.

TITLE XXXIX—RADIO FREE ASIA

Sec. 3901. Short title.
Sec. 3902. Authorization of appropriations for increased funding for Radio Free Asia and Voice of America broadcasting to China.
Sec. 3903. Reporting requirement.

SEC. 3901. SHORT TITLE.

This title may be cited as the ''Radio Free Asia Act of 1998''.

SEC. 3902. AUTHORIZATION OF APPROPRIATIONS FOR INCREASED FUNDING FOR RADIO FREE ASIA AND VOICE OF AMERICA BROADCASTING TO CHINA.

(a) AUTHORIZATION OF APPROPRIATIONS FOR RADIO FREE ASIA.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for ''Radio Free Asia'' $22,000,000 for fiscal year 1999.

(2) SENSE OF THE CONGRESS.—It is the sense of the Congress that a significant amount of the funds under paragraph (1) should be directed toward broadcasting to China and Tibet in the appropriate languages and dialects.

(b) AUTHORIZATION OF APPROPRIATIONS FOR INTERNATIONAL BROADCASTING TO CHINA.—In addition to such sums as are otherwise authorized to be appropriated to the United States Information Agency for ''International Broadcasting Activities'' for fiscal year 1999, there are authorized to be appropriated for ''International Broadcasting Activities'' $3,000,000 for fiscal year 1999, which shall be available only for enhanced Voice of America broadcasting to China.

(c) AUTHORIZATION OF APPROPRIATIONS FOR RADIO CONSTRUCTION.—In addition to such sums as are otherwise authorized to be appropriated for ''Radio Construction'' for fiscal year 1999, there are authorized to be appropriated for ''Radio Construction'' $2,000,000 for fiscal year 1999, which shall be available only for construction in support of enhanced broadcasting to China, including the timely augmentation of transmitters at Tinian, the Commonwealth of the Northern Mariana Islands.

SEC. 3903. REPORTING REQUIREMENT.

(a) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Broadcasting Board of Governors shall prepare and submit to the appropriate congressional committees an assessment of the board's efforts to increase broadcasting by Radio Free Asia and Voice of America to China and Tibet. This report shall include an analysis of Chinese government control of the media, the ability of independent journalists and news organizations to operate in China, and the results of any research conducted to quantify listenership.

(b) DEFINITION.—As used in this section, the term ''appropriate congressional committees'' means—

(1) the Committee on Foreign Relations and the Committee on Appropriations of the Senate; and

(2) the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

And the Senate agree to the same.

From the Committee on National Security, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

FLOYD SPENCE,
BOB STUMP,
DUNCAN HUNTER,
JOHN R. KASICH,
HERBERT H. BATEMAN,
JAMES V. HANSEN,
CURT WELDON,
JOEL HEFLEY,
JIM SAXTON,
STEVE BUYER,
TILLIE K. FOWLER,
JOHN M. MCHUGH,
J.C. WATTS, Jr.,
WILLIAM M. THORNBERRY,
SAXBY CHAMBLISS,
WALTER B. JONES,

MICHAEL PAPPAS,
BOB RILEY,
IKE SKELTON,
NORMAN SISISKY,
JOHN M. SPRATT, Jr.,
SOLOMON P. ORTIZ,
OWEN PICKETT,
LANE EVANS,
GENE TAYLOR,
NEIL ABERCROMBIE,
MARTIN T. MEEHAN,
JANE HARMAN,
PAUL MCHALE,
PATRICK J. KENNEDY,
THOMAS H. ALLEN,
VIC SNYDER,
JAMES H. MALONEY,

As additional conferees from the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of rule XLVIII:

PORTER J. GOSS,
JERRY LEWIS,
NORM DICKS,

As additional conferees from the Committee on Banking and Financial Services, for consideration of section 1064 of the Senate amendment:

JIM LEACH,
MICHAEL N. CASTLE,
JOHN J. LAFALCE,

As additional conferees from the Committee on Commerce for consideration of sections 601, 3136, 3151, 3154, 3201, 3401, 3403, 3404, 3405, 3406, and 3407 of the House bill, and sections 321, 601, 1062, 3133, 3140, 3142, 3144, 3201, and title XXXVIII of the Senate amendment, and modifications committed to conference:

THOMAS J. BLILEY, Jr.,
DAN SCHAEFER,
JOHN D. DINGELL,

Provided that Mr. Oxley is appointed in lieu of Mr. Dan Schaefer for consideration of section 321 of the Senate amendment.

MICHAEL G. OXLEY,

Provided that Mr. Bilirakis is appointed in lieu of Mr. Dan Schaefer for consideration of section 601 of the House bill, and section 601 of the Senate amendment.

MIKE BILIRAKIS,

Provided that Mr. Tauzin is appointed in lieu of Mr. Dan Schaefer for consideration of section 1062 and Title XXXVIII of the Senate amendment.

BILLY TAUZIN,

As additional conferees from the Committee on Education and the Workforce, for consideration of sections 361, 364, 551, and 3151 of the House bill, and sections 522, 643, and 1055 of the Senate amendment, and modifications committed to conference:

TOM PETRI,
FRANK RIGGS,
TIM ROEMER,

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 368, 729, 1025, 1042, and 1101–1106 of the House bill, and sections 346, 623, 707, 805, 806, 813, 814, 815, 816, 1101–1105, 3142, 3144, 3145, 3162–3172 and 3510 of the Senate amendment, and modifications committed to conference:

DAN BURTON,
JOHN L. MICA,

Provided that Mr. Horn is appointed in lieu of Mr. Mica for consideration of section 368 of the House bill and sections 346, 623, 707, 805, 806, 813, 814, 815, and 816 of the Senate amendment.

STEPHEN HORN,

As additional conferees from the Committee on International Relations, for consideration of sections 233, 1021, 1043, 1044, 1201, 1204, 1205, 1210, 1211, 1213, 1216, and Title XIII of the House bill, and sections 326, 332, 1013, 1041, 1042, 1074, 1084, 3506, 3601, 3602, and 3901–3904 of the Senate amendment, and modifications committed to conference:

BENJAMIN A. GILMAN,
DOUG BEREUTER,
LEE H. HAMILTON,

As additional conferees from the Committee on International Relations, for consideration of sections 1207, 1208, 1209, and 1212 of the House bill, and modifications committed to conference:

BENJAMIN A. GILMAN,
DOUG BEREUTER,
CHRISTOPHER H. SMITH,
DAN BURTON,
DANA ROHRABACHER,
LEE H. HAMILTON,
TOM LANTOS,

As additional conferees from the Committee on the Judiciary for consideration of sections 1045 and 2812 of the House bill and section 1077 of the Senate amendment, and modifications committed to conference:

HENRY J. HYDE,
ED BRYANT,

As additional conferees from the Committee on Resources, for consideration of sections 601, 2812, and 3404–3407 of the House bill, and section 601, 2828, and Title XXIX of the Senate amendment and modifications committed to conference:

DON YOUNG,
BILLY TAUZIN,

As additional conferees from the Committee on Science, for consideration of sections 3135 and 3140 of the Senate amendment, and modifications committed to conference:

F. JAMES SENSENBRENNER, Jr.,
KEN CALVERT,
GEORGE E. BROWN, Jr.,

As additional conferees from the Committee on Transportation and Infrastructure, for consideration of sections 552, 601, 1411, and 1413 of the House bill, and sections 323, 601, 604, and 1080 of the Senate amendment, and modifications committed to conference:

BUD SHUSTER,
SHERWOOD BOEHLERT,
BOB CLEMENT,

As additional conferees from the Committee on Veterans' Affairs for consideration of sections 556 and 1046 of the House bill, and sections 618, 619, 644, and 1082 of the Senate amendment, and modifications committed to conference:

CHRISTOPHER H. SMITH,
MIKE BILIRAKIS,
CIRO D. RODRIGUEZ,

As additional conferees from the Committee on Ways and Means, for consideration of Titles XXXVII and XXXVIII of the Senate amendment, and modifications committed to conference:

PHILIP M. CRANE,
BILL THOMAS,
ROBERT T. MATSUI,

Managers on the Part of the House.

STROM THURMOND,
JOHN WARNER,
JOHN MCCAIN,
DAN COATS,
BOB SMITH,
DIRK KEMPTHORNE,
JIM INHOFE,
RICK SANTORUM,
OLYMPIA J. SNOWE,
PAT ROBERTS,
CARL LEVIN,
EDWARD M. KENNEDY,
JEFF BINGAMAN,
JOHN GLENN,
ROBERT C. BYRD,
CHUCK ROBB,
JOSEPH I. LIEBERMAN,
MAX CLELAND,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3616) to authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense programs of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SUMMARY STATEMENT OF CONFERENCE ACTION

The conferees recommend authorizations for the Department of Defense for procurement, research and development, test and evaluation, operation and maintenance, working capital funds, military construction and family housing, weapons programs of the Department of Energy, and the civil defense that have budget authority implications of $270.5 billion.

SUMMARY TABLE OF AUTHORIZATIONS

The defense authorization act provides authorizations for appropriations but does not generally provide budget authority. Budget authority is provided in appropriations acts.

In order to relate the conference recommendations to the Budget Resolution, matter in addition to the dollar authorizations contained in this bill must be taken into account. A number of programs in the defense function are authorized permanently or, in certain instances, authorized in other annual legislation. In addition, this authorization bill would establish personnel levels and include a number of legislative provisions affecting military compensation.

The following table summarizes authorizations included in the bill for fiscal year 1999 and, in addition, summarizes the implications of the conference action for the budget totals for national defense (budget function 050).

Summary of
National Defense Authorization for FY 1999
(In Thousands of $'s)

	Authorization Request	House Authorized	Senate Authorized	Change from Request	Conference Agreement	BA Implications: Request	BA Implications: House	BA Implications: Senate	BA Implications: Conference
DIVISION A									
TITLE I									
PROCUREMENT									
Aircraft Procurement, Army	1,325,943	1,420,759	1,462,508	70,104	1,396,047	1,325,943	1,420,759	1,462,508	1,396,047
Missile Procurement, Army	1,205,768	1,232,285	1,171,539	22,461	1,228,229	1,205,768	1,232,285	1,171,539	1,228,229
Procurement of Weapons and Tracked Combat Vehicles, Army	1,433,608	1,507,638	1,439,108	73,943	1,507,551	1,433,608	1,507,638	1,439,108	1,507,551
Procurement of Ammunition, Army	1,008,855	1,053,455	1,007,155	7,400	1,016,255	1,008,855	1,053,455	1,007,155	1,016,255
Other Procurement, Army	3,198,811	3,136,918	3,556,927	146,121	3,344,932	3,198,811	3,136,918	3,556,927	3,344,932
Chemical Agents and Munitions Destruction, Army									
Operation & Maintenance	531,650	0	0	(531,650)	0	531,650	0	0	0
Procurement	140,670	0	0	(140,670)	0	140,670	0	0	0
Research, Development, Test & Evaluation	182,780	0	0	(182,780)	0	182,780	0	0	0
Aircraft Procurement, Navy	7,466,734	7,420,847	7,477,934	175,466	7,642,200	7,466,734	7,420,847	7,477,934	7,642,200
Weapons Procurement, Navy	1,327,545	1,192,195	1,366,045	(103,642)	1,223,903	1,327,545	1,192,195	1,366,045	1,223,903
Procurement of Ammunition, Navy and Marine Corps	429,539	451,968	475,539	33,800	463,339	429,539	451,968	475,539	463,339
Shipbuilding and Conversion, Navy	6,252,672	5,992,361	6,049,272	(219,192)	6,033,480	6,252,672	5,992,361	6,049,272	6,033,480
Other Procurement, Navy	3,937,737	3,969,507	4,040,012	105,238	4,042,975	3,937,737	3,969,507	4,040,012	4,042,975
Procurement, Marine Corps	745,858	691,868	908,558	136,038	881,896	745,858	691,868	908,558	881,896
Aircraft Procurement, Air Force	7,756,475	8,219,077	8,280,839	594,142	8,350,617	7,756,475	8,219,077	8,280,839	8,350,617
Procurement of Ammunition, Air Force	384,161	383,627	383,161	(1,000)	383,161	384,161	383,627	383,161	383,161
Missile Procurement, Air Force	2,359,803	2,234,668	2,347,745	(149,163)	2,210,640	2,359,803	2,234,668	2,347,745	2,210,640
Other Procurement, Air Force	6,974,387	7,046,372	6,774,581	(24,015)	6,950,372	6,974,387	7,046,372	6,774,581	6,950,372
Procurement, Defense-wide	2,041,650	1,962,866	2,023,450	(86,822)	1,954,828	2,041,650	1,962,866	2,023,450	1,954,828
Procurement, National Guard and Reserve Equipment		300,000	60,000	60,000	60,000		300,000	60,000	60,000
Chemical Agents and Munitions Destruction, Defense									
Operation & Maintenance		528,450	488,700	505,550	505,550		528,450	488,700	505,550
Procurement		134,670	115,670	124,670	124,670		134,670	115,670	124,670
Research, Development, Test & Evaluation		170,880	172,780	172,780	172,780		170,880	172,780	172,780
Procurement, Defense Health Program	402,387	402,387	402,387	0	402,387		0	0	0
Procurement, Office of the Inspector General	1,300	1,300	1,300	0	1,300		0	0	0
Defense Export Loan Guarantee Program	1,250	1,250	1,250	0	1,250	1,250	1,250	1,250	1,250
Reappropriation (sec 8057 of FY 98 Approps)						2,000			
General Reduction (Amendment 3015)			(150,000)					(150,000)	0
Total Procurement	49,109,583	49,455,348	49,856,460	788,779	49,898,362	48,707,896	49,051,661	49,452,773	49,494,675

Summary of
National Defense Authorization for FY 1999

(In Thousands of $'s)

	Authorization Request	House Authorized	Senate Authorized	Change from Request	Conference Agreement	BA Implications: Request	BA Implications: House	BA Implications: Senate	BA Implications: Conference
TITLE II									
RESEARCH, DEVELOPMENT, TEST & EVALUATION									
Research, Development, Test & Evaluation, Army	4,780,545	4,792,997	4,816,145	(123,533)	4,657,012	4,780,545	4,792,997	4,816,145	4,657,012
Research, Development, Test & Evaluation, Navy	8,108,923	8,403,559	8,188,897	196,088	8,305,011	8,108,923	8,403,559	8,188,897	8,305,011
Research, Development, Test & Evaluation, Air Force	13,598,093	13,577,209	13,634,993	320,635	13,918,728	13,598,093	13,577,209	13,634,993	13,918,728
Research, Development, Test & Evaluation, Defense-wide	9,314,665	9,173,932	9,302,771	(465,829)	8,848,836	9,314,665	9,173,932	9,302,771	8,848,836
Operational Test & Evaluation, Defense	25,245	29,245	25,245	4,000	29,245	25,245	29,245	25,245	29,245
Developmental Test & Evaluation, Defense	251,106	251,106	249,106	(2,000)	249,106	251,106	251,106	249,106	249,106
General Reduction		0	(275,000)	0	0	0	0	(275,000)	0
Total Research, Development, Test & Evaluation	36,078,577	36,228,048	35,942,157	(70,639)	36,007,938	36,078,577	36,228,048	35,942,157	36,007,938
TITLE III									
OPERATION and MAINTENANCE & WORKING CAPITAL FUNDS									
Operation and Maintenance, Army	17,273,063	16,339,700	17,371,563	(270,500)	17,002,563	17,273,063	16,339,700	17,371,563	17,002,563
Operation and Maintenance, Navy	21,927,202	21,839,328	21,969,302	(349,500)	21,577,702	21,927,202	21,839,328	21,969,302	21,577,702
Operation and Maintenance, Marine Corps	2,523,703	2,539,703	2,618,903	4,900	2,528,603	2,523,703	2,539,703	2,618,903	2,528,603
Operation and Maintenance, Air Force	19,177,004	18,816,108	19,182,404	(486,371)	18,690,633	19,177,004	18,816,108	19,182,404	18,690,633
Operation and Maintenance, Special Operations Command		0	1,251,503	0	0	0	0	1,251,503	0
Operation and Maintenance, Defense-wide	10,750,701	10,354,216	9,042,998	(200,625)	10,550,076	10,750,701	10,354,216	9,042,998	10,550,076
Operation and Maintenance, Army Reserve	1,202,622	1,197,622	1,215,622	(4,600)	1,198,022	1,202,622	1,197,622	1,215,622	1,198,022
Operation and Maintenance, Navy Reserve	928,639	948,639	941,639	(8,000)	920,639	928,639	948,639	941,639	920,639
Operation and Maintenance, Marine Corps Reserve	114,593	116,993	134,593	3,300	117,893	114,593	116,993	134,593	117,893
Operation and Maintenance, Air Force Reserve	1,744,696	1,747,696	1,757,696	(21,900)	1,722,796	1,744,696	1,747,696	1,757,696	1,722,796
Operation and Maintenance, Army National Guard	2,436,815	2,464,815	2,592,815	127,500	2,564,315	2,436,815	2,464,815	2,592,815	2,564,315
Operation and Maintenance, Air National Guard	3,093,933	3,096,933	3,109,933	(46,500)	3,047,433	3,093,933	3,096,933	3,109,933	3,047,433
Office of the Inspector General	130,764	130,764	130,764	0	130,764	132,064	132,064	132,064	132,064
United States Court of Appeals for the Armed Forces	7,324	7,324	7,324	0	7,324	7,324	7,324	7,324	7,324
Environmental Restoration, Army	377,640	377,640	369,640	(7,000)	370,640	377,640	377,640	369,640	370,640
Environmental Restoration, Navy	281,600	281,600	273,600	(7,000)	274,600	281,600	281,600	273,600	274,600
Environmental Restoration, Air Force	379,100	379,100	371,100	(7,000)	372,100	379,100	379,100	371,100	372,100
Environmental Restoration, Defense-Wide	26,091	26,091	22,091	(1,000)	25,091	26,091	26,091	22,091	25,091
Environmental Restoration, Formerly Used Defense Sites	195,000	195,000	195,000	0	195,000	195,000	195,000	195,000	195,000
Overseas Humanitarian, Disaster, & Civic Aid	63,311	47,311	50,000	(13,311)	50,000	63,311	47,311	50,000	50,000
Drug Interdiction and Counter-drug Activities, Defense	727,582	727,582	725,582	(2,000)	725,582	727,582	727,582	725,582	725,582
Defense Health Program	9,653,435	9,663,035	9,617,435	(36,000)	9,617,435	10,055,822	10,065,422	10,019,822	10,019,822

Summary of

National Defense Authorization for FY 1999

(In Thousands of $'s)

	Authorization Request	House Authorized	Senate Authorized	Change from Request	Conference Agreement	BA Implications: Request	BA Implications: House	BA Implications: Senate	BA Implications: Conference
Former Soviet Union Threat Reduction	442,400	417,400	440,400	(2,000)	440,400	442,400	417,400	440,400	440,400
Payment to Kaho' Olawe Island Fund	15,000	15,000	15,000	0	15,000	15,000	15,000	15,000	15,000
Overseas Contingency Operation Transfer Fund	746,900	746,900	746,900	0	746,900	746,900	746,900	746,900	746,900
Overseas Military Facility Investment						38,006	38,006	38,006	38,006
General Reduction (Fuel Price Inflation Change)		0	(304,000)	0	0			(304,000)	0
Disposal of DoD Real Property						6,413	6,413	6,413	6,413
Lease of DoD Real Property						18,200	18,200	18,200	18,200
Restoration of Rocky Mountain Arsenal						8,000	8,000	8,000	8,000
National Science Center, Army						120	120	120	120
Defense Burdensharing-Allies/Nato						92,000	92,000	92,000	92,000
Subtotal Operation and Maintenance	94,219,118	92,476,500	93,849,807	(1,327,607)	92,891,511	94,785,544	93,042,926	94,416,233	93,457,937
REVOLVING FUNDS									
Defense Working Capital Fund (Air Force)	30,800	30,800	30,800	0	30,800	30,800	30,800	30,800	30,800
Military Commisary Revolving Fund	63,700	1,045,771	63,700	982,071	1,045,771	63,700	1,045,771	63,700	1,045,771
National Defense Sealift Fund	418,166	669,566	669,566	251,400	669,566	418,166	669,566	669,566	669,566
Reserve Moblization Insurance Fund	37,300	0	0	(37,300)	0	37,300	0	0	0
National Defense Stockpile Transaction Fund (Routine & Ongoing Sales)					0	(150,000)	(150,000)	(150,000)	(150,000)
Transfer from National Stockpile to WCF	350,000	0	0	(350,000)		350,000	0	0	0
National Defense Stockpile Transaction Fund (Excess of Routine Sales)					0	(100,000)	(100,000)	(100,000)	(100,000)
Subtotal Working Capital Funds	899,966	1,746,137	764,066	846,171	1,746,137	649,966	1,496,137	514,066	1,496,137
Total Operation and Maintenance & Working Capital Funds	95,119,084	94,222,637	94,613,873	(481,436)	94,637,648	95,435,510	94,539,063	94,930,299	94,954,074
TITLES IV-V-VI									
MILITARY PERSONNEL									
Total Military Personnel	70,777,086	70,697,086	70,620,386	(184,800)	70,592,286	70,777,086	70,697,086	70,620,386	70,592,286
GENERAL PROVISIONS									
DIVISION B									
MILITARY CONSTRUCTION									
Military Construction, Army	790,876	780,599	810,602	77,850	868,726	790,876	780,599	810,602	868,726
Military Construction, Navy	468,150	570,643	563,415	136,443	604,593	468,150	570,643	563,415	604,593
Military Construction, Air Force	454,810	550,475	633,580	160,999	615,809	454,810	550,475	633,580	615,809
Military Construction, Defense-wide	491,675	611,075	570,675	61,439	553,114	491,675	611,075	570,675	553,114
Military Construction, Army National Guard	47,675	70,338	122,881	94,728	142,403	47,675	70,338	122,881	142,403
Military Construction, Air National Guard	34,761	97,701	161,932	135,040	169,801	34,761	97,701	161,932	169,801

Summary of
National Defense Authorization for FY 1999
(In Thousands of $'s)

	Authorization Request	House Authorized	Senate Authorized	Change from Request	Conference Agreement	BA Implications: Request	BA Implications: House	BA Implications: Senate	BA Implications: Conference
Military Construction, Army Reserve	71,287	71,894	116,109	30,832	102,119	71,287	71,894	116,109	102,119
Military Construction, Naval Reserve	15,271	33,721	19,371	16,350	31,621	15,271	33,721	19,371	31,621
Military Construction, Air Force Reserve	10,535	35,371	23,625	23,836	34,371	10,535	35,371	23,625	34,371
Base Realignment and Closure II, III, IV	1,730,704	1,730,704	1,725,704	(99,802)	1,630,902	1,730,704	1,730,704	1,725,704	1,630,902
NATO Infrastructure	185,000	169,000	158,000	(31,000)	154,000	185,000	169,000	158,000	154,000
Unaccompanied Housing Fund				(5,000)	(5,000)				(5,000)
General Reductions		0	(12,714)	0	0	0		(12,714)	
Total Military Construction	4,300,744	4,721,521	4,893,180	601,715	4,902,459	4,300,744	4,721,521	4,893,180	4,902,459
FAMILY HOUSING									
Family Housing Construction, Army	103,440	124,240	125,630	31,850	135,290	103,440	124,240	125,630	135,290
Family Housing Support, Army	1,104,733	1,097,697	1,101,733	(10,036)	1,094,697	1,104,733	1,097,697	1,101,733	1,094,697
Family Housing Construction, Navy and Marine Corps	280,790	290,790	285,590	14,800	295,590	280,790	290,790	285,590	295,590
Family Housing Support, Navy and Marine Corps	915,293	915,293	912,293	(3,000)	912,293	915,293	915,293	912,293	912,293
Family Housing Construction, Air Force	226,035	241,585	306,475	54,930	280,965	226,035	241,585	306,475	280,965
Family Housing Support, Air Force	789,995	785,204	787,995	(6,791)	783,204	789,995	785,204	787,995	783,204
Family Housing Construction, Defense-wide	345	345	345	0	345	345	345	345	345
Family Housing Support, Defense-wide	36,899	36,899	36,899	0	36,899	36,899	36,899	36,899	36,899
Family Housing Construction, Navy and Marine Corps						6,000	0	0	0
Homeowners Assistance Fund	12,800	7,500	12,800	(12,800)	0	12,800	7,500	12,800	0
DoD Family Housing Improvement Fund	7,000	7,000	7,000	(5,000)	2,000	7,000	7,000	7,000	2,000
Total Family Housing	3,477,330	3,506,553	3,576,760	63,953	3,541,283	3,483,330	3,506,553	3,576,760	3,541,283
DIVISION C									
TITLE XXXI-XXXII									
ATOMIC ENERGY DEFENSE ACTIVITIES (053)									
Weapons Activities	4,500,000	4,142,100	4,374,700	(180,900)	4,319,100	4,500,000	4,142,100	4,374,700	4,319,100
Defense Environmental Restoration and Waste Management	4,259,903	4,373,553	5,302,143	1,092,140	5,352,043	4,259,903	4,373,553	5,302,143	5,352,043
Defense Nuclear Waste Disposal	190,000	190,000	190,000	0	190,000	190,000	190,000	190,000	190,000
Other Defense Actitivities	1,667,160	1,700,760	1,672,160	27,000	1,694,160	1,667,160	1,700,760	1,672,160	1,694,160
Defense Facilities Closure Projects	1,006,240	1,046,240	0	(1,006,240)	0	1,006,240	1,046,240	0	0
Defense Environmental Management Privatization	516,857	286,857	241,857	(262,000)	254,857	516,857	286,857	241,857	254,857
Formerly Utilized Site Remediation	140,000	140,000	140,000	0	140,000	140,000	140,000	140,000	140,000
Defense Nuclear Facilities Safety Board	17,500	17,500	17,500	0	17,500	17,500	17,500	17,500	17,500
Total Atomic Energy Defense Activities (053)	12,297,660	11,897,010	11,938,360	(330,000)	11,967,660	12,297,660	11,897,010	11,938,360	11,967,660

Summary of
National Defense Authorization for FY 1999

(In Thousands of $'s)

Recapitulation	Authorization Request	House Authorized	Senate Authorized	Change from Request	Conference Agreement	BA Implications: Request	BA Implications: House	BA Implications: Senate	BA Implications: Conference
Department of Defense (Division A)	251,084,330	250,603,119	251,032,876	51,904	251,136,234	250,999,069	250,515,858	250,945,615	251,048,973
Department of Defense (Division B)	7,778,074	8,228,074	8,469,940	665,668	8,443,742	7,784,074	8,228,074	8,469,940	8,443,742
Net Other Funds	6,000	0	0	(6,000)	0	324,600	318,600	318,600	318,600
Transfer Authority sec 1001 [Memo Entry]	2,000,000	2,000,000	2,000,000		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Offsetting Receipts				0	0	(1,590,250)	(1,590,250)	(1,590,250)	(1,590,250)
Total Department of Defense Military (051)	258,868,404	258,831,193	259,502,816	711,572	259,579,976	257,517,493	257,472,282	258,143,905	258,221,065
Total Atomic Energy Defense Activities (053)	12,297,660	11,897,010	11,938,360	(330,000)	11,967,660	12,297,660	11,897,010	11,938,360	11,967,660
Total Defense Related Activities (054)	43,000	0	0	(43,000)	0	1,088,190	1,045,190	1,045,190	1,045,190
Asset Sales/Transfers								(737,000)	(737,000)
TOTAL NATIONAL DEFENSE FUNCTION (050)	271,209,064	270,728,203	271,441,176	338,572	271,547,636	270,903,343	270,414,482	270,390,455	270,496,915
Authorization of Funding for Operations in Bosnia (Emergency Funding)	1,858,600		1,858,600	0	1,858,600				

CONGRESSIONAL DEFENSE COMMITTEES

The term ''congressional defense committees'' is often used in this statement of the managers. It means the Defense Authorization and Appropriations Committees of the Senate and House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Procurement Overview

The budget request for fiscal year 1999 contained an authorization of $49,109.6 million for Procurement in the Department of Defense. The House bill would authorize $49,455.3 million. The Senate amendment would authorize $49,856.5 million. The conferees recommended an authorization of $49,898.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Summary of
National Defense Authorization for FY 1999

(In Thousands of $'s)

	Authorization Request	House Authorized	Senate Authorized	Change from Request	Conference Agreement
TITLE I					
PROCUREMENT					
Aircraft Procurement, Army	1,325,943	1,420,759	1,462,508	70,104	1,396,047
Missile Procurement, Army	1,205,768	1,232,285	1,171,539	22,461	1,228,229
Procurement of Weapons and Tracked Combat Vehicles, Army	1,433,608	1,507,638	1,439,108	73,943	1,507,551
Procurement of Ammunition, Army	1,008,855	1,053,455	1,007,155	7,400	1,016,255
Other Procurement, Army	3,198,811	3,136,918	3,556,927	146,121	3,344,932
Chemical Agents and Munitions Destruction, Army					
Operation & Maintenance	531,650	0	0	(531,650)	0
Procurement	140,670	0	0	(140,670)	0
Research, Development, Test & Evaluation	182,780	0	0	(182,780)	0
Aircraft Procurement, Navy	7,466,734	7,420,847	7,477,934	175,466	7,642,200
Weapons Procurement, Navy	1,327,545	1,192,195	1,366,045	(103,642)	1,223,903
Procurement of Ammunition, Navy and Marine Corps	429,539	451,968	475,539	33,800	463,339
Shipbuilding and Conversion, Navy	6,252,672	5,992,361	6,049,272	(219,192)	6,033,480
Other Procurement, Navy	3,937,737	3,969,507	4,040,012	105,238	4,042,975
Procurement, Marine Corps	745,858	691,868	908,558	136,038	881,896
Aircraft Procurement, Air Force	7,756,475	8,219,077	8,280,839	594,142	8,350,617
Procurement of Ammunition, Air Force	384,161	383,627	383,161	(1,000)	383,161
Missile Procurement, Air Force	2,359,803	2,234,668	2,347,745	(149,163)	2,210,640
Other Procurement, Air Force	6,974,387	7,046,372	6,774,581	(24,015)	6,950,372
Procurement, Defense-wide	2,041,650	1,962,866	2,023,450	(86,822)	1,954,828
Procurement, National Guard and Reserve Equipment		300,000	60,000	60,000	60,000

Summary of
National Defense Authorization for FY 1999

(In Thousands of $'s)

	Authorization Request	House Authorized	Senate Authorized	Change from Request	Conference Agreement
Chemical Agents and Munitions Destruction, Defense					
Operation & Maintenance		528,450	488,700	505,550	505,550
Procurement		134,670	115,670	124,670	124,670
Research, Development, Test & Evaluation		170,880	172,780	172,780	172,780
Procurement, Defense Health Program	402,387	402,387	402,387	0	402,387
Procurement, Office of the Inspector General	1,300	1,300	1,300	0	1,300
Defense Export Loan Guarantee Program	1,250	1,250	1,250	0	1,250
Reappropriation (sec 8057 of FY 98 Approps)					
General Reduction (Amendment 3015)			(150,000)		
Total Procurement	49,109,583	49,455,348	49,856,460	788,779	49,898,362

Overview

The budget request for fiscal year 1999 contained an authorization of $1,325.9 million for Aircraft Procurement, Army in the Department of Defense. The House bill would authorize $1,420.8 million. The Senate amendment would authorize $1,462.5 million. The conferees recommended an authorization of $1,396.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	AIRCRAFT PROCUREMENT, ARMY										
	AIRCRAFT										
	FIXED WING										
1	ARL (TIARA)		13,133	1	48,133		13,133	-	-	-	13,133
2	C-XX (MEDIUM RANGE) AIRCRAFT		-		-		15,865	3	15,865	3	15,865
3	GUARDRAIL COMMON SENSOR (TIARA)		1,931		1,931		1,931	-	-	-	1,931
	ROTARY										
4	UH-60 BLACKHAWK (MYP)	22	243,820	30	310,220	30	322,320	8	66,400	30	310,220
4	LESS: ADVANCE PROCUREMENT (PY)		(25,000)		(25,000)		(25,000)	-	-	-	(25,000)
5	ADVANCE PROCUREMENT (CY)		-		-		-	-	-	-	-
	MODIFICATION OF AIRCRAFT										
	MODIFICATION OF AIRCRAFT										
6	GUARDRAIL MODS (TIARA)		36,079		36,079		36,079	-	-	-	36,079
7	AH1F MODS		512		512		512	-	-	-	512
8	AH-64 MODS		52,902		52,902		52,902	-	4,500	-	57,402
9	CH-47 CARGO HELICOPTER MODS (MYP)		101,176		88,476		101,176	-	(12,700)	-	88,476
10	C-12 CARGO AIRPLANE MODS		2,658		9,658		8,658	-	6,500	-	9,158
11	OH-58 MODS		90		90		90	-	-	-	90
12	C-20 AIRCRAFT MODS		799		799		799	-	-	-	799
13	LONGBOW		607,028		607,028		647,228	-	-	-	607,028
13	LESS: ADVANCE PROCUREMENT (PY)		(36,932)		(36,932)		(36,932)	-	-	-	(36,932)
14	ADVANCE PROCUREMENT (CY)		41,683		41,683		41,683	-	-	-	41,683
15	UH-1 MODS		3,789		3,789		3,789	-	-	-	3,789
16	UH-60 MODS		21,657		21,657		21,657	-	-	-	21,657
17	KIOWA WARRIOR		40,446		56,446		40,446	-	13,000	-	53,446
18	EH-60 QUICKFIX MODS		3,015		3,015		3,015	-	-	-	3,015
19	AIRBORNE AVIONICS		56,335		46,335		56,335	-	-	-	56,335
20	ASE MODS		2,743		2,743		2,743	-	-	-	2,743
21	MODIFICATIONS LESS THAN $2.0M		1,660		1,660		1,660	-	-	-	1,660
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
22	SPARES AND REPAIR PARTS		36,047		36,047		36,047	-	-	-	36,047

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	SUPPORT EQUIPMENT AND FACILITIES										
	GROUND SUPPORT AVIONICS										
23	AIRCRAFT SURVIVABILITY EQUIPMENT		5,144		12,544		5,144	-	6,400	-	11,544
	OTHER SUPPORT										
24	AIRBORNE COMMAND & CONTROL		24,421		13,421		24,421	-	(24,421)	-	-
25	AVIONICS SUPPORT EQUIPMENT		2,555		2,555		2,555	-	-	-	2,555
26	TRAINING DEVICES		-		-		-	-	-	-	-
27	COMMON GROUND EQUIPMENT		30,107		30,107		30,107	-	-	-	30,107
28	AIRCREW INTEGRATED SYSTEMS		9,050		9,050		9,050	-	-	-	9,050
29	AIR TRAFFIC CONTROL		5,691		5,691		5,691	-	-	-	5,691
30	INDUSTRIAL FACILITIES		1,493		1,493		1,493	-	-	-	1,493
31	AIRBORNE COMMUNICATIONS		41,911		41,911		41,911	-	-	-	41,911
	ADVISORY AND ASSISTANCE SERVICES				(3,284)			-	(1,440)	-	(1,440)
	ECONOMIC ADJUSTMENTS						(4,000)		(4,000)	-	(4,000)
	TOTAL AIRCRAFT PROCUREMENT, ARMY		1,325,943		1,420,759		1,462,508		70,104		1,396,047

Airborne reconnaissance low

The budget request included $13.1 million for airborne reconnaissance low (ARL).

The House bill would authorize an additional $35.0 million. Of this amount, $30.0 million would be used to procure an additional aircraft, and $5.0 million would be used for a moving target indicator (MTI)/synthetic aperture radar (SAR) to upgrade a previously fielded aircraft.

The Senate amendment would authorize the budget request.

The House recedes.

C–XX (medium range) aircraft

The budget request included no funds for the UC–35 program.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $15.9 million for three additional aircraft.

The House recedes.

UH–60 Blackhawk

The budget request included $243.8 million for 22 UH–60s.

The House bill would authorize an increase of $66.4 million for eight additional UH–60s.

The Senate amendment would authorize an increase of $78.5 million for eight additional UH–60s.

The conferees agree to authorize an increase of $66.4 million for eight additional UH–60 aircraft. The conferees understand that this amount is sufficient to procure these additional aircraft and expect the Army to request funding in future budget submissions for advanced procurement requirements associated with future year procurements.

AH–64 modifications

The budget request included $52.9 million for Apache helicopter modifications.

The House bill and Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $4.5 million, as follows:

(1) $3.0 million for the vibration management enhancement program; and

(2) $1.5 million for two engine upgrade kits and qualification of those kits.

CH–47 cargo helicopter modifications

The budget request included $101.2 million for CH–47 Chinook helicopter modifications.

The House bill would authorize a decrease of $12.7 million, as follows:

(1) $8.2 million for T55 engine conversion kits; and

(2) $4.5 million for engine conversions to make them consistent with the number of engine fielding kits being procured.

The Senate amendment would authorize the budget request.

The conferees agree to a $12.7 million decrease for CH–47 modifications.

C–12 modifications

The budget request included $2.7 million for C–12 modifications.

The House bill would authorize an increase of $7.0 million for avionics upgrades.

The Senate amendment would authorize an increase of $6.0 million for avionics upgrades.

The conferees agree to an increase of $6.5 million for avionics upgrades.

OH–58D Kiowa Warrior

The budget request included $40.4 million for OH–58D Kiowa Warrior safety upgrades.

The House bill would authorize an increase of $16.0 million to accelerate the aircraft safety upgrade program.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $13.0 million to support acceleration of the safety upgrade program.

Aircraft Survivability Equipment

The budget request included $5.1 million for aircraft survivability equipment.

The House bill would authorize an increase of $7.4 million to upgrade aircraft survivability equipment trainer IV (ASET IV) training systems with infrared surface-to-air missile simulators and night vision cameras.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $6.4 million to upgrade existing ASET IV equipment and provide for an improved night time training capability.

Army airborne command and control system

The budget request included $24.4 million for Army airborne command and control system procurement.

The House bill would authorize a decrease of $11.0 million.

The Senate amendment would authorize the budget request.

The conferees authorize a decrease of $24.4 million for this program.

Overview

The budget request for fiscal year 1999 contained an authorization of $1,205.8 million for Missile Procurement, Army in the Department of Defense. The House bill would authorize $1,232.3 million. The Senate amendment would authorize $1,171.5 million. The conferees recommended an authorization of $1,228.2 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	MISSILE PROCUREMENT, ARMY										
	OTHER MISSILES										
	SURFACE-TO-AIR MISSILE SYSTEM										
1	ENHANCED FIBER OPTIC GUIDED MISSILE (EFOGM)	96	13,716		516	-	-	(96)	(13,716)	-	-
2	AVENGER SYSTEM SUMMARY	18	35,269	18	35,269	18	35,269	-	-	18	35,269
	AIR-TO-SURFACE MISSILE SYSTEM										
3	HELLFIRE SYS SUMMARY	2,000	360,625	2,000	357,625	2,000	360,625	-	(3,000)	2,000	357,625
	ANTI-TANK/ASSAULT MISSILE SYSTEM										
4	JAVELIN (AAWS-M) SYSTEM SUMMARY	3,316	319,988		339,988	3,316	319,988	184	16,000	3,500	335,988
4	LFSS ADVANCE PROCUREMENT (PY)		-		-		-	-	-	-	-
5	ADVANCE PROCUREMENT (CY)		-		-		-	-	-	-	-
6	TOW 2 SYSTEM SUMMARY		-		-		-	-	-	-	-
7	MLRS ROCKET	522	16,513	522	16,513	-	-	(522)	(16,513)	-	-
8	MLRS LAUNCHER SYSTEMS	24	85,387	24	125,387	24	85,387	-	45,000	24	130,387
9	ARMY TACTICAL MSL SYS (ATACMS) - SYS SUM	96	90,585	96	90,585	96	90,585	-	-	96	90,585
10	ATACMS/BAT	30	49,083	30	49,083	30	49,083	-	-	30	49,083
11	BAT	420	100,425	420	100,425	420	100,425	-	-	420	100,425
	MODIFICATION OF MISSILES										
	MODIFICATIONS										
12	PATRIOT MODS		15,259		15,259		15,259	-	-	-	15,259
13	STINGER MODS		13,924		13,924		13,924	-	-	-	13,924
14	AVENGER MODS		8,425		8,425		8,425	-	-	-	8,425
15	ITAS/TOW MODS		62,478		62,478		62,478	-	-	-	62,478
16	DRAGON MODS		-		-		-	-	-	-	-
17	MLRS MODS		2,193		2,193		2,193	-	-	-	2,193
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
18	SPARES AND REPAIR PARTS		23,718		23,718		23,718	-	-	-	23,718
	SUPPORT EQUIPMENT AND FACILITIES										
	SUPPORT EQUIPMENT AND FACILITIES										
19	AIR DEFENSE TARGETS		2,534		2,534		2,534	-	-	-	2,534
20	ITEMS LESS THAN $2.0M (MISSILES)		922		922		922	-	-	-	922

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
21	MISSILE DEMILITARIZATION		1,466		1,466		1,466	-	-	-	1,466
22	PRODUCTION BASE SUPPORT		3,258		3,258		3,258	-	-	-	3,258
23	CLOSED ACCOUNT ADJUSTMENTS		-		-		-	-	-	-	-
	ADVISORY AND ASSISTANCE SERVICES				(17,283)			-	(1,310)	-	(1,310)
	ECONOMIC ADJUSTMENTS						(4,000)		(4,000)		(4,000)
	TOTAL MISSILE PROCUREMENT, ARMY		1,205,768		1,232,285		1,171,539		22,461		1,228,229

Enhanced fiber optic guided missile

The budget request included $13.7 million for enhanced fiber optic guided missile (E–FOGM) procurement.

The House bill would authorize a decrease of $13.2 million and would eliminate procurement of E–FOGM missiles.

The Senate amendment would authorize a decrease of $13.7 million and would eliminate procurement of E–FOGM missiles.

The conferees agree to authorize a decrease of $13.7 million and eliminate procurement of E–FOGM missiles.

Javelin system

The budget request included $320.0 million to procure Javelin anti-tank missiles.

The House bill would authorize an increase of $20.0 million to accelerate fielding.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $16.0 million for Javelin missile systems.

Multiple launch rocket system rockets

The budget request included $16.5 million for the procurement of multiple launch rocket system (MLRS) rockets.

The House bill would authorize the budget request.

The Senate amendment would authorize a decrease of $16.5 million, which would eliminate the procurement of extended range rockets due to excessively high component cost issues.

The conferees agree to authorize a decrease of $16.5 million and eliminate procurement of MLRS rockets in fiscal year 1999.

Multiple launch rocket system launcher

The budget request included $85.4 million for multiple launch rocket system (MLRS) launchers.

The House bill would authorize a total increase of $40.0 million, as follows:

(1) a decrease of $10.0 million for engineering services; and

(2) an increase of $50.0 million to procure additional MLRS launchers for Army National Guard (ARNG) units.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $45.0 million to continue modernization of ARNG MLRS battalions, of which $21.0 million is to be used for ASIOE for two MLRS battalions and $24.0 million to procure new launchers. The conferees have learned that the Army has recently announced a change in MLRS force structure which will reduce the size of current MLRS battalions from 27 launchers per battalion to 18 launchers. When fully implemented, this action will make available sufficient MLRS launchers to complete the fielding of the remaining 11 Corps artillery battalion in the ARNG. The conferees note, however, that the ''cascading'' of these MLRS launchers to the ARNG will require associated support items of equipment (ASIOE) for which there is no funding currently available and that seven MLRS battalions of ARNG heavy divisions remain unfunded.

Overview

The budget request for fiscal year 1999 contained an authorization of $1,433.6 million for Weapons and Tracked Combat Vehicles Procurement, Army in the Department of Defense. The House bill would authorize $1,507.6 million. The Senate amendment would authorize $1,439.1 million. The conferees recommended an authorization of $1,507.6 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	PROCUREMENT OF W&TCV, ARMY										
	TRACKED COMBAT VEHICLES										
	TRACKED COMBAT VEHICLES										
1	ABRAMS TRNG DEV MOD		8,536		8,536		8,536	-	-	-	8,536
2	BRADLEY BASE SUSTAINMENT		285,844		360,844		285,844	-	70,000	-	355,844
3	BRADLEY FVS TRAINING DEVICES		12,728		12,728		12,728	-	-	-	12,728
4	HAB TRAINING DEVICES		386		386		386	-	-	-	386
5	BRADLEY FVS TRAINING DEVICES (MOD)		2,075		2,075		2,075	-	-	-	2,075
6	FIELD ARTILLERY AMMUNITION SUPPORT VEH		-		-		-	-	-	-	-
7	ABRAMS TANK TRAINING DEVICES		13,411		13,411		13,411	-	-	-	13,411
8	COMMAND & CONTROL VEHICLE	10	44,241	10	44,241	10	44,241	-	-	10	44,241
	MODIFICATION OF TRACKED COMBAT VEHICLES										
9	CARRIER, MOD		54,454		54,454		54,454	-	-	-	54,454
10	FIST VEHICLE (MOD)		20,720		20,720		20,720	-	-	-	20,720
11	BFVS SERIES (MOD)		58,998		58,998		58,998	-	-	-	58,998
12	HOWITZER, MED SP FT 155MM M109A6 (MOD)		11,339		11,339		11,339	-	-	-	11,339
13	HOWITZER, MED SP FT 155MM M109A5 (MOD)		-		-		-	-	-	-	-
14	FAASV PIP TO FLEET		3,157		3,157		3,157	-	-	-	3,157
15	IMPROVED RECOVERY VEHICLE (M88 MOD)		38,175		38,175		38,175	-	-	-	38,175
16	HEAVY ASSAULT BRIDGE (HAB) SYS (MOD)		50,401		50,401		50,401	-	-	-	50,401
17	ARMORED VEH LAUNCH BRIDGE (AVLB) (MOD)		969		969		969	-	-	-	969
18	M1 ABRAMS TANK (MOD)		53,301		53,301		53,301	-	-	-	53,301
19	ABRAMS UPGRADE PROGRAM		666,195		666,195		666,195	-	-	-	666,195
19	LESS: ADVANCE PROCUREMENT (PY)		(253,534)		(253,534)		(253,534)	-	-	-	(253,534)
20	ADVANCE PROCUREMENT (CY)		262,942		262,942		262,942	-	-	-	262,942
21	MODIFICATIONS LESS THAN $2.0M (TCV-WTCV)		-		-		-	-	-	-	-
	SUPPORT EQUIPMENT AND FACILITIES										
22	ITEMS LESS THAN $2.0M (TCV-WTCV)		132		132		132	-	-	-	132
23	PRODUCTION BASE SUPPORT (TCV-WTCV)		8,861		8,861		8,861	-	-	-	8,861
24	REGIONAL MAINTENANCE TRAINING SITES-EQUIP		-		-		-	-	-	-	-
	WEAPONS AND OTHER COMBAT VEHICLES										
	WEAPONS AND OTHER COMBAT VEHICLES										

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
25	ARMOR MACHINE GUN, 7.62MM M240 SERIES	673	6,496	673	6,496	673	12,996	677	6,500	1,350	12,996
26	MACHINE GUN, 5.56MM (SAW)	1,525	4,494	1,525	4,494	1,525	4,494	-	-	1,525	4,494
27	GRENADE LAUNCHER, AUTO, 40MM, MK19-3	697	12,191	697	12,191	697	15,191	-	3,000	697	15,191
28	M16 RIFLE	16,067	6,829	16,067	6,829	16,067	6,829	-	-	16,067	6,829
29	5.56 CARBINE M4	6,310	4,230		5,230	6,310	4,230	-	-	6,310	4,230
	MOD OF WEAPONS AND OTHER COMBAT VEH										
30	M4 CARBINE MODS		5,149		5,149		5,149	-	-	-	5,149
31	M119 MODIFICATIONS		4,812		4,812		4,812	-	-	-	4,812
32	M16 RIFLE MODS		6,241		6,241		6,241	-	-	-	6,241
33	MODIFICATIONS LESS THAN $2.0M (WOCV-WTCV)		1,128		1,128		1,128	-	-	-	1,128
	SUPPORT EQUIPMENT AND FACILITIES										
34	ITEMS LESS THAN $2.0M (WOCV-WTCV)		1,164		1,164		1,164	-	-	-	1,164
35	PRODUCTION BASE SUPPORT (WOCV-WTCV)		5,140		5,140		5,140	-	-	-	5,140
36	INDUSTRIAL PREPAREDNESS		3,959		3,959		3,959	-	-	-	3,959
37	SMALL ARMS (SOLDIER ENH PROG)		5,233		5,233		5,233	-	-	-	5,233
38	CLOSED ACCOUNT ADJUSTMENTS		-		-		-	-	-	-	-
	SPARE AND REPAIR PARTS										
	SPARES										
39	SPARES AND REPAIR PARTS (WTCV)		23,211		23,211		23,211	-	-	-	23,211
	ADVISORY AND ASSISTANCE SERVICES				(1,970)			-	(1,557)	-	(1,557)
	ECONOMIC ADJUSTMENTS						(4,000)		(4,000)		(4,000)
	TOTAL PROCUREMENT OF W&TCV, ARMY		1,433,608		1,507,638		1,439,108		73,943		1,507,551

Bradley base sustainment

The budget request included $285.8 million for Bradley base sustainment.

The House bill would authorize an increase of $75.0 million for modification of basic Bradley vehicles to the M2A2 operation desert storm configuration for the Army National Guard.

The Senate amendment would support the budget request.

The conferees agree to authorize an increase of $70.0 million for Bradley A2 ODS modifications for the Army National Guard.

M240 machine gun

The budget request included $6.5 million for the procurement of M240 machine guns.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $6.5 million to stabilize M240 production and meet warfighting requirements.

The conferees agree to authorize an increase of $6.5 million for M240 machine gun requirements necessary to stabilize production rates.

MK–19 grenade launcher

The budget request included $12.2 million for the MK–19 automatic grenade launcher.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $3.0 million for launcher mounts.

The conferees agree to authorize an increase of $3.0 million to procure 800 launcher mounts for the MK–19.

Overview

The budget request for fiscal year 1999 contained an authorization of $1,008.9 million for Ammunition Procurement, Army in the Department of Defense. The House bill would authorize $1,053.5 million. The Senate amendment would authorize $1,007.2 million. The conferees recommended an authorization of $1,016.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	PROCUREMENT OF AMMUNITION, ARMY										
	AMMUNITION										
	SMALL/MEDIUM CAL AMMUNITION										
1	CTG, 5.56MM, ALL TYPES		91,620		97,220		63,520	-	5,600	-	97,220
2	CTG 5.56MM ARMOR PIERCING M995	1,314	1,926	1,314	1,926	1,314	1,926	-	-	1,314	1,926
3	CTG, 7.62MM, ALL TYPES		10,463		14,463		4,063	-	4,000	-	14,463
4	CTG 7.62MM ARMOR PIERCING XM993	922	1,926	922	1,926	922	1,926	-	-	922	1,926
5	CTG, 9MM, ALL TYPES		1,907		1,907		1,907	-	-	-	1,907
6	CTG, .45 CAL, ALL TYPES		2		2		2	-	-	-	2
7	CTG, .50 CAL, ALL TYPES		18,544		18,544		18,544	-	-	-	18,544
8	CTG CAL .50 API MK211 MOD 0		-		-		-	-	-	-	-
9	CTG, 20MM, ALL TYPES		-		-		-	-	-	-	-
10	CTG, 25MM, ALL TYPES		59,618		69,618		80,418	-	20,800	-	80,418
11	CTG, 30MM, ALL TYPES		9,061		9,061		9,061	-	-	-	9,061
12	CTG, 40MM, ALL TYPES		35,618		35,618		35,618	-	-	-	35,618
	MORTAR AMMUNITION										
13	CTG MORTAR 60MM 1/10 PRAC M766		-		-		-	-	-	-	-
14	CTG MORTAR 60MM ILLUM M721/M767		-		5,000		-	-	-	-	-
15	CTG MORTAR 60MM SMOKE WP M722		375		375		375	-	-	-	375
16	CTG MORTAR 60MM HE M720/M720A1 W/M734 FUZE	47	20,528	47	20,528	47	20,528	-	-	47	20,528
17	CTG 81MM INFRARED (IR) ILLUM XM816	10	9,366	10	9,366	10	9,366	-	-	10	9,366
18	CTG MORTAR 120MM FULL RANGE PRACTICE M931	97	39,703	97	39,703	97	39,703	-	-	97	39,703
19	CTG MORTAR 120MM HE M934 W/MO FUZE	33	29,087	33	29,087	33	29,087	-	-	33	29,087
20	CTG MORTAR 120MM ILLUM XM930 W/MTSQ FZ		-		-		-	-	-	-	-
21	CTG MORTAR 120MM SMOKE M929 W/MO FUZE		-		-		-	-	-	-	-
	TANK AMMUNITION										
22	CTG 120MM APFSDS-T M829A2/M829E3	2	9,732	2	9,732	2	9,732	-	-	2	9,732
23	CTG 120MM HEAT-MP-T M830A1		-		10,000		15,000	-	15,000	-	15,000
24	CTG TANK 120MM TP-T M831/M831A1	105	60,386	105	60,386	105	60,386	-	-	105	60,386
25	CTG TANK 120MM TPCSDS-T M865	240	129,914	240	129,914	240	129,914	-	-	240	129,914
	ARTILLERY AMMUNITION										
26	CTG ARTY 75MM BLANK M337A1	34	1,566	34	1,566	34	1,566	-	-	34	1,566

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
27	CTG ARTY 105MM DPICM XM915		-		-		-	-	-	-	-
28	CTG ARTY 105MM HERA M913		532		532		532	-	-	-	532
29	PROJ ARTY 155MM SMOKE WP M825		-		-		-	-	-	-	-
30	PROJ ARTY 155MM HE M795		-		-		-	-	-	-	-
31	PROJ ARTY 155MM SADARM M898	550	56,542	550	56,542	550	56,542	-	(20,000)	550	36,542
32	PROJ ARTY 155MM HE M107	124	25,650	124	25,650	124	25,650	-	-	124	25,650
	ARTILLERY FUZES										
33	FUZE ARTY ELEC TIME M767		-		10,000		-	-	-	-	-
34	FUZE MULTI OPTION	2	1,514	2	1,514	2	1,514	-	-	2	1,514
	MINES										
35	MINE, TRAINING, ALL TYPES		973		973		973	-	-	-	973
36	MINE AT M87 (VOLCANO)		-		-		-	-	-	-	-
37	WIDE AREA MUNITIONS	65	9,625	65	9,625	65	9,625	-	-	65	9,625
	ROCKETS										
38	BUNKER DEFEATING MUNITION (BDM)		-		-		-	-	-	-	-
39	ROCKET, HYDRA 70, ALL TYPES		126,055		126,055		126,055	-	-	-	126,055
	OTHER AMMUNITION										
40	DEMOLITION MUNITIONS, ALL TYPES		8,800		8,800		8,800	-	-	-	8,800
41	GRENADES, ALL TYPES		21,382		21,382		21,382	-	-	-	21,382
42	SIGNALS, ALL TYPES		12,985		12,985		12,985	-	-	-	12,985
43	SIMULATORS, ALL TYPES		4,651		4,651		4,651	-	-	-	4,651
	MISCELLANEOUS										
44	AMMO COMPONENTS, ALL TYPES		7,241		7,241		7,241	-	-	-	7,241
45	CAD/PAD ALL TYPES		2,320		2,320		2,320	-	-	-	2,320
46	ITEMS LESS THAN $2 MILLION		1,009		1,009		1,009	-	-	-	1,009
47	AMMUNITION PECULIAR EQUIPMENT		10,368		10,368		10,368	-	-	-	10,368
48	ITEMS LESS THAN $2.0M (AMMO)		-		-		-	-	-	-	-
49	FIRST DESTINATION TRANSPORTATION (AMMO)		6,174		6,174		6,174	-	-	-	6,174
50	CLOSED ACCOUNT ADJUSTMENTS		-		-		-	-	-	-	-
	AMMUNITION PRODUCTION BASE SUPPORT										
	PRODUCTION BASE SUPPORT										
51	PROVISION OF INDUSTRIAL FACILITIES		47,660		47,660		47,660	-	-	-	47,660

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
52	COMPONENTS FOR PROVE-OUT		-		-		-	-	-	-	-
53	LAYAWAY OF INDUSTRIAL FACILITIES		15,362		15,362		15,362	-	-	-	15,362
54	MAINTENANCE OF INACTIVE FACILITIES		15,826		15,826		15,826	-	-	-	15,826
55	CONVENTIONAL AMMO DEMILITARIZATION		97,983		97,983		97,983	-	(15,000)	-	82,983
56	ARMS INITIATIVE		4,861		4,861		4,861	-	-	-	4,861
57	POST RETIREMENT BENEFITS		-		-		-	-	-	-	-
	ECONOMIC ADJUSTMENTS						(3,000)		(3,000)		(3,000)
	TOTAL PROCUREMENT OF AMMUNITION, ARMY		1,008,855		1,053,455		1,007,155		7,400		1,016,255

M830A1 120mm tank ammunition

The budget request included no funds for procurement of M830A1 120mm tank ammunition.

The House bill would authorize an increase of $10.0 million to procure M830A1 rounds.

The Senate bill would authorize an increase of $15.0 million to procure 4,500 M830A1 rounds to replace a like number of war reserve M830A1's which are being converted to the XM908 obstacle demolition configuration.

The conferees agree to authorize an increase of $15.0 million to procure 4,500 M830A1 rounds.

The conferees are aware that the Army has a requirement for more obstacle demolition rounds. The conferees believe that the Army should undertake a thorough review of its requirement for these rounds and include them in its budget request for fiscal year 2000.

Overview

The budget request for fiscal year 1999 contained an authorization of $3,198.8 million for Other Procurement, Army in the Department of Defense. The House bill would authorize $3,136.9 million. The Senate amendment would authorize $3,556.9 million. The conferees recommended an authorization of $3,344.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
	OTHER PROCUREMENT, ARMY										
	TACTICAL AND SUPPORT VEHICLES										
	TACTICAL VEHICLES										
1	TACTICAL TRAILERS/DOLLY SETS		11,948		11,948		11,948	-	-	-	11,948
2	SEMITRAILER FB BB/CONT TRANS 22 1/2 T	97	2,625	97	2,625	97	2,625	-	-	97	2,625
3	SEMITRAILER LB 40T M870A1 (CCE)	23	2,917	23	2,917	23	2,917	-	-	23	2,917
4	SEMITRAILER, TANK, 5000G	32	3,865	32	3,865	32	3,865	-	-	32	3,865
5	SEMITRAILER, TANK, 7500G, BULKHAUL	86	4,212	86	4,212	86	4,212	-	-	86	4,212
6	SEMITRAILER VAN CGO SUPPLY 12T 4WHL M129A2C	71	6,401	71	6,401	71	6,401	-	-	71	6,401
7	HI MOB MULTI-PURP WHLD VEH (HMMWV)	110	12,144		22,144	1,878	77,844	1,768	65,700	1,878	77,844
8	FAMILY OF MEDIUM TACTICAL VEH (FMTV)	2,038	332,044	2,038	332,044	2,638	420,044	288	42,500	2,326	374,544
9	FAMILY OF HEAVY TACTICAL VEHICLES (FHTV)		189,617		189,617		189,617	-	-	-	189,617
10	ARMORED SECURITY VEHICLES (ASV)		-		-		-	-	-	-	-
11	TRUCK, TRACTOR, LINE HAUL, M915/M916	440	59,503	440	59,503	440	59,503	-	-	440	59,503
12	TRUCK, TRACTOR, YARD TYPE, M878 (C/S)	57	4,852	57	4,852	57	4,852	-	-	57	4,852
13	MEDIUM TRUCK EXTENDED SVC PGM (ESP)	1,085	37,247	1,085	37,247	1,085	131,147	-	20,000	1,085	57,247
14	LINE HAUL ESP	62	4,883	62	4,883	62	4,883	-	-	62	4,883
15	HMMWV ESP	387	24,832		-	387	24,832	(387)	(24,832)	-	-
16	MODIFICATION OF IN SVC EQUIP		13,306		13,306		13,306	-	-	-	13,306
17	ITEMS LESS THAN $2.0M (TAC VEH)		186		186		186	-	-	-	186
	NON-TACTICAL VEHICLES										
18	HEAVY ARMORED SEDAN	54	5,956	54	5,956	54	5,956	-	-	54	5,956
19	PASSENGER CARRYING VEHICLES	37	867	37	867	37	867	-	-	37	867
20	GENERAL PURPOSE VEHICLES		1,059		1,059		1,059	-	-	-	1,059
21	SPECIAL PURPOSE VEHICLES		1,060		1,060		1,060	-	-	-	1,060
	SUPPORT EQUIPMENT AND FACILITIES										
22	SYSTEM FIELDING SUPPORT PEO		311		311		311	-	-	-	311
23	PROJECT MANAGEMENT SUPPORT		2,437		1,437		1,437	-	(1,000)	-	1,437
24	SYSTEM FIELDING SUPPORT (TACOM)		4,166		2,966		3,166	-	(1,000)	-	3,166
	COMMUNICATIONS AND ELECTRONICS EQUIP										
	COMM - JOINT COMMUNICATIONS										
25	COMBAT IDENTIFICATION PROGRAM		4,890		4,890		4,890	-	-	-	4,890

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
26	JCSE EQUIPMENT (USREDCOM)		3,148		3,148		3,148	-	-	-	3,148
	COMM - SATELLITE COMMUNICATIONS										
27	DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPACE)		94,616		93,316		94,616	-	-	-	94,616
28	SHF TERM		25,328		23,318		25,328	-	-	-	25,328
29	SAT TERM, EMUT (SPACE)		2,485		2,485		2,485	-	-	-	2,485
30	NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE)		6,866		6,866		6,866	-	-	-	6,866
31	GROUND COMMAND POST		-		-		-	-	-	-	-
32	SMART-T (SPACE)		57,743		57,743		57,743	-	-	-	57,743
33	SCAMP (SPACE)		4,708		4,708		4,708	-	-	-	4,708
34	GLOBAL BRDCST SVC - GBS		5,873		5,873		5,873	-	-	-	5,873
35	MOD OF IN-SVC EQUIP (TAC SAT)		1,474		1,474		1,474	-	-	-	1,474
	COMM - COMBAT SUPPORT COMM										
36	MSE MOD IN SERVICE		-		-		-	-	-	-	-
	COMM - C3 SYSTEM										
37	COMMAND CENTER IMPROVEMENT PROG (CCIP)		-		-		-	-	-	-	-
38	SOUTHCOM HQ RELOCATION		-		-		-	-	-	-	-
39	ARMY GLOBAL CMD & CONTROL SYS (AGCCS)		20,562		20,562		20,562	-	-	-	20,562
	COMM - COMBAT COMMUNICATIONS										
40	ARMY DATA DISTRIBUTION SYSTEM (ADDS)		24,048		29,048		52,048	-	28,000	-	52,048
41	MOBILE SUBSCRIBER EQUIP (MSE)		-		-		-	-	-	-	-
42	SINCGARS FAMILY		13,212		13,212		75,112	-	50,000	-	63,212
43	JOINT TACTICAL AREA COMMS SYS		9,925		9,925		9,925	-	-	-	9,925
44	ACUS MOD PROGRAM (WIN-T/T)		97,080		97,080		144,880	-	35,000	-	132,080
45	TAC RADIO		-		-		-	-	-	-	-
46	C-E CONTINGENCY/FIELDING EQUIP		2,166		2,166		2,166	-	-	-	2,166
47	SOLDIER ENHANCEMENT PROGRAM COMM/ELECTRONICS		4,593		4,593		4,593	-	-	-	4,593
48	COMBAT SURVIVOR EVADER LOCATOR (CSEL)		13,712		13,712		13,712	-	-	-	13,712
49	MEDICAL COMM FOR CBT CASUALTY CARE (MC4)		9,440		9,440		9,440	-	-	-	9,440
	COMM - INTELLIGENCE COMM										
50	JWICS CONNECTIVITY		-		-		-	-	-	-	-
51	CI AUTOMATION ARCHITECTURE		2,319		2,319		2,319	-	-	-	2,319
52	CI CONUS BASED LAN		-		-		-	-	-	-	-

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	INFORMATION SECUTITY										
53	TSEC - ARMY KEY MGT SYS (AKMS)		10,315		10,315		10,315	-	-	-	10,315
54	INFORMATION SYSTEM SECURITY PROGRAM - ISSP		29,714		29,714		29,714	-	-	-	29,714
	COMM - LONG HAUL COMMUNICATIONS										
55	TERRESTRIAL TRANSMISSION		1,953		1,953		1,953	-	-	-	1,953
56	BASE SUPPORT COMMUNICATIONS		1,124		1,124		1,124	-	-	-	1,124
57	ARMY DISN ROUTER		3,614		3,614		3,614	-	-	-	3,614
58	ELECTROMAG COMP PROG (EMCP)		452		3,452		452	-	-	-	452
59	WW TECH CON IMP PROG (WWTCIP)		2,031		2,031		2,031	-	-	-	2,031
	COMM - BASE COMMUNICATIONS										
60	INFORMATION SYSTEMS		91,213		91,213		91,213	-	-	-	91,213
61	DEFENSE MESSAGE SYSTEM (DMS)		16,723		16,723		16,723	-	-	-	16,723
62	LOCAL AREA NETWORK (LAN)		9,978		9,978		9,978	-	-	-	9,978
63	PENTAGON INFORMATION MGT AND TELECOM		39,195		39,195		39,195	-	-	-	39,195
	ELECT EQUIP - NAT FOR INT PROG (NFIP)										
64	FOREIGN COUNTERINTELLIGENCE PROG (FCI)		876		876		876	-	-	-	876
65	GENERAL DEFENSE INTELL PROG (GDIP)		21,562		21,562		21,562	-	-	-	21,562
66	ITEMS LESS THAN $2.0M (INTEL SPT) - TIARA		-		-		-	-	-	-	-
	ELECT EQUIP - TACT INT REL ACT (TIARA)										
67	ALL SOURCE ANALYSIS SYS (ASAS) (TIARA)		24,117		24,117		24,117	-	-	-	24,117
68	JTT/CIBS-M (TIARA)	56	5,340	56	5,340	56	5,340	-	-	56	5,340
69	IEW - GND BASE COMMON SENSORS (TIARA)		25,388		14,188		25,388	-	(11,200)	-	14,188
70	JOINT STARS (ARMY) (TIARA)		87,229		97,229		87,229	-	3,000	-	90,229
71	NATO-AGS		-		-		-	-	-	-	-
72	INTEGRATED BROADCAST TERMINAL MODS (TIARA)		6,487		11,487		6,487	-	5,000	-	11,487
73	DIGITAL TOPOGRAPHIC SPT SYS (DTSS) (TIARA)	12	21,230	12	21,230	12	21,230	-	-	12	21,230
74	DRUG INTERDICTION PROGRAM (DIP) (TIARA)		-		-		-	-	-	-	-
75	TACTICAL EXPLOITATION OF NATIONAL CAPABILITY		1,690		1,690		1,690	-	-	-	1,690
76	JOINT TACTICAL GROUND STATION MODS		2,638		2,638		2,638	-	-	-	2,638
77	TROJAN (TIARA)		3,991		3,991		3,991	-	-	-	3,991
78	MOD OF IN-SVC EQUIP (INTEL SPT) (TIARA)		4,891		7,399		4,891	-	-	-	4,891
	CIGSS						-	-	2,508	-	2,508

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(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
79	CI HUMINT AUTOMATED TOOL SET (CHATS) (TIARA)		3,700		3,700		3,700	-	-	-	3,700
80	ITEMS LESS THAN $2.0M (TIARA)		530		530		530	-	-	-	530
	ELECT EQUIP - ELECTRONIC WARFARE (EW)										
81	SHORTSTOP		-		15,000		-	-	13,000	-	13,000
82	COUNTERINTELLIGENCE/SECURITY COUNTERMEASURES		1,725		1,725		1,725	-	-	-	1,725
	ELECT EQUIP - TACTICAL SURV. (TAC SURV)										
83	SENTINEL (FAAD GBS)	23	58,247	23	58,247	23	58,247	-	-	23	58,247
84	TARGET LOCATION OBSERVATION SYSTEM (TLOS)	238	11,787	238	11,787	238	11,787	-	-	238	11,787
85	NIGHT VISION DEVICES		29,636		38,636		43,136	-	13,500	-	43,136
86	LTWT VIDEO RECON SYSTEM (LWVRS)	110	3,364	110	3,364	110	3,364	-	-	110	3,364
87	NIGHT VISION, THERMAL WPN SIGHT	1,522	36,110	1,522	36,110	1,522	36,110	-	-	1,522	36,110
88	ARTILLERY ACCURACY EQUIP		11,004		11,004		11,004	-	-	-	11,004
89	MOD OF IN-SVC EQUIP (TAC SURV)		5,477		5,477		5,477	-	-	-	5,477
90	COMPUTER BALLISTICS; XM-30		-		-		-	-	-	-	-
91	INTEGRATED MET SYS SENSORS (IMETS) - TIARA	5	4,890	5	4,890	5	4,890	-	-	5	4,890
	ELECT EQUIP - TACTICAL C2 SYSTEMS										
92	TACTICAL OPERATIONS CENTERS		26,703		26,703		26,703	-	-	-	26,703
93	ADV FIELD ARTILLERY TACT DATA SYS (AFATDS)	212	36,671	212	36,671	212	36,671	-	-	212	36,671
94	FIRE SUPPORT ADA CONVERSION		-		-		-	-	-	-	-
95	CMBT SVC SUPT CONTROL SYS (CSSCS)	122	9,332	122	9,332	122	9,332	-	-	122	9,332
96	FAAD C2	2	14,204	2	14,204	2	14,204	-	-	2	14,204
97	FORWARD ENTRY DEVICE (FED)		25,040		15,040		25,040	-	-	-	25,040
98	STRIKER-COMMAND AND CONTROL SYSTEM	15	6,025	15	6,025	15	6,025	-	-	15	6,025
99	LIFE CYCLE SOFTWARE SUPPORT (LCSS)		1,174		1,174		1,174	-	-	-	1,174
100	LOGTECH		3,238		3,238		3,238	-	-	-	3,238
101	TC AIMS II		445		445		445	-	-	-	445
102	GUN LAYING AND POS SYS (GLPS)	126	11,781	126	11,781	126	11,781	-	-	126	11,781
103	ISYSCON EQUIPMENT		34,175		34,175		34,175	-	-	-	34,175
104	MANEUVER CONTROL SYSTEM (MCS)	96	13,033	96	13,033	96	13,033	-	-	96	13,033
105	STAMIS TACTICAL COMPUTERS (STACOMP)	1,633	48,248	1,633	48,248	1,633	48,248	-	-	1,633	48,248
106	STANDARD INTEGRATED CMD POST SYSTEM		26,827		26,827		26,827	-	-	-	26,827
	ELECT EQUIP - AUTOMATION										

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(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
107	ARMY TRAINING XX1 MODERNIZATION		32,635		32,635		32,635	-	-	-	32,635
108	AUTOMATED DATA PROCESSING EQUIP		130,712		111,612		130,712	-	(19,100)	-	111,612
109	RESERVE COMPONENT AUTOMATION SYS (RCAS)		108,192		108,192		108,192	-	-	-	108,192
	ELECT EQUIP - AUDIO VISUAL SYS (A/V)										
110	AFRTS		487		487		487	-	-	-	487
111	ITEMS LESS THAN $2.0M (A/V)		4,597		4,597		4,597	-	-	-	4,597
	ELECT EQUIP-TEST MEAS&DIAG EQUIP (TMDE)										
112	CALIBRATION SETS EQUIPMENT		-		-		-	-	-	-	-
113	INTEGRATED FAMILY OF TEST EQUIP (IFTE)		-		-		-	-	-	-	-
114	TEST EQUIPMENT MODERNIZATION (TEMOD)		-		-		-	-	-	-	-
	ELECT EQUIP - SUPPORT										
115	INSTALLATION C4 UPGRADE (ICU)		-		-		-	-	-	-	-
116	PRODUCTION BASE SUPPORT (C-E)		403		403		403	-	-	-	403
	OTHER SUPPORT EQUIPMENT										
	CHEMICAL DEFENSIVE EQUIPMENT										
117	GEN SMK MECH:MTRZD DUAL PURP M56	76	15,110	76	15,110	76	15,110	-	-	76	15,110
118	GENERATOR, SMOKE, MECH M58	38	10,622	38	10,622	38	10,622	-	-	38	10,622
119	GEN SET, SMOKE, MECH: PUL JET, M157 SERIES		-		-		-	-	-	-	-
120	LT VEH OBSCURANT SMK SYS	2,363	4,633	2,363	4,633	2,363	4,633	-	-	2,363	4,633
	BRIDGING EQUIPMENT										
121	RIBBON BRIDGE		8,824		8,824		8,824	-	-	-	8,824
	ENGINEER (NON-CONSTRUCTION) EQUIPMENT										
122	METALLIC MINE DETECTOR, VEHICLE MOUNTED	2	3,775	2	3,775	2	3,775	-	-	2	3,775
123	BN COUNTERMINE SIP		3,670		3,670		3,670	-	-	-	3,670
124	M-9 ARMORED COMBAT EARTHMOVER (ACE)		-		-		-	-	-	-	-
125	ITEMS LESS THAN $2.0M(ENG NON-CONST)		-		-		-	-	-	-	-
	COMBAT SERVICE SUPPORT EQUIPMENT										
126	AIR CONDITIONERS VARIOUS SIZE/CAPACITY		4,650		4,650		4,650	-	-	-	4,650
127	KITCHEN, CONTAINERIZED, FIELD (CK)	77	7,435	77	7,435	77	7,435	-	-	77	7,435
128	SANITATION CENTER, FIELD FEEDING (FSC)	108	1,364	108	1,364	108	1,364	-	-	108	1,364
129	FIRETRUCKS		15,000		15,000		15,000	-	-	-	15,000
130	TRUCK, FIREFIGHTING, MULTI-PURPOSE	6	1,708	6	1,708	6	1,708	-	-	6	1,708

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(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
131	ARMY SPACE HEATER, 120,000 BTU (ASH)	110	1,061	110	1,061	110	1,061	-	-	110	1,061
132	LAUNDRY ADVANCED SYSTEM (LADS)	19	7,216	19	7,216	19	7,216	-	-	19	7,216
133	FLOODLIGHT SET, ELEC, TRL MTD, 3 LIGHTS	113	1,944	113	1,944	113	1,944	-	-	113	1,944
134	SOLDIER ENHANCEMENT		4,832		4,832		4,832	-	-	-	4,832
135	LAND WARRIOR	255	51,380	255	56,380	255	37,796	(255)	(51,380)	-	-
136	FORCE PROVIDER	4	24,418	4	24,418	4	24,418	-	-	4	24,418
137	REFRIGERATION EQUIPMENT		1,930		1,930		1,930	-	-	-	1,930
138	ITEMS LESS THAN $2.0M (CSS-EQ)		4,749		6,749		4,749	-	-	-	4,749
	PETROLEUM EQUIPMENT										
139	TANK ASSEMBLY FAB COLL POL 50000 G	17	7,393		4,393	17	7,393	-	-	17	7,393
140	PUMP ASSY, REGULATED, 350 GPM	10	358	10	358	10	358	-	-	10	358
141	INLAND PETROLEUM DISTRIBUTION SYSTEM		8,342		4,342		8,342	-	-	-	8,342
142	FORWARD AREA REFUELING SYS ADV AVIATION	18	5,329	18	5,329	18	5,329	-	-	18	5,329
143	ITEMS LESS THAN $2.0M (POL)		4,657		4,657		4,657	-	-	-	4,657
	WATER EQUIPMENT										
144	SMALL MOBILE WATER CHILLER (SMWC)	310	2,897	310	2,897	310	2,897	-	-	310	2,897
145	ITEMS LESS THAN $2.0M (WATER EQ)		1,255		1,255		1,255	-	-	-	1,255
	MEDICAL EQUIPMENT										
146	COMBAT SUPPORT MEDICAL		25,807		25,807		25,807	-	-	-	25,807
	MAINTENANCE EQUIPMENT										
147	SHOP EQ CONTACT MAINTENANCE TRK MTD (MYP)	180	7,897		3,897	180	7,897	-	-	180	7,897
148	WELDING SHOP, TRAILER MTD	55	3,044		1,544	55	3,044	-	-	55	3,044
149	ITEMS LESS THAN $2.0M (MAINT EQ)		4,754		4,754		4,754	-	-	-	4,754
	CONSTRUCTION EQUIPMENT										
150	DIST, BITUM MATERIAL 1500G TRK MTD	20	4,377	20	4,377	20	4,377	-	-	20	4,377
151	ROLLER, VIBRATORY, SELF-PROPELLED (CCE)		-		-		-	-	-	-	-
152	HYDRAULIC EXCAVATOR	26	6,402	26	6,402	26	6,402	-	-	26	6,402
153	DEPLOYABLE UNIVERSAL COMBAT EARTH MOVERS	23	9,388	23	9,388	23	9,388	-	-	23	9,388
154	TRUCK, DUMP, 20T (CCE)	66	13,305	66	13,305	66	13,305	-	-	66	13,305
155	CRUSHING/SCREENING PLANT, 150 TPH	2	3,801	2	3,801	2	3,801	-	-	2	3,801
156	CRANE, WHEEL MTD, 25T, 3/4 CU YD, RT	47	11,553	47	11,553	47	11,553	-	-	47	11,553
157	ITEMS LESS THAN $2.0M (CONST EQUIP)		1,929		1,929		1,929	-	-	-	1,929

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	RAIL FLOAT CONTAINERIZATION EQUIPMENT										
158	PUSHER TUG, SMALL	1	4,269	3	8,569	1	4,269	2	4,300	3	8,569
159	FLOATING CRANE, 100-250 TON		-		-		-	-	-	-	-
160	CONTAINERIZED MAINTENANCE FACILITY	1	5,300	1	5,300	1	5,300	-	-	1	5,300
161	CAUSEWAY SYSTEMS		17,083		17,083		17,083	-	-	-	17,083
162	RAILWAY CAR, FLAT, 100 TON	148	12,804	148	12,804	148	12,804	-	-	148	12,804
163	ITEMS LESS THAN $2.0M (FLOAT/RAIL)		3,235		3,235		3,235	-	-	-	3,235
	GENERATORS										
164	GENERATORS AND ASSOCIATED EQUIP		82,749		82,749		82,749	-	-	-	82,749
	MATERIAL HANDLING EQUIPMENT										
165	TRUCK, FORK LIFT, DE, PT, RT, 50000 LB	101	20,588		10,588	101	20,588	-	-	101	20,588
166	ALL TERRAIN LIFTING ARTICULATING SYSTEM	47	15,228		10,228	47	15,228	-	-	47	15,228
167	ROUGH TERRAIN CONTAINER CRANE	30	13,615	30	13,615	30	13,615	-	-	30	13,615
168	ITEMS LESS THAN $2.0M (MHE)		1,672		1,672		1,672	-	-	-	1,672
	TRAINING EQUIPMENT										
169	COMBAT TRAINING CENTERS SUPPORT		47,395		47,395		47,395	-	-	-	47,395
170	TRAINING DEVICES, NONSYSTEM		56,755		60,755		40,655	-	9,000	-	65,755
171	SIMNET/CLOSE COMBAT TACTICAL TRAINER		113,927		84,527		113,927	-	(29,400)	-	84,527
172	FIRE SUPPORT COMBINED ARMS TACTICAL TRAINER		28,124		28,124		28,124	-	-	-	28,124
	TEST MEASURE AND DIG EQUIPMENT (TMD)										
173	CALIBRATION SETS EQUIPMENT		9,984		9,984		9,984	-	-	-	9,984
174	INTEGRATED FAMILY OF TEST EQUIPMENT (IFTE)		54,051		54,051		54,051	-	-	-	54,051
175	TEST EQUIPMENT MODERNIZATION (TEMOD)		13,797		13,797		13,797	-	-	-	13,797
	OTHER SUPPORT EQUIPMENT										
176	RECONFIGURABLE SIMULATORS		1,967		1,967		1,967	-	-	-	1,967
177	PHYSICAL SECURITY SYSTEMS (OPA3)		16,164		16,164		16,164	-	-	-	16,164
178	SYSTEM FIELDING SUPPORT (OPA-3)		7,143		7,143		7,143	-	-	-	7,143
179	BASE LEVEL COM'L EQUIPMENT		9,697		9,697		9,697	-	-	-	9,697
180	TRANSPORTATION AUTOMATED MEASURING SYS (TRAMS)		-		-		-	-	-	-	-
181	ELECTRONIC REPAIR SHELTER	2	3,694	2	3,694	2	3,694	-	-	2	3,694
182	MODIFICATION OF IN-SVC EQUIPMENT (OPA-3)		17,667		17,667		17,667	-	-	-	17,667
183	PRODUCTION BASE SUPPORT (OTH)		2,274		2,274		2,274	-	-	-	2,274

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
184	SPECIAL EQUIPMENT FOR USER TESTING		15,062		15,062		15,062	-	-	-	15,062
185	OPA INITIAL SPARES		-		-		-	-	-	-	-
186	MA8975		6,020		6,020		6,020	-	-	-	6,020
187	CLOSED ACCOUNT ADJUSTMENTS		-		-		-	-	-	-	-
	SPARE AND REPAIR PARTS										
	OPA1										
188	INITIAL SPARES - TSV		4,433		4,433		4,433	-	-	-	4,433
	OPA2										
189	INITIAL SPARES - C&E		73,362		73,362		73,362	-	-	-	73,362
	OPA3										
190	INITIAL SPARES - OTHER SUPPORT EQUIP		1,174		1,174		1,174	-	-	-	1,174
	R2000 ENGINE FLUSH SYSTEM								5,000	-	5,000
	ADVISORY AND ASSISTANCE SERVICES				(9,159)			-	(3,475)	-	(3,475)
	ECONOMIC ADJUSTMENT						(9,000)		(9,000)		(9,000)
	TOTAL OTHER PROCUREMENT, ARMY		3,198,811		3,136,918		3,556,927		146,121		3,344,932
	CHEM AGENTS & MUNITIONS DESTRUCTION, ARMY										
	CHEM AGENTS & MUNITIONS DESTRUCT-RDT&E										
	RESEARCH AND DEVELOPMENT										
1	CHEM DEMILITARIZATION - RDTE		182,780		-		-		(182,780)	-	-
	CHEM AGENTS & MUNITIONS DESTRUCT-PROC										
	PROCUREMENT										
2	CHEM DEMILITARIZATION - PROC		140,670		-		-		(140,670)	-	-
	CHEM AGENTS & MUNITIONS DESTRUCT-O&M										
	OPERATION AND MAINTENANCE										
3	CHEM DEMILITARIZATION - O&M		531,650		-		-		(531,650)	-	-
	TOTAL CHEM AGENTS & MUNITIONS DESTR, ARMY		855,100		-		-		(855,100)	-	-
	Total Army Procurement		9,028,085		8,351,055		8,637,237		(535,071)	-	8,493,014

High mobility multipurpose wheeled vehicles

The budget request included $12.1 million for high mobility multipurpose wheeled vehicles (HMMWV).

The House bill would authorize an increase of $10.0 million for up-armored upgrade requirements.

The Senate amendment would authorize an increase of $65.7 million to maintain production of vehicles necessary to support Army and Marine Corps plans to begin a fleet replacement program.

The conferees agree to authorize an increase of $65.7 million for new HMMWV production.

Family of medium tactical vehicles

The budget request included $332.0 million for family of medium tactical vehicle trucks.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $88.0 million to sustain family of medium tactical vehicles (FMTV) production.

The conferees agree to authorize an increase of $42.5 million to support production requirements and field critically needed trucks to replace an aging fleet.

Medium truck extended service program

The budget request included $37.2 million for the medium truck extend service program (ESP).

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $93.9 million. Of this amount, $30.0 million would be made available to meet Army National Guard (ARNG) requirements.

The conferees agree to authorize an increase of $20.0 million for ARNG medium truck rebuild requirements.

High mobility multipurpose wheeled vehicle extended service program

The budget request included $24.8 million for the high mobility multipurpose wheeled vehicle (HMMWV) extended service program (ESP).

The House bill would authorize a decrease of $24.8 million in response to Army plans to field new vehicles.

The Senate amendment would authorize the budget request.

The conferees agree to authorize no funds for this program and support the Army request for additional funding necessary for new vehicle production.

Project management support

The budget request included $2.4 million for project management support.

The House bill and the Senate amendment would authorize a decrease of $1.0 million.

The conferees agree to authorize a decrease of $1.0 million for project management support.

System fielding support

The budget request included $4.2 million for system fielding support.

The House bill would authorize a decrease of $1.2 million.

The Senate amendment would authorize a decrease of $1.0 million.

The conferees agree to authorize a decrease of $1.0 million for system fielding support.

Army data distribution system

The budget request included $24.0 million for the Army data distribution system.

The House bill would authorize an increase of $5.0 million.

The Senate amendment would authorize an increase of $28.0 million for both active and reserve component requirements for enhanced position location reporting systems (EPLRS) necessary to meet Army digitization requirements.

The conferees agree to authorize an increase of $28.0 million for EPLRS requirements.

Single channel ground and airborne radio system

The budget request included $13.2 million for the single channel ground and airborne radio system (SINCGARS).

The House bill would authorize the budget request.

The Senate amendment would authorize an increase $61.9 million for Army National Guard (ARNG) enhanced brigade requirements.

The conferees agree to authorize an increase of $50.0 million for SINCGARS requirements for the ARNG enhanced brigades.

Area common user system modernization program

The budget request included $97.1 million for area common user system (ACUS) modifications.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $47.8 million to support Army requirements to downsize system shelters.

The conferees agree to authorize an increase of $35.0 million for system downsizing requirements.

Ground based common sensor

The budget request included $25.4 million for the ground based common sensor (GBCS).

The House bill would authorize a decrease of $11.2 million, as follows:

(1) A $9.7 million decrease for GBCS-light; and

(2) A $1.5 million decrease because of duplicate entries for the common modules electronic intelligence system in the budget request.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $11.2 million for GBCS.

Joint surveillance and target attack radar system common ground system

The budget request included $87.2 million for Army joint surveillance and target attack radar system (JSTARS) common ground equipment.

The House bill would authorize an increase of $10.0 million for 24 JSTARS workstations.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $3.0 million for seven additional JSTARS workstations.

Joint tactical terminal

The budget request included $6.5 million in Other Procurement, Army for integrated broadcast terminal modifications, and $5.7 million in Other Procurement, Air Force for intelligence communications equipment.

The House bill would authorize an increase of $5.0 million for the Army, and $3.0 million for the Air Force, to reduce delivery delays for intelligence broadcast transceivers caused by contract protests that have since been resolved.

The Senate amendment would authorize the budget request.

The Senate recedes.

Shortstop electronic protection system

The budget request included no funds for the Shortstop system.

The House bill would authorize an increase of $15.0 million for Shortstop electronic protection systems.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $13.0 million to procure additional Shortstop electronic protection systems.

Night vision

The budget request included $29.6 million for night vision equipment.

The House bill would authorize an increase of $9.0 million for AN/PEQ–2A infrared target pointers.

The Senate amendment would authorize an increase of $13.5 million, as follows:

(1) $9.0 million for AN/PEQ–2A infrared target pointers; and

(2) $4.5 million for AN/PEQ–4C infrared aiming lights.

The conferees agree to authorize an increase of $43.1 million, an increase of $13.5 million, for night vision equipment. Of this amount, $9.0 million is for AN/PEQ–2A infrared target pointers and $4.5 million is for AN/PEQ–4C infrared aiming lights.

Automated data processing equipment

The budget request included $130.7 million for automated data processing equipment.

The House bill would authorize a reduction of $19.1 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a total decrease of $19.1 million for the joint computer aided logistics system.

Land warrior

The budget request included $51.4 million for land warrior equipment procurement.

The House bill would authorize an increase of $5.0 million for all-torso body armor.

The Senate amendment would authorize the budget request.

The conferees are aware of a significant number of cost and technical problems associated with this program. The conferees, therefore, agree to authorize no funds for this program for fiscal year 1999 and further direct the Secretary of the Army to review program cost and technical issues. The conferees further direct the Secretary of the Army provide a report on future requirements and resolution of outstanding technical issues to the congressional defense committees, no later than January 31, 1999.

Small pusher tug

The budget request included $4.3 million for one small pusher tug.

The House bill would authorize an increase of $4.3 million for two additional small pusher tugs.

The Senate amendment authorized the budget request.

The conferees agree to authorize an increase of $4.3 million for two additional small pusher tugs.

Training devices, nonsystem

The budget request included $56.8 million for nonsystem training devices.

The House bill would authorize an increase of $4.0 million for four fire fighter trainers.

The Senate amendment would authorize a decrease of $16.1 million for the MILES 2000 program.

The conferees agree to authorize an increase of $4.0 million for fire fighter training devices and an increase of $5.0 million for engagement skills trainers.

Simulation network/close combat tactical trainer

The budget request included $113.9 million for simulation network (SIMNET) close combat tactical trainer (CCTT).

The House bill would authorize a decrease of $29.4 million, as follows:

(1) $17.0 million for modules and sight equipment;

(2) $ 2.4 million for commercial trainers; and

(3) $10.0 million for commercial image generators.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $29.4 million.

R2000 engine flush system

The budget request included no funds for the R2000 engine flush system.

The House bill would authorize an increase of $5.0 million for this equipment.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $5.0 million for the R2000 engine flush system.

Overview

The budget request for fiscal year 1999 contained an authorization of $7,466.7 million for Aircraft Procurement, Navy in the Department of Defense. The House bill would authorize $7,420.8 million. The Senate amendment would authorize $7,477.9 million. The conferees recommended an authorization of $7,642.2 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	AIRCRAFT PROCUREMENT, NAVY										
	COMBAT AIRCRAFT										
	COMBAT AIRCRAFT										
1	AV-8B (V/STOL)HARRIER	12	300,192	12	296,992	12	300,192	-	(3,200)	12	296,992
1	LESS: ADVANCE PROCUREMENT (PY)		(17,479)		(17,479)		(17,479)	-	-	-	(17,479)
2	ADVANCE PROCUREMENT (CY)		55,686		55,686		55,686	-	-	-	55,686
3	F/A-18C/D (FIGHTER) HORNET		-		-		-	-	-	-	-
4	F/A-18E/F (FIGHTER) HORNET	30	2,876,129	27	2,671,429	30	2,876,129	-	(14,000)	30	2,862,129
4	LESS: ADVANCE PROCUREMENT (PY)		(88,346)		(88,346)		(88,346)	-	-	-	(88,346)
5	ADVANCE PROCUREMENT (CY)		109,438		109,438		109,438	-	-	-	109,438
6	V-22 (MEDIUM LIFT)	7	671,428	8	735,428	7	671,428	1	78,000	8	749,428
6	LESS: ADVANCE PROCUREMENT (PY)		(60,662)		(60,662)		(60,662)	-	-	-	(60,662)

Title I - Procurement—Continued

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
7	ADVANCE PROCUREMENT (CY)		54,020		54,020		54,020	-	-	-	54,020
8	SH-60B (ASW HELICOPTER) SEAHAWK		-		-		-	-	-	-	-
9	E-2C (EARLY WARNING) HAWKEYE	3	225,407	3	225,407	3	225,407	-	-	3	225,407
9	LESS: ADVANCE PROCUREMENT (PY)		(19,023)		(19,023)		(19,023)	-	-	-	(19,023)
10	ADVANCE PROCUREMENT (CY)		182,947		182,947		182,947	-	-	-	182,947
	AIRLIFT AIRCRAFT										
	AIRLIFT AIRCRAFT										
11	CH-60	4	106,027	4	106,027	4	106,027	-	-	4	106,027
12	ADVANCE PROCUREMENT (CY)		26,160		26,160		26,160	-	-	-	26,160
	TRAINER AIRCRAFT										
	TRAINER AIRCRAFT										
13	T-45TS (TRAINER) GOSHAWK	15	288,755	15	273,255	15	288,755	-	-	15	288,755
13	LESS: ADVANCE PROCUREMENT (PY)		(6,088)		(6,088)		(6,088)	-	-	-	(6,088)
14	ADVANCE PROCUREMENT (CY)		60,159		72,359		60,159	-	-	-	60,159
	JPATS							-	-		
	OTHER AIRCRAFT										
	OTHER AIRCRAFT										
15	KC-130J		-	2	112,400			2	112,400	2	112,400
	MODIFICATION OF AIRCRAFT										
	MODIFICATION OF AIRCRAFT										

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
16	EA-6 SERIES		75,735		114,735		75,735	-	25,000	-	100,735
17	AV-8 SERIES		99,109		99,109		99,109	-	-	-	99,109
18	F-14 SERIES		223,661		216,361		231,661	-	700	-	224,361
19	ADVERSARY		1,292		1,292		1,292	-	-	-	1,292
20	ES-3 SERIES		5,172		-		5,172	-	(5,172)	-	-
21	F-18 SERIES		198,049		194,149		198,049	-	(3,900)	-	194,149
22	H-46 SERIES		31,863		31,863		31,863	-	-	-	31,863
23	AH-1W SERIES		22,394		33,394		33,394	-	11,000	-	33,394
24	H-53 SERIES		37,829		37,829		37,829	-	-	-	37,829
25	SH-60 SERIES		137,997		136,697		137,997	-	-	-	137,997
26	H-1 SERIES		18,220		18,220		18,220	-	-	-	18,220
27	H-3 SERIES		34		34		34	-	-	-	34
28	EP-3 SERIES		5,437		8,437		7,437	-	3,500	-	8,937
29	P-3 SERIES		268,633		283,633		280,833	-	22,200	-	290,833
30	S-3 SERIES		45,997		45,997		45,997	-	-	-	45,997
31	E-2 SERIES		91,502		98,502		91,502	-	4,000	-	95,502
32	TRAINER A/C SERIES		7,399		7,399		7,399	-	-	-	7,399
33	C-2A		18,113		18,113		18,113	-	-	-	18,113
34	C-130 SERIES		4,040		4,040		4,040	-	-	-	4,040
35	FEWSG		557		557		557	-	-	-	557
36	CARGO/TRANSPORT A/C SERIES		27,179		27,179		27,179	-	-	-	27,179
37	E-6 SERIES		64,660		60,060		64,660	-	-	-	64,660
38	EXECUTIVE HELICOPTERS SERIES		26,147		26,147		26,147	-	-	-	26,147
39	SPECIAL PROJECT AIRCRAFT		17,729		17,729		17,729	-	-	-	17,729
40	T-45 SERIES		8,499		8,499		8,499	-	-	-	8,499
41	POWER PLANT CHANGES		15,283		15,283		15,283	-	-	-	15,283
42	MISC FLIGHT SAFETY CHANGES		-		-		-	-	-	-	-
43	COMMON ECM EQUIPMENT		37,375		37,375		37,375	-	(9,300)	-	28,075
44	COMMON AVIONICS CHANGES		104,697		102,697		104,697	-	(2,000)	-	102,697
	AIRCRAFT SPARES AND REPAIR PARTS										
	AIRCRAFT SPARES AND REPAIR PARTS										
45	SPARES AND REPAIR PARTS		727,838		719,438		727,838	-	-	-	727,838

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES										
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES										
46	CANCELLED ACCOUNT ADJUSTMENTS (M)		-		-		-	-	-	-	-
47	CANCELLED ACCOUNT ADJUSTMENTS (88)		-		-		-	-	-	-	-
48	CANCELLED ACCOUNT ADJ (89)		-		-		-	-	-	-	-
49	CANCELLED ACCOUNT ADJUSTMENTS (87)		-		-		-	-	-	-	-
50	COMMON GROUND EQUIPMENT		330,952		315,552		330,952	-	(11,850)	-	319,102
51	AIRCRAFT INDUSTRIAL FACILITIES		13,753		11,953		13,753	-	(1,800)	-	11,953
52	WAR CONSUMABLES		11,197		11,197		11,197	-	-	-	11,197
53	OTHER PRODUCTION CHARGES		7,552		7,552		7,552	-	-	-	7,552
54	SPECIAL SUPPORT EQUIPMENT		14,377		14,377		14,377	-	-	-	14,377
55	FIRST DESTINATION TRANSPORTATION		1,713		1,713		1,713	-	-	-	1,713
	ADVISORY AND ASSISTANCE SERVICES				(36,215)			-	(8,112)	-	(8,112)
	ECONOMIC ADJUSTMENT						(22,000)		(22,000)		(22,000)
	TOTAL AIRCRAFT PROCUREMENT, NAVY		7,466,734		7,420,847		7,477,934		175,466		7,642,200

AV–8B

The budget request included $300.2 million for the AV–8B remanufacturing program.

The House bill would authorize a decrease of $3.2 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $3.2 million.

F/A–18E/F

The budget request included $2,876.1 million for the F/A–18E/F.

The House bill would authorize a decrease of $204.7 million and would reduce the fiscal year 1999 production from 30 aircraft to 27 aircraft.

The Senate amendment would authorize the budget request.

The conferees agree to authorize production of 30 aircraft and to a decrease of $14.0 million from the budget request.

V–22

The budget request included $610.8 million to procure seven V–22 tilt-rotor aircraft and $54.0 million for advance procurement of 10 aircraft in fiscal year 2000.

The House bill would authorize a net increase of $64.0 million, including an increase of $78.0 million for the procurement of one additional aircraft and a decrease of $14.0 million for particular ground support equipment.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $78.0 million for the procurement of one additional aircraft.

JPATS

The budget request included no funds for the naval version of the T–6A.

The House bill would authorize an increase of $12.2 million for four aircraft for the Navy.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

EA–6 Series modifications

The budget request included $75.7 million for various EA–6 series modifications.

The House bill would authorize an increase of $39.0 million for the band 9/10 transmitter/receiver upgrade.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $25.0 million for band 9/10 transmitter/receivers and note that the timely authorization for additional band 9/10 transmitters would allow the contractor to modify those transmitters to permit the transmitters to jam in the adjoining frequency range, band 7/8 (called ''modified band 9/10 transmitters'').

F–14 Series

The budget request included $223.7 million for the F–14 Series aircraft.

The House bill would authorize a decrease of $7.3 million due to excessive cost growth related to structural improvements.

The Senate amendment would authorize an increase of $8.0 million for acceleration of the precision strike upgrade.

The conferees agree to authorize an increase of $0.7 million to accelerate the precision strike upgrade, and believe that the Department of Defense can meet requirements for structural improvements within the provided amount.

ES–3 Series Modifications

The budget request included $5.2 million for ES–3 modifications.

The House bill would authorize a decrease of $5.2 million for this program based on a Navy decision to retire the ES–3 aircraft.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $5.2 million.

F–18 series modifications

The budget request included $198.0 million for the F–18 series aircraft.

The House bill would authorize a decrease of $3.9 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $3.9 million.

P–3C antisurface warfare improvement program

The budget request included $120.7 million for the procurement of P–3C antisurface warfare improvement program (AIP) kits and for associated installation, logistics support, engineering change proposals and training.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $12.2 million for procurement of P–3C AIP kits.

The conferees agree to authorize an increase of $12.2 million.

Lightweight environmentally sealed parachute assembly

The budget request included no funds for the lightweight environmentally sealed parachute assembly (LESPA).

The House bill would authorize an increase of $22.0 million to procure LESPA, including $15.0 million for the P–3 and $7.0 million for the E–2C.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $14.0 million to procure LESPA, including $10.0 million for the P–3 and $4.0 million for the E–2C.

E–6 modifications

The budget request included $64.6 million for E–6 modifications.

The House bill would authorize a decrease of the budget request by $4.6 million.

The Senate amendment would authorize the budget request.

The conferees would authorize the budget request.

Common ground equipment

The budget request included $330.9 million for common ground equipment.

The House bill would authorize a decrease of $15.4 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $11.9 million due to unjustified predicted price increases for consolidated automated support systems.

Aircraft industrial facilities

The budget request included $13.7 million for aircraft industrial facilities.

The House bill would authorize a decrease of $1.8 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $1.8 million for aircraft industrial facilities based on an unjustified increase for caretaker maintenance.

Overview

The budget request for fiscal year 1999 contained an authorization of $1,327.5 million for Weapons Procurement, Navy in the Department of Defense. The House bill would authorize $1,192.2 million. The Senate amendment would authorize $1,366.0 million. The conferees recommended an authorization of $1,223.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P1-3

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	WEAPONS PROCUREMENT, NAVY										
	BALLISTIC MISSILES										
	BALLISTIC MISSILES										
1	TRIDENT II	5	284,236	5	284,236	5	284,236	-	-	5	284,236
1	LESS: ADVANCE PROCUREMENT (PY)		(23,584)		(23,584)		(23,584)	-	-	-	(23,584)
2	ADVANCE PROCUREMENT (CY)		62,800		62,800		62,800	-	-	-	62,800
	SUPPORT EQUIPMENT AND FACILITIES										
3	MISSILE INDUSTRIAL FACILITIES		198		198		198	-	-	-	198
	OTHER MISSILES										
	STRATEGIC MISSILES										
4	TOMAHAWK	114	129,758		33,258	114	129,758	(114)	(96,500)	-	33,258
5	ESSM	28	35,672	28	35,672	28	35,672	-	-	28	35,672
	TACTICAL MISSILES										
6	AMRAAM	115	62,641	115	62,641	115	62,641	(15)	(7,000)	100	55,641
7	JSOW	328	125,207	328	125,207	328	125,207	-	-	328	125,207
8	STANDARD MISSILE	120	225,702	120	205,702	120	225,702	-	(15,000)	120	210,702
9	RAM	100	44,766	100	42,166	100	44,766	-	-	100	44,766
10	HELLFIRE		-		-		-	-	-	-	-
11	PENGUIN		-		-		7,500	-	-	-	-
12	AERIAL TARGETS		75,474		72,774		75,474	-	(2,700)	-	72,774
13	DRONES AND DECOYS		298		298		10,298	-	10,000	-	10,298
14	OTHER MISSILE SUPPORT		15,238		15,238		15,238	-	-	-	15,238
	MODIFICATION OF MISSILES										
15	TOMAHAWK MODS		-		-		-	-	-	-	-
16	SPARROW MODS		-		-		-	-	-	-	-
17	SIDEWINDER MODS		-		-		-	-	-	-	-
18	HARPOON MODS		39,506		39,506		39,506	-	-	-	39,506
19	STANDARD MISSILES MODS		45,303		45,303		45,303	-	-	-	45,303
	SUPPORT EQUIPMENT AND FACILITIES										
20	WEAPONS INDUSTRIAL FACILITIES		27,133		24,333		27,133	-	(2,800)	-	24,333
21	FLEET SATELLITE COMM (MYP) (SPACE)		-		-		-	-	-	-	-
	ORDNANCE SUPPORT EQUIPMENT										

500 1046

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
22	ORDNANCE SUPPORT EQUIPMENT		6,210		6,210		6,210	-	-	-	6,210
	TORPEDOES AND RELATED EQUIPMENT										
	TORPEDOES AND RELATED EQUIPMENT										
23	ASW TARGETS		4,152		4,152		4,152	-	-	-	4,152
24	VERTICAL LAUNCHED ASROC (VLA)		-		-		-	-	-	-	-
	MOD OF TORPEDOES AND RELATED EQUIP										
25	MK-46 TORPEDO MODS		15		15		15	-	-	-	15
26	MK-48 TORPEDO ADCAP MODS		52,813		50,613		52,813	-	(2,200)	-	50,613
	SUPPORT EQUIPMENT										
27	TORPEDO SUPPORT EQUIPMENT		24,206		24,206		24,206	-	-	-	24,206
28	ASW RANGE SUPPORT		14,672		14,672		14,672	-	-	-	14,672
	DESTINATION TRANSPORTATION										
29	FIRST DESTINATION TRANSPORTATION		1,979		1,979		1,979	-	-	-	1,979
	OTHER WEAPONS										
	GUNS AND GUN MOUNTS										
30	SMALL ARMS AND WEAPONS		874		874		874	-	-	-	874
	MODIFICATION OF GUNS AND GUN MOUNTS										
31	CIWS MODS		2,778		6,778		12,778	-	10,000	-	12,778
32	5/54 GUN MOUNT MODS		909		909		15,909	-	8,000	-	8,909
33	MK-75 76MM GUN MOUNT MODS		1,951		1,951		1,951	-	-	-	1,951
34	MODS UNDER $2 MILLION		1,279		1,279		1,279	-	-	-	1,279
	OTHER										
35	PIONEER		19,441		19,441		19,441	-	-	-	19,441
36	CANCELLED ACCOUNT ADJUSTMENTS		-		-		-	-	-	-	-
37	CANCELLED ACCOUNT ADJUSTMENTS		-		-		-	-	-	-	-
38	CANCELLED ACCOUNT ADJUSTMENTS		-		-		-	-	-	-	-
39	JUDGEMENT FUND		-		-		-	-	-	-	-
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
40	SPARES AND REPAIR PARTS		45,918		42,747		45,918	-	-	-	45,918
	ADVISORY AND ASSISTANCE SERVICES				(9,379)			-	(1,442)	-	(1,442)
	ECONOMIC ADJUSTMENT						(4,000)		(4,000)		(4,000)

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(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	TOTAL WEAPONS PROCUREMENT, NAVY		1,327,545		1,192,195		1,366,045		(103,642)		1,223,903

Tactical Tomahawk

The budget request included $66.7 million in PE 24229N for Tomahawk operational system development, $129.8 million in Weapons Procurement, Navy (WPN) for the Tomahawk missile remanufacture program, $90.2 million in Other Procurement, Navy (OPN) for surface Tomahawk support equipment, and $117.1 million in Operation and Maintenance, Navy (O&M, N) for the Tomahawk baseline improvement program (TBIP).

The House bill would authorize an increase of $98.6 million in PE 24229N for tactical Tomahawk, an increase of $2.8 million in OPN for TBIP, a decrease of $96.5 million in WPN, and a decrease of $4.9 million in O&M,N for TBIP.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a $96.5 million decrease for Tomahawk missile WPN, a $98.6 million increase in PE 24229N for tactical Tomahawk, and a $4.9 million decrease in O&M, N for TBIP.

Advanced medium range air-to-air missile

The budget request included $62.6 million for 115 advanced medium range air-to-air missiles (AMRAAM).

The House bill and the Senate amendment would authorize the budget in Navy AMRAAM procurement request.

The conferees understand that the recent merger of the two competing prime contractors produced savings of $7.0 million in the production of the AMRAAM for the Navy. The conferees agree to authorize a decrease of $7.0 million.

Standard missile

The budget request included $225.7 million for 70 Block III and 45 Block IV Standard missiles.

The House bill would authorize a $20.0 million decrease based on a 41 percent increase in support costs, despite the fact that the total number of missiles would only increase by 15 percent from the fiscal year 1998 level.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $15.0 million for Standard missile support.

Penguin missile program

The budget request included no funds for procurement of Penguin missiles.

The Senate amendment would authorize an increase of $7.5 million for procurement of Penguin missiles to satisfy outstanding inventory objectives for both the tactical and telemetry variants of the missle.

The House bill would authorize the budget request.

The conferees agree to authorize the budget request.

Aerial targets

The budget request included $75.5 million for aerial targets.

The House bill would authorize a decrease of $2.7 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $2.7 million.

Improved tactical air launched decoy

The budget request included $300,000 for drones and decoys.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $10.0 million for 70 improved tactical air launched decoys (ITALD).

The conferees agree to authorize an increase of $10.0 million.

Weapons industrial facilities

The budget request included $27.3 million for capital type rehabilitation projects at government-owned contractor operated weapons industrial facilities.

The House bill would authorize a decrease of $2.8 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $2.8 million based on unjustified environmental cost increases.

Mk-48 torpedo advanced capability torpedo modifications

The budget request included $52.8 million for procurement and installation of modifications for the Mk-48 advanced capability torpedo.

The House bill would authorize a decrease of $2.2 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $2.2 million due to the projected excessive unit cost growth of installation kits.

Close-in weapon system surface mode upgrade

The budget request included no funds for procurement of Phalanx surface mode (PSUM) upgrade kits for the close-in weapon system (CIWS).

The House bill would authorize an increase of $4.0 million for procurement and installation of the surface mode upgrade kits for amphibious ships.

The Senate amendment would authorize an increase of $10.0 million for procurement and installation of the surface mode upgrade.

The conferees agree to authorize an increase of $10.0 million for procurement and installation of the surface mode upgrade.

Surface ship gun mount rotatable pool

The budget request included $900,000 for procurement and installation of safety shock ordnance alterations to the 5-inch 54 gun installed on surface combatants.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $15.0 million for test facility preparation, procurement of long lead materials and establishment of a 5-inch 54 Mod 4 rotatable gun pool as part of the cruiser conversion program which begins in fiscal year 2001.

The conferees agree to authorize an increase of $8.0 million for the establishment of a 5-inch 54 Mod 4 rotatable gun pool.

Overview

The budget request for fiscal year 1999 contained an authorization of $429.5 million for Ammunition Procurement, Navy and Marine Corps in the Department of Defense. The House bill would authorize $452.0 million. The Senate amendment would authorize $475.5 million. The conferees recommended an authorization of $463.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	PROCUREMENT AMMUNITION, NAVY & MARINE CORP										
	PROC AMMO, NAVY										
	NAVY AMMUNITION										
1	GENERAL PURPOSE BOMBS		22,904		22,904		22,904	-	-	-	22,904
2	JDAM	898	41,363	898	40,463	898	41,363	-	-	898	41,363
3	2.75 INCH ROCKETS		16,147		16,147		16,147	-	-	-	16,147
4	MACHINE GUN AMMUNITION		8,816		8,816		8,816	-	-	-	8,816
5	PRACTICE BOMBS		40,134		40,134		40,134	-	-	-	40,134
6	CARTRIDGES & CART ACTUATED DEVICES		25,982		25,982		25,982	-	-	-	25,982
7	AIRCRAFT ESCAPE ROCKETS		10,370		10,370		10,370	-	-	-	10,370
8	AIR EXPENDABLE COUNTERMEASURES		29,059		29,059		29,059	-	-	-	29,059
9	MARINE LOCATION MARKERS		1,350		1,350		1,350	-	-	-	1,350
10	JATOS		3,893		3,893		3,893	-	-	-	3,893
11	5 INCH/54 GUN AMMUNITION		21,853		21,853		21,853	-	-	-	21,853
12	EXTENDED RANGE GUIDED MUNITIONS (ERGM)		27,452		27,452		27,452	-	-	-	27,452
13	CIWS AMMUNITION		660		660		660	-	-	-	660
14	76MM GUN AMMUNITION		3,761		3,761		3,761	-	-	-	3,761
15	OTHER SHIP GUN AMMUNITION		4,548		4,548		4,548	-	-	-	4,548
16	SMALL ARMS & LANDING PARTY AMMO		7,752		7,752		7,752	-	-	-	7,752
17	PYROTECHNIC AND DEMOLITION		8,938		8,938		8,938	-	-	-	8,938
18	MINE NEUTRALIZATION DEVICES		7,884		7,884		7,884	-	-	-	7,884
19	CANCELLED ACCOUNT ADJUSTMENTS (87)		-		-		-	-	-	-	-
	PROC AMMO, MC										
	MARINE CORPS AMMUNITION										
20	5.56 MM, ALL TYPES		25,750		26,350		26,250	-	600	-	26,350
21	7.62 MM, ALL TYPES		196		896		896	-	700	-	896
22	LINEAR CHARGES, ALL TYPES		7,603		7,603		7,603	-	-	-	7,603
23	.50 CALIBER		1,180		1,180		1,680	-	500	-	1,680
24	40 MM, ALL TYPES		11,565		11,565		11,565	-	-	-	11,565
25	60 MM HE M888		-		-		17,000	-	8,200	-	8,200
26	81 MM HE		-		-		-	-	-	-	-
27	81MM, ALL TYPES		16,076		16,076		16,076	-	-	-	16,076

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
28	81 MM SMOKE SCREEN		-		-		-	-	-	-	-
29	120MM, ALL TYPES		14,054		14,054		18,854	-	2,000	-	16,054
30	120MM TPCSDS-T M865		-		500		-	-	-	-	-
31	120 MM TP-T M831		-		700		-	-	-	-	-
32	CTG 25MM, ALL TYPES		3,860		4,760		4,860	-	1,000	-	4,860
33	9 MM ALL TYPES		2,332		3,132		3,332	-	1,000	-	3,332
34	GRENADES, ALL TYPES		4,893		8,093		5,893	-	3,200	-	8,093
35	ROCKETS, ALL TYPES		21,346		38,346		39,346	-	17,000	-	38,346
36	DEMOLITION MUNITIONS, ALL TYPES		7,737		8,337		7,737	-	600	-	8,337
37	FUZE, ALL TYPES		13,645		13,645		16,145	-	-	-	13,645
38	NON LETHALS		984		984		984	-	-	-	984
39	AMMO MODERNIZATION		12,007		12,007		12,007	-	-	-	12,007
40	ITEMS LESS THAN $2 MIL		3,445		3,445		3,445	-	-	-	3,445
	ADVISORY AND ASSISTANCE SERVICES				(1,671)			-	-	-	-
	ECONOMIC ADJUSTMENT						(1,000)		(1,000)		(1,000)
	PROCUREMENT AMMUNITION, NAVY/MARINE CORP		429,539		451,968		475,539		33,800		463,339

Shoulder launched multi-purpose assault weapon

The budget request included $21.3 million for rockets, all type.

The House bill would authorize an increase of $17.0 million, in this account, for the shoulder launched multi-purpose assault weapon (SMAW).

The Senate amendment would authorize an increase of $18.0 million, in this account, for the SMAW.

The conferees agree to authorize an increase of $17.0 million for maintaining the program initiated last year to repair SMAW High Explosive Dual Purpose rounds currently restricted from use.

Overview

The budget request for fiscal year 1999 contained an authorization of $6,252.7 million for Shipbuilding and Conversion, Navy in the Department of Defense. The House bill would authorize $5,992.4 million. The Senate amendment would authorize $6,049.3 million. The conferees recommended an authorization of $6,033.5 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	SHIPBUILDING & CONVERSION, NAVY										
	OTHER WARSHIPS										
	OTHER WARSHIPS										
1	CARRIER REPLACEMENT PROGRAM		-		-		-	-	-	-	-
2	ADVANCE PROCUREMENT (CY)		124,515		124,515		124,515	-	-	-	124,515
3	SSN-21		-		-		-	-	-	-	-
4	NEW SSN	1	2,195,783	1	2,205,783	1	2,195,783	-	-	1	2,195,783
4	LESS: ADVANCE PROCUREMENT (PY)		(697,618)		(697,618)		(697,618)	-	-	-	(697,618)
5	ADVANCE PROCUREMENT (CY)		504,736		504,736		504,736	-	-	-	504,736
6	CVN REFUELING OVERHAULS		-		-		-	-	-	-	-
6	LESS: ADVANCE PROCUREMENT (PY)		-		-		-	-	-	-	-
7	ADVANCE PROCUREMENT (CY)		274,980		274,980		274,980	-	-	-	274,980
8	DDG-51	3	2,799,029	3	2,794,029	3	2,799,029	-	-	3	2,799,029
8	LESS: ADVANCE PROCUREMENT (PY)		(126,951)		(126,951)		(126,951)	-	-	-	(126,951)
9	ADVANCE PROCUREMENT (CY)		7,396		7,396		7,396	-	-	-	7,396
10	LCAC				16,000			-	-	-	-
	AMPHIBIOUS SHIPS										
	AMPHIBIOUS SHIPS										
10	LPD-17	1	734,886	1	734,886	1	734,886	-	-	1	734,886
10	LESS: ADVANCE PROCUREMENT (PY)		(96,106)		(96,106)		(96,106)	-	-	-	(96,106)
11	ADVANCE PROCUREMENT (CY)		-					-	-	-	-
	LHD-8 ADVANCE PROCUREMENT				10,000		50,000		50,000	-	50,000
	AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGRAM										
	AUXILIARIES, CRAFT AND PRIOR YEAR PROGRAM										
12	AE(CONV)		-		-		-	-	-	-	-
13	OCEANOGRAPHIC SHIPS	1	75,936	1	75,936	1	75,936	-	-	1	75,936
13	LESS: ADVANCE PROCUREMENT (PY)		(15,595)		(15,595)		(15,595)	-	-	-	(15,595)
14	ADVANCE PROCUREMENT (CY)		-		-		-	-	-	-	-
15	SERVICE CRAFT		-		-		-	-	-	-	-
16	STRATEGIC SEALIFT	1	251,400		-	-	-	(1)	(251,400)	-	-
17	LCAC LANDING CRAFT		-		-		16,000	-	16,000	-	16,000
18	OUTFITTING		95,680		87,980		95,680	-	(3,000)	-	92,680

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
19	POST DELIVERY		123,277		114,977		123,277	-	(6,000)	-	117,277
20	FIRST DESTINATION TRANSPORTATION		1,324		1,324		1,324	-	-	-	1,324
	ADVISORY AND ASSISTANCE SERVICES				(23,911)			-	(6,792)	-	(6,792)
	ECONOMIC ADJUSTMENTS						(18,000)		(18,000)		(18,000)
	TOTAL SHIPBUILDING & CONVERSION, NAVY		6,252,672		5,992,361		6,049,272		(219,192)		6,033,480

LHD–8 advance procurement

The budget request included no funds for LHD–8 advance procurement.

The House bill would authorize an increase of $10.0 million for advance procurement of LHD–8.

The Senate amendment would authorize an increase of $50.0 million for advance procurement of long lead materials for the construction of LHD–8 in lieu of a future service life extension program for LHA–1.

The conferees agreed to authorize an increase of $50.0 million for advanced procurement of long lead materials for the construction of LHD–8 in lieu of a future service life extension program for LHA–1.

Strategic sealift

The budget request included $251.4 million in the Shipbuilding and Conversion, Navy (SCN) account for one large medium-speed roll-on/roll-off (LMSR) strategic sealift ship. Section 2218 of title 10, United States Code, establishes the National Defense Sealift Fund (NDSF) to fund construction of sealift vessels.

The House bill and the Senate amendment would authorize the procurement of one LMSR and the $251.4 million requested for that purpose, but would provide that authorization for the NDSF account.

The conferees agree to authorize $251.4 million for the NDSF for construction of one LMSR.

Landing craft air cushion service life extension program

The budget request included no funds for landing craft air cushion (LCAC) service life extension program (SLEP).

The House bill and the Senate amendment would authorize an increase of $16.0 million for the service life extension of two LCAC's.

The conferees agree to authorize an increase of $16.0 million for LCAC SLEP.

Navy shipbuilding outfitting

The budget request included $95.7 million for outfitting new construction Navy ships with the initial equipment and spare parts required to operate.

The House bill would authorize a decrease of $7.7 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $3.0 million due to ship delivery schedule slippages and the concomitant reduced requirements.

Navy shipbuilding post delivery

The budget request included $123.3 million for new construction ships' post delivery correction of deficiencies.

The House bill would authorize a decrease of $8.3 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $6.0 million.

Overview

The budget request for fiscal year 1999 contained an authorization of $3,937.7 million for Other Procurement, Navy in the Department of Defense. The House bill would authorize $3,969.5 million. The Senate amendment would authorize $4,040.0 million. The conferees recommended an authorization of $4,043.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	OTHER PROCUREMENT, NAVY										
	SHIPS SUPPORT EQUIPMENT										
	SHIP PROPULSION EQUIPMENT										
1	LM-2500 GAS TURBINE		8,700		8,700		8,700	-	-	-	8,700
2	ALLISON 501K GAS TURBINE		6,737		6,737		6,737	-	-	-	6,737
3	STEAM PROPULSION IMPROVEMENT		617		617		617	-	-	-	617
4	OTHER PROPULSION EQUIPMENT		10,336		10,336		10,336	-	-	-	10,336
	GENERATORS										
5	OTHER GENERATORS		9,637		9,637		9,637	-	(1,200)	-	8,437
	PUMPS										
6	OTHER PUMPS		1,017		1,017		1,017	-	-	-	1,017
	PROPELLERS										
7	SUBMARINE PROPELLERS		7,937		7,937		7,937	-	-	-	7,937
8	OTHER PROPELLERS AND SHAFTS		2,460		2,460		2,460	-	-	-	2,460
	NAVIGATION EQUIPMENT										
9	OTHER NAVIGATION EQUIPMENT		45,259		65,759		57,259	-	18,000	-	63,259
	UNDERWAY REPLENISHMENT EQUIPMENT										
10	UNDERWAY REPLENISHMENT EQUIPMENT		7,658		7,658		7,658	-	-	-	7,658
	PERISCOPES										
11	SUB PERISCOPES & IMAGING EQUIP		31,864		28,864		31,864	-	-	-	31,864
	OTHER SHIPBOARD EQUIPMENT										
12	FIREFIGHTING EQUIPMENT		10,067		10,067		10,067	-	-	-	10,067
13	COMMAND AND CONTROL SWITCHBOARD		9,787		9,787		9,787	-	-	-	9,787
14	POLLUTION CONTROL EQUIPMENT		149,669		130,269		149,669	-	(19,400)	-	130,269
15	SUBMARINE SILENCING EQUIPMENT		3,456		3,456		3,456	-	-	-	3,456
16	SUBMARINE BATTERIES		8,651		8,651		8,651	-	-	-	8,651
17	SSN21 CLASS SUPPORT EQUIPMENT		15,475		15,475		15,475	-	-	-	15,475
18	STRATEGIC PLATFORM SUPPORT EQUIP		10,345		10,345		10,345	-	-	-	10,345
19	DSSP EQUIPMENT		10,470		10,470		10,470	-	-	-	10,470
20	MINESWEEPING EQUIPMENT		394		394		394	-	-	-	394
21	HM&E ITEMS UNDER $2 MILLION		58,121		55,021		58,121	-	(2,100)	-	56,021
22	SURFACE IMA		661		661		661	-	-	-	661

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
23	RADIOLOGICAL CONTROLS		-		-		-	-	-	-	-
24	MINI/MICROMINI ELECTRONIC REPAIR		518		518		518	-	-	-	518
	REACTOR PLANT EQUIPMENT										
25	REACTOR POWER UNITS		227,338		200,038		227,338	-	-	-	227,338
26	REACTOR COMPONENTS		211,382		200,882		211,382	-	-	-	211,382
	OCEAN ENGINEERING										
27	DIVING AND SALVAGE EQUIPMENT		5,688		5,688		5,688	-	-	-	5,688
28	EOD UNDERWATER EQUIPMENT		8,174		8,174		8,174	-	-	-	8,174
	SMALL BOATS										
29	STANDARD BOATS		1,389		1,389		1,389	-	-	-	1,389
	TRAINING EQUIPMENT										
30	OTHER SHIPS TRAINING EQUIPMENT		1,842		1,842		1,842	-	-	-	1,842
	PRODUCTION FACILITIES EQUIPMENT										
31	PRODUCTION SUPPORT FACILITIES		-		-		-	-	-	-	-
32	OPERATING FORCES IPE		673		673		673	-	-	-	673
	OTHER SHIP SUPPORT										
33	NUCLEAR ALTERATIONS		96,752		90,752		96,752	-	-	-	96,752
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
	SHIP RADARS										
34	AN/SPS-40		23		23		23	-	-	-	23
35	AN/SPS-48		-		-		-	-	-	-	-
36	AN/SPS-49		1,036		1,036		1,036	-	-	-	1,036
37	AN/SYS-()		-		-		-	-	-	-	-
38	MK-23 TARGET ACQUISITION SYSTEM		1		1		1	-	-	-	1
39	RADAR SUPPORT		1,260		10,260		10,260	-	9,000	-	10,260
40	TISS		11,756		11,756		11,756	-	-	-	11,756
	SHIP SONARS										
41	SURFACE SONAR SUPPORT EQUIPMENT		15		15		15	-	-	-	15
42	AN/SQQ-89 SURF ASW COMBAT SYSTEM		27,432		18,732		27,432	-	-	-	27,432
43	SSN ACOUSTICS		133,535		132,335		158,535	-	15,000	-	148,535
44	SURFACE SONAR WINDOWS AND DOME		1		1		1	-	-	-	1
45	SONAR SUPPORT EQUIPMENT		8,915		8,915		8,915	-	-	-	8,915

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
46	SONAR SWITCHES AND TRANSDUCERS		12,785		11,785		12,785	-	-	-	12,785
	ASW ELECTRONIC EQUIPMENT										
47	SUBMARINE ACOUSTIC WARFARE SYSTEM		7,326		7,326		7,326	-	-	-	7,326
48	SSTD		836		836		836	-	-	-	836
49	ACOUSTIC COMMUNICATIONS		401		401		401	-	-	-	401
50	FIXED SURVEILLANCE SYSTEM		9,553		9,553		9,553	-	-	-	9,553
51	SURTASS		12,712		12,712		12,712	-	-	-	12,712
52	ASW OPERATIONS CENTER		2,658		2,658		2,658	-	-	-	2,658
53	CARRIER ASW MODULE		443		443		443	-	-	-	443
	ELECTRONIC WARFARE EQUIPMENT										
54	AN/SLQ-32		1,469		1,469		1,469	-	-	-	1,469
55	AN/WLR-1		1,809		1,809		1,809	-	-	-	1,809
56	INFORMATION WARFARE SYSTEMS		4,312		4,312		4,312	-	-	-	4,312
57	EW SUPPORT EQUIPMENT		-		-		-	-	-	-	-
58	C-3 COUNTERMEASURES		6,080		6,080		6,080	-	-	-	6,080
	RECONNAISSANCE EQUIPMENT										
59	SHIPBOARD CRYPTOLOGIC SYSTEMS		40,238		40,238		40,238	-	-	-	40,238
60	COMBAT DF		-		-		-	-	-	-	-
61	OUTBOARD		-		-		-	-	-	-	-
62	BATTLE GROUP PASSIVE HORIZON EXTEN		73,542		73,542		73,542	-	-	-	73,542
	SUBMARINE SURVEILLANCE EQUIPMENT										
63	AN/WLQ-4		2,858		2,858		2,858	-	-	-	2,858
64	SUBMARINE SUPPORT EQUIPMENT PROG		3,936		3,936		3,936	-	-	-	3,936
	OTHER SHIP ELECTRONIC EQUIPMENT										
65	NAVY TACTICAL DATA SYSTEM		34		34		34	-	-	-	34
66	COOPERATIVE ENGAGEMENT CAPABILITY		47,332		82,332		47,332	-	35,000	-	82,332
67	JMCIS AFLOAT		38,324		38,324		38,324	-	-	-	38,324
	CIGSS				65,827			-	65,827	-	65,827
68	NAVAL TACTICAL COMMAND SUPPORT SYSTEM (NTCSS)		73,333		73,333		73,333	-	-	-	73,333
69	ATDLS		33,021		33,021		33,021	-	-	-	33,021
70	MINESWEEPING SYSTEM REPLACEMENT		32,934		32,934		17,039	-	(15,895)	-	17,039
71	SHALLOW WATER MCM		8,913		8,913		8,913	-	-	-	8,913

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
72	NAVSTAR GPS RECEIVERS (SPACE)		9,542		9,542		9,542	-	-	-	9,542
73	HF LINK-11 DATA TERMINALS		-		-		-	-	-	-	-
74	ARMED FORCES RADIO AND TV		16,069		16,069		16,069	-	-	-	16,069
75	STRATEGIC PLATFORM SUPPORT EQUIP		12,687		11,687		12,687	-	(1,000)	-	11,687
	TRAINING EQUIPMENT										
76	OTHER SPAWAR TRAINING EQUIPMENT		1,040		1,040		1,040	-	-	-	1,040
77	OTHER TRAINING EQUIPMENT		29,424		29,424		29,424	-	-	-	29,424
	AVIATION ELECTRONIC EQUIPMENT										
78	MATCALS		10,123		10,123		10,123	-	-	-	10,123
79	SHIPBOARD AIR TRAFFIC CONTROL		8,588		8,588		8,588	-	-	-	8,588
80	AUTOMATIC CARRIER LANDING SYSTEM		10,095		10,095		10,095	-	-	-	10,095
81	NATIONAL AIR SPACE SYSTEM		28,201		28,201		28,201	-	-	-	28,201
82	TACAN		-		-		-	-	-	-	-
83	AIR STATION SUPPORT EQUIPMENT		6,776		6,776		6,776	-	-	-	6,776
84	MICROWAVE LANDING SYSTEM		5,249		5,249		5,249	-	-	-	5,249
85	FACSFAC		4,633		4,633		4,633	-	-	-	4,633
86	ID SYSTEMS		15,330		15,330		15,330	-	-	-	15,330
87	SURFACE IDENTIFICATION SYSTEMS		5,321		5,321		5,321	-	-	-	5,321
88	TAC A/C MISSION PLANNING SYS(TAMPS)		23,666		23,666		23,666	-	-	-	23,666
	OTHER SHORE ELECTRONIC EQUIPMENT										
89	JMCIS ASHORE		4,517		4,517		4,517	-	-	-	4,517
90	JMCIS OED		343		343		343	-	-	-	343
91	TADIX-B		12,377		12,377		12,377	-	-	-	12,377
92	JMCIS TACTICAL/MOBILE		3,982		3,982		3,982	-	-	-	3,982
93	RADIAC		4,035		4,035		4,035	-	-	-	4,035
94	GPETE		9,659		9,659		9,659	-	-	-	9,659
95	INTEG COMBAT SYSTEM TEST FACILITY		4,482		4,482		6,482	-	2,000	-	6,482
96	CALIBRATION STANDARDS		1,871		1,871		1,871	-	-	-	1,871
97	EMI CONTROL INSTRUMENTATION		7,536		7,536		7,536	-	-	-	7,536
98	SHORE ELEC ITEMS UNDER $2 MILLION		2,559		2,559		2,559	-	-	-	2,559
	SHIPBOARD COMMUNICATIONS										
99	SHIPBOARD TACTICAL COMMUNICATIONS		34,397		34,397		34,397	-	-	-	34,397

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
100	PORTABLE RADIOS		10,913		10,913		10,913	-	-	-	10,913
101	SINCGARS		27,888		27,888		27,888	-	-	-	27,888
102	SHIP COMMUNICATIONS AUTOMATION		90,638		90,638		110,638	-	-	-	90,638
103	SHIP COMM ITEMS UNDER $2 MILLION		24,220		22,320		24,220	-	(1,900)	-	22,320
	SUBMARINE COMMUNICATIONS										
104	SHORE LF/VLF COMMUNICATIONS		13,028		13,028		13,028	-	-	-	13,028
105	SUBMARINE COMMUNICATION EQUIPMENT		64,583		64,583		79,583	-	-	-	64,583
106	ADVANCED VLF RECEIVER		17,171		17,171		17,171	-	-	-	17,171
	SATELLITE COMMUNICATIONS										
107	SATCOM SHIP TERMINALS (SPACE)		145,193		155,193		145,193	-	10,000	-	155,193
108	SATCOM SHORE TERMINALS (SPACE)		71,077		71,077		71,077	-	-	-	71,077
	SHORE COMMUNICATIONS										
109	JCS COMMUNICATIONS EQUIPMENT		3,363		3,363		3,363	-	-	-	3,363
	INTEGRATED BROADCAST SERVICE				10,271			-	10,271		10,271
110	NSIPS		7,707		7,707		7,707	-	-	-	7,707
111	JEDMICS		-		-		10,000	-	8,000	-	8,000
112	GCCS EQUIPMENT		2,944		2,944		2,944	-	-	-	2,944
113	NAVAL SHORE COMMUNICATIONS		113,546		110,546		133,546	-	-	-	113,546
	CRYPTOGRAPHIC EQUIPMENT										
114	SECURE VOICE SYSTEM		-		-		-	-	-	-	-
115	SECURE DATA SYSTEM		-		-		-	-	-	-	-
116	INFO SYSTEMS SECURITY PROGRAM (ISSP)		45,990		45,990		45,990	-	-	-	45,990
117	KEY MANAGEMENT SYSTEMS		-		-		-	-	-	-	-
	CRYPTOLOGIC EQUIPMENT										
118	CRYPTOLOGIC COMMUNICATIONS EQUIP		21,216		21,216		21,216	-	-	-	21,216
	DRUG INTERDICTION SUPPORT										
119	OTHER DRUG INTERDICTION SUPPORT		-		-		-	-	-	-	-
	AVIATION SUPPORT EQUIPMENT										
	SONOBUOYS										
120	AN/SSQ-36 (BT)		1,360		1,360		1,360	-	-	-	1,360
121	AN/SSQ-53 (DIFAR)		37,257		37,257		37,257	-	-	-	37,257
122	AN/SSQ-57 (SPECIAL PURPOSE)		2,435		2,435		2,435	-	-	-	2,435

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
123	AN/SSQ-62 (DICASS)		20,698		20,698		20,698	-	-	-	20,698
124	AN/SSQ-101 (ADAR)		16,550		16,550		16,550	-	-	-	16,550
125	AN/SSQ-110		-		-		-	-	-	-	-
126	SIGNAL, UNDERWATER SOUND (SUS)		1,302		1,302		1,302	-	-	-	1,302
	AIRCRAFT SUPPORT EQUIPMENT										
127	WEAPONS RANGE SUPPORT EQUIPMENT		8,064		23,064		8,064	-	10,000	-	18,064
128	EXPEDITIONARY AIRFIELDS		5,019		5,019		5,019	-	-	-	5,019
129	AIRCRAFT REARMING EQUIPMENT		12,912		12,912		12,912	-	-	-	12,912
130	AIRCRAFT LAUNCH & RECOVERY EQUIPMENT		39,749		39,749		39,749	-	(2,200)	-	37,549
131	PREDATOR UAV (DARP)		-		-		-	-	-	-	-
132	PIONEER UAV (DARP)		-		-		-	-	-	-	-
	ASW SUPPORT EQUIPMENT								12,000		12,000
133	METEOROLOGICAL EQUIPMENT		32,892		32,892		32,892	-	-	-	32,892
134	OTHER PHOTOGRAPHIC EQUIPMENT		623		623		623	-	-	-	623
135	AVIATION LIFE SUPPORT		22,277		22,277		44,877	-	-	-	22,277
136	AIRBORNE MINE COUNTERMEASURES		39,406		39,406		39,406	-	-	-	39,406
137	LAMPS MK III SHIPBOARD EQUIPMENT		-		-		-	-	-	-	-
138	REWSON PHOTOGRAPHIC EQUIPMENT		855		855		855	-	-	-	855
139	STOCK SURVEILLANCE EQUIPMENT		-		-		-	-	-	-	-
140	OTHER AVIATION SUPPORT EQUIPMENT		4,264		4,264		4,264	-	-	-	4,264
	ORDNANCE SUPPORT EQUIPMENT										
	SHIP GUN SYSTEM EQUIPMENT										
141	GUN FIRE CONTROL EQUIPMENT		20,203		20,203		20,203	-	-	-	20,203
	SHIP MISSILE SYSTEMS EQUIPMENT										
142	MK-92 FIRE CONTROL SYSTEM		961		961		961	-	-	-	961
143	HARPOON SUPPORT EQUIPMENT		-		-		-	-	-	-	-
144	TARTAR SUPPORT EQUIPMENT		1		1		1	-	-	-	1
145	POINT DEFENSE SUPPORT EQUIPMENT		38		38		38	-	-	-	38
146	AIRBORNE ECM/ECCM		-		-		-	-	-	-	-
147	ENGAGEMENT SYSTEMS SUPPORT		307		-		307	-	(307)	-	-
148	NATO SEASPARROW		5,156		5,156		5,156	-	-	-	5,156
149	RAM GMLS		59,760		59,760		59,760	-	-	-	59,760

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
150	SHIP SELF DEFENSE SYSTEM		22,944		22,944		22,944	-	-	-	22,944
151	AEGIS SUPPORT EQUIPMENT		83,169		83,169		103,169	-	10,000	-	93,169
152	SURFACE TOMAHAWK SUPPORT EQUIPMENT		90,209		90,009		90,209	-	-	-	90,209
153	SUBMARINE TOMAHAWK SUPPORT EQUIP		3,961		3,961		3,961	-	-	-	3,961
154	VERTICAL LAUNCH SYSTEMS		7,791		7,791		7,791	-	-	-	7,791
	FBM SUPPORT EQUIPMENT										
155	STRATEGIC PLATFORM SUPPORT EQUIP		2,972		2,972		2,972	-	-	-	2,972
156	STRATEGIC MISSILE SYSTEMS EQUIP		283,612		278,612		283,612	-	(5,000)	-	278,612
157	ANTI-SHIP MISSILE DECOY SYSTEM		21,504		21,504		22,504	-	1,000	-	22,504
	ASW SUPPORT EQUIPMENT										
158	SSN COMBAT CONTROL SYSTEMS		17,460		17,460		17,460	-	-	-	17,460
159	SUBMARINE ASW SUPPORT EQUIPMENT		3,740		3,740		3,740	-	-	-	3,740
160	SURFACE ASW SUPPORT EQUIPMENT		4,967		4,967		4,967	-	-	-	4,967
161	ASW RANGE SUPPORT EQUIPMENT		4,562		4,562		4,562	-	-	-	4,562
	OTHER ORDNANCE SUPPORT EQUIPMENT										
162	EXPLOSIVE ORDNANCE DISPOSAL EQUIP		7,274		7,274		7,274	-	-	-	7,274
163	UNMANNED SEABORNE TARGET		1,954		1,954		1,954	-	-	-	1,954
164	INDUSTRIAL FACILITIES (CALIBRATION EQUIPMENT		1,034		1,034		1,034	-	-	-	1,034
165	STOCK SURVEILLANCE EQUIPMENT		1,421		1,421		1,421	-	-	-	1,421
	OTHER EXPENDABLE ORDNANCE										
166	FLEET MINE SUPPORT EQUIPMENT		11		11		11	-	-	-	11
167	SURFACE TRAINING DEVICE MODS		5,891		5,891		5,891	-	-	-	5,891
168	SUBMARINE TRAINING DEVICE MODS		23,801		23,801		23,801	-	-	-	23,801
169	INDUSTRIAL DEPOT MAINTENANCE		-		-		-	-	-	-	-
	CIVIL ENGINEERING SUPPORT EQUIPMENT										
	CIVIL ENGINEERING SUPPORT EQUIPMENT										
170	ARMORED SEDANS		255		255		255	-	-	-	255
171	PASSENGER CARRYING VEHICLES	246	3,224	246	3,224	246	3,224	-	-	246	3,224
172	SPECIAL PURPOSE VEHICLES		4,120		4,120		4,120	-	-	-	4,120
173	CONSTRUCTION & MAINTENANCE EQUIP		2,322		2,322		2,322	-	-	-	2,322
174	FIRE FIGHTING EQUIPMENT		1,034		1,034		1,034	-	-	-	1,034
175	TACTICAL VEHICLES		1,251		1,251		1,251	-	-	-	1,251

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
176	AMPHIBIOUS EQUIPMENT		27,688		27,688		27,688	-	-	-	27,688
177	COMBAT CONSTRUCTION SUPPORT EQUIP		1,125		1,125		1,125	-	-	-	1,125
178	MOBILE UTILITIES SUPPORT EQUIPMENT		425		425		425	-	-	-	425
179	COLLATERAL EQUIPMENT		-		-		-	-	-	-	-
180	OCEAN CONSTRUCTION EQUIPMENT		419		419		419	-	-	-	419
181	POLLUTION CONTROL EQUIPMENT		28,039		22,539		28,039	-	(5,500)	-	22,539
182	OTHER CIVIL ENG SUPPORT EQUIPMENT		-		-		-	-	-	-	-
	SUPPLY SUPPORT EQUIPMENT										
	SUPPLY SUPPORT EQUIPMENT										
183	FORKLIFT TRUCKS		-		-		-	-	-	-	-
184	MATERIALS HANDLING EQUIPMENT		6,824		6,824		6,824	-	-	-	6,824
185	OTHER MATERIALS HANDLING EQUIPMENT		-		-		-	-	-	-	-
186	OTHER SUPPLY SUPPORT EQUIPMENT		1,951		1,951		1,951	-	-	-	1,951
187	FIRST DESTINATION TRANSPORTATION		4,419		4,419		4,419	-	-	-	4,419
188	SPECIAL PURPOSE SUPPLY SYSTEMS		95,711		68,631		69,281	-	(27,080)	-	68,631
	PERSONNEL AND COMMAND SUPPORT EQUIPMENT										
	TRAINING DEVICES										
189	TRAINING SUPPORT EQUIPMENT		2,174		7,174		2,174	-	5,000	-	7,174
	COMMAND SUPPORT EQUIPMENT										
190	COMMAND SUPPORT EQUIPMENT		17,916		17,916		17,916	-	-	-	17,916
191	MEDICAL SUPPORT EQUIPMENT		2,536		2,536		2,536	-	-	-	2,536
192	INTELLIGENCE SUPPORT EQUIPMENT		21,684		21,684		21,684	-	-	-	21,684
193	OPERATING FORCES SUPPORT EQUIPMENT		4,684		4,684		4,684	-	-	-	4,684
194	NAVAL RESERVE SUPPORT EQUIPMENT		-		-		-	-	-	-	-
195	ENVIRONMENTAL SUPPORT EQUIPMENT		16,666		16,666		16,666	-	-	-	16,666
196	PHYSICAL SECURITY EQUIPMENT		-		-		-	-	-	-	-
	OTHER										
197	CANCELLED ACCOUNT ADJUSTMENTS		-		-		-	-	-	-	-
198	CANCELLED ACOCUNT ADJUSTMENT (87)		-		-		-	-	-	-	-
199	CANCELLED ACCOUNT ADJUSTMENT (88)		-		-		-	-	-	-	-
200	CANCELLED ACCOUNT ADJ (89)		-		-		-	-	-	-	-
	SPARES AND REPAIR PARTS										

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	SPARES AND REPAIR PARTS										
201	SPARES AND REPAIR PARTS		279,028		274,828		279,028	-	(8,000)	-	271,028
	ADVISORY AND ASSISTANCE SERVICES				(10,441)			-	(4,278)	-	(4,278)
	ECONOMIC ADJUSTMENTS						(12,000)		(12,000)		(12,000)
	TOTAL OTHER PROCUREMENT, NAVY		3,937,737		3,969,507		4,040,012		105,238		4,042,975

Other generators

The budget request included $9.6 million for the procurement and installation of various generators.

The House bill and the Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $1.2 million for the generator installation that was requested one fiscal year before the requirement.

The conferees note that the generator that was requested for procurement and installation in fiscal year 1999 will not be received for installation until fiscal year 2000.

AN/WSN–7 inertial navigation system and WQN–2 doppler sonar velocity log

The budget request included $21.8 million for procurement of AN/WSN–7 ring laser inertial navigation systems. The budget request included no funds for procurement of WQN–2 doppler sonar velocity log.

The House bill would authorize an increase of $12.0 million for the procurement and installation of additional AN/WSN–7 navigation sets, an increase of $6.0 million for procurement and installation of WQN–2, and an increase of $2.5 million to test and evaluate a second version for possible future production competition for WQN–2.

The Senate amendment would authorize an increase of $12.0 million for the procurement and installation of additional AN/WSN–7 navigation sets.

The conferees agree to authorize an increase of $12.0 million to the budget request for the procurement and installation of additional AN/WSN–7 navigation sets and an increase of $6.0 million for procurement and installation of WQN–2.

Pollution control equipment

The budget request included $28.0 million for Navy shore based operations to comply with hazardous waste management and disposal requirements, and $149.7 million for Navy shipboard operations to comply with certain oily waste and gray water discharge standards and provide for the conversion of chloroflorocarbon refrigerants.

The House bill would authorize a decrease of $5.5 million for shore based operations and $19.4 million for shipboard operations related to Navy hazardous waste compliance activities.

The Senate amendment would authorize the budget request to meet Navy shore based and shipboard hazardous waste compliance requirements.

The conferees agree to authorize a decrease of $5.5 million for shore based operations and $19.4 million for shipboard operations related to Navy hazardous waste compliance activities. The conferees direct the Navy to provide adequate support and justification for future funding requests related to its environmental compliance obligations.

Hull, mechanical, and electrical under $2.0 million

The budget request included $58.1 million for procurement and installation of hull, mechanical, and electrical equipment that cost less than $2.0 million.

The House bill would authorize a decrease of $3.1 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $2.1 million based on unjustified unit cost growth in air conditioners.

AN/BPS–15H surface search radar

The budget request included no funds for the procurement of AN/BPS–15H submarine radar navigation sets.

The House bill and the Senate amendment would authorize an increase of $9.0 million for AN/BPS–15(H) software and hardware upgrades to bring them into electronic chart display information systems (ECDIS–N) compliance.

The conferees agree to authorize an increase of $9.0 million for AN/BPS–15(H) software and hardware upgrades for ECDIS–N compliance.

Submarine acoustic rapid commercial off-the-shelf insertion

The budget request included $70.0 million for submarine acoustic rapid commercial off-the-shelf insertion (A–RCI).

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $25.0 million to accelerate the introduction of A–RCI to the operating fleet.

The conferees agree to authorize an increase of $15.0 million to accelerate the introduction of A–RCI to the operating fleet.

Cooperative engagement capability

The budget request included $47.3 million for procurement and installation of four cooperative engagement capability (CEC) systems and $131.6 million in PE 63658N for CEC demonstration and validation. Within the amount requested in PE 63658N, $38.8 million was included for identification and resolution of interoperability problems in the E–2C aircraft.

The House bill would authorize an increase of $35.0 million for procurement and installation of five additional CEC systems to meet training and operational requirements. The House bill would also authorize an increase of $20.0 million to correct deficiencies discovered during the initial operational test and evaluation of the system, and support follow-on testing in preparation for the interoperability test that would involve two carrier battle groups. It would also authorize an increase of $6.0 million for continued development of the CEC test and evaluation system and linking that system to the military test and training ranges infrastructure.

The Senate amendment would authorize the budget request.

During congressional review of the fiscal year 1999 budget request, the Navy advised the defense authorization committees of interoperability problems between the Advanced Combat Direction System Block 1 (the new combat direction system for large deck ships such as aircraft carriers) and the AEGIS Baseline 6 software (which includes the CEC). These problems occurred during operational test and evaluation of the ACDS Block 1 system, and resulted in the Commander, Operational Test and Evaluation Force, declaring that the ACDS Block 1 system was not operationally suitable or effective for deployment with the fleet and that interoperability problems were exacerbated by the CEC. Fleet reports have also indicated similar interoperability problems. In addition, ongoing developmental testing of the AEGIS Baseline 6 Phase I software during early 1998 indicated that the software was immature.

The conferees view these and previously identified relay aircraft interoperability problems and their effect on the fleet, the CEC, ship self defense, and Navy theater ballistic missile defense programs with great concern. The conferees recognize that the problems may result in part from efforts to accelerate the CEC program by shortcutting a systematic process for software development, verification, and validation. To resolve these problems, the conferees have been advised that the Navy is developing a program that will focus on interoperability issues to support carrier battle group deployments and for the longer-term, a force level process to coordinate requirements, development, investments, and installation of new system capabilities in the fleet. Key to the process will be: (1) development of a single common combat direction system equipment and computing architecture that will be able to adapt to technology changes more efficiently; and (2) establishment of an enhanced shore based testing capability that will allow force level interoperability testing ashore, before deployment of new system capabilities to the fleet.

The conferees believe that the Navy has not yet fully assessed the magnitude of the CEC/combat direction system interoperability problem and its effect on other development programs or on the fleet. Additional system development may be required as the Navy assesses and defines the overall magnitude of the system interoperability and software maturity problems. Clear and unambiguous system integration responsibilities and accountability for management of the program to resolve the problems are required.

The conferees agree to authorize an increase of $26.0 million in PE 63658N for research and development and an increase of $35.0 million in Other Procurement, Navy for procurement of CEC systems.

The conferees understand that the Navy may need to realign fiscal year 1999 CEC funding to implement a program to resolve the interoperability problems. Should the Navy's assessment of the program requirements indicate that realignment is necessary, the conferees encourage the Secretary of Defense to submit a reprogramming request promptly to the congressional defense committees.

Given the seriousness of the interoperability problems and the potential effects on numerous other important Navy and Defense programs, the conferees direct the Secretary of the Navy to report to the congressional defense committees at least quarterly on CEC/combat direction system interoperability problems and planned solutions.

Integration and test facility command and control initiative

The budget request included no funds for upgrading capabilities at the Navy's east coast in-service engineering Space Warfare System Center (SWSC).

The Senate amendment would authorize an increase of $4.0 million for engineering design; hardware and software procurement; and installation, testing, and documentation of the additional technical networking infrastructure for continued development of the SWSC's Integrated Products Center. Of this amount, $2.0 million would be for procurement and $2.0 million would be for operation and maintenance.

The House bill would authorize the budget request.

The House recedes.

Ship communications items

The budget request included $24.2 million for procurement and installation of ship communications equipment that has a cost less than $2.0 million.

The House bill would authorize a decrease of $1.9 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $1.9 million based on unjustified unit cost growth of installation kits.

AN/USC–42 mini-demand assigned multiple access ultra-high frequency satellite communications terminals

The budget request included $145.2 million for SATCOM ship terminals, but no funds for AN/USC–42 mini-demand assigned multiple access ultra-high frequency satellite communications terminals.

The House bill would authorize an increase of $10.0 million to procure mini-DAMA UHF

SATCOM terminals and associated spare parts.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $10.0 million for mini-DAMA UHF SATCOM terminals and associated spare parts.

Joint engineering data management and information control system

The budget request included no funds for Joint Engineering Data Management and Information Control System (JEDMICS), the designated Department of Defense standard system for management, control, and storage of engineering drawings.

The Senate amendment would authorize an increase of $10.0 million for the continued security system procurement, integration and accreditation surveys for the JEDMICS system.

The House bill would authorize the budget request.

The conferees agree to authorize an increase of $8.0 million for JEDMICS security system procurement, integration, and accreditation surveys.

Weapons range support equipment

The budget request included $8.1 million for weapons range support.

The House bill would authorize an increase of $10.0 million to procure two mobile remote emitter simulator (MRES) systems for the Pacific Missile Range Facility and an increase of $5.0 million for a deployable rangeless air combat training system (DRACTS).

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $10.0 million.

Aircraft launch and recovery equipment

The budget request included $39.7 million for aircraft launch and recovery equipment.

The House bill and the Senate amendment would authorize the budget request. The conferees note that pricing and quantity changes totaling a net decrease of $2.2 million were made after submission of the budget request.

The conferees agree to authorize a decrease of $2.2 million related to revised pricing and reductions in quantity of aircraft launch and recovery equipment.

Engagement systems support

The budget request included $307,000 for computer programs and documentation for changes to ship engagement systems not supported elsewhere in the budget request.

The House bill would authorize a decrease of $307,000.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $307,000 based on the availability of prior year funds to meet this requirement.

Smart ship equipment

The budget request included $12.8 million to procure and install proven smart ship technology in operational Navy ships.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $12.0 million to procure and install smart ship equipment in Arleigh Burke class destroyers.

The conferees agree to authorize an increase of $10.0 million for Arleigh Burke class destroyer smart ship equipment procurement and installation.

Strategic missile systems equipment

The budget request included $283.6 million for strategic missile systems equipment.

The House bill would authorize a decrease of $5.0 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $5.0 million due to lack of justification for a budget increase.

NULKA assembly qualification

The budget request included $21.5 million for procurement and installation of the NULKA antiship missile decoy program.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $1.0 million to outfit and qualify a NULKA assembly facility in the United States.

The conferees agree to authorize an increase of $1.0 million to outfit and qualify a NULKA assembly facility in the United States.

Beamhit laser marksmanship training system (LMTS)

The budget request included $2.2 million for training support equipment, but included no funds for the beamhit LMTS.

The House bill would authorize an increase of $5.0 million for the beamhit LMTS and encourages the Secretary of Defense to examine its utility for use throughout the Department.

The Senate amendment would authorize the budget request.

The Senate recedes.

Overview

The budget request for fiscal year 1999 contained an authorization of $745.9 million for Marine Corps Procurement, Navy in the Department of Defense. The House bill would authorize $691.9 million. The Senate amendment would authorize $908.6 million. The conferees recommended an authorization of $881.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	PROCUREMENT, MARINE CORPS										
	WEAPONS AND COMBAT VEHICLES										
	TRACKED COMBAT VEHICLES										
1	AAV7A1 PIP		89,934		89,934		89,934	-	-	-	89,934
2	LAV PIP		1,384		1,384		1,384	-	-	-	1,384
3	LIGHT ARMORED VEHICLE		-		-		-	-	-	-	-
4	MODIFICATION KITS (TRKD VEH)		5,726		5,726		10,326	-	4,600	-	10,326
5	ITEMS UNDER $2M (TRKD VEH)		97		97		97	-	-	-	97
	ARTILLERY AND OTHER WEAPONS										
6	MOD KITS (ARTILLERY)		1,809		1,809		1,809	-	-	-	1,809
7	ITEMS UNDER $2M (ALL OTHER)		105		105		105	-	-	-	105
8	MARINE ENHANCEMENT PROGRAM		2,075		2,075		2,075	-	-	-	2,075
	WEAPONS										
9	155MM LIGHTWEIGHT TOWED HOWITZER		10,002		10,002		10,002	-	(10,002)	-	-
	GUIDED MISSILES AND EQUIPMENT										
	GUIDED MISSILES										
10	HAWK MOD		981		981		981	-	-	-	981
11	JAVELIN	741	82,842	741	82,842	741	82,842	-	-	741	82,842
12	PEDESTAL MOUNTED STINGER (PMS) (MYP)		218		218		7,818	-	5,000	-	5,218
	OTHER SUPPORT										
13	MODIFICATION KITS		-		-		-	-	-	-	-
14	ITEMS LESS THAN $2 MILLION		-		-		-	-	-	-	-
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
	REPAIR AND TEST EQUIPMENT										
15	AUTO TEST EQUIP SYS		19,312		12,312		19,312	-	-	-	19,312
16	GENERAL PURPOSE ELECTRONIC TEST EQUIP.		9,240		9,240		9,240	-	-	-	9,240
	INTELL/COMM EQUIPMENT (NON-TEL)										
17	AN/TPQ-36 FIRE FINDER RADAR UPGRADE		155		155		155	-	-	-	155
18	INTELLIGENCE SUPPORT EQUIPMENT		10,363		10,363		10,363	-	-	-	10,363
19	MOD KITS (INTEL)		4,791		4,791		4,791	-	-	-	4,791
20	ITEMS LESS THAN $2M (INTELL)		-		1,000		-	-	1,000	-	1,000
	REPAIR AND TEST EQUIPMENT (NON-TEL)										

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
21	GENERAL PURPOSE MECHANICAL TMDE		4,416		4,416		4,416	-	-	-	4,416
	OTHER COMM/ELEC EQUIPMENT (NON-TEL)										
22	NIGHT VISION EQUIPMENT		11,563		11,563		22,663	-	33,700	-	45,263
	OTHER SUPPORT (NON-TEL)										
23	COMMAND POST SYSTEMS		7,134		7,134		7,134	-	-	-	7,134
24	MANEUVER C2 SYSTEMS		19,307		16,307		19,307	-	-	-	19,307
25	RADIO SYSTEMS		52,902		48,902		52,902	-	-	-	52,902
26	COMM SWITCHING & CONTROL SYSTEMS		75,781		52,781		75,781	-	-	-	75,781
27	COMM & ELEC INFRASTRUCTURE SUPPORT		57,862		57,862		136,962	-	64,000	-	121,862
28	MOD KITS MAGTF C41		27,427		27,427		27,427	-	-	-	27,427
29	ITEMS LESS THAN $2M MAGTF C41		2,436		2,436		2,436	-	-	-	2,436
30	MODIFICATION KITS (OTHER)		-		-		-	-	-	-	-
31	ITEMS LESS THAN $2M (OTHER)		4,332		4,332		4,332	-	-	-	4,332
32	AIR OPERATIONS C2 SYSTEMS		11,505		11,505		11,505	-	-	-	11,505
	SUPPORT VEHICLES										
	ADMINISTRATIVE VEHICLES										
33	COMMERCIAL PASSENGER VEHICLES	37	1,248	37	1,248	37	1,248	-	-	37	1,248
34	COMMERCIAL CARGO VEHICLES		8,821		8,821		8,821	-	-	-	8,821
	TACTICAL VEHICLES										
35	5/4T TRUCK HMMWV (MYP)		1,745		1,745		1,745	-	-	-	1,745
36	MEDIUM TACTICAL VEHICLE REPLACEMENT	240	83,717	240	73,917	240	83,717	-	(9,800)	240	73,917
37	LT TACTICAL VEHICLE REMANUFACTURE (LTRV)		39,263		39,263		76,263	-	33,500	-	72,763
38	LOGISTICS VEHICLE SYSTEM REP		3,106		3,106		3,106	-	-	-	3,106
39	TRAILERS		-		-		-	-	-	-	-
	OTHER SUPPORT										
40	MODIFICATION KITS		-		-		-	-	-	-	-
41	ITEMS LESS THAN $2 MIL		3,594		3,594		3,594	-	-	-	3,594
	ENGINEER AND OTHER EQUIPMENT										
	ENGINEER AND OTHER EQUIPMENT										
42	ENVIRONMENTAL CONTROL EQUIP ASSORT		3,013		2,213		3,013	-	-	-	3,013
43	BULK LIQUID EQUIPMENT		-		-		-	-	-	-	-
44	ADVANCED DEMOLITION KITS		2,949		2,949		2,949	-	-	-	2,949

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
45	POWER EQUIPMENT ASSORTED		5,097		3,697		14,597	-	9,500	-	14,597
46	SHOP EQ CONTACT MAINTENANCE (SECM)		5,972		2,972		11,372	-	5,400	-	11,372
	MATERIALS HANDLING EQUIPMENT										
47	COMMAND SUPPORT EQUIPMENT		514		514		514	-	-	-	514
48	AMPHIBIOUS RAID EQUIPMENT		3,723		3,723		3,723	-	-	-	3,723
49	PHYSICAL SECURITY EQUIPMENT		1,856		1,856		1,856	-	-	-	1,856
50	GARRISON MOBILE ENGR EQUIP		5,509		5,109		5,509	-	-	-	5,509
51	WAREHOUSE MODERNIZATION		1,495		1,495		1,495	-	-	-	1,495
52	MATERIAL HANDLING EQUIP		6,453		6,453		16,853	-	1,950	-	8,403
53	FIRST DESTINATION TRANSPORTATION		1,864		1,864		1,864	-	-	-	1,864
	GENERAL PROPERTY										
54	FIELD MEDICAL EQUIPMENT		2,184		2,184		2,184	-	-	-	2,184
55	TRAINING DEVICES		3,305		3,305		3,305	-	-	-	3,305
56	CONTAINER FAMILY		7,074		7,074		7,074	-	-	-	7,074
	OTHER SUPPORT										
57	MODIFICATION KITS		1,228		1,228		1,228	-	-	-	1,228
58	ITEMS LESS THAN $2 MIL		1,853		1,853		1,853	-	-	-	1,853
59	CANCELLED ACCOUNT ADJUSTMENT (M)		-		-		-	-	-	-	-
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
60	SPARES AND REPAIR PARTS		36,576		36,576		36,576	-	-	-	36,576
	ADVISORY AND ASSISTANCE SERVICES				(2,590)			-	(810)	-	(810)
	ECONOMIC ADJUSTMENT						(2,000)		(2,000)		(2,000)
	TOTAL PROCUREMENT, MARINE CORPS		745,858		691,868		908,558		136,038		881,896
	Total Navy Procurement		20,160,085		19,718,746		20,317,360		127,708	-	20,287,793

Modification kits—tracked vehicles

The budget request included $5.7 million to procure modification kits for Marine Corps tracked vehicles.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $4.6 million to meet Marine Corps requirements to upgrade tanks with muzzle boresight devices (MBD) and nuclear, biological, and chemical (NBBC) protection devices.

The conferees agree to authorize an increase of $4.6 million to meet Marine Corps requirements for MBD and NBC modifications.

155MM lightweight towed howitzer

The budget request included $10.0 million for Marine Corps 155mm lightweight towed howitzer procurement.

The House bill and the Senate amendment would authorize the budget request.

The conferees agree to authorize no funds for fiscal year 1999. The conferees note recent actions taken by both the Marine Corps and the prime contractor for the lightweight 155mm howitzer program to address significant program deficiencies. The conferees continue to support this program and appreciate Marine Corps efforts to keep Congress informed on issues associated with the fielding of the lightweight 155mm howitzer. Actions taken to date have resulted in a complete change of contractor management staff and will likely result in a two-year delay for the program. As a result, procurement funding requested for fiscal year 1999 is no longer required.

Pedestal mounted stinger

The budget request included $0.2 million to provide program support for fielded Marine Corps Avenger systems.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $7.6 million to complete Marine Corps Avenger forward looking infrared upgrades to existing sytems.

The conferees agree to authorize an increase of $5.2 million and an increase of $5.0 million, to support Avenger upgrade requirements.

Items less than $2.0 million (intelligence)

The budget request included no funds for items less than $2.0 million (intelligence).

The House bill would authorize an increase of $1.0 million for purchasing and evaluating commercial imagery manipulation tools, state-of-the-art display devices, and high quality large format printers for field use.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $1.0 million for the purpose of evaluating commercial imagery manipulation tools, state-of-the-art display devices, and high quality large format printers.

Night vision equipment

The budget request included $11.6 million for Marine Corps night vision equipment.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $11.1 million for night vision requirements, as follows:

(1) $6.1 million for generation III tubes to retrofit existing night vision equipment;

(2) $1.4 million for laser aiming modules;

(3) $2.6 million for medium power laser illuminators; and

(4) $1.0 million for borelights.

The Senate amendment would also authorize an increase of $22.6 million in the Other Procurement, Navy account for OMNI IV retrofit requirements in AN/AVS–6 night vision goggle systems.

The conferees agree to authorize an increase of $33.7 million for night vision equipment, as follows:

(1) $6.1 million for generation III tubes to retrofit existing night vision equipment;

(2) $1.4 million for laser aiming modules;

(3) $2.6 million for medium power laser illuminators;

(4) $1.0 million for borelights; and

(5) $22.6 million for OMNI IV retrofit requirements in AN/AVS–6 night vision goggle systems.

Communications and electronics infrastructure

The budget request included $57.9 million for the procurement of communications and electronics infrastructure upgrades.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $79.1 million for communications and electronics infrastructure requirements. Of this amount, $64.1 would be for infrastructure upgrades and the remaining $15.0 million would be for procurement of computer workstations necessary to address the year 2000 compliance issue.

The conferees agree to authorize an increase of $64.0 million for the completion of Marine Corps infrastructure upgrade requirements.

Medium tactical vehicle replacement

The budget request included $83.7 million to procure Marine Corps trucks.

The House bill would authorize a decrease of $9.8 million to reduce the number of truck operator training devices procured prior to award of the low rate initial production contract.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $9.8 million for truck operator training devices.

Light tactical vehicle replacement

The budget request included $39.3 million to procure Marine Corps high mobility multipurpose wheeled vehicles (HMMWVs) to replace an aging fleet.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $37.0 million to accelerate the replacement process.

The conferees agree to authorize an increase of $33.5 million to accelerate procurement of replacement HMMWVs.

Power equipment assorted

The budget request included $5.1 million to procure Marine Corps power generation equipment.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $9.5 million to procure 1,311 generators necessary to support mobile command, control, and communications power requirements.

The conferees agree to authorize an increase of $9.5 million for tactically quiet generators necessary to meet Marine Corps requirements.

Shop equipment contact maintenance

The budget request included $6.0 million to procure Marine Corps shop equipment contact maintenance (SECM) requirements.

The House bill would authorize a decrease of $3.0 million.

The Senate amendment would authorize an increase of $5.4 million to support the procurement and fielding of critically needed shop equipment contact maintenance requirements.

The conferees agree to authorize an increase of $5.4 million for SECM requirements.

Material handling equipment

The budget request included $6.5 million to procure Marine Corps material handling equipment.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $10.4 million to allow the Marine Corps to leverage an existing contract to begin replacement of its existing fleet.

The conferees agree to authorize an increase of $1.9 million to accelerate procurement of material handling equipment and support Marine Corps deployment activities.

Overview

The budget request for fiscal year 1999 contained an authorization of $7,756.5 million for Aircraft Procurement, Air Force in the Department of Defense. The House bill would authorize $8,219.1 million. The Senate amendment would authorize $8,280.8 million. The conferees recommended an authorization of $8,350.6 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	AIRCRAFT PROCUREMENT, AIR FORCE										
	COMBAT AIRCRAFT										
	STRATEGIC OFFENSIVE										
1	B-1B (MYP)		-		-		-	-	-	-	-
2	B-2A (MYP)		-		-		-	-	-	-	-
	TACTICAL FORCES										
3	ADVANCED TACTICAL FIGHTER	2	668,058	2	668,058	2	668,058	-	(14,000)	2	654,058
3	LESS: ADVANCE PROCUREMENT (PY)		(72,964)		(72,964)		(72,964)	-	-	-	(72,964)
4	ADVANCE PROCUREMENT (CY)		190,210		190,210		190,210	-	-	-	190,210
5	F-15A		11,000		11,000		11,000	-	-	-	11,000
5	LESS: ADVANCE PROCUREMENT (PY)		(11,000)		(11,000)		(11,000)	-	-	-	(11,000)
6	ADVANCE PROCUREMENT (CY)		-		-		-	-	-	-	-
7	F-16 C/D (MYP)		-	2	60,000		-	1	25,000	1	25,000
	AIRLIFT AIRCRAFT										
	TACTICAL AIRLIFT										
8	C-17 (MYP)	13	2,924,192	13	2,924,192	13	2,924,192	-	-	13	2,924,192
8	LESS: ADVANCE PROCUREMENT (PY)		(327,200)		(327,200)		(327,200)	-	-	-	(327,200)
9	ADVANCE PROCUREMENT (CY)		303,500		303,500		303,500	-	-	-	303,500
10	EC-130J		-	1	51,500		85,000	1	85,000	1	85,000
	OTHER AIRLIFT										
11	C-130H		11,176		-		11,176	-	-	-	11,176
12	C-130J	1	63,782	4	237,782	3	221,346	2	146,000	3	209,782
13	WC-130		-	1	59,700		75,400	1	75,400	1	75,400
	TRAINER AIRCRAFT										
	OPERATIONAL TRAINERS										
14	JPATS	19	107,086	22	79,986	22	116,186	3	(4,900)	22	102,186
15	TANKER, TRANSPORT, TRAINER SYSTEM		-		-		-	-	-	-	-
	OTHER AIRCRAFT										
	HELICOPTERS										
16	HH-60G		-		-		-	-	-	-	-
17	V-22 OSPREY		22,276		-		22,276	-	-	-	22,276
	MISSION SUPPORT AIRCRAFT										

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
18	CIVIL AIR PATROL A/C	27	2,619	27	2,619	27	2,619	-	-	27	2,619
19	SMALL VCX		-		-		-	-	-	-	-
20	C-32A	2	160,901	2	160,901	2	160,901	-	-	2	160,901
21	DRUG INTERDICTION		-		-		-	-	-	-	-
	OTHER AIRCRAFT										
22	E-8C	2	578,209	2	565,209	2	578,209	-	-	2	578,209
22	LESS: ADVANCE PROCUREMENT (PY)		(115,158)		(115,158)		(115,158)	-	-	-	(115,158)
23	ADVANCE PROCUREMENT (CY)		-		72,000		72,000	-	72,000	-	72,000
24	PREDATOR UAV	15	114,492		114,492	15	114,492	-	-	15	114,492
	GLOBAL HAWK				32,500			-	-		
	MODIFICATION OF INSERVICE AIRCRAFT										
	STRATEGIC AIRCRAFT										
25	B-2A		15,681		15,681		15,681	-	-	-	15,681
26	B-1B		91,614		91,614		91,614	-	(9,600)	-	82,014
27	B-52		38,308		38,308		38,308	-	(2,600)	-	35,708
28	F-117		25,654		25,654		25,654	-	-	-	25,654
	TACTICAL AIRCRAFT										
29	A-10		31,088		31,088		31,088	-	-	-	31,088
30	F/RF-4		-		-		-	-	-	-	-
31	F-15		196,579		231,379		246,579	-	45,000	-	241,579
32	F-16		229,319	1	234,419		242,619	-	5,900	-	235,219
33	EF-111		-		-		-	-	-	-	-
34	T/AT-37		90		90		90	-	-	-	90
	AIRLIFT AIRCRAFT										
35	C-5		63,635		63,235		63,635	-	-	-	63,635
36	C-9		9,462		11,762		9,462	-	-	-	9,462
37	C-17A		45,704		43,504		45,704	-	-	-	45,704
38	C-21		59,938		82,138		59,938	-	-	-	59,938
39	C-22		180		180		180	-	-	-	180
40	C-STOL		-		-		-	-	-	-	-
41	C-137		-		-		-	-	-	-	-
42	C-141		33,412		37,612		33,412	-	-	-	33,412

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	TRAINER AIRCRAFT										
43	T-1		7,739		7,739		7,739	-	-	-	7,739
44	T-3 (EFS) AIRCRAFT		95		95		95	-	-	-	95
45	T-38		53,570		53,570		53,570	-	-	-	53,570
46	T-41 AIRCRAFT		95		95		95	-	-	-	95
47	T-43		2,233		2,233		2,233	-	-	-	2,233
	OTHER AIRCRAFT										
48	KC-10A (ATCA)		43,710		54,610		43,710	-	-	-	43,710
49	C-12		3,820		1,520		3,820	-	-	-	3,820
50	C-18		354		354		354	-	-	-	354
51	C-20 MODS		6,610		6,610		6,610	-	-	-	6,610
52	VC-25A MOD		7,424		13,224		7,424	-	-	-	7,424
53	C-130		119,592		118,692		119,592	-	-	-	119,592
54	C-135		291,070		285,570		291,070	-	46,000	-	337,070
55	DARP		139,242		139,242		207,242	-	30,000	-	169,242
56	E-3		114,181		114,181		114,181	-	-	-	114,181
57	E-4		13,987		10,787		13,987	-	-	-	13,987
58	E-8		44,179		32,379		44,179	-	-	-	44,179
59	H-1		1,911		1,911		1,911	-	-	-	1,911
60	H-60		17,224		17,224		17,224	-	-	-	17,224
61	OTHER AIRCRAFT		17,702		17,702		17,702	-	-	-	17,702
62	PREDATOR MODS		3,469		3,469		3,469	-	-	-	3,469
	OTHER MODIFICATIONS										
63	CLASSIFIED PROJECTS		7,517		7,517		7,517	-	-	-	7,517
	AIRCRAFT SPARES AND REPAIR PARTS										
	AIRCRAFT SPARES + REPAIR PARTS										
64	SPARES AND REPAIR PARTS		524,829		522,398		524,829	-	(2,431)	-	522,398
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES										
	COMMON SUPPORT EQUIPMENT										
65	COMMON SUPPORT EQUIPMENT		152,109		147,909		152,109	-	-	-	152,109
	POST PRODUCTION SUPPORT										
66	A-10		11,414		9,514		11,414	-	-	-	11,414

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
67	B-2A		189,869		275,869		189,869	-	86,000	-	275,869
68	C-5		28,502		25,002		28,502	-	-	-	28,502
69	F-15.POST PRODUCTION SUPPORT		7,851		7,851		7,851	-	-	-	7,851
70	F-16 POST PRODUCTION SUPPORT		27,289		27,289		27,289	-	14,000	-	41,289
71	H-1		-		-		-	-	-	-	-
	INDUSTRIAL PREPAREDNESS										
72	INDUSTRIAL PREPAREDNESS		19,109		19,109		19,109	-	-	-	19,109
	WAR CONSUMABLES				-			-	-	-	-
73	WAR CONSUMABLES		49,396		49,396		49,396	-	-	-	49,396
	OTHER PRODUCTION CHARGES										
74	MISC PRODUCTION CHARGES		221,464		211,364		221,464	-	(10,900)	-	210,564
	COMMON ECM EQUIPMENT										
75	COMMON ECM EQUIPMENT		4,963		4,963		4,963	-	-	-	4,963
	OTHER PRODUCTION CHARGES - SOF										
76	CANCELLED ACCOUNT PY ADJUSTMENTS		-		-		-	-	-	-	-
	DARP										
77	DARP		152,113		141,813		169,113	-	(10,300)	-	141,813
	PASSENGER SAFETY MODS								50,000		50,000
78	ADVISORY AND ASSISTANCE SERVICES				(26,115)			-	(8,427)	-	(8,427)
	ECONOMIC ADJUSTMENT						(23,000)		(23,000)		(23,000)
	TOTAL AIRCRAFT PROCUREMENT, AIR FORCE		7,756,475		8,219,077		8,280,839		594,142		8,350,617

F–22 procurement

The budget request included $595.1 million to procure the first two F–22 production aircraft.

The House bill and the Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $14.0 million.

F–16

The budget request included no funds for F–16 aircraft.

The House bill would authorize an increase of $60.0 million to buy two F–16 attrition reserve aircraft.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $25.0 million for one F–16 attrition reserve aircraft.

C–130J

The budget request included $63.8 million for the procurement of one C–130J aircraft.

The House bill would authorize an increase of $461.4 million for an additional seven C–130J aircraft.

The Senate amendment would authorize an increase of $381.1 million for an additional four C–130J aircraft, logistics support, and a simulator.

The conferees agree to authorize a total of $482.6 million for seven C–130J aircraft and a simulator, as follows:

C–130 PROGRAMS

[dollars in millions]

Type	Budget request		House bill		Senate bill		Conference agreement	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
KC–130J	—	—	2	112.4	—	—	2	112.4
WC–130J	—	—	1	59.7	1	75.4	1	75.4
EC–130J	—	—	1	51.5	1	85.0	1	85.0
C–130J	1	63.8	1	63.8	1	63.8	1	63.8
C–130J ANG	—	—	3	174.0	2	157.6	2	146.0
Total	1	63.8	8	461.4	5	381.8	7	482.6

Note.—The $30.0 million simulator is included in the C–130J ANG totals.

C–130H

The budget request included $11.2 million for the C–130H.

The House bill would authorize a decrease of $11.2 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

Joint Primary Aircraft Training System

The budget request included $107.1 million for the Joint Primary Aircraft Training System (JPATS).

The House bill would authorize a decrease of $27.1 million, including a decrease of $36.2 million for the ground based training system (GBTS), deferring its acquisition for one year, and an increase of $9.1 million for three additional JPATS aircraft.

The Senate amendment would authorize an increase of $9.1 million for three additional JPATS aircraft.

The conferees agree to authorize a decrease of $4.9 million in the JPATS program, including of a decrease of $14.0 million for the training integration management system (TIMS) and an increase of $9.1 million for three additional JPATS aircraft.

E–8C Joint Surveillance and Target Attack Radar System (JSTARS)

The budget request included $578.2 million two JSTARS aircraft.

The House bill would authorize a decrease of $13.0 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

B–1B

The budget request included $91.6 million for B–1B bomber modifications.

The House bill would authorize the budget request.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $9.6 million from the budget request for fiscal year 1999.

The conferees note that the funds authorized to be appropriated for B–1B modifications in fiscal year 1998, $9.6 million has been identified as excess to fiscal year 1998 requirements. The conferees direct that these funds be used to satisfy fiscal year 1999 requirements for B–1B modifications.

B–52

The budget request included $38.3 million for B–52 modifications.

The House bill would authorize the budget request.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $2.6 million and direct that prior year funds be used to fulfill fiscal year 1999 requirements for B–52 modifications.

The conferees note that excess prior year funds remain available for obligation for B–52 modifications.

F–15 modifications

The budget request included $196.6 million for F–15 modifications.

The House bill would authorize an increase of $34.8 million, as follows:

(1) an increase of $20.0 million for engine upgrade kits;

(2) an increase of $25.0 million for the ALQ–135 Band 1.5 program; and

(3) a decrease of $10.2 million for excessive cost growth.

The Senate amendment would authorize an increase of $50.0 million, as follows:

(1) an increase of $25.0 million for engine upgrade kits; and

(2) an increase of $25.0 million for the ALQ–135 Band 1.5 program.

The conferees agree to authorize an increase of $45.0 million, as follows:

(1) an increase of $20.0 million for engine upgrade kits; and

(2) an increase of $25.0 million for the ALQ–135 Band 1.5 program.

F–16 modifications

The budget request included $229.3 million for F–16 modifications.

The House bill would authorize an increase of $5.1 million, as follows:

(1) an increase of $12.0 million for the digital terrain system (DTS); and

(2) a decrease of $6.9 million for poorly justified modifications.

The Senate amendment would authorize an increase of $13.3 million for 15 medium altitude electro-optical sensors.

The conferees agree to authorize an increase of $5.9 million for DTS.

C–12 modifications

The budget request included $3.8 million for C–12 modifications.

The House bill would authorize a decrease of $2.3 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

Defense Airborne Reconnaissance Program procurement

The budget request included $394.2 million for procurement activities of the Defense Airborne Reconnaissance Program (DARP), as shown in the following table:

Procurement item/account	Budget request	Change from request		Conference agreement
		House bill	Senate amendment	
EP–3:				
APN 28	5,437			8,937
Displays		3,000		[1,500]
Spares			2,000	[2,000]
RC–135:				
APAF 55	139,242			169,242
Re-engine			56,000	[28,000]
TAWS			12,000	[2,000]
RC–135 Combat Sent:				
OPAF 107	12,656			16,456
ESV/PCV		3,800		[3,800]
U–2:				
APAF 77	152,113			141,813
ASARS Transfer		(10,300)		[(10,300)]
RAS-1R Upgrades			17,000	
CIGSS:				
OPA 78a		2,508		2,508
OPN 67a		65,827		65,827
OPAF 106		5,681		5,681
PDW 7	74,016	(74,016)		
ARGSS:				
PDW 7	3,419	(3,419)		
PDW 9	11,988	3,419		15,407
Total	398,871	(3,500)	87,000	425,871

Section 905 of the National Defense Authorization Act for Fiscal Year 1998 transferred the program management responsibilities of the Defense Airborne Reconnaissance Office (DARO) to the military services, while retaining Office of the Secretary of Defense (OSD)–level oversight responsibilities for determining airborne reconnaissance architecture and systems interface requirements.

The table reflects both transfers and adjustments made by the conferees.

EP–3

The budget request included $5.4 million for various modifications for EP–3 aircraft.

The House bill would authorize an increase of $3.0 million to replace existing displays in EP-3 aircraft with flat panel displays.

The Senate amendment would authorize an increase of $2.0 million for spares to support the operational deployment of an EP–3 aircraft to evaluate the high band prototype of the joint signals intelligence avionics family (JSAF).

The conferees agree to authorize an increase of $3.5 million for the EP-3, $1.5 million for flat panel displays, and $2.0 million for spares support.

RC–135

The budget request included $139.2 million for various modifications for DARP aircraft in Aircraft Procurement, Air Force (APAF).

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $68.0 million in the DARP, including: $56.0 million for two re-enginings, and $12.0 million to transfer the theater airborne warning system (TAWS) medium-wave infrared (MIRA) technology from the Cobra Ball program to Rivet Joint program. The Senate report (S. Rept. 105-189) would require successful completion of Cobra Ball integration testing and submission of a report on the test results to the congressional defense committees before obligation of the additional funds.

The conferees agree to authorize an increase of $30.0 million for DARP, including: $28.0 million to re-engine one RC-135 aircraft, and $2.0 million to complete the TAWS and to upgrade the MIRA sensors. In addition, the conferees understand that $3.3 million authorized in the General Defense Intelligence Program in fiscal year 1998 for the development of a Cobra Ball radar ranging system remains unobligated. The conferees recommend that the unobligated $3.3 million authorized for fiscal year 1998 also be used to complete the TAWS development and upgrade the MIRA sensors on the Cobra Ball aircraft.

The conferees do not agree to a transfer of this technology to the Rivet Joint fleet until the Cobra Ball integration is complete and test results clearly show that this transfer will provide a viable augmentation to the Defense Support Program (DSP). Further, the conferees endorse the requirement in the Senate report that the Department submit a report on the test results to the congressional defense committees before obligating the extra TAWS funding authorized in this bill.

RC–135 COMBAT SENT

The budget request included $12.7 million in Other Procurement, Air Force for RC–135 ground support equipment.

The House bill would authorize an increase of $3.8 million for the RC–135 Combat Sent ground support system improvements.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $3.8 million.

U–2 PROCUREMENT

The budget request included $152.1 million in DARP modifications in APAF.

The House bill would authorize a decrease of $10.3 million for U–2 procurement, transferring these funds to the Advanced Synthetic Aperture Radar System Improvement program (AIP).

The Senate amendment would authorize an increase of $17 million for U–2 procurement to continue the reliability and maintainability (R&M) conversion of 11 Senior Glass systems for the U–2.

The conferees agree to the AIP transfer and to authorize an increase of $7.5 million for R&M conversion of Senior Glass systems for the U–2 in the research and development program Manned Reconnaissance Systems (PE 35207F).

OTHER

The budget request included funding for the common imagery ground/surface system (CIGSS) and airborne reconnaissance ground SIGINT system (ARGSS) programs in DARO procurement lines. The conference agree to transfer this funding to the appropriate service or defense agency accounts.

E–8 modifications

The budget request included $44.2 million for E–8 modifications.

The House bill would authorize a decrease of $11.8 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

Passenger safety modifications

The budget request included $252.6 million in various Air Force aircraft modification budget lines to support making communications, navigation, and safety improvements to improve safety of passenger and cargo carrying aircraft.

The House bill would authorize an increase of $50.0 million for passenger safety modifications in specific aircraft modification budget lines for enhanced ground proximity warning systems (EGPWS) and traffic collision avoidance system (TCAS) requirements, as follows:

Passenger Safety Modification Additions

[Dollars in millions]

Aircraft	EGPWS	TCAS	Total
VC–25	5.8	.....	5.8
C–21	15.7	6.5	22.2
C–130	3.5	.....	3.5
C–9	.....	3.4	3.4
C–141	.....	4.2	4.2
KC–10	.....	10.9	10.9
Total	25.0	25.0	50.0

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $50.0 million to procure additional aircraft safety modifications.

Pacer Coin

The budget request included $2.4 million for aircraft spares and repair parts for the transfer of mission equipment from retiring Pacer Coin aircraft to the non-dedicated, follow-on C–130 reconnaissance aircraft.

The House bill would authorize a decrease of $2.4 million for transfer of mission equipment for Pacer Coin aircraft since the program is being terminated and a fiscal year 1998 Department of Defense reprogramming request stated that all funds necessary for the C–130 follow-on program were addressed in the reprogramming request.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $2.4 million for transfer of mission equipment for Pacer Coin aircraft.

Common support equipment

The budget request included $152.1 million for common support equipment.

The House bill would authorize a decrease of $4.2 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

A–10 post production support

The budget request included $11.4 million for A–10 post production support.

The House bill would authorize a decrease of $1.9 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

B–2A

The budget request included $189.9 million for post production support for the B–2A bomber fleet.

The House bill would authorize an increase of $86.0 million to enhance the B–2's operational effectiveness.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $86.0 million.

The conferees note that the increase would fund low observability maintainability and situational awareness upgrades key to maximizing the effectiveness of the small number of B–2 bombers in the fleet. The conferees also believe that the funding increase would provide the opportunity to coordinate efficiently these efforts with radar cross section improvements.

Miscellaneous production charges

The budget request included $221.5 million for miscellaneous production charges, including $10.1 million for High Speed Anti-Radiation Missile targeting pod modifications.

The House bill would authorize a decrease of $10.1 million, recognizing that $6.1 million was requested for the same purpose in the ''Other aircraft modifications'' account.

The Senate amendment would authorize the budget request.

The conferees agree to a decrease of $10.9 million in miscellaneous production charges.

Overview

The budget request for fiscal year 1999 contained an authorization of $384.2 million for Ammunition Procurement, Air Force in the Department of Defense. The House bill would authorize $383.6 million. The Senate amendment would authorize $383.2 million. The conferees recommended an authorization of $383.2 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	PROCUREMENT OF AMMUNITION, AIR FORCE										
	PROCUREMENT OF AMMO, AIR FORCE										
	ROCKETS										
1	2.75 INCH ROCKET MOTOR	6,139	3,399	6,139	3,399	6,139	3,399	-	-	6,139	3,399
2	2.75" ROCKET HEAD SIGNATURE		-		-		-	-	-	-	-
3	2.75 IN ROCKET, FLARE IR	2,530	2,693	2,530	2,693	2,530	2,693	-	-	2,530	2,693
4	ITEMS LESS THAN $2,000,000		2,042		2,042		2,042	-	-	-	2,042
	CARTRIDGES										
5	5.56 MM	20,026	5,394	20,026	5,394	20,026	5,394	-	-	20,026	5,394
6	20MM TRAINING		-		-		-	-	-	-	-
7	30 MM TRAINING	769	5,495	769	5,495	769	5,495	-	-	769	5,495
8	CARTRIDGE CHAFF RR-180	795	11,661	795	11,661	795	11,661	-	-	795	11,661
9	CARTRIDGE CHAFF RR-188	876	2,548	876	2,548	876	2,548	-	-	876	2,548
10	SIGNAL MK-4 MOD 3	260	760	260	760	260	760	-	-	260	760
11	ITEMS LESS THAN $2,000,000		5,447		5,447		5,447	-	-	-	5,447
	BOMBS										
12	MK-82 INERT/BDU-50	29,368	22,490	29,368	22,490	29,368	22,490	-	-	29,368	22,490
13	GBU-28 HARD TARGET PENETRATOR	163	24,256	163	24,256	163	24,256	-	-	163	24,256
14	GBU - 37	10	977	10	977	10	977	-	-	10	977
15	BOMB PRACTICE 25 POUND	266,801	3,842	266,801	3,842	266,801	3,842	-	-	266,801	3,842
16	2000 LB HE BOMB MK-84	1,928	9,391	1,928	9,391	1,928	9,391	-	-	1,928	9,391
17	MK-84 BOMB-EMPTY	2,894	7,138	2,894	7,138	2,894	7,138	-	-	2,894	7,138
18	SENSOR FUZED WEAPON	295	125,992	295	125,992	295	125,992	-	-	295	125,992
19	TTU-373A DIGITAL TEST SET		-		-		-	-	-	-	-
20	JOINT DIRECT ATTACK MUNITION	2,187	53,157	2,187	53,157	2,187	53,157	-	-	2,187	53,157
21	WIND CORRECTED MUNITIONS DISPENSER	676	13,862	676	13,862	676	13,862	-	-	676	13,862
22	ITEMS LESS THAN $2,000,000		2,149		2,149		2,149	-	-	-	2,149
	ITEMS LESS THAN $2,000,000										
23	ITEMS LESS THAN $2,000,000		-		-		-	-	-	-	-
	FLARE, IR MJU-7B										
24	ASTE (INFRARED EXPENDABLE)	34,154	4,886	34,154	4,886	34,154	4,886	-	-	34,154	4,886
25	FLARE, IR MJU-7B	355,826	8,882	355,826	8,882	355,826	8,882	-	-	355,826	8,882

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
26	MJU-10B	198,602	10,373	198,602	10,373	198,602	10,373	-	-	198,602	10,373
27	M-206 CARTRIDGE FLARE	881,944	11,430	881,944	11,430	881,944	11,430	-	-	881,944	11,430
28	CAD/PAD		14,275		14,275		14,275	-	-	-	14,275
29	LUU-19 FLARE	3,926	4,338	3,926	4,338	3,926	4,338	-	-	3,926	4,338
30	REPLENISHMENT SPARES		1,896		1,896		1,896	-	-	-	1,896
31	MODIFICATIONS		49		49		49	-	-	-	49
32	ITEMS LESS THAN $2,000,000		4,447		4,447		4,447	-	-	-	4,447
	FUZES										
33	JOINT PROGRAMMABLE FUSE(JPF)	3,861	15,326	3,861	15,326	3,861	15,326	-	-	3,861	15,326
	WEAPONS										
	SMALL ARMS										
34	M-16 A2 RIFLE		4,450		4,450		4,450	-	-	-	4,450
35	9MM COMPACT PISTOL	345	232	345	232	345	232	-	-	345	232
36	M-9 PISTOL	1,576	767	1,576	767	1,576	767	-	-	1,576	767
37	ITEMS LESS THAN $2M		117		117		117	-	-	-	117
	ADVISORY AND ASSISTANCE SERVICES				(534)			-	-	-	-
	ECONOMIC ADJUSTMENT						(1,000)		(1,000)		(1,000)
	TOTAL PROCUREMENT AMMUNITION, AIR FORCE		384,161		383,627		383,161		(1,000)		383,161

Overview

The budget request for fiscal year 1999 contained an authorization of $2,359.8 million for Missile Procurement, Air Force in the Department of Defense. The House bill would authorize $2,234.7 million. The Senate amendment would authorize $2,347.7 million. The conferees recommended an authorization of $2,210.6 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	MISSILE PROCUREMENT, AIR FORCE										
	BALLISTIC MISSILES										
	MISSILE REPLACEMENT EQUIPMENT - BALLISTIC										
1	MISSILE REPLACEMENT EQ-BALLISTIC		5,654		5,654		5,654	-	-	-	5,654
	OTHER MISSILES										
	STRATEGIC										
2	HAVE NAP		-		10,000		-	-	-	-	-
3	ADVANCED CRUISE MISSILE		1,395		1,395		1,395	-	-	-	1,395
	TACTICAL										
4	JOINT STANDOFF WEAPON	100	52,142	100	52,142	100	52,142	-	-	100	52,142
5	AMRAAM	180	114,627	180	110,027	180	93,569	-	(20,900)	180	93,727
6	AGM-130 POWERED GBU-15		341		341		341	-	-	-	341
	TARGET DRONES										
7	TARGET DRONES		36,263		36,263		36,263	-	-	-	36,263
	INDUSTRIAL FACILITIES										
8	INDUSTRIAL FACILITIES		3,152		3,152		3,152	-	-	-	3,152
9	MISSILE REPLACEMENT EQ-OTHER		-		-		-	-	-	-	-
	MODIFICATION OF INSERVICE MISSILES										
	CLASS IV										
10	CONVENTIONAL ALCM		10,034		10,034		10,034	-	-	-	10,034
11	PEACEKEEPER (M-X)		9,615		9,615		9,615	-	-	-	9,615
12	AIM-9 SIDEWINDER		-		-		-	-	-	-	-
13	MM III MODIFICATIONS		90,618		113,618		136,618	-	23,000	-	113,618
14	AGM-65H MAVERICK		-		3,000		-	-	3,000	-	3,000
15	AGM-88C HARM		-		-		-	-	-	-	-
16	MODIFICATIONS UNDER $2.0M		219		219		219	-	-	-	219
	SPARES AND REPAIR PARTS										
	MISSILE SPARES + REPAIR PARTS										
17	SPARES AND REPAIR PARTS		38,047		38,047		38,047	-	-	-	38,047
	OTHER SUPPORT										
	SPACE PROGRAMS										
18	CANCELLED ACCOUNT		-		-		-	-	-	-	-

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
19	SPACEBORNE EQUIP (COMSEC)		9,485		9,485		9,485	-	-	-	9,485
20	GLOBAL POSITIONING (MYP) SPACE		97,395		97,395		97,395	-	-	-	97,395
20	LESS: ADVANCE PROCUREMENT (PY)		-		-		-	-	-	-	-
21	ADVANCE PROCUREMENT (CY)		77,400		28,400		77,400	-	(77,400)	-	-
22	NUDET DETECTION SYSTEM		2,949		2,949		2,949	-	-	-	2,949
23	INERTIAL UPPER STAGES SPACE		48,012		46,012		48,012	-	(2,000)	-	46,012
24	TITAN SPACE BOOSTERS SPACE		578,540		550,540		568,540	-	(28,000)	-	550,540
25	MEDIUM LAUNCH VEHICLE SPACE	5	241,121	5	230,121	5	241,121	-	(11,000)	5	230,121
25	LESS: ADVANCE PROCUREMENT (PY)		(52,715)		(52,715)		(52,715)	-	-	-	(52,715)
26	ADVANCE PROCUREMENT (CY)		-		-		-	-	-	-	-
27	DEF METEOROLOGICAL SAT PROG SPACE		36,066		36,066		36,066	-	-	-	36,066
28	DEFENSE SUPPORT PROGRAM SPACE		89,904		89,904		89,904	-	(7,000)	-	82,904
29	DEFENSE SATELLITE COMM SYSTEM SPACE		28,969		28,969		28,969	-	-	-	28,969
29	LESS: ADVANCE PROCUREMENT (PY)		-		-		-	-	-	-	-
30	ADVANCE PROCUREMENT (CY)		-		-		-	-	-	-	-
	SPECIAL PROGRAMS										
31	SPECIAL UPDATE PROGRAMS		224,299		224,299		204,299	-	(19,300)	-	204,999
32	SPECIAL PROGRAMS		616,271		576,271		616,271	-	-	-	616,271
	ADVISORY AND ASSISTANCE SERVICES				(26,535)			-	(2,563)	-	(2,563)
	ECONOMIC ADJUSTMENT						(7,000)		(7,000)		(7,000)
	TOTAL MISSILE PROCUREMENT, AIR FORCE		2,359,803		2,234,668		2,347,745		(149,163)		2,210,640

Advanced Medium Range Air-to-Air Missile

The budget request included $114.6 million for the procurement of 180 Advanced Medium Range Air-to-Air Missiles.

The House bill would authorize a decrease of $4.6 million.

The Senate amendment would authorize a decrease of $21.0 million because of cost savings associated with the merger of the system's two prime contractors.

The conferees agree to authorize a decrease of $20.9 million.

Minuteman III guidance replacement program

The budget request included $90.6 million for Minuteman III modifications.

The House bill would authorize an increase of $23.0 million for the Minuteman III guidance replacement program (GRP).

The Senate amendment would authorize an increase of $46.0 million for GRP.

The conferees agree to authorize an increase of $23.0 million above the budget request for GRP. Additionally, the conferees are aware that $8.8 million in funds authorized in fiscal year 1998 for GRP are excess to fiscal year 1998 requirements. Therefore, the conferees direct that such fiscal year 1998 funds be obligated in support of GRP during fiscal year 1999.

AGM–65H Maverick

The budget request included no funds for the AGM–65H missile.

The House bill would authorize an increase of $3.0 million to ensure that the Air Force can accomplish a smooth transition to a service life extension program for these weapons.

The Senate amendment would authorize the budget request.

The Senate recedes.

Defense Support Program

The budget request included $89.9 million for procurement of Defense Support System (DSP) satellites.

The House bill and the Senate amendment would authorize the budget request.

The Senate amendment approved the budget request.

The conferees agree to authorize a decrease of $7.0 million to the budget request.

The conferees note that excess prior year funds exist in the DSP program.

Overview

The budget request for fiscal year 1999 contained an authorization of $6,974.4 million for Other Procurement, Air Force in the Department of Defense. The House bill would authorize $7,046.4 million. The Senate amendment would authorize $6,774.6 million. The conferees recommended an authorization of $6,950.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	OTHER PROCUREMENT, AIR FORCE										
	VEHICULAR EQUIPMENT										
	PASSENGER CARRYING VEHICLES										
1	SEDAN, 4 DR 4X2	54	780	54	780	54	780	-	-	54	780
2	STATION WAGON, 4X2	22	413	22	413	22	413	-	-	22	413
3	BUSES	92	5,174	92	5,174	92	5,174	-	-	92	5,174
4	AMBULANCES	4	306	4	306	4	306	-	-	4	306
5	LAW ENFORCEMENT VEHICLE	95	1,817	95	1,817	95	1,817	-	-	95	1,817
6	ARMORED SEDAN	1	239	1	239	1	239	-	-	1	239
	CARGO + UTILITY VEHICLES										
7	TRUCK, CARGO-UTILITY, 3/4T, 4X4	225	6,160	225	6,160	225	6,160	-	-	225	6,160
8	TRUCK, CARGO-UTILITY, 1/2T, 4X2	104	2,612	104	2,612	104	2,612	-	-	104	2,612
9	TRUCK, PICKUP, 1/2T, 4X2	222	3,379	222	3,379	222	3,379	-	-	222	3,379
10	TRUCK, PICKUP, COMPACT	196	2,445	196	2,445	196	2,445	-	-	196	2,445
11	TRUCK MULTI-STOP 1 TON 4X2	315	8,708	315	8,708	315	8,708	-	-	315	8,708
12	TRUCK CARRYALL	160	3,898	160	3,898	160	3,898	-	-	160	3,898
13	COMMERCIAL UTILITY CARGO VEHICLE		-		-		-	-	-	-	-
14	FAMILY MEDIUM TACTICAL VEHICLES		-		-		-	-	-	-	-
15	HIGH MOBILITY VEHICLE (MYP)	75	4,172	75	4,172	75	4,172	-	-	75	4,172
16	TRUCK TRACTOR, OVER 5T	55	3,611	55	3,611	55	3,611	-	-	55	3,611
17	TRUCK, UTILITY	124	3,347	124	3,347	124	3,347	-	-	124	3,347
18	CAP VEHICLES		744		744		744	-	-	-	744
19	ITEMS LESS THAN $2,000,000		3,843		3,843		3,843	-	-	-	3,843
	SPECIAL PURPOSE VEHICLES										
20	HMMWV, ARMORED		-		-		-	-	-	-	-
21	TRACTOR, TOW, FLIGHTLINE	279	8,001	279	8,001	279	8,001	-	-	279	8,001
22	ITEMS LESS THAN $2,000,000		12,680		12,680		12,680	-	-	-	12,680
	FIRE FIGHTING EQUIPMENT										
23	TRUCK CRASH P-19	13	6,023	13	6,023	13	6,023	-	-	13	6,023
24	ITEMS LESS THAN $2,000,000		2,287		2,287		2,287	-	-	-	2,287
	MATERIALS HANDLING EQUIPMENT										
25	TRUCK, F/L 6000 LB	84	2,328	84	2,328	84	2,328	-	-	84	2,328

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
26	TRUCK, F/L 10,000 LB	56	4,295	56	4,295	56	4,295	-	-	56	4,295
27	60K A/C LOADER	60	89,179	60	86,279	60	89,179	-	-	60	89,179
28	ITEMS LESS THAN $2,000,000		3,200		3,200		3,200	-	-	-	3,200
	BASE MAINTENANCE SUPPORT										
29	TRUCK, DUMP		-		-		-	-	-	-	-
30	RUNWAY SNOW REMOV AND CLEANING EQUIP	41	3,928	41	3,928	41	3,928	-	-	41	3,928
31	MODIFICATIONS		900		900		900	-	-	-	900
32	ITEMS LESS THAN $2,000,000		7,663		7,663		7,663	-	-	-	7,663
	CANCELLED ACCOUNT ADJUSTM										
33	CANCELLED ACCOUNT ADJUSTMENTS		-		-		-	-	-	-	-
	ELECTRONICS AND TELECOMMUNICATIONS EQUIP										
	COMM SECURITY EQUIPMENT(COMSEC)										
34	COMSEC EQUIPMENT		30,311		30,311		30,311	-	-	-	30,311
35	MODIFICATIONS (COMSEC)		487		487		487	-	-	-	487
	INTELLIGENCE PROGRAMS										
36	INTELLIGENCE DATA HANDLING SYS		17,574		17,574		17,574	-	-	-	17,574
37	INTELLIGENCE TRAINING EQUIPMENT		5,735		5,735		5,735	-	-	-	5,735
38	INTELLIGENCE COMM EQUIP		5,697		8,697		5,697	-	3,000	-	8,697
	ELECTRONICS PROGRAMS										
39	AIR TRAFFIC CTRL/LAND SYS (ATCALS)		-		-		-	-	-	-	-
40	NATIONAL AIRSPACE SYSTEM		45,308		45,308		45,308	-	-	-	45,308
41	THEATER AIR CONTROL SYS IMPROVEMENT		30,002		30,002		30,002	-	-	-	30,002
42	WEATHER OBSERV/FORECAST		18,581		18,581		18,581	-	-	-	18,581
43	STRATEGIC COMMAND AND CONTROL		10,848		10,848		10,848	-	-	-	10,848
44	CHEYENNE MOUNTAIN COMPLEX		896		896		896	-	-	-	896
45	TAC SIGINT SUPPORT		1,883		-		1,883	-	(1,883)	-	-
46	DRUG INTERDICTION PROGRAM		-		-		-	-	-	-	-
	SPECIAL COMM-ELECTRONICS PROJECTS										
47	AUTOMATIC DATA PROCESSING EQUIP		33,190		33,190		33,190	-	-	-	33,190
48	AF GLOBAL COMMAND & CONTROL SYS		5,819		5,819		5,819	-	-	-	5,819
49	MOBILITY COMMAND AND CONTROL		7,844		7,844		7,844	-	-	-	7,844
50	AIR FORCE PHYSICAL SECURITY SYSTEM		26,965		26,965		26,965	-	-	-	26,965

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
51	COMBAT TRAINING RANGES		13,194		18,194		13,194	-	5,000	-	18,194
52	MINIMUM ESSENTIAL EMERGENCY COMM NET		1,545		1,545		1,545	-	-	-	1,545
53	FORCE PROTECTION/ANTI-TERRORISM		-		-		-	-	-	-	-
54	C3 COUNTERMEASURES		10,228		10,228		10,228	-	-	-	10,228
55	JOINT SURVEILLANCE SYSTEM		11,137		11,137		11,137	-	(11,137)	-	-
56	BASE LEVEL DATA AUTO PROGRAM		28,876		28,876		28,876	-	-	-	28,876
57	THEATER BATTLE MGT C2 SYS		44,654		44,654		44,654	-	-	-	44,654
	AIR FORCE COMMUNICATIONS										
58	INFORMATION TRANSMISSION SYSTEMS		10,792		10,792		10,792	-	-	-	10,792
59	BASE INFORMATION INFRASTRUCTURE		159,383		129,383		159,383	-	(1,000)	-	158,383
60	USCENTCOM		4,458		4,458		4,458	-	-	-	4,458
61	AUTOMATED TELECOMMUNICATIONS PRG		14,884		10,884		14,884	-	-	-	14,884
	DISA PROGRAMS										
62	NAVSTAR GPS SPACE		1,447		1,447		1,447	-	-	-	1,447
63	DEFENSE METEOROLOGICAL SAT PROG SPAC		10,735		10,735		10,735	-	-	-	10,735
64	NUDET DETECTION SYS (NDS) SPACE		1,278		1,278		1,278	-	-	-	1,278
65	AF SATELLITE CONTROL NETWORK SPACE		26,007		26,007		26,007	-	(1,400)	-	24,607
66	EASTERN/WESTERN RANGE I&M SPACE		93,848		93,848		93,848	-	-	-	93,848
67	MILSATCOM SPACE		28,233		28,233		28,233	-	-	-	28,233
68	SPACE MODS SPACE		7,917		7,917		7,917	-	-	-	7,917
	ORGANIZATION AND BASE										
69	TACTICAL C-E EQUIPMENT		31,064		51,064		48,758	-	-	-	31,064
70	COMBAT SURVIVOR/EVADER LOCATER RADIO		13,757		13,757		13,757	-	-	-	13,757
71	RADIO EQUIPMENT		12,203		12,203		12,203	-	-	-	12,203
72	TV EQUIPMENT (AFRTV)		1,984		1,984		1,984	-	-	-	1,984
73	CCTV/AUDIOVISUAL EQUIPMENT		3,195		3,195		3,195	-	-	-	3,195
74	BASE COMM INFRASTRUCTURE		27,829		27,829		27,829	-	-	-	27,829
75	CAP COM & ELECT		378		378		378	-	-	-	378
76	ITEMS LESS THAN $2,000,000		7,106		7,106		7,106	-	-	-	7,106
	MODIFICATIONS										
77	COMM ELECT MODS		57,701		51,901		57,701	-	-	-	57,701
	OTHER BASE MAINTENANCE AND SUPPORT EQUIP										

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	TEST EQUIPMENT										
78	BASE/ALC CALIBRATION PACKAGE		11,021		11,021		11,021	-	-	-	11,021
79	PRIMARY STANDARDS LABORATORY PACKAGE		1,064		1,064		1,064	-	-	-	1,064
80	ITEMS LESS THAN $2,000,000		6,706		6,706		6,706	-	-	-	6,706
	PERSONAL SAFETY AND RESCUE EQUIP										
81	NIGHT VISION GOGGLES		8,118		8,118		8,118	-	-	-	8,118
82	BREATHING APPARATUS TWO HOUR		-		-		-	-	-	-	-
83	UNIVERSAL WATER ACTIVATED REL SYS		-		-		-	-	-	-	-
84	ITEMS LESS THAN $2,000,000		3,528		3,528		3,528	-	-	-	3,528
	DEPOT PLANT + MATERIALS HANDLING EQ										
85	MECHANIZED MATERIAL HANDLING EQUIP		14,516		14,516		14,516	-	-	-	14,516
86	ITEMS LESS THAN $2,000,000		4,124		4,124		4,124	-	-	-	4,124
	ELECTRICAL EQUIPMENT										
87	GENERATORS-MOBILE ELECTRIC		1,411		1,411		1,411	-	-	-	1,411
88	FLOODLIGHTS		10,714		10,714		10,714	-	-	-	10,714
89	ITEMS LESS THAN $2,000,000		2,356		2,356		2,356	-	-	-	2,356
	BASE SUPPORT EQUIPMENT										
90	BASE PROCURED EQUIPMENT		5,644		5,644		5,644	-	-	-	5,644
91	MEDICAL/DENTAL EQUIPMENT		8,703		8,703		8,703	-	-	-	8,703
92	ENVIRONMENTAL PROJECTS		973		973		973	-	-	-	973
93	AIR BASE OPERABILITY		5,363		5,363		5,363	-	-	-	5,363
94	PALLET AIR CARGO		2,001		2,001		2,001	-	-	-	2,001
95	NET ASSEMBLY, 108"X88"		1,916		1,916		1,916	-	-	-	1,916
96	BLADDERS FUEL		1,329		1,329		1,329	-	-	-	1,329
97	AERIAL BULK FUEL DELIVERY SYSTEM		4,320		4,320		4,320	-	-	-	4,320
98	PHOTOGRAPHIC EQUIPMENT		5,576		5,576		5,576	-	-	-	5,576
99	PRODUCTIVITY INVESTMENTS		12,304		12,304		12,304	-	-	-	12,304
100	MOBILITY EQUIPMENT		35,973		35,973		35,973	-	-	-	35,973
101	DEPLOYMENT/EMPLOYMENT CONTAINERS		2,258		2,258		2,258	-	-	-	2,258
102	AIR CONDITIONERS		10,668		10,668		10,668	-	-	-	10,668
103	ITEMS LESS THAN $2,000,000		16,844		16,844		16,844	-	-	-	16,844
	SPECIAL SUPPORT PROJECTS										

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
104	INTELLIGENCE PRODUCTION ACTIVITY		72,605		71,605		72,605	-	(1,000)	-	71,605
105	TECH SURV COUNTERMEASURES EQ		2,035		2,035		2,035	-	-	-	2,035
106	DARP		-		5,681		-	-	5,681	-	5,681
107	DARP RC135		12,656		16,456		12,656	-	3,800	-	16,456
108	DARP, MRIGS		79,613		79,613		79,613	-	-	-	79,613
109	SELECTED ACTIVITIES		5,322,644		5,413,644		5,122,644	-	-	-	5,322,644
110	SPECIAL UPDATE PROGRAM		179,813		179,813		179,813	-	-	-	179,813
111	INDUSTRIAL PREPAREDNESS		1,162		1,162		1,162	-	-	-	1,162
112	MODIFICATIONS		170		170		170	-	-	-	170
113	FIRST DESTINATION TRANSPORTATION		16,442		16,442		16,442	-	-	-	16,442
	SPARE AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
114	SPARES AND REPAIR PARTS		52,712		52,712		52,712	-	-	-	52,712
	ADVISORY AND ASSISTANCE SERVICES				(10,913)			-	(7,576)	-	(7,576)
	ECONOMIC ADJUSTMENT						(17,500)		(17,500)		(17,500)
	TOTAL OTHER PROCUREMENT, AIR FORCE		6,974,387		7,046,372		6,774,581		(24,015)		6,950,372
	Total Procurement, Air Force		17,474,826		17,883,744		17,786,326		419,964		17,894,790

60K Loader

The budget request included $89.2 million for the 60K loader.

The House bill would authorize a decrease of $2.9 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

Combat training ranges

The budget request included $13.2 million for combat training ranges, but included no funds for the rangeless air combat training system (RACTS). This system is also known as the Kadena Interim Training System (KITS) and was delivered to Kadena Air Base, Japan, in August 1997.

For future fixed and deployable training support, the Department of Defense's plan is to shift to the Joint Tactical Combat Training System (JTCTS), a system that will support air, surface, and subsurface training requirements. However, the House report (H. Rept. 105–532) noted that no funds were included in the budget to meet near-term training requirements that had been identified by United States Air Forces Europe (USAFE).

The House bill would authorize an increase of $5.0 million for RACTS to meet these requirements.

The Senate amendment would authorize the budget request.

The Senate recedes.

Automated telecommunications program

The budget request included $14.9 million for automated telecommunications equipment.

The House bill would authorize a decrease of $4.0 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

Air Force satellite control network

The budget request included $26.0 million in Air Force other procurement for the Air Force Satellite Control Network (AFSCN) program.

The House bill and the Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $1.4 million from the budget request.

The conferees note that excess prior year funds exist in the AFSCN program. The conferees direct that these funds be used to satisfy fiscal year 1999 AFSCN requirements.

Communication electronics modifications

The budget request included $57.7 million for communication electronics modifications.

The House bill would authorize a decrease of $5.8 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

Overview

The budget request for fiscal year 1999 contained an authorization of $2,041.7 million for Defense-wide Procurement in the Department of Defense. The House bill would authorize $1,962.9 million. The Senate amendment would authorize $2,023.5 million. The conferees recommended an authorization of $1,954.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	PROCUREMENT, DEFENSE-WIDE										
	MAJOR EQUIPMENT										
	MAJOR EQUIPMENT, OSD/WHS										
1	MOTOR VEHICLES		302		302		302	-	-	-	302
2	MAJOR EQUIPMENT, OSD		100,245		82,455		100,245	-	-	-	100,245
3	MAJOR EQUIPMENT, WHS		28,123		28,123		28,123	-	-	-	28,123
4	ARMED FORCE INFORMATION SERVICE		5,456		5,456		5,456	-	-	-	5,456
5	DEPARTMENT OF DEFENSE EDUCATION ACTIVITY		1,590		1,590		1,590	-	-	-	1,590
6	DEFENSE TECHNOLOGY SECURITY ADMINISTRATION		-		-		-	-	-	-	-
7	DARP		77,435		-		77,435	-	(77,435)	-	-
	MAJOR EQUIPMENT, NSA										
9	DEFENSE AIRBORNE RECONNAISSANCE PROGRAM		11,988		15,407		11,988	-	3,419	-	15,407
	MAJOR EQUIPMENT, DSWA										
10	VEHICLES		-		-		-	-	-	-	-
11	OTHER MAJOR EQUIPMENT		-		-		-	-	-	-	-
	MAJOR EQUIPMENT, DISA										
12	MOBILE SATELLITE SYSTEM TECHNOLOGIES		7,932		7,932		7,932	-	-	-	7,932
13	INFORMATION SYSTEMS SECURITY		18,364		18,364		18,364	-	-	-	18,364
14	CONTINUITY OF OPERATIONS		4,060		4,060		4,060	-	-	-	4,060
15	JOINT C4ISR		-		-		-	-	-	-	-
16	DEFENSE MESSAGE SYSTEM		43,372		43,372		43,372	-	-	-	43,372
17	GLOBAL COMMAND AND CONTROL SYSTEM		4,379		4,379		4,379	-	-	-	4,379
18	GLOBAL COMBAT SUPPORT SYSTEM		6,711		6,711		6,711	-	-	-	6,711
19	STANDARD TACTICAL ENTRY POINT		11,956		11,956		11,956	-	-	-	11,956
20	PLANS & PROGRAM ANALYSIS SUPPORT CENTER		-		-		-	-	-	-	-
21	ITEMS LESS THAN $2 MILLION		14,383		14,383		14,383	-	-	-	14,383
22	DRUG INTERDICTION SUPPORT		-		-		-	-	-	-	-
	MAJOR EQUIPMENT, DIA										
	MAJOR EQUIPMENT, DLA										
24	DEFENSE SUPPORT ACTIVITIES		68,682		60,382		68,682	-	-	-	68,682
	AUTOMATED DOCUMENTED CONVERSION SYSTEM				32,000			-	25,000		25,000
	MAJOR EQUIPMENT, DSS										

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
25	VEHICLES	267	3,200	267	3,200	267	3,200	-	-	267	3,200
26	OTHER CAPITAL EQUIPMENT		1,582		1,582		1,582	-	-	-	1,582
	MAJOR EQUIPMENT, DCAA										
27	ITEMS LESS THAN $2 MILLION		3,667		3,667		3,667	-	-	-	3,667
	MAJOR EQUIPMENT, DSPO										
28	MAJOR EQUIPMENT , DSPO		16,214		-		16,214	-	(8,388)	-	7,826
	MAJOR EQUIPMENT, TJS										
29	MAJOR EQUIPMENT, TJS		33,536		33,536		33,536	-	-	-	33,536
	ON-SITE INSPECTION AGENCY										
30	VEHICLES		-		-		-	-	-	-	-
31	OTHER CAPITAL EQUIPMENT		-		-		-	-	-	-	-
	BALLISTIC MISSILE DEFENSE ORGANIZATION										
32	PATRIOT PAC-3	60	343,235	40	303,235	60	303,235	-	(40,000)	60	303,235
33	C4I		22,827		22,827		22,827	-	-	-	22,827
34	HAWK BN/C3 MODS		-		-		-	-	-	-	-
35	NAVY AREA TBDM PROGRAM	21	43,318	21	43,318	21	43,318	-	-	21	43,318
	NATIONAL IMAGERY AND MAPPING AGENCY										
	DEFENSE COMMISSARY AGENCY										
37	EQUIPMENT		-		-		-	-	-	-	-
	DEF THREAT RED & TREATY COMP AGCY										
38	VEHICLES		134		134		134	-	-	-	134
39	OTHER MAJOR EQUIPMENT		29,029		29,029		29,029	-	-	-	29,029
	DEFENSE SECURITY ASSISTANCE AGENCY										
40	OTHER MAJOR EQUIPMENT		73		73		73	-	-	-	73
	SPECIAL OPERATIONS COMMAND										
	AVIATION PROGRAMS										
41	RADIO FREQUENCY MOBILE ELECTRONIC TEST SET		-		-		-	-	-	-	-
42	SOF ROTARY WING UPGRADES		46,990		53,490		46,990	-	-	-	46,990
43	SOF TRAINING SYSTEMS		6,053		6,053		6,053	-	-	-	6,053
44	CV-22 SOF MODIFICATION		3,983		-		3,983	-	-	-	3,983
45	MC-130H COMBAT TALON II		18,985		18,985		18,985	-	-	-	18,985
46	AC-130U GUNSHIP ACQUISITION		28,600		28,600		28,600	-	-	-	28,600

Title I - Procurement

(Dollars in Thousands)

LN		Request		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No.	Title	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
47	C-130 MODIFICATIONS		58,359		58,359		58,359	-	-	-	58,359
48	OH-6 PROCUREMENT & MODIFICATIONS		-		-		-	-	-	-	-
49	AIRCRAFT SUPPORT		878		878		878	-	-	-	878
	SHIPBUILDING										
50	PC,CYCLONE CLASS		-		-		-	-	-	-	-
51	ADVANCED SEAL DELIVERY SYSTEM (ASDS)		10,603		10,603		10,603	-	-	-	10,603
51	LESS: ADVANCE PROCUREMENT (PY)		(352)		(352)		(352)	-	-	-	(352)
52	ADVANCE PROCUREMENT (CY)		293		293		293	-	-	-	293
53	MK VIII MOD 1 - SEAL DELIVERY VEHICLE		589		589		589	-	-	-	589
54	SUBMARINE CONVERSION		5,990		5,990		5,990	-	-	-	5,990
54	LESS: ADVANCE PROCUREMENT (PY)		-		-		-	-	-	-	-
55	ADVANCE PROCUREMENT (CY)		-		-		-	-	-	-	-
56	MK V SPECIAL OPERATIONS CRAFT (MK V SOC)		-		-		-	-	-	-	-
	AMMUNITION PROGRAMS										
57	SOF ORDNANCE ACQUISITION		15,707		15,707		28,207	-	6,000	-	21,707
58	SOF ORDNANCE REPLENISHMENT		28,784		28,784		28,784	-	-	-	28,784
	OTHER PROCUREMENT PROGRAMS										
59	MARITIME EQUIPMENT MODIFICATIONS		26,012		22,012		26,012	-	-	-	26,012
60	NAVAL SPECIAL WARFARE RIGID INFLATABLE BOAT		15,606		15,606		15,606	-	-	-	15,606
61	SPARES AND REPAIR PARTS		40,237		40,237		40,237	-	-	-	40,237
62	COMM EQUIPMENT & ELECTRONICS		68,064		68,064		68,064	-	-	-	68,064
63	SOF INTELLIGENCE SYSTEMS		19,148		19,148		24,148	-	2,500	-	21,648
64	SOF SMALL ARMS & WEAPONS		15,421		15,421		15,421	-	-	-	15,421
65	SOF MARITIME EQUIPMENT		2,060		2,060		2,060	-	-	-	2,060
66	DRUG INTERDICTION		-		-		-	-	-	-	-
67	ANTI-TERRORISM/COUNTER-TERRORISM		-		-		-	-	-	-	-
68	MISCELLANEOUS EQUIPMENT		9,714		9,714		9,714	-	-	-	9,714
69	SOF PLANNING AND REHEARSAL SYSTEM		1,027		1,027		1,027	-	-	-	1,027
70	CLASSIFIED PROGRAMS		73,991		73,991		84,091	-	10,100	-	84,091
71	PSYOP EQUIPMENT		9,518		9,518		9,518	-	-	-	9,518
	CHEMICAL/BIOLOGICAL DEFENSE										
	CBDP										

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
72	INDIVIDUAL PROTECTION		128,423		128,423		128,423	-	-	-	128,423
73	DECONTAMINATION		10,982		10,982		10,982	-	-	-	10,982
74	JOINT BIO DEFENSE PROGRAM		27,847		27,847		27,847	-	-	-	27,847
75	COLLECTIVE PROTECTION		20,452		20,452		20,452	-	-	-	20,452
76	CONTAMINATION AVOIDANCE		96,199		89,299		96,199	-	-	-	96,199
	DEFENSE-WIDE										
	DEFENSE-WIDE										
77	DEFENSE-WIDE PROGRAM		-		-		-	-	-	-	-
999	CLASSIFIED PROGRAMS		349,694		403,613		349,694	-	-	-	349,694
	ECONOMIC ADJUSTMENT						(5,800)		(5,800)		(5,800)
	ADVISORY AND ASSISTANCE SERVICES								(2,218)	-	(2,218)
	TOTAL PROCUREMENT, DEFENSE-WIDE		2,041,650		1,962,866		2,023,450		(86,822)		1,954,828
	DEFENSE EXPORT LOAN GUARANTEES, PROGRAM ACCOUNT										
	ADMINISTRATIVE EXPENSES										-
	DEF LOAN GUARANTEES, PROGRAM ACCOUNT										
1	MISC PROJECTS		1,250		1,250		1,250	-	-	-	1,250
	TOTAL DEF EXPORT LOAN GUARANTEES, PROG ACCT		1,250		1,250		1,250		-	-	1,250

Automated document conversion system

The budget request included no funds for automated document conversion system (ADCS).

The House bill would authorize an increase of $32.0 million for the procurement of ADCS hardware and software.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $25.0 million for the procurement of ADCS hardware and software.

SOF intelligence systems

The budget request included $19.1 million for special operations forces intelligence systems.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $5.0 million for procurement and installation of Silent Shield real-time situational awareness systems on special operations aircraft.

The conferees agree to authorize an increase of $2.5 million for Silent Shield system procurement.

Contamination avoidance

The budget request included $96.2 million for contamination avoidance.

The House bill would authorize a decrease of $6.9 million. This decrease would eliminate funding for National Guard Rapid Assessment and Initial Detection equipment.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

Overview

The budget request for fiscal year 1999 contained no authorization for National Guard and Reserve Procurement in the Department of Defense. The House bill would authorize $300.0 million. The Senate amendment would authorize $60.0 million. The conferees recommended an authorization of $60.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	NATIONAL GUARD & RESERVE EQUIPMENT										
	RESERVE EQUIPMENT										
	ARMY RESERVE										
1	MISCELLANEOUS EQUIPMENT		-				10,000	-	10,000	-	10,000
	HEMTT Bridge Trans Kits				6,000			-	-		
	M915 ESP (Upgrade) Kits				8,000			-	-		
	AVLB 60-70 Ton Upgrade				3,000			-	-		
	Rock Crush, Screen, Wash				2,000			-	-		
	HMMWV Contact Mnt Trk				7,000			-	-		
	5 Ton ESP				15,000			-	-		
	Generator, 5KW, TQ				3,000			-	-		
	M915A3, Long Haul Tractor				6,000			-	-		
	NAVY RESERVE										
2	MISCELLANEOUS EQUIPMENT		-				10,000	-	10,000	-	10,000
	CH60 Aircraft				38,000			-	-		
	MIUW Van Upgrades				12,000			-	-		
	C-9 REPLACEMENT										
	MARINE CORPS RESERVE										
3	MISCELLANEOUS EQUIPMENT		-				10,000	-	10,000	-	10,000
	F/A-18A+ECP				35,000			-	-		
	D-7 PIP				5,000			-	-		
	CH-53e HNVS "B Kits"				7,000			-	-		
	Electronic Calibration Facility (AN/TSM-198)				2,000			-	-		
	Electronic Test Measurement & Diagnostic Equipment Facility				1,000			-	-		
	AIR FORCE RESERVE										
4	MISCELLANEOUS EQUIPMENT		-				10,000	-	10,000	-	10,000
	KC-135 Reengine Kits				50,000			-	-		
	NATIONAL GUARD EQUIPMENT										
	ARMY NATIONAL GUARD										
5	MISCELLANEOUS EQUIPMENT		-				10,000	-	10,000	-	10,000
	D-7 Bulldozer				5,000			-	-		
	Mobile Backscatter Truck Inspection System				9,000			-	-		

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	Crashworthy Internal Fuel Cells				5,000			-	-		
	AH-64 VMEP				3,000			-	-		
	SINCGARS				8,000			-	-		
	Reconfigurable Mission Simulator				7,000			-	-		
	Engagement Skills Trainers				5,000			-	-		
	R-2000 Engine Flush System				5,000			-	-		
	Meteorological Measuring Sets, AN/TMQ41				3,000			-	-		
	AIR NATIONAL GUARD										
6	MISCELLANEOUS EQUIPMENT		-				10,000	-	10,000	-	10,000
	PATS (F-16)				15,000			-	-		
	F-16 IAIS				15,000			-	-		
	F-16 ALR-56M RWR				10,000			-	-		
	F-16 SADL ADP/COLOR				5,000			-	-		
	A-10 SADL GRP A				5,000			-	-		
	EC-130J										
	C-130J										
	TOTAL NATIONAL GUARD & RESERVE EQUIPMENT		-		300,000		60,000		60,000	-	60,000

National Guard and Reserve Equipment

The budget request included $1.36 billion for National Guard and Reserve equipment, as follows:

	Millions
Aircraft, Army	110.2
Missiles, Army	35.3
Weapons and Tracked Combat Vehicles, Army	12.3
Ammunition, Army	182.3
Other Procurement, Army	502.9
Aircraft, Navy	41.8
Ammunition, Navy/USMC	17.3
Other Procurement, Navy	3.6
Procurement, USMC	39.9
Aircraft, USAF	293.3
Ammunition, USAF	30.4
Other Procurement, USAF	85.0
NG&RE, Other Procurement	9.3
Department of Defense Total	1,363.6

This request reflects a net increase of almost $400.0 million above the funding requested for the reserve component modernization in the fiscal year 1998 budget request. The conferees believe that the increased funding requested by the services for reserve component modernization reflects a recognition of the critical role that these forces provide in Department of Defense operations. The conferees agree that reserve component modernization, as an integral component of overall DOD modernization, should rely on a collaborative budget development process within the Department and not on annual congressional supplemental funding, which would have to come at the expense of other programs funded in the budget request. However, the conferees recognize that there are still significant modernization shortfalls in both the active and reserve components and remain concerned about the readiness implications of declining modernization funding requests.

Accordingly, the conferees agree to authorize increases to support reserve component modernization, as follows:

	Millions
UH–60 Blackhawk	$66.4
Family of Medium Tactical Vehicles	42.5
Medium Truck Extended Service Program	20.0
Multiple Launch Rocket System Launchers	45.0
R2000 Engine Flush System	5.0
Bradley Upgrades	70.0
SINCGARS family	50.0
AH–64 Vibration Management Enhancement System	3.0
Engagement Skills Trainers	5.0
MIUW van upgrades	12.0
KC–135 Re-engining	46.0
F–16 IAIS	14.0
C–130 (1 WC–130J, 1 EC–130J, 2 C–130J)	276.4
C–130J Simulator	30.0
Total increase	685.3

Additionally, the conferees agree to authorize an increase of $60.0 million for National Guard and Reserve miscellaneous equipment, as follows:

	Millions
Army Reserve Miscellaneous	$10.0
Navy Reserve Miscellaneous	10.0
Marine Corps Reserve Miscellaneous	10.0
Air Force Reserve Miscellaneous	10.0
Army National Guard Miscellaneous	10.0
Air National Guard Miscellaneous	10.0

The conferees direct that the miscellaneous funding be allocated exclusively by the chiefs of the reserve components, in consultation with service chiefs, and give priority consideration to the following items: 2.5-ton and 5-ton truck extended service program; night vision equipment; high mobility multipurpose wheeled vehicles; CH–47 crashworthy internal fuel cells; heavy expanded mobility tactical truck bridge transportation kits; M915 truck extended service program upgrade kits; rock crush, screen; AVLB 60–70 ton upgrades; high mobility multipurpose wheeled vehicle contact maintenance trucks; 5 kilowatt tactically quiet generator; M915A3 long haul tractor; F/A-18A+ ECP; CH–53e HNVS ''B kits''; electronic calibration facility (AN/TSM–198); electronic test measurement and diagnostic equipment facility; D–7 bulldozer; reconfigurable mission simulator; meteorological measuring sets (AN/TMQ41); PATS (F–16); F–16 ALR–56M RWR; F–16 SADL ADP/color; A–10 SADL group A; airborne firefighting equipment; mobile backscatter truck inspection system; the advanced radar warning receiver; and the D–7 product improvement program.

Overview

The budget request for fiscal year 1999 contained an authorization of $855.1 million for Chemical Agent and Munitions Destruction, Army. The House bill would authorize no funding for Chemical Agent and Munitions Destruction, Army, but would transfer the authorization of $834.0 million for Chemical Agent and Munitions Destruction, Defense. The Senate amendment would authorize no funding for Chemical Agent and Munitions Destruction, Army but would transfer the authorization of $777.2 million for Chemical Agent and Munitions Destruction, Defense. The conferees agree to authorize $803.0 million for Chemical Agent and Munitions Destruction, Defense. Unless noted explicitly in the conference agreement, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

LN No.	Title	Request QTY	Request COST	House Authorized QTY	House Authorized COST	Senate Authorized QTY	Senate Authorized COST	Conference Change QTY	Conference Change COST	Conference Agreement QTY	Conference Agreement COST
	CHEM AGENTS & MUNITIONS DESTRUCTION, DEF										
	CHEM AGENTS & MUNITIONS DESTRUCT-RDT&E										
	RESEARCH AND DEVELOPMENT										
1	CHEM DEMILITARIZATION - RDTE		-		170,880		172,780	-	172,780	-	172,780
	CHEM AGENTS & MUNITIONS DESTRUCT-PROC										
	PROCUREMENT										
2	CHEM DEMILITARIZATION - PROC		-		134,670		115,670	-	124,670	-	124,670
	CHEM AGENTS & MUNITIONS DESTRUCT-O&M										
	OPERATION AND MAINTENANCE										
3	CHEM DEMILITARIZATION - O&M		-		528,450		488,700	-	508,550	-	508,550
	ECONOMIC ADJUSTMENT								(3,000)		(3,000)
	TOTAL CHEM AGENTS & MUNITIONS DESTRUCTION, DEF		-		834,000		777,150		803,000		803,000

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Authorization of Appropriations

Authorization of appropriations (secs. 101–109)

The House bill contained provisions (secs. 101–109) that would authorize the recommended fiscal year 1999 funding levels for the Army, Navy and Marine Corps, Air Force, Defense-Wide Activities, Reserve Components, Defense Inspector General, Chemical Demilitarization Program, Defense Health Program, and the Defense Export Loan Guarantee Program.

The Senate amendment contained similar provisions.

The conference agreement includes these provisions.

Chemical demilitarization program (sec. 107)

The budget request for the Army included $855.1 million for the chemical agents and munitions destruction program.

The House bill recommended no funding for Chemical Agents and Munitions Destruction, Army, but contained a provision (sec. 107) that would authorize $834.0 million for the Department of Defense for the destruction of lethal chemical agents in accordance with Section 1412 of the Department of Defense Authorization Act for Fiscal Year 1986 (Public Law 99–145, 50 U.S.C. 1521) and for chemical warfare materiel of the United States not covered by Section 1412 of such Act, a $21.1 million reduction to the budget request.

The Senate amendment recommended no funding for Chemical Agents and Munitions Destruction, Army, but contained a similar provision (sec. 107) that would authorize $780.1 million for destruction of the lethal chemical agents and munitions stockpile pursuant to Section 1412 of the Department of Defense Authorization Act for Fiscal Year 1986 and U.S. chemical warfare materiel not covered by Section 1412 of the Act, a $78.5 million reduction to the budget request. Additionally, the Senate recommended that an additional $3.0 million be made available to accelerate the development and fielding of the Army's mobile munitions assessment system. Additionally, the Senate would recommend the transfer of the chemical demilitarization program to the Defense Threat Reduction Agency.

The conferees agree to a provision that would authorize $803.0 million for the Department of Defense chemical agents and munitions destruction program, to include: $124.7 million for procurement; $172.8 for research and development; $508.6 million for operation and maintenance; and a reduction of $3.0 million for revised economic assumptions. Of the amount authorized for research and development, the conferees recommend that an additional $5.0 million be made available to accelerate the development and fielding of the Army's mobile munitions assessment system and an additional $6.0 million be made available to demonstrate alternatives to the baseline incineration process for the destruction of assembled chemical munitions and to proceed from a demonstration to the development of a pilot-scale facility.

The conferees understand that additional funds above the amount recommended in this Act may be necessary to demonstrate viable alternative technologies, and encourage the Department of Defense to review funds available in the chemical agents and munitions demilitarization program from prior year authorization and appropriations, as well as funds available to the Department that have been identified as sources in the most recent omnibus reprogramming (FY98–16PA) forwarded to the Congress for approval, as possible sources for such additional funds necessary for activities related for the demonstration of alternative technologies to the destruction of assembled chemical munitions.

Section 1412(f) of the Department of Defense Authorization Act for Fiscal Year 1986 requires that funds for the destruction of the U.S. stockpile of lethal chemical agents and munitions, including funds for military construction projects necessary to carry out the demilitarization program, shall be set forth in the budget of the Department of Defense as a separate program and shall not be included in the budget accounts for any military department. In the statement of managers accompanying the National Defense Authorization Act for Fiscal Year 1994 (H. Rept. 103–357), the conferees cited this section in transferring the funds contained in the fiscal year 1994 Army budget requests for the chemical demilitarization program to a separate DOD account. Section 1412(e) of Public Law 99–145 further requires that the management organization for the chemical munitions destruction program shall be established within the Department of the Army.

The conferees agree that the defense chemical demilitarization program should continue to be managed as a major defense acquisition program with the Office of the Secretary of Defense providing policy and program oversight, the Secretary of the Army as executive agent for the management and execution of the program, and the project manager for the program for the assembled chemical weapons assessment (ACWA) of alternative technologies reporting to the Under Secretary of Defense for Acquisition and Technology (until completion of the demonstration phase of the ACWA program).

Subtitle B—Army Programs

Multiyear procurement authority for Longbow Hellfire missile program (sec. 111)

The House bill contained a provision (sec. 111) that would authorize the Secretary of the Army to enter into a multiyear procurement contract for the Longbow Hellfire missile.

The Senate amendment contained a similar provision (sec. 111).

The Senate recedes.

The conferees agree to authorize the Secretary of the Army to enter into a multiyear contract for the Longbow Hellfire missile.

Condition for award of second-source procurement contract for the family of medium tactical vehicles (sec. 112)

The Senate amendment contained a provision (sec. 112) that would require certain conditions to be met before the Secretary of the Army could enter into a contract with more than one manufacturer for the procurement of the family of medium tactical vehicles (FMTV). The Senate supports Army efforts to qualify a second source for FMTV trucks, if the established conditions are met, and would support acceleration of this effort if the Army determines that this action could be accomplished within programmed resource limitations.

The House bill contained no similar provision.

The House recedes with an amendment. Based on critical shortfalls of modernized trucks within the Army, the conferees direct the Secretary of the Army to ensure that sufficient funding is programmed for any FMTV prime contractor to maintain minimum economic production levels necessary to sustain steady production and meet FMTV fielding requirements. The conferees note existing funding levels, constrained by modernization budget limitations, will result in a break in production, increased costs, and delays in the modernization process.

Armored system modernization (sec. 113)

The Senate amendment contained a provision (sec. 113) that would require the Secretary of the Army to submit to the congressional defense committees a report on Army armored system modernization programs.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize $14.3 million for the M1A1D applique integration program and $6.0 million for an M1A2 risk reduction program. Of the amount authorized for the M1A1D applique integration program, not more than $11.4 million may be obligated before the end of the 30-day period beginning on the date on which the Secretary of the Army submits the armored system modernization report.

Congress supports the development and fielding of the M1A1D and authorizes $20.3 million to complete development and testing, and to initiate fielding. The conferees are concerned, however, about the risk inherent in the conversion of the M1A2 to the Force XXI Battle Command Brigade and Below (FBCB2) software and directs that $6.0 million of the $20.3 million be used to develop an M1A2 risk reduction effort. The conferees recognize the Army's goal is to field only the M1A1D and M1A2SEP variants, but want to ensure risk is addressed.

The conferees are also concerned that armor system modernization plans, including the proposal to close the tank plant in Lima, Ohio, do not adequately address future operational requirements for armor systems, modernization and upgrade requirements, and industrial base implications associated with plans to bridge the gap between production of existing armor systems and future combat platforms. The conferees direct the Secretary of the Army to provide a report on armor system modernization programs to the congressional defense committees no later than January 31, 1999.

Reactive armor tiles (sec. 114)

The Senate amendment contained a provision (sec. 114) that would require the Secretary of Defense, with input from the Army and Marine Corps, to conduct a detailed assessment of requirements for reactive armor tiles and provide a cost-benefit analysis of the procurement and installation of tiles on selected armor vehicles. The provision would preclude any expenditure of funds for armor tiles until 30 days after the date on which the Secretary of Defense submits the results of this study to the Congress.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Extension of authority to carry out Armament Retooling and Manufacturing Support Initiative (sec. 115)

The Senate amendment contained a provision (sec. 116) that would extend the Armament Retooling and Manufacturing Support Initiative through fiscal year 1999.

The House bill contained no similar provision.

The House recedes.

SUBTITLE C—NAVY PROGRAMS

CVN–77 nuclear aircraft carrier program (sec. 121)

The Senate amendment contained a provision (sec. 121) that would authorize $124.5 million for the advance procurement and construction of components, including nuclear components, for the CVN–77 aircraft carrier program.

The House bill contained no similar provision.

The House recedes.

Increase in amount authorized to be excluded from cost limitation for Seawolf submarine program (sec. 122)

The Senate amendment contained a provision (sec. 122) that would amend section 123(a) of the National Defense Authorization Act for Fiscal Year 1998 by striking the amount of $272.4 million and replacing it with the amount of $557.6 million as the amount excluded from the Seawolf submarine program cost limitation.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Multiyear procurement authority for the Department of the Navy (sec. 123)

The House bill contained a provision (sec. 121) that would authorize the Secretary of the Navy to enter into multiyear contracts for the AV–8B, E–2C, and T–45 aircraft, and to enter into a multiyear procurement contract to procure the Marine Corps Medium Tactical Vehicle Replacement.

The Senate amendment contained separate provisions (secs. 124–123) that would authorize the same multiyear procurements.

The Senate recedes.

Annual General Accounting Office review of F/A–18E/F program (sec. 124)

The Senate amendment contained a provision (sec. 1034) that would require an annual General Accounting Office review of the F/A–18E/F program.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Subtitle D—Air Force Programs

F–22 aircraft program (sec. 131)

The Senate amendment contained a provision (sec. 133) that would limit obligation of advance procurement funds for the six Lot II F–22 aircraft. The provision would make funds available after the completion of 10 percent of the F–22 flight test program, or alternatively, 30 days after the Secretary of Defense submits a certification that:

(1) of the number of flight test hours completed, if less than 10 percent;

(2) that a lesser amount of flight testing would be sufficient for making a production decision, and the basis for that determination; and

(3) that it would be financially advantageous to proceed to Lot II production rather than delay production until completion of 10 percent of the flight testing.

The House bill contained no similar provision.

The House recedes with an amendment that would remove the 30 day delay period from the provision. The provision would allow the Department to obligate advance procurement funds as soon as the certification is submitted to the congressional defense committees.

C–130J aircraft program (sec. 132)

The Senate amendment contained a provision (sec. 134) that would require a report from the Secretary of Defense on the C–130J aircraft program.

The House bill contained no similar provision.

The House recedes.

Subtitle E—Other Matters

Chemical stockpile emergency preparedness program (sec. 141)

The Senate amendment contained a provision (sec. 1080) that would direct the Director of the Federal Emergency Management Agency (FEMA) to carry out a program with state and local governments to assist them in developing capabilities to respond to public health or safety emergencies that may arise from the destruction of lethal chemical agents and munitions in the U.S. stockpile.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Director of FEMA, in accordance with a Memorandum of Understanding (MOU) with the Department of the Army, to carry out an emergency preparedness program with state and local governments. The provision would also direct that funds, appropriated in the defense account for this portion of the chemical stockpile emergency preparedness program, be made available to FEMA to implement its responsibilities pursuant to the requirements of this provision. Lastly, the provision would require the Secretary of Defense to include, in the Department's annual report on the defense chemical agents and munitions destruction program, information on actions taken and grants provided to assist state and local governments to develop their off-post emergency preparedness plans for responding to chemical accidents or incidents at the eight chemical stockpile storage installations.

Alternative technologies for destruction of assembled chemical weapons (sec. 142)

The House bill contained a provision (sec. 141) that would authorize $12.6 million for identification and demonstration of alternative technologies to the baseline incineration process for destruction of assembled chemical munitions in the U.S. stockpile, and would direct the transfer of management oversight responsibility for the program from the Under Secretary of Defense for Acquisition and Technology (USD, A&T) to the Secretary of the Army.

The Senate amendment contained a provision (sec. 117) that would provide authority for the program manager for the Assembled Chemical Weapons Assessment (ACWA) to demonstrate alternative technologies to the baseline incineration process and to undertake post-demonstration activities necessary to implement any such alternative technology, if it is proven successful, and, would authorize $18.0 million for demonstration of alternative technologies and planning and preparation to proceed from demonstration to pilot-scale testing. Additionally, the provision would require the Under Secretary of Defense for Acquisition and Technology to provide for two evaluations of the cost and schedule of an alternative technology to baseline incineration to be submitted to the Under Secretary by September 30, 1999. Lastly, the provision would maintain the current program manager for the Assembled Chemical Weapons Assessment, who would continue to manage the development and testing (including demonstration and pilot-scale testing) of alternative technologies for the destruction of lethal assembled chemical weapons, and would continue to operate independently from the program manager for the baseline chemical demilitarization program.

The House recedes with an amendment that would require the current program manager for the Assembled Chemical Weapons Assessment to continue to manage the development, testing, demonstration and pilot-scale testing of alternative technologies for the destruction of assembled chemical munitions and to act independently of the program manager for the Department of Defense baseline incineration program. In addition, the ACWA program manager shall report to the Under Secretary of Defense for Acquisition and Technology.

The provision would also authorize the ACWA program manager to carry out post-demonstration activities to ensure that an alternative technology can be implemented immediately following the successful demonstration of an alternative technology, and the submission to Congress of a report on the demonstration and a decision by the Under Secretary of Defense for Acquisition and Technology to proceed with a pilot-scale facility.

In order to ensure that an alternative technology may be demonstrated immediately, the conferees provide authority for the program manager to take certain actions during fiscal years 1998 and 1999 related to the establishment, preparation, development and identification of activities related to awarding a contract for a potential successful alternative technology for assembled chemical munitions not later than December 30, 1999.

The conferees also direct the Under Secretary of Defense for Acquisition and Technology to provide to Congress an independent, nongovernmental evaluation of the cost and schedule for any potential alternative technology resulting from the ACWA demonstration activities.

Lastly, if the Secretary of Defense decides to proceed with a pilot program, the conferees direct that a report be submitted to the congressional defense committees on the Department's plan to conduct the pilot program, including information on the cost and the schedule for the alternative technology pilot program for destruction of assembled chemical munitions.

As noted elsewhere in the statement of managers on the chemical agent and munitions destruction program (sec. 107), the conferees understand that additional funds may be necessary above the amounts recommended in this Act, as well as for fiscal year 1998, to demonstrate viable alternative technologies. The conferees encourage the Department of Defense to review funds available in the chemical agents and munitions demilitarization program from prior year authorizations and appropriations, as well as funds available to the Department which have been identified as sources in the most recent omnibus reprogramming (FY98–16PA) forwarded to the Congress for approval, as possible sources for any additional funds necessary for activities related to the demonstration of alternative technologies for the destruction of assembled chemical munitions.

LEGISLATIVE PROVISIONS NOT ADOPTED

M1A2 system enhancement program step one

The House bill contained a provision (sec. 112) that would require the Army to use the $20.3 million included in the budget request for M1A1D upgrade kits to instead procure M1A2 system enhancement program step one communications upgrades.

The Senate amendment contained no similar provision.

The House recedes.

Annual reporting of costs associated with travel of members of the chemical demilitarization citizenship advisory commission

The Senate amendment contained a provision (sec. 115) that would amend section 1412(g)(2) of the National Defense Authorization Act for Fiscal Year 1986 (Public Law 102–484) to require that information on the travel costs of members of the chemical demilitarization citizenship advisory commission be included in the annual report to Congress on the chemical and munitions destruction program.

The House bill contained no similar provision.

The Senate recedes.

Joint surveillance target attack radar system

The Senate amendment contained a provision (sec. 131) that would authorize $72.0 million for the joint surveillance target attack radar system (JSTARS), as follows:

(1) advance procurement of long-lead items for two additional E–8C JSTARS aircraft;

(2) payment of expenses associated with termination of production of JSTARS aircraft; or

(3) development of an improved radar for the JSTARS.

The House bill contained no similar provision.

The Senate recedes.

Limitation on replacement of engines on military aircraft derived from Boeing 707 aircraft

The Senate amendment contained a provision (sec. 132) that would prevent the Secretary of Defense from obligating or expending funds for reengining Department of Defense aircraft derived from Boeing 707 aircraft until an overdue report was submitted. The report was due in March 1998 and was not received until July 13, 1998.

The House bill contained no similar provision.

The Senate recedes.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Research, Development, Test, and Evaluation Overview

The budget request for fiscal year 1999 contained an authorization of $36,078.6 million for Research and Development in the Department of Defense. The House bill would authorize $36,228.0 million. The Senate amendment would authorize $35,942.2 million. The conferees recommended an authorization of $36,007.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Summary of
National Defense Authorization for FY 1999

(In Thousands of $'s)

	Authorization Request	House Authorized	Senate Authorized	Change from Request	Conference Agreement
TITLE II					
RESEARCH, DEVELOPMENT, TEST & EVALUATION					
Research, Development, Test & Evaluation, Army	4,780,545	4,792,997	4,816,145	(123,533)	4,657,012
Research, Development, Test & Evaluation, Navy	8,108,923	8,403,559	8,188,897	196,088	8,305,011
Research, Development, Test & Evaluation, Air Force	13,598,093	13,577,209	13,634,993	320,635	13,918,728
Research, Development, Test & Evaluation, Defense-wide	9,314,665	9,173,932	9,302,771	(465,829)	8,848,836
Operational Test & Evaluation, Defense	25,245	29,245	25,245	4,000	29,245
Developmental Test & Evaluation, Defense	251,106	251,106	249,106	(2,000)	249,106
General Reduction		0	(275,000)	0	0
Total Research, Development, Test & Evaluation	36,078,577	36,228,048	35,942,157	(70,639)	36,007,938

Overview

The budget request for fiscal year 1999 contained an authorization of $4,780.5 million for Army, Research and Development in the Department of Defense. The House bill would authorize $4,793.0 million. The Senate amendment would authorize $4,816.1 million. The conferees recommended an authorization of $4,657.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		RESEARCH DEVELOPMENT TEST & EVAL ARMY					
0601101A	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	14,902	14,902	14,902	-	14,902
0601102A	2	DEFENSE RESEARCH SCIENCES	137,399	137,399	137,399	-	129,463
		Scientific Problems with Military Applications Growth				(7,936)	
0601104A	3	UNIVERSITY AND INDUSTRY RESEARCH CENTERS	48,459	48,459	48,459	-	45,138
		Program Growth Reduction				(3,321)	
0602104A	4	TRACTOR ROSE	6,000	6,000	-	-	-
		Program Reduction			[-6,000]	(6,000)	
0602105A	5	MATERIALS TECHNOLOGY	10,137	15,137	13,137	-	13,137
		Hardened Materials			[3,000]	3,000	
		Hardened Materials (For Land Vehicles)		[5000]		-	
0602120A	6	SENSORS AND ELECTRONIC SURVIVABILITY	18,738	18,738	18,738	-	16,895
		Data Base and Software Agent Program				(1,843)	
0602122A	7	TRACTOR HIP	11,685	11,685	11,685	-	11,685
0602211A	8	AVIATION TECHNOLOGY	29,746	29,746	29,746	-	27,823
		Air Mobility Concept				(1,923)	
0602270A	9	EW TECHNOLOGY	16,249	16,249	16,249	-	16,249
0602303A	10	MISSILE TECHNOLOGY	25,180	25,180	29,680	-	29,680
		Scramjet Technology			[3,000]	3,000	
		Acoustic Effects			[1,500]	1,500	
0602308A	11	MODELING AND SIMULATION TECHNOLOGY	27,981	27,981	27,981	-	23,531
		Army After Next Applied Research				(4,450)	
0602601A	12	COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	40,107	50,107	40,107	-	37,607
		Innovative Alternative Propulsion Program		[10,000]		2,500	
		Future Infantry and Combat Systems				(5,000)	
0602618A	13	BALLISTICS TECHNOLOGY	31,115	31,115	31,115	-	31,115
0602622A	14	CHEMICAL, SMOKE AND EQUIPMENT DEFEATING TECHNOLOGY	5,116	5,116	5,116	-	5,116
0602623A	15	JOINT SERVICE SMALL ARMS PROGRAM	5,229	5,229	5,229	-	5,229
0602624A	16	WEAPONS AND MUNITIONS TECHNOLOGY	29,489	29,489	29,489	-	29,489
0602705A	17	ELECTRONICS AND ELECTRONIC DEVICES	22,329	22,329	22,329	-	22,329
0602709A	18	NIGHT VISION TECHNOLOGY	19,157	19,157	19,157	-	19,157
0602712A	19	COUNTERMINE SYSTEMS	10,715	10,715	10,715	-	10,715

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0602716A	20	HUMAN FACTORS ENGINEERING TECHNOLOGY	13,369	18,169	13,369	-	18,169
		Medteams		[4,800]		4,800	
0602720A	21	ENVIRONMENTAL QUALITY TECHNOLOGY	13,842	29,842	46,342	-	50,342
		National Defense Center for Environmental Excellence			[24,000]	20,000	
		Redmap		[4,000]	[3,500]	3,500	
		Peps		[3,000]	[5,000]	5,000	
		Computer-Based Land Management Model for Training Area - TRIES		[4,000]		3,000	
		Agricultural Based Bioremediation		[5,000]		5,000	
0602782A	22	COMMAND, CONTROL, COMMUNICATIONS TECHNOLOGY	19,746	22,546	19,746	-	22,546
		Army Multimedia Communication Device		[2,800]		2,800	
0602783A	23	COMPUTER AND SOFTWARE TECHNOLOGY	2,185	2,185	2,685	-	2,185
		Software Security			[500]	-	
0602784A	24	MILITARY ENGINEERING TECHNOLOGY	37,488	37,488	38,688	-	38,688
		CRREL			[1,200]	1,200	
0602785A	25	MANPOWER/PERSONNEL/TRAINING TECHNOLOGY	8,602	8,602	8,602	-	8,602
0602786A	26	WARFIGHTER TECHNOLOGY	18,661	18,661	18,661	-	18,661
0602787A	27	MEDICAL TECHNOLOGY	67,255	69,255	67,255	-	67,255
		Optical Correlator Technology Application		[2,000]		-	
0602789A	28	ARMY ARTIFICIAL INTELLIGENCE TECHNOLOGY	1,164	1,164	1,164	-	1,164
0602805A	29	DUAL USE APPLICATIONS PROGRAM	20,000	20,000	20,000	-	20,000
0603001A	30	WARFIGHTER ADVANCED TECHNOLOGY	32,969	32,969	32,969	-	32,969
0603002A	31	MEDICAL ADVANCED TECHNOLOGY	11,012	11,012	13,012	-	13,012
		Nutrition Research			[2,000]	2,000	
0603003A	32	AVIATION ADVANCED TECHNOLOGY	30,048	43,048	30,048	-	35,048
		Scram Jet		[8,000]		-	
		STARSTREAK Missile - Stinger Comparative Testing		[3,000]		3,000	
		Stinger Universal Digital Launcher		[2,000]		2,000	
0603004A	33	WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY	24,555	41,555	29,055	-	29,055
		Precision Guided Mortar Munitions		[6,000]	[4,500]	4,500	
		Future Direct Support Weapons Systems - FDSWS		[5,000]		-	
		Trajectory Correctable Munitions TCM		[6,000]		-	
0603005A	34	COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY	54,435	71,435	57,435	-	59,435

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		Aluminum Metal Matrix R&D/Lt Wt Composite Materials		[10,000]	[3,000]	3,000	
		Innovative Engine Tech		[7,000]		2,000	
0603006A	35	COMMAND, CONTROL, COMMUNICATIONS ADVANCED TECHNOLOGY	20,109	20,109	20,109	-	20,109
0603007A	36	MANPOWER, PERSONNEL AND TRAINING ADVANCED TECHNOLOGY	3,021	3,021	3,021	-	3,021
0603009A	37	TRACTOR HIKE	9,873	9,873	9,873	-	9,873
0603013A	38	TRACTOR DIRT	57	57	57	-	57
0603017A	39	TRACTOR RED	4,590	4,590	4,590	-	4,590
0603020A	40	TRACTOR ROSE	2,016	2,016	2,016	-	2,016
0603105A	41	MILITARY HIV RESEARCH	5,710	5,710	3,110	-	5,710
		Program Reduction			[-2,600]	-	
0603238A	42	GLOBAL SURVEILLANCE/AIR DEFENSE/PRECISION STRIKE TECHNOLOGY DEMONST	9,973	9,973	9,973	-	9,973
0603270A	43	EW TECHNOLOGY	11,508	11,508	11,508	-	11,508
0603313A	44	MISSILE AND ROCKET ADVANCED TECHNOLOGY	86,096	56,396	56,396	-	56,396
		E-FOGM ACTD		[-35,700]	[-35,700]	(35,700)	
		Future Missile Technology Integration		[6,000]	[6,000]	6,000	
0603322A	45	TRACTOR CAGE	4,408	4,408	4,408	-	4,408
0603606A	46	LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY	21,944	21,944	21,944	-	21,944
0603607A	47	JOINT SERVICE SMALL ARMS PROGRAM	5,173	8,673	5,173	-	8,673
		Objective Crew Served Weapon		[3,500]		3,500	
0603654A	48	LINE-OF-SIGHT TECHNOLOGY DEMONSTRATION	20,099	20,099	20,099	-	20,099
0603710A	49	NIGHT VISION ADVANCED TECHNOLOGY	23,960	23,960	23,960	-	23,960
0603734A	50	MILITARY ENGINEERING ADVANCED TECHNOLOGY	13,564	13,564	13,564	-	13,564
0603772A	51	ADVANCED TACTICAL COMPUTER SCIENCE AND SENSOR TECHNOLOGY	18,456	18,456	20,956	-	18,456
		Digital Intell Technology			[2,500]	-	
0603780A	52	STRATEGIC ENVIRONMENTAL RESEARCH AND DEV	54,419	-	54,419	-	-
		Strategic Environmental R&D Program - SERDP		[-54,419]		(54,419)	
0604280A	53	JOINT TACTICAL RADIO	15,600	15,600	15,600	-	15,600
0603018A	54	TRACTOR TREAD		-	-	-	-
0603308A	55	ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL)	12,240	32,240	29,240	-	29,240
		Tactical High Energy Laser (THEL)		[10,000]	[10,000]	10,000	
		Space and Missile Defense Battle Lab		[10,000]	[7,000]	7,000	
0603619A	56	LANDMINE WARFARE AND BARRIER - ADV DEV	6,778	6,778	6,778	-	6,778

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603627A	57	SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ADV DEV		-	-	-	-
0603639A	58	ARMAMENT ENHANCEMENT INITIATIVE	26,526	36,526	26,526	-	30,526
		TERM KE		[10,000]		4,000	
0603640A	59	ARTILLERY PROPELLANT DEVELOPMENT		-	-	-	-
0603645A	60	ARMORED SYSTEM MODERNIZATION - ADV DEV		-	-	-	-
0603649A	61	ENGINEER MOBILITY EQUIPMENT ADVANCED DEVELOPMENT		-	-	-	-
0603653A	62	ADVANCED TANK ARMAMENT SYSTEM (ATAS)	8,928	8,928	8,928	-	8,928
0603713A	63	ARMY DATA DISTRIBUTION SYSTEM	17,281	17,281	17,281	-	17,281
0603745A	64	TACTICAL ELECTRONIC SUPPORT SYSTEMS - ADV DEV		-	-	-	-
0603747A	65	SOLDIER SUPPORT AND SURVIVABILITY	7,581	7,581	7,581	-	7,581
0603766A	66	TACTICAL ELECTRONIC SURVEILLANCE SYSTEM - ADV DEV		-	-	-	-
0603774A	67	NIGHT VISION SYSTEMS ADVANCED DEVELOPMENT	2,681	2,681	2,681	-	2,681
0603790A	68	NATO RESEARCH AND DEVELOPMENT	11,161	11,161	9,161	-	9,161
		Program Reduction			[-2000]	(2,000)	
0603801A	69	AVIATION - ADV DEV	7,487	12,487	7,487	-	7,487
		Retinal Display Technology		[5,000]		-	
0603804A	70	LOGISTICS AND ENGINEER EQUIPMENT - ADV DEV	17,478	17,478	17,478	-	17,478
0603805A	71	CBT SERVICE SUPPORT CONTROL SYSTEM EVALUATION AND ANALYSIS	14,353	14,353	14,353	-	14,353
0603807A	72	MEDICAL SYSTEMS - ADV DEV	11,414	11,414	11,414	-	11,414
0603851A	73	TRACTOR CAGE (DEM/VAL)	966	966	966	-	966
0603854A	74	ARTILLERY SYSTEMS - DEM/VAL	313,166	253,566	313,166	-	313,166
		Crusader Program Reduction		[-59,600]		-	
0603856A	75	SCAMP BLOCK II DEM/VAL	7,969	7,969	7,969	-	7,969
0604201A	76	AIRCRAFT AVIONICS	7,878	7,878	7,878	-	7,878
0604220A	77	ARMED, DEPLOYABLE OH-58D		-	-	-	-
0604223A	78	COMANCHE	367,823	429,823	391,823	-	391,823
		Prototype #2 Acceleration		[24,000]	[24,000]	24,000	
		Comanche Portable Cockpit		[8,000]		-	
		MEP Risk Reduction		[30,000]		-	
0604270A	79	EW DEVELOPMENT	85,989	90,989	94,589	-	94,589
		ATIRCM Integation Kit			[8,600]	8,600	
		Shortstop Electronic Protection System - SEPS		[5,000]		-	

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0604321A	80	ALL SOURCE ANALYSIS SYSTEM	28,081	30,081	30,281	-	28,081
		Software Integration		[2,000]	[2,200]	-	
0604325A	81	FOLLOW-ON TO TOW	48,106	48,106	48,106	-	13,106
		Program Reduction				(35,000)	
0604328A	82	TRACTOR CAGE	1,788	1,788	1,788	-	1,788
0604604A	83	MEDIUM TACTICAL VEHICLES		-	-	-	-
0604609A	84	SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ENG DEV	706	706	706	-	706
0604611A	85	JAVELIN	5,277	5,277	5,277	-	5,277
0604619A	86	LANDMINE WARFARE	23,189	23,189	23,189	-	23,189
0604622A	87	FAMILY OF HEAVY TACTICAL VEHICLES		-	-	-	
0604633A	88	AIR TRAFFIC CONTROL	1,737	1,737	1,737	-	1,737
0604640A	89	ADVANCED COMMAND AND CONTROL VEHICLE (AC2V)		-	-	-	-
0604641A	90	TACTICAL UNMANNED GROUND VEHICLE (TUGV)	2,468	2,468	2,468	-	2,468
0604642A	91	LIGHT TACTICAL WHEELED VEHICLES		-	-	-	-
0604645A	92	ARMORED SYSTEMS MODERNIZATION (ASM)-ENG. DEV.	4,500	4,500	4,500	-	4,500
0604649A	93	ENGINEER MOBILITY EQUIPMENT DEVELOPMENT	63,069	63,069	63,069	-	63,069
0604710A	94	NIGHT VISION SYSTEMS - ENG DEV	21,311	21,311	21,311	-	21,311
0604713A	95	COMBAT FEEDING, CLOTHING, AND EQUIPMENT	62,218	62,218	62,218	-	58,218
		Contract Modifications and Engineering Change Proposals				(4,000)	
0604715A	96	NON-SYSTEM TRAINING DEVICES - ENG DEV	64,035	64,035	64,035	-	64,035
0604716A	97	TERRAIN INFORMATION - ENG DEV	2,999	2,999	2,999	-	2,999
0604726A	98	INTEGRATED METEOROLOGICAL SUPPORT SYSTEM	1,790	1,790	1,790	-	1,790
0604739A	99	INTEGRATED BROADCAST SERVICE	4,447	4,447	4,447	-	4,447
0604741A	100	AIR DEFENSE COMMAND, CONTROL AND INTELLIGENCE - ENG DEV	6,476	6,476	6,476	-	6,476
0604746A	101	AUTOMATIC TEST EQUIPMENT DEVELOPMENT	7,030	7,030	7,030	-	7,030
0604760A	102	DISTRIBUTIVE INTERACTIVE SIMULATIONS (DIS) - ENGINEERING DEVELOPMENT	2,766	2,766	2,766	-	2,766
0604766A	103	TACTICAL EXPLOITATION OF NATIONAL CAPABILITIES - EMD (TIARA)	44,674	40,074	44,674	-	40,074
		TIARA		[-4,600]		(4,600)	
0604768A	104	BRILLIANT ANTI-ARMOR SUBMUNITION (BAT)	134,858	134,858	134,858	-	134,858
0604770A	105	JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM	5,503	21,503	5,503	-	5,503
		SCDL SIP		[16,000]		-	
0604778A	106	POSITIONING SYSTEMS DEVELOPMENT (SPACE)	379	379	379	-	379

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0604780A	107	COMBINED ARMS TACTICAL TRAINER (CATT) CORE	7,533	7,533	7,533	-	7,533
0604801A	108	AVIATION - ENG DEV	6,599	6,599	6,599	-	11,599
		Retinal Display Technology				5,000	
0604802A	109	WEAPONS AND MUNITIONS - ENG DEV	37,725	37,725	37,725	-	35,725
		Mortar Fire Control System Contract Savings				(2,000)	
0604804A	110	LOGISTICS AND ENGINEER EQUIPMENT - ENG DEV	26,002	28,002	26,002	-	26,002
		Ultra Lightweight Camouflage Netting System - ULCANS		[2,000]		-	
0604805A	111	COMMAND, CONTROL, COMMUNICATIONS SYSTEMS - ENG DEV	16,404	16,404	16,404	-	16,404
0604807A	112	MEDICAL MATERIEL/MEDICAL BIOLOGICAL DEFENSE EQUIPMENT - ENG DEV	5,338	5,338	5,338	-	5,338
0604808A	113	LANDMINE WARFARE/BARRIER - ENG DEV	46,905	46,905	46,905	-	41,405
		Remote Anti-Armor Mine System				(5,500)	
0604814A	114	SENSE AND DESTROY ARMAMENT MISSILE - ENG DEV	20,813	20,813	20,813	-	20,813
0604816A	115	LONGBOW - ENG DEV		-	-	-	-
0604817A	116	COMBAT IDENTIFICATION	13,471	13,471	13,471	-	13,471
0604818A	117	ARMY TACTICAL COMMAND & CONTROL HARDWARE & SOFTWARE	32,929	32,929	32,929	-	32,929
0604820A	118	RADAR DEVELOPMENT	2,786	2,786	6,786	-	6,786
		Passive Adjunct Sensor Capability			[4,000]	4,000	
0604823A	119	FIREFINDER	19,822	19,822	20,722	-	20,722
		Accelerate Software			[900]	900	
0604824A	120	DUAP COMMERCIAL OPERATIONS AND SUPPORT SAVINGS	33,600	33,600	23,600	-	23,600
		Program Reduction			[-10,000]	(10,000)	
0604854A	121	ARTILLERY SYSTEMS - EMD	100	13,100	100	-	2,600
		Digital Fire Control Technology		[8,000]		-	
		LWT 155 Fire Control Technology		[5,000]		2,500	
0604256A	122	THREAT SIMULATOR DEVELOPMENT	11,935	11,935	11,935	-	11,935
0604258A	123	TARGET SYSTEMS DEVELOPMENT	13,127	13,127	13,127	-	13,127
0604759A	124	MAJOR T&E INVESTMENT	40,284	40,284	39,284	-	39,284
		Program Reduction			[1,000]	(1,000)	
0605103A	125	RAND ARROYO CENTER	16,718	16,718	16,718	-	16,718
0605301A	126	ARMY KWAJALEIN ATOLL	142,710	142,710	140,710	-	128,710
		Program Reduction			[-2,000]	(14,000)	
0605326A	127	CONCEPTS EXPERIMENTATION PROGRAM	17,441	17,441	17,441	-	10,541

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		Program Reduction for Undefined Experiments				(6,900)	
0605502A	128	SMALL BUSINESS INNOVATIVE RESEARCH		-	-	-	-
0605601A	129	ARMY TEST RANGES AND FACILITIES	119,553	119,553	119,553	-	119,553
0605602A	130	ARMY TECHNICAL TEST INSTRUMENTATION AND TARGETS	33,439	33,439	40,439	-	40,439
		Testing Instrumentation and Targets			[7,000]	7,000	
0605604A	131	SURVIVABILITY/LETHALITY ANALYSIS	30,498	30,498	34,498	-	34,498
		IW Vulnerability Assessment			[4,000]	4,000	
0605605A	132	DOD HIGH ENERGY LASER TEST FACILITY	15,022	15,022	23,022	-	23,022
		Solid State Laser			[8,000]	8,000	
0605606A	133	AIRCRAFT CERTIFICATION	2,924	2,924	2,924	-	2,924
0605702A	134	METEOROLOGICAL SUPPORT TO RDT&E ACTIVITIES	6,691	6,691	6,691	-	6,691
0605706A	135	MATERIEL SYSTEMS ANALYSIS	9,711	9,711	9,711	-	9,711
0605709A	136	EXPLOITATION OF FOREIGN ITEMS	4,031	4,031	4,031	-	4,031
0605712A	137	SUPPORT OF OPERATIONAL TESTING	66,320	66,320	66,320	-	66,320
0605716A	138	ARMY EVALUATION CENTER	25,526	25,526	25,526	-	25,526
0605801A	139	PROGRAMWIDE ACTIVITIES	64,588	64,588	64,588	-	64,588
0605802A	140	INTERNATIONAL COOPERATIVE RESEARCH AND DEVELOPMENT		-	-	-	-
0605803A	141	TECHNICAL INFORMATION ACTIVITIES	16,251	16,251	16,251	-	16,251
0605805A	142	MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY	8,497	8,497	8,497	-	8,497
0605853A	143	ENVIRONMENTAL CONSERVATION	3,195	3,195	3,195	-	3,195
0605854A	144	POLLUTION PREVENTION	8,694	8,694	8,694	-	8,694
0605856A	145	ENVIRONMENTAL COMPLIANCE	44,116	44,116	44,116	-	44,116
0605876A	146	MINOR CONSTRUCTION (RPM) - RDT&E	4,205	4,205	4,205	-	4,205
0605878A	147	MAINTENANCE AND REPAIR (RPM) - RDT&E	49,233	49,233	49,233	-	49,233
0605879A	148	REAL PROPERTY SERVICES (RPS) - RDT&E	87,172	87,172	87,172	-	87,172
0605896A	149	BASE OPERATIONS - RDT&E	230,029	230,029	230,029	-	230,029
0605898A	150	MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	4,683	4,683	4,683	-	4,683
0909999A	151	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS		-	-	-	-
0603778A	152	MLRS PRODUCT IMPROVEMENT PROGRAM	20,244	26,244	20,244	-	24,444
		Savings				(1,800)	
		HIMARS		[6,000]		6,000	
0102419A	153	AEROSTAT JOINT PROJECT OFFICE	103,937	30,037	53,937	-	30,037

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		Program Reduction		[-73,900]	[-50,000]	(73,900)	
0203726A	154	ADV FIELD ARTILLERY TACTICAL DATA SYSTEM	35,111	35,111	47,611	-	40,381
		Airspace Deconfliction and Technical Fire Support Enhancements			[12,500]	12,500	
		AFATDS 2000 Software Development 2				(7,230)	
0203735A	155	COMBAT VEHICLE IMPROVEMENT PROGRAMS	94,756	94,756	101,756	-	101,756
		Flat Panel Display Improvement Program			[7,000]	7,000	
0203740A	156	MANEUVER CONTROL SYSTEM	28,923	28,923	28,923	-	28,923
0203744A	157	AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS	26,681	26,681	26,681	-	26,681
0203752A	158	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	2,948	11,948	2,948	-	9,948
		Improved Fuel Pump		[4,000]		4,000	
		FA Digital Engine Control System (FADEC)		[5,000]		3,000	
0203758A	159	DIGITIZATION	45,007	45,007	45,007	-	45,007
0203759A	160	FORCE XXI BATTLE COMMAND, BRIGADE AND BELOW (FBCB2)	52,469	52,469	52,469	-	52,469
0203761A	161	FORCE TWENTY-ONE (XXI), WARFIGHTING RAPID ACQUISITION PROGRA	99,528	99,528	99,528	-	69,528
		Project Reduction				(30,000)	
0203801A	162	MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT PROGRAM	11,252	23,252	11,252	-	17,252
		Stinger Block II		[12,000]		6,000	
0203802A	163	OTHER MISSILE PRODUCT IMPROVEMENT PROGRAMS	1,248	1,248	1,248	-	1,248
0203806A	164	TRACTOR RUT		-	-	-	-
0203808A	165	TRACTOR CARD	3,993	3,993	3,993	-	3,993
0208010A	166	JOINT TACTICAL COMMUNICATIONS PROGRAM (TRI-TAC)	35,941	35,941	35,941	-	35,941
0208053A	167	JOINT TACTICAL GROUND SYSTEM	12,229	-	12,229	-	12,229
		Program Reduction		[-12,229]		-	
0301359A	168	SPECIAL ARMY PROGRAM	6,537	7,537	6,537	1,000	7,537
XXXXXX		DEFENSE INFORMATION TECHNOLOGY TEST BED		6,600		5,000	5,000
0303140A	169	INFORMATION SYSTEMS SECURITY PROGRAM	7,433	12,433	7,433	-	12,433
		Health Care Info Protection		[5,000]		5,000	
0303142A	170	SATCOM GROUND ENVIRONMENT (SPACE)	53,897	53,897	53,897	-	53,897
0303150A	171	WWMCCS/GLOBAL COMMAND AND CONTROL SYSTEM	17,543	17,543	17,543	-	17,543
0305114A	172	TRAFFIC CONTROL, APPROACH AND LANDING SYSTEM-FY 1987 AND PRIOR (H)		-	-	-	-
0305128A	173	SECURITY AND INVESTIGATIVE ACTIVITIES	950	950	950	-	950
0305204A	174	TACTICAL UNMANNED AERIAL VEHICLES	75,636	49,636	75,636	-	53,636

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ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		Transfer to 35204N		[-18,000]		(14,000)	
		Transfer to 35204M		[-8,000]		(8,000)	
0305206A	174a	AIRBORNE RECONNAISSANCE SYSTEM				-	7,500
		Transfer				7,500	
0305208A	174b	Distributed Common Ground Systems				-	8,912
		Transfer				8,912	
0708045A	175	END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES	30,511	57,711	30,511	-	43,711
		Munitions Manufacturing Technology		[15,000]		13,200	
		Undefined Projects		[12,200]		-	
1001018A	176	NATO JOINT STARS	6,405	6,405	6,405	-	-
		Program Reduction				(6,405)	
		ADVISORY AND ASSISTANCE SERVICES REDUCTION		(20,000)		(12,018)	(12,018)
		ECONOMIC ADJUSTMENT			(10,000)	(10,000)	(10,000)
		TOTAL RESEARCH DEVELOPMENT TEST & EVAL ARMY	4,780,545	4,792,997	4,816,145	(123,533)	4,657,012

Additional decreases in technology base funding

The conferees agree to include a number of decreases in recognition of lack of congressional support for funding. Among these are the following:

	In millions
PE 61102A—Defense Research Sciences	−$8.0
PE 61104A—University and Industry Research Centers	−3.3
PE 62308A—Modeling and Simulation Technology	−4.5
PE 64824A—DUAP Commercial Operations and Support Savings	−10.0
PE 64805N—Commercial Operations and Support Savings	−10.0
PE 72207N—Depot Maintenance (Non-IF)	−20.0
PE 64805F—Commercial Operations and Support Savings	−10.0
PE 65122D—Industrial Capabilities Assessments	−2.9

Other similar decreases are noted elsewhere in the report.

The conferees also agree to a number of decreases in authorization to fund higher priority programs. Among these decreases are the following:

	In millions
PE 62120A—Sensors and Electronic Survivability	−$1.8
PE 62211A—Aviation Technology	−1.9
PE 65326A—Concepts Experimentation Program	−6.9
PE 65804N—Technical Information Services	−2.5
PE 27424F—Evaluation & Analysis Program	−12.8

Other similar decreases are noted elsewhere in the statement of managers accompanying this Act.

Materials technology

The budget request included $10.1 million in PE 62105A for materials technology research.

The House bill would authorize an increase of $5.0 million for hardened materials research for land warfare systems applications.

The Senate amendment would authorize an increase of $3.0 million for continuing hardened materials research in missile composite structures and composite shroud assemblies.

The House recedes.

Missile technology

The budget request included $25.2 million in PE 62303A for missile technology.

The House bill would authorize the budget request for missile technology in PE 62303A, but would authorize an increase of $8.0 million in scramjet technology development in PE 63003A.

The Senate amendment would authorize an increase of $3.0 million for scramjet technology in PE 62303A and an increase of $1.5 million for research in acoustic effects in the same program element.

The House recedes.

Combat vehicle and automotive technology

The budget request included $40.1 million in PE 62601A for combat vehicles and automotive technology.

The House bill would authorize an increase of $10.0 million for the innovative industry and academia alternative vehicle propulsion technology initiative.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $2.5 million for the innovative alternative vehicle propulsion technology developed within industry and the academic community, as described in the House report (H. Rept. 105–532). The conferees further agree to a decrease of $5.0 million for the future infantry and combat system.

Human factors engineering technology

The budget request included $13.3 million in PE 62716A for human factors engineering technology including $500,000 for Emergency Team Coordination (MedTeams) program.

The House bill would authorize an increase of $4.8 million to complete the MedTeams program.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $4.8 million and note that the authorized funds will allow for the completion of this program in fiscal year 1999, eliminating the need for further funding.

Environmental quality technology

The budget request included $13.8 million for environmental quality technology within PE 62720A.

The House bill would authorize an increase of $16.0 million, with $4.0 million for the Radford Environmental Development and Management Program (REDMAP), $3.0 million for the Plasma Energy Pyrolysis System (PEPS), $4.0 million for the Computer-Based Land Management Model, and $5.0 million for the Agricultural Based Bioremediation.

The Senate amendment would authorize an increase of $32.5 million, with $24.0 million for pollution prevention research and development initiatives, to be awarded on a competitive basis by the National Defense Center for Environmental Excellence (PE 62720A), $3.5 million for REDMAP, and $5.0 million for PEPS.

The conferees agree to authorize an increase of $5.0 million for PEPs, $3.5 million for REDMAP, $5.0 million for Agricultural Based Bioremediation, and $3.0 million for the Computer-Based Land Management Model in PE 62720A.

The conferees also agree to authorize an increase of $20.0 million for pollution prevention research and development initiatives, and direct the Department of the Army to establish an Environmental Quality Technology (EQT) Budget Activity Four Program Element to manage these additional funds beginning in fiscal year 1999. The conferees direct the Department to transfer project DE31, and any related funding, from PE 78045A to this new program element, beginning in fiscal year 2000 and continuing through fiscal year 2005. The Department shall ensure that all applicable competitive procedures are used in the award of contracts or other agreements related to the obligation and expenditure of these $20.0 million, and that cost-sharing requirements for non-federal participants be utilized where appropriate. The conferees direct that these funds be used to develop new materials and manufacturing processes for the purpose of validating technology for installation of pollution abatement and enhancing weapons systems performance and reducing life cycle operations and maintenance costs. The Department shall seek to accomplish this work by exploiting the capabilities of the National Defense Center for Environmental Excellence (NDCEE), where appropriate.

Command, control, and communications technology

The budget request included $19.7 million in PE 62782A for command, control, and communications technology.

The House bill would authorize an increase of $2.8 million for the Army multi-media communications device.

The Senate amendment would authorize the budget request.

The Senate recedes.

Military engineering technology

The budget request included $37.5 million in PE 62784A for military engineering technology including $3.3 million for cold regions research.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $1.2 million for cold regions research.

The House recedes.

Medical advanced technology

The budget request included $11.0 million in PE 63002A for medical advanced technology.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $2.0 million for nutrition research.

The House recedes.

Aviation advanced technology

The budget request included $30.0 million in PE 63003A for aviation advanced technology.

The House bill would authorize an increase of $2.0 million for the Stinger universal launcher and an increase of $3.0 million to support comparative testing of Starstreak and Stinger missiles for application to the Apache helicopter program. The House bill would also authorize an increase of $8.0 million for scramjet technology.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $5.0 million in PE 63003A, of which $2.0 million is for the Stinger universal launcher and $3.0 million is to support comparative testing of Starstreak and Stinger for application to the Apache helicopter program. Scramjet funding is addressed elsewhere in this statement of managers.

Weapons and munitions advanced technology

The budget request included $24.6 million in PE 63004A for weapons and munitions advanced technology.

The House bill would authorize an increase of $6.0 million for the precision guided mortar munitions program, an increase of $5.0 million for the future direct support weapon system, and an increase $6.0 million for the trajectory correctible munitions program.

The Senate amendment would authorize an increase of $4.5 million for the precision guided mortar munitions program.

The conferees agree to authorize an increase of $4.5 million for the precision guided mortar munitions program. The conferees regret the inability to authorize an additional $5.0 million for the future direct support weapon system because of limitations on available appropriations. The conferees urge the Army to consider reprogramming up to $5.0 million from other available funds to accelerate this program. The authorization of additional funding for the trajectory correctable munitions program is addressed elsewhere in this statement of managers.

Combat vehicle and automotive advanced technology

The budget request included $54.4 million in PE 63005A for combat vehicle and automotive advanced technology.

The House bill would authorize an increase of $17.0 million, as follows:

(1) $10.0 million for advanced lightweight composite materials; and

(2) $7.0 million for innovative engine technology.

The Senate amendment would authorize an increase of $3.0 million for aluminum metal matrix development.

The conferees agree to authorize an increase of $3.0 million for aluminum metal matrix technology development and an increase of $2.0 million for innovative engine technology development.

Missile and rocket advanced technology

The budget request included $86.1 million in PE 63313A for missile and rocket advanced technology.

The House bill and Senate amendment would authorize a total decrease of $29.7 million, as follows:

(1) a $35.7 million decrease for the enhanced fiber optic guided missile (E–FOGM) program; and

(2) a $6.0 million increase for the future missile technology integration (FMTI) program.

The conferees agree to authorize a decrease of $29.7 million for missile and rocket advanced technology, including a decrease of $35.7 million for E–FOGM and an increase of $6.0 million for FMTI.

Joint service small arms program

The budget request included $5.2 million in PE 63607A for joint service small arms program.

The House bill would authorize an increase of $3.5 million for the objective crew served weapon (OCSW).

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $3.5 million for the OCSW program.

Tactical high energy laser

The budget request included no funds for the joint U.S.-Israel Tactical High Energy Laser (THEL) program.

The House bill would authorize an increase of $10.0 million for THEL and related advanced technologies.

The Senate amendment would authorize an increase of $10.0 million to continue THEL testing and deployment activities.

The conferees agree to authorize an increase of $10.0 million for the THEL program.

Armament enhancement initiative

The budget request included $26.5 million in PE 63639A for the armament enhancement initiative program.

The House bill would authorize an increase of $10.0 million for the tank extended range munition-kinetic energy (TERM–KE) program.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $4.0 million for the TERM–KE program.

Comanche

The budget request included $367.8 million in PE 64223A for Comanche helicopter development.

The House bill would authorize an increase of $62.0 million to accelerate testing of the second Comanche prototype and for other risk reduction efforts.

The Senate amendment would authorize an increase of $24.0 million to accelerate flight testing of the second Comanche prototype.

The conferees agree to authorize an increase of $24.0 million to accelerate flight testing of the second Comanche prototype.

Electronic warfare development

The budget request included $86.0 million in PE 64270A for electronic warfare development.

The House bill would authorize an increase of $5.0 million for the Shortstop electronic protection system.

The Senate amendment would authorize an increase of $8.6 million for advanced threat infrared countermeasures (ATIRCM) development.

The conferees agree to authorize an increase of $8.6 million for ATIRCM development.

Follow-on to TOW

The budget request included $48.1 million in PE 64325A for continued development of the follow-on to TOW (FOTT) system.

The House bill and the Senate amendment would authorize the budget request.

The conferees agree to a decrease of $35.0 million with the remaining funds made available for restructured research and development requirements associated with the TOW missile.

The conferees note a recent Army decision to terminate the FOTT program due largely to affordability concerns.

Combat feeding, clothing, and equipment

The budget request included $62.2 million to support research and development activities associated with combat feeding, clothing, and equipment development.

The House bill and the Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $4.0 million that is no longer required due to contract modifications and engineering change proposals.

Aviation-engineering development

The budget request included $6.6 million in PE 64801A for aviation engineering development requirements.

The House bill would authorize an increase of $5.0 million in PE 63801A for retinal display technology.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $5.0 million in PE 64801A for retinal display technology development.

Weapons and munitions-engineering development

The budget request included $37.7 million to support requirements for improved weapons and munitions.

The House bill and the Senate amendment would support the budget request.

The conferees agree to a decrease of $2.0 million as contract savings no longer require the level of funding requested.

The conferees note that the Army contract for mortar fire control systems did not require the level of funding projected in the budget request.

Landmine warfare/barrier-engineering development

The budget request included $46.9 million in PE 64808A for landmine warfare/barrier engineering development activities.

The House bill and the Senate amendment would support the budget request.

The conferees agree to authorize a decrease of $5.5 million no longer required for the remote anti-armor mine system program due to a slip in the program and the recent approval of a reprogramming action.

Radar development

The budget request included $2.8 million to support improvements to existing ground based radar systems.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $4.0 million in PE 64820A for development of a passive adjunct sensor capability for the Sentinel radar.

The conferees agree to authorize an increase of $4.0 million to develop a passive adjunct sensor capability for the Sentinel radar.

Firefinder

The budget request included $19.8 million in PE 64823A for Firefinder radar development activities.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $0.9 million to accelerate new software development for the Firefinder system.

The conferees agree to authorize an increase of $0.9 million to accelerate software development.

Artillery systems-engineering and manufacturing development

The budget request included $0.1 million in PE 64854A for artillery systems-engineering and manufacturing development.

The House bill would authorize an increase of $13.0 million, as follows:

(1) $8.0 million for digital fire control technology for Crusader; and

(2) $5.0 million for fire control technology for the lightweight howitzer.

The Senate bill would authorize the budget request.

The conferees agree to authorize an increase of $2.5 million for lightweight 155 fire control technology.

Decrease to Research, Development, Test and Evaluation support programs

The House bill would authorize a decrease of $9.8 million to address insufficiently justified program growth in Research, Development, Test and Evaluation (RDT&E) support programs.

The Senate amendment would authorize a decrease of $27.0 million to address concerns regarding the management, infrastructure and support programs in the RDT&E budget.

The conferees agree to a total decrease of $42.8 million, as follows:

In millions

Army:	
PE 64759A—Major test & evaluation support	−$1.0
PE 65301A—Kwajalien	−14.0
Navy:	
PE 65152N—Studies & analysis support	−1.0
PE 65853N—Management, technical & International support	−11.0
PE 65863N—RDT&E ship & aircraft support	−2.0
PE 65864N—Test & evaluation support	−5.8
Air Force:	
PE 65807F—Test & evaluation support	−4.0
PE 65808F—Development planning	−2.0
Defense Agencies:	
PE 65804D—Developmental test & evaluation	−2.0

The conferees intend that the decrease taken in PE 65853N should not affect project X2222, and that this particular project be moved from this program element to a more appropriate place in the budget.

Army technical test instrumentation and targets

The budget request included $33.4 million in PE 65602A for Army technical test instrumentation and targets.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $7.0 million for instrumentation and targets.

The conferees agree to authorize an increase of $7.0 million for instrumentation and targets.

Survivability/lethality analysis

The budget request included $30.5 million in PE 65604A for survivability/lethality analysis.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $4.0 million for information warfare vulnerability assessments.

The conferees agree to authorize $4.0 million for information warfare vulnerability assessments.

Department of Defense high energy laser test facilities

The budget request included $15.0 million in PE 65605A for Department of Defense high energy laser test facility.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $8.0 million for solid state laser technology, and urged the Army to devote $1.5 million to address issues involving crystal growth manufacturing.

The House recedes.

Multiple launch rocket system product improvement program

The budget request included $20.2 million for the multiple launch rocket system (MLRS) product improvement program.

The House bill would authorize an increase of $6.0 million to accelerate development of high mobility artillery rocket system (HIMARS).

The Senate amendment would authorize the budget request.

The conferees agree to authorize a net increase of $4.2 million, including an increase of $6.0 million for HIMARS research and development activities, and a decrease of $1.8 million for contract savings.

Advanced field artillery tactical data system

The budget request included $35.1 million in PE 23726A for the advanced field artillery tactical data system (AFATDS).

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $12.5 million for airspace deconfliction and technical fire support enhancements.

The conferees agree to authorize a net increase of $5.3 million in PE 23726A, including an increase of $12.5 million for airspace deconfliction and technical fire support enhancements and a decrease of $7.2 million for AFATDS 2000 development activities.

Combat vehicle improvement programs

The budget request included $94.8 million in PE 23735A for combat vehicle improvment programs.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $7.0 million for flat panel display technology development.

The conferees agree to authorize an increase of $7.0 million for flat panel display technology development.

Aircraft engine component improvement program

The budget request included $2.9 million to develop improvements for Army aircraft engines.

The House bill would authorize an increase of $5.0 million for research and development of improved aircraft fuel pumps and an increase of $4.0 million for full authority digital engine control (FADEC) systems.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $7.0 million, including $4.0 million for support research and development requirements for improved aircraft fuel pumps and $3.0 million for FADEC systems.

Force XXI warfighting rapid acquisition program

The budget request included $99.5 million in PE 23761A to support procurements required for Army experimentation.

The House bill and the Senate amendment would authorize the budget request.

The conferees agree to a decrease of $30.0 million.

Missile/air defense product improvement program

The budget request included $11.3 million to develop improvements for Army missile and air defense systems.

The House bill would authorize an increase of $12.0 million for further development of the Stinger block II air defense missile.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $6.0 million to support research and development requirements for the Stinger block II missile system.

Defense information technology test bed

The budget request included no funding in PE 23726A for the defense information technology test bed (DITT).

The House bill would authorize an increase of $6.6 million for DITT. This effort will establish a fully electronic virtual intelligence archive for use by battlefield commanders.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $5.0 million for the development of a DITT program.

Information systems security program

The budget request included $7.4 million in PE 303140A to meet information system security requirements.

The House bill would authorize an increase of $5.0 million to continue the demonstration program for military health care information protection.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $5.0 million to support continued development and demonstration of military healthcare information protection measures.

Manufacturing technology

The budget request included $150.7 million for the Department of Defense manufacturing technology (MANTECH) program including: $14.5 million in PE 78045A; $59.0 million in PE 78011N; $51.0 million in PE 78011F; and $26.2 million in PE 78011S.

The House bill would authorize an increase of $43.2 million for MANTECH: $27.2 million in PE 78045A; $8.6 million in PE 78011N; and, $7.4 million in PE 78011F.

The conferees agree to an increase of $21.8 million: $13.2 million for munitions manufacturing efforts within the Army MANTECH program (PE 78045A) and $8.6 million in the Navy MANTECH program (PE 78011N) to address program shortfalls. The conferees expect the additional funds to be awarded using competitive procedures based on the technical priorities established by the Army MANTECH technical council and the Navy MANTECH steering committee.

Overview

The budget request for fiscal year 1999 contained an authorization of $8,108.9 million for Navy, Research and Development in the Department of Defense. The House bill would authorize $8,403.6 million. The Senate amendment would authorize $8,188.9 million. The conferees recommended an authorization of $8,305.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
ACCOUNT		RESEARCH DEVELOPMENT TEST & EVAL NAVY					
0601152N	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	14,734	14,734	14,734	-	14,734
0601153N	2	DEFENSE RESEARCH SCIENCES	347,945	352,445	347,945	-	347,945
		Optically Multiplexed/Wideband Radar Beamformer		[4,500]		-	
		Marine Mammal Research Program		[500]		[500]	
		Autonomous Underwater Robotics Technology		[4,000]		-	
0602111N	3	AIR AND SURFACE LAUNCHED WEAPONS TECHNOLOGY	37,140	37,140	38,140	-	38,140
		Pulse Detonation Engine Technology			[1,000]	1,000	
0602121N	4	SHIP, SUBMARINE & LOGISTICS TECHNOLOGY	43,177	43,177	46,177	-	46,177
		Stainless Steel Double Hull			[3,000]	3,000	
0602122N	5	AIRCRAFT TECHNOLOGY	23,229	23,229	23,229	-	23,229
0602131M	6	MARINE CORPS LANDING FORCE TECHNOLOGY	12,132	12,132	12,132	-	12,132
0602228N	7	HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU) SCIENCE	4,699	4,699	4,699	-	4,699
0602232N	8	COMMUNICATIONS, COMMAND AND CONTROL, INTELLIGENCE, SURVEILLA	65,033	66,033	60,033	-	60,033
		Program Reduction			[-5,000]	(6,000)	
		Hybrid Fiberoptic/Wireless Communications System Technology		[1,000]		1,000	
0602233N	9	HUMAN SYSTEMS TECHNOLOGY	29,722	29,722	29,722	-	29,722
0602234N	10	MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY	77,617	89,617	83,617	-	91,117
		Thermal Management Materials		[2,500]	[1,500]	2,500	
		Electronic Propulsion Technology			[2,000]	2,000	
		C/C Heatshields		[3,000]	[2,500]	2,500	
		Silicon Carbide Semiconductor Substrates		[3,500]		3,500	
		Superconducting Waveform Generator		[3,000]		3,000	
0602270N	11	ELECTRONIC WARFARE TECHNOLOGY	23,849	23,849	23,849	-	23,849
0602314N	12	UNDERSEA WARFARE SURVEILLANCE TECHNOLOGY	50,619	50,619	50,619	-	50,619
0602315N	13	MINE COUNTERMEASURES, MINING AND SPECIAL WARFARE	45,928	45,928	45,928	-	45,928
0602435N	14	OCEANOGRAPHIC AND ATMOSPHERIC TECHNOLOGY	56,722	66,722	56,722	-	66,722
		Autonomous Underwater Vehicle and Sonar Development		[10,000]		10,000	
0602633N	15	UNDERSEA WARFARE WEAPONRY TECHNOLOGY	34,856	36,856	34,856	-	36,856
		Micromechanical System Technology Applications		[2,000]		2,000	
0602805N	16	DUAL USE APPLICATIONS PROGRAM	20,000	20,000	20,000	-	20,000
0603217N	17	AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY	48,143	46,143	48,143	-	46,143

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		VECTOR		[-7,000]		(7,000)	
		DP-2 Thust Vectoring Systems Proof of Concept		[5,000]		5,000	
0603238N	18	PRECISION STRIKE AND AIR DEFENSE TECHNOLOGY	58,306	58,306	63,306	-	53,406
		Mobile Offshore Base			[5,000]	4,000	
		Fleet Advanced Demonstrations				(8,900)	
0603270N	19	ADVANCED ELECTRONIC WARFARE TECHNOLOGY	17,169	17,169	17,169	-	17,169
0603508N	20	SURFACE SHIP & SUBMARINE HM&E ADVANCED TECHNOLOGY	39,264	47,264	43,264	-	51,264
		Power Electronic Building Blocks		[6,000]		6,000	
		Power Node Control Centers		[2,000]		2,000	
		Composite Helicopter Hangar			[5,000]	5,000	
		Advanced Electric Systems			[-1,000]	(1,000)	
0603640M	21	MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD)	41,931	41,931	52,931	-	52,931
		Warfighting Lab			[10,000]	10,000	
		K-band Training/Test Instrumentation System 1			[1,000]	1,000	
0603706N	22	MEDICAL DEVELOPMENT	18,728	18,728	19,728	-	19,728
		Freeze Dried Blood Research			[1,000]	1,000	
0603707N	23	MANPOWER, PERSONNEL AND TRAINING ADV TECH DEV	21,042	21,042	21,042	-	21,042
0603712N	24	ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECHNOLOGY	20,919	20,919	20,919	-	20,919
0603747N	25	UNDERSEA WARFARE ADVANCED TECHNOLOGY	56,827	64,827	56,827	-	56,827
		Shallow Water Influence Minesweeping Systems		[8,000]		-	
0603782N	26	MINE AND EXPEDITIONARY WARFARE ADVANCED TECHNOLOGY	41,710	41,710	42,710	-	42,710
		Advanced Lightweight Influence Sweep System			[1,000]	1,000	
0603792N	27	ADVANCED TECHNOLOGY TRANSITION	74,392	74,392	74,392	-	74,392
0603794N	28	C3 ADVANCED TECHNOLOGY	22,294	22,294	22,294	-	22,294
		NAVY THEATER MISSILE DEFENSE		50,000			
0603207N	29	AIR/OCEAN TACTICAL APPLICATIONS	28,824	28,824	28,824	-	28,824
0603208N	30	TRAINING SYSTEM AIRCRAFT		-	-	-	-
0603216N	31	AVIATION SURVIVABILITY	8,164	14,164	8,164	-	11,164
		Ejection Seats		[3,000]		-	
		Escape System Dynamic Flow Test Facility		[3,000]		3,000	
0603254N	32	ASW SYSTEMS DEVELOPMENT	20,184	23,184	20,184	-	23,184
		Develop & Test Technology for Beartrap		[3,000]		3,000	

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ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603261N	33	TACTICAL AIRBORNE RECONNAISSANCE	1,479	1,479	1,479	-	1,479
0603382N	34	ADVANCED COMBAT SYSTEMS TECHNOLOGY	8,653	8,653	6,653	-	6,653
		Studies and Experiments for Combat Systems Engineering			[-2,000]	(2,000)	
0603502N	35	SURFACE AND SHALLOW WATER MINE COUNTERMEASURES	73,491	80,491	89,386	-	80,491
		Remote Mine Hunting System		[7,000]	[15,895]	7,000	
0603504N	36	ADVANCED SUBMARINE COMBAT SYSTEMS DEVELOPMENT	68,402	68,402	68,402	-	68,402
0603506N	37	SURFACE SHIP TORPEDO DEFENSE		-	-	-	-
0603512N	38	CARRIER SYSTEMS DEVELOPMENT	154,307	154,307	154,307	-	74,307
		CVN-77 Technology Insertion		[50,000]	[50,000]	[50,000]	
		Program Reduction				(80,000)	
0603513N	39	SHIPBOARD SYSTEM COMPONENT DEVELOPMENT	27,725	28,725	27,725	-	26,725
		Static Frequency Converters		[1,000]		1,000	
		Shipboard Aux Systems Development				(2,000)	
0603514N	40	SHIP COMBAT SURVIVABILITY	7,595	7,595	7,595	-	7,595
0603525N	41	PILOT FISH	117,094	117,094	117,094	-	117,094
0603536N	42	RETRACT JUNIPER	11,055	11,055	11,055	-	11,055
0603542N	43	RADIOLOGICAL CONTROL	3,600	3,600	3,600	-	3,600
0603553N	44	SURFACE ASW	11,871	11,871	11,871	-	11,871
0603561N	45	ADVANCED SUBMARINE SYSTEM DEVELOPMENT	60,520	60,520	60,520	-	60,520
0603562N	46	SUBMARINE TACTICAL WARFARE SYSTEMS	4,676	4,676	4,676	-	4,676
0603563N	47	SHIP CONCEPT ADVANCED DESIGN	14,900	14,900	14,900	-	14,900
0603564N	48	SHIP PRELIMINARY DESIGN & FEASIBILITY STUDIES	42,668	48,568	43,668	-	43,668
		ADC(X)		[5,900]		-	
		SSBN to SSGN Analysis			[1,000]	1,000	
0603570N	49	ADVANCED NUCLEAR POWER SYSTEMS	118,342	118,342	118,342	-	118,342
0603573N	50	ADVANCED SURFACE MACHINERY SYSTEMS	58,419	58,419	63,419	-	58,419
		Intercooled Recuperated Gas Turbine Engine			[5,000]	-	
0603576N	51	CHALK EAGLE	122,031	122,031	122,031	-	122,031
0603582N	52	COMBAT SYSTEM INTEGRATION	9,654	9,654	9,654	-	9,654
0603609N	53	CONVENTIONAL MUNITIONS	39,775	47,775	39,775	-	42,775
		Optical Correlator Technology Demonstarttion		[5,000]		-	
		Environmentally Safe Energetic Materials		[3,000]		3,000	

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603610N	54	ADVANCED WARHEAD DEVELOPMENT (MK-50)		-	-	-	-
0603611M	55	MARINE CORPS ASSAULT VEHICLES	104,822	108,822	104,822	-	108,822
		Advanced Amphibious Assault Vehicle		[4,000]		4,000	
0603612M	56	MARINE CORPS MINE/COUNTERMEASURES SYSTEMS - ADV DEV	1,958	1,958	1,958	-	1,958
0603635M	57	MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM	37,133	39,633	41,133	-	46,633
		Lighteight 155mm Howitzer		[2,500]		2,500	
		Predator			[4,000]	2,000	
		Trajectory Corrected Munitions				5,000	
0603654N	58	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	10,756	10,756	10,756	-	10,756
0603658N	59	COOPERATIVE ENGAGEMENT	131,623	157,623	131,623	-	157,623
		Battlegroup Interoperability		[20,000]		20,000	
		Test and Evaluation Linking Test & Traing Ranges		[6,000]		6,000	
		Ku-Band Data Link Transfer		[5,000]		-	
0603711N	60	FLEET TACTICAL DEVELOPMENT		-	-	-	-
0603713N	61	OCEAN ENGINEERING TECHNOLOGY DEVELOPMENT	15,257	15,257	15,257	-	15,257
0603721N	62	ENVIRONMENTAL PROTECTION	59,438	62,138	59,438	-	62,138
		Aviation Depot Maintenance Technology		[2,700]		2,700	
0603724N	63	NAVY ENERGY PROGRAM	4,592	4,592	4,592	-	4,592
0603725N	64	FACILITIES IMPROVEMENT	1,861	1,861	1,861	-	1,861
0603734N	65	CHALK CORAL	97,552	97,552	97,552	-	97,552
0603746N	66	RETRACT MAPLE	117,186	117,186	117,186	-	117,186
0603748N	67	LINK PLUMERIA	22,123	22,123	38,173	-	22,123
0603751N	68	RETRACT ELM	11,665	22,194	22,194	10,500	22,165
0603755N	69	SHIP SELF DEFENSE - DEM/VAL	12,337	12,337	12,337	-	12,337
0603785N	70	COMBAT SYSTEMS OCEANOGRAPHIC PERFORMANCE ASSESSMENT(H)		-	-	-	-
0603787N	71	SPECIAL PROCESSES	81,743	81,743	81,743	-	81,743
0603790N	72	NATO RESEARCH AND DEVELOPMENT	11,004	6,004	9,904	-	7,004
		VECTOR		[5,000]		-	
		Program Reduction				(4,000)	
0603795N	73	LAND ATTACK TECHNOLOGY	110,104	90,104	92,404	-	98,483
		Advanced Ship Vertical Gun		[20,000]	[-10,000]	(10,000)	
		Naval Surface Fire Support System Integration			[-7,700]	(1,621)	

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603800N	74	JOINT STRIKE FIGHTER (JSF) - DEM/VAL	463,402	463,402	478,402	-	478,402
		Alternate Engine Program			[15,000]	15,000	
0603851M	75	NONLETHAL WEAPONS - DEM/VAL	22,592	22,592	35,892	-	35,892
		Non-Lethal			[13,300]	13,300	
		Human Effects Panel				[2,000]	
		Type Classification Completion				[500]	
0603852N	76	ARSENAL SHIP		-	-	-	-
0603860N	77	JOINT PRECISION APPROACH AND LANDING SYSTEMS - DEM/VAL		-	-	-	-
0603889N	78	COUNTERDRUG RDT&E PROJECTS		-	-	-	-
0604327N	79	HARD AND DEEPLY BURIED TARGET DEFEAT SYSTEM (HDBTDS) PROGRAM	9,827	9,827	9,827	-	9,827
0604707N	80	SPACE AND ELECTRONIC WARFARE (SEW) ARCHITECTURE/ENGINEERING SUP	17,955	17,955	20,955	-	20,955
		Advanced Communications and Information Technologies			[3,000]	3,000	
0603208N	81	TRAINING SYSTEM AIRCRAFT	595	595	595	-	595
0603266N	82	AH-1T COMPOSITE ROTOR BLADE (H)		-	-	-	-
0604212N	83	OTHER HELO DEVELOPMENT	231,120	231,120	238,120	-	238,120
		Critical Design Review (LAMPS MARK III COTS Tech Insertion)			[-1,000]	(1,000)	
		Parametric Airborne Dipping Sonar			[8,000]	8,000	
0604214N	84	AV-8B AIRCRAFT - ENG DEV	13,787	13,787	13,787	-	13,787
0604215N	85	STANDARDS DEVELOPMENT	51,987	51,987	51,987	-	51,987
0604217N	86	S-3 WEAPON SYSTEM IMPROVEMENT	31,469	4,376	31,469	-	4,376
		Common Support Aircraft		[-27,093]		(27,093)	
0604218N	87	AIR/OCEAN EQUIPMENT ENGINEERING	6,162	6,162	6,162	-	6,162
0604221N	88	P-3 MODERNIZATION PROGRAM	3,046	3,046	3,046	-	3,046
0604231N	89	TACTICAL COMMAND SYSTEM	50,713	50,713	50,713	-	50,713
0604245N	90	H-1 UPGRADES	98,542	98,542	98,542	-	98,542
0604261N	91	ACOUSTIC SEARCH SENSORS	29,637	29,637	29,637	-	29,637
0604262N	92	V-22A	355,142	355,142	355,142	-	355,142
0604264N	93	AIR CREW SYSTEMS DEVELOPMENT	9,454	9,454	9,454	-	9,454
0604270N	94	EW DEVELOPMENT	128,586	128,586	138,586	-	137,886
		IDECM Radio Frequency Countermeasures System			[10,000]	9,300	
0604307N	95	SURFACE COMBATANT COMBAT SYSTEM ENGINEERING	132,561	132,561	134,561	-	132,061
		Laboratories and Field Activities Monitoring Efforts			[-3,000]	(3,000)	

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		DDG 51 Composite Director Room			[5,000]	2,500	
0604310N	96	ARSENAL SHIP		-	-	-	-
0604311N	97	LPD-17 CLASS SYSTEMS INTEGRATION	1,343	1,343	1,343	-	1,343
0604312N	98	TRI-SERVICE STANDOFF ATTACK MISSILE	2,064	2,064	2,064	-	2,064
0604355N	99	VERTICAL LAUNCH ASROC		-	-	-	-
0604366N	100	STANDARD MISSILE IMPROVEMENTS	1,320	1,320	1,320	-	1,320
0604373N	101	AIRBORNE MCM	24,967	24,967	24,967	-	24,967
0604503N	102	SSN-688 AND TRIDENT MODERNIZATION	50,300	65,300	65,300	-	65,300
		Multi-Purpose Processor		[15,000]	[15,000]	15,000	
0604504N	103	AIR CONTROL	4,198	4,198	8,198	-	8,198
		ECARS			[4,000]	4,000	
0604507N	104	ENHANCED MODULAR SIGNAL PROCESSOR	1,599	1,599	1,599	-	1,599
0604512N	105	SHIPBOARD AVIATION SYSTEMS	8,531	8,531	8,531	-	8,531
0604516N	106	SHIP SURVIVABILITY	6,196	6,196	6,196	-	6,196
0604518N	107	COMBAT INFORMATION CENTER CONVERSION	4,704	4,704	4,704	-	4,704
0604524N	108	SUBMARINE COMBAT SYSTEM	11,710	11,710	11,710	-	11,710
0604528N	109	SWATH (SMALL WATERPLANE AREA TWIN HULL) OCEANOGRAPHIC SHIP		-	-	-	-
0604558N	110	NEW DESIGN SSN	218,816	235,816	230,816	-	239,816
		NSSN Advanced Technology Insertion		[10,000]		8,000	
		Submarine Sonar Domes		[7,000]		7,000	
		Non-Propulsion Electronics System			[12,000]	6,000	
0604561N	111	SSN-21 DEVELOPMENTS	27,456	27,456	27,456	-	22,456
		System Level Shock Testing				(5,000)	
0604562N	112	SUBMARINE TACTICAL WARFARE SYSTEM	28,573	28,573	28,573	-	28,573
0604567N	113	SHIP CONTRACT DESIGN/ LIVE FIRE T&E	133,645	102,745	129,045	-	129,045
		DD-21		[-25,000]		-	
		ADC(X)		[-5,900]		-	
		Smart Propulsor Product Model			[4,000]	4,000	
		Ship Live Fire Test			[-8600]	(8,600)	
0604574N	114	NAVY TACTICAL COMPUTER RESOURCES	8,249	8,249	8,249	-	8,249
0604601N	115	MINE DEVELOPMENT	15	15	15	-	15
0604603N	116	UNGUIDED CONVENTIONAL AIR-LAUNCHED WEAPONS	5,183	5,183	5,183	-	5,183

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0604610N	117	LIGHTWEIGHT TORPEDO DEVELOPMENT	8,106	8,106	8,106	-	8,106
0604612M	118	MARINE CORPS MINE COUNTERMEASURES SYSTEMS - ENG DEV	3,855	3,855	3,855	-	3,855
0604618N	119	JOINT DIRECT ATTACK MUNITION	11,738	11,738	11,738	-	11,738
0604651M	120	NONLETHAL WEAPONS - EMD		-	-	-	-
0604654N	121	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	7,037	7,037	7,037	-	7,037
0604703N	122	PERSONNEL, TRAINING, SIMULATION, AND HUMAN FACTORS	1,235	1,235	1,235	-	1,235
0604710N	123	NAVY ENERGY PROGRAM	5,544	5,544	5,544	-	5,544
0604721N	124	BATTLE GROUP PASSIVE HORIZON EXTENSION SYSTEM	5,770	5,770	5,770	-	5,770
0604727N	125	JOINT STANDOFF WEAPON SYSTEMS	73,022	73,022	73,022	-	73,022
0604755N	126	SHIP SELF DEFENSE - EMD	148,165	148,165	156,665	-	155,165
		NULKA Anti-Ship Missile Decoy System Electro-Magnetic Compatibility			[2,000]	2,000	
		Infrared Search and Track (IRST)			[6,500]	5,000	
0604771N	127	MEDICAL DEVELOPMENT	4,321	4,321	5,321	-	5,321
		VID			[1,000]	1,000	
0604777N	128	NAVIGATION/ID SYSTEM	42,301	42,301	42,301	-	42,301
0604784N	129	DISTRIBUTED SURVEILLANCE SYSTEM	42,017	48,717	42,017	-	48,717
		Advanced Deployable System		[6,700]		6,700	
0604805N	130	COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE	28,500	28,500	18,500	-	18,500
		COSSI			[-10,000]	(10,000)	
0604256N	131	THREAT SIMULATOR DEVELOPMENT	24,400	24,400	24,400	-	24,400
0604258N	132	TARGET SYSTEMS DEVELOPMENT	54,800	54,800	54,800	-	54,800
0604759N	133	MAJOR T&E INVESTMENT	17,281	17,281	17,281	-	17,281
0605152N	134	STUDIES AND ANALYSIS SUPPORT - NAVY	10,132	9,132	10,132	-	9,132
		Program Reduction		[-1,000]		(1,000)	
0605154N	135	CENTER FOR NAVAL ANALYSES	44,201	44,201	44,201	-	44,201
0605155N	136	FLEET TACTICAL DEVELOPMENT	2,748	2,748	2,748	-	2,748
0605502N	137	SMALL BUSINESS INNOVATIVE RESEARCH		-	-	-	-
0605804N	138	TECHNICAL INFORMATION SERVICES	8,513	8,513	8,513	-	6,013
		Slow Enterprise Development				(2,500)	
0605853N	139	MANAGEMENT, TECHNICAL & INTERNATIONAL SUPPORT	28,690	27,690	17,690	-	17,690
		Program Reduction		[-1,000]	[-11,000]	(11,000)	
0605856N	140	STRATEGIC TECHNICAL SUPPORT	2,213	2,213	2,213	-	2,213

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ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0605861N	141	RDT&E SCIENCE AND TECHNOLOGY MANAGEMENT	64,455	64,455	64,455	-	64,455
0605862N	142	RDT&E INSTRUMENTATION MODERNIZATION	8,530	8,530	8,530	-	8,530
0605863N	143	RDT&E SHIP AND AIRCRAFT SUPPORT	57,421	55,421	57,421	-	55,421
		Program Reduction		[-2,000]		(2,000)	
0605864N	144	TEST AND EVALUATION SUPPORT	260,601	254,801	255,601	-	254,801
		Program Reduction		[-5,800]	[5,000]	(5,800)	
0605865N	145	OPERATIONAL TEST AND EVALUATION CAPABILITY	9,194	9,194	9,194	-	9,194
0605866N	146	NAVY SPACE AND ELECTRONIC WARFARE (SEW) SUPPORT	3,477	3,177	3,477	-	3,477
		Program Reduction		[-300]		-	
0605867N	147	SEW SURVEILLANCE/RECONAISSANCE SUPPORT	13,185	13,185	17,185	-	17,185
		Global C4ISR Visualization			[4,000]	4,000	
0605873M	148	MARINE CORPS PROGRAM WIDE SUPPORT	7,132	7,132	7,132	-	7,132
0909999N	149	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS		-	-	-	-
0604227N	150	HARPOON MODIFICATIONS	1,965	1,965	1,965	-	1,965
0101221N	151	STRATEGIC SUB & WEAPONS SYSTEM SUPPORT	56,604	56,604	56,604	-	56,604
0101224N	152	SSBN SECURITY TECHNOLOGY PROGRAM	33,588	33,588	33,588	-	33,588
0101226N	153	SUBMARINE ACOUSTIC WARFARE DEVELOPMENT	8,328	8,328	8,328	-	8,328
0204136N	154	F/A-18 SQUADRONS	357,214	357,214	333,814	-	338,814
		F/A-18 E/F Tactical Reconnaissance Development			[-23,400]	(18,400)	
0204152N	155	E-2 SQUADRONS	47,797	47,797	47,797	-	47,797
0204163N	156	FLEET TELECOMMUNICATIONS (TACTICAL)	16,297	16,297	16,297	-	16,297
0204229N	157	TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)	66,727	165,327	66,727	-	165,327
		Tactical Tomahawk Realignment		[98,600]		98,600	
0204311N	158	INTEGRATED SURVEILLANCE SYSTEM	19,772	19,772	19,772	-	19,772
0204413N	159	AMPHIBIOUS TACTICAL SUPPORT UNITS	1,945	1,945	1,945	-	1,945
0204571N	160	CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT	28,390	33,390	35,390	-	33,390
		Joint Tactical Combat Training System		[5000]		-	
		Battle Force Tactical Training (Operating System Conversion)			[7,000]	5,000	
0204575N	161	ELECTRONIC WARFARE (EW) READINESS SUPPORT	3,716	3,716	3,716	-	3,716
0205601N	162	HARM IMPROVEMENT	18,921	33,921	18,921	-	28,921
		AARGM		[15,000]		10,000	
0205604N	163	TACTICAL DATA LINKS	49,757	49,757	49,757	-	49,757

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ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0205620N	164	SURFACE ASW COMBAT SYSTEM INTEGRATION	9,390	9,390	9,390	-	9,390
0205632N	165	MK-48 ADCAP	17,550	17,550	17,550	-	17,550
0205633N	166	AVIATION IMPROVEMENTS	64,956	64,956	64,956	-	64,956
0205658N	167	NAVY SCIENCE ASSISTANCE PROGRAM		-	-	-	-
0205667N	168	F-14 UPGRADE	12,947	12,947	12,947	-	12,947
0205675N	169	OPERATIONAL NUCLEAR POWER SYSTEMS	54,183	54,183	54,183	-	54,183
0206313M	170	MARINE CORPS COMMUNICATIONS SYSTEMS	50,594	50,594	50,594	-	50,594
0206623M	171	MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS	14,699	22,699	14,699	-	17,699
		Shortstop		[5,000]		-	
		Automatic Target Tracker		[3,000]		3,000	
0206624M	172	MARINE CORPS COMBAT SERVICES SUPPORT	4,634	4,634	4,634	-	4,634
0207161N	173	TACTICAL AIM MISSILES	65,855	65,855	65,855	-	65,855
0207163N	174	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	4,862	4,862	4,862	-	4,862
0303109N	177	SATELLITE COMMUNICATIONS (SPACE)	18,188	18,188	18,188	-	18,188
0303140N	178	INFORMATION SYSTEMS SECURITY PROGRAM	22,201	22,201	22,201	-	22,201
0303150N	179	WWMCCS/GLOBAL COMMAND AND CONTROL SYSTEM	469	469	469	-	469
0305154N	181	DEFENSE AIRBORNE RECONNAISSANCE PROGRAM		-	-	-	-
0305160N	182	DEFENSE METEOROLOGICAL SATELLITE PROGRAM (SPACE)	11,671	11,671	11,671	-	11,671
0305188N	183	JOINT C4ISR BATTLE CENTER (JBC)	5,352	5,352	5,352	-	5,352
0305192N	184	JOINT MILITARY INTELLIGENCE PROGRAMS	2,302	2,302	2,302	-	2,302
0305204N		NAVY TACTICAL UAV-TRANSFER FROM 35204A		59,200	-	-	55,192
		Common Tactical Control System Development-transfer from 35204D		[37,200]		37,192	
		VTOL UAV-transfer from 35204A		[18,000]		14,000	
		Multi-function Self-aligned Gate Technology		[4,000]		4,000	
0305204M		MARINE CORPS RANGE TACTICAL UAV		8,000	-	-	8,000
		Close Range Tactical UAV		[8,000]		8,000	
0305206N		AIRBORNE RECONNAISSANCE SYSTEM				-	16,448
		Transfer from 35206D				8,448	
		EO Framing				8,000	
0305208N		DISTRIBUTED COMMON GROUND SYSTEMS				-	4,966
		Transfer from 35208D				4,966	
XXXXXXX		INTEGRATE BROADCAST SERVICE				14,580	14,580

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ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0305207N	185	MANNED RECONNAISSANCE SYSTEMS	342	342	342	-	342
0305927N	186	NAVAL SPACE SURVEILLANCE	399	399	399	-	399
0702207N	187	DEPOT MAINTENANCE (NON-IF)	69,967	69,967	69,967	-	49,967
		Program Reduction				(20,000)	
0708011N	188	INDUSTRIAL PREPAREDNESS	59,060	67,660	59,060	-	67,660
		(Manufacturing Technology)		[8,600]		8,600	
XXXXXX	999	Classified Programs	521,541	548,041	515,041	-	521,541
		ADVISORY AND ASSITANCE REDUCTION		(50,000)		(20,384)	(20,384)
		ECONOMIC ADJUSTMENT			(20,000)	(20,000)	(20,000)
		TOTAL RESEARCH DEVELOPMENT TEST & EVAL NAVY	8,108,923	8,403,559	8,188,897	196,088	8,305,011

Marine mammal research

The budget request included $347.9 million in PE 61153N for the Navy's defense research and sciences program.

The House bill would authorize the use of $500,000 from funds provided in PE 61153N for continuation of the Navy's cooperative marine mammal research program.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the use of $500,000 from funds provided in PE 61153N for continuation of the Navy's cooperative marine mammal research program.

Pulse detonation engine technology

The budget request included $37.1 million in PE 62111N for air and surface launched weapons technology.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $1.0 million for pulse detonation engine technology.

The conferees agree to authorize an increase of $1.0 million for pulse detonation engine technology.

Stainless steel double hull research

The budget request included $43.2 million in PE 62121N for ship, submarine and logistics technology.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $3.0 million for stainless steel double hull research.

The conferees agree to authorize an increase of $3.0 million for stainless steel double hull research.

Communications, command, control, and intelligence

The budget request included $65.0 million in PE 62232N for communications, command, control, and intelligence.

The House bill would authorize an additional $1.0 million for hybrid fiberoptic/wireless communication systems.

The Senate amendment would authorize a decrease of $5.0 million for the strategic sustainment program with the communications, command, control, and intelligence account.

The conferees agree to authorize a net decrease of $5.0 million in PE 62232N, including an increase of $1.0 million for the hybrid fiberoptic/wireless communications systems and a decrease of $6.0 million for the strategic sustainment program.

Materials, electronic and computer technology

The budget request included $77.6 million in PE 62234N for materials, electronic and computer technology.

The House bill would authorize an increase of $12.0 million, including $2.5 million for thermal management materials, $3.0 million for cryoelectronics waveform generator, $3.5 million for silicon carbide technology, and $3.0 million for carbon/carbon heatshields.

The Senate amendment would authorize an increase of $6.0 million, including $1.5 million for thermal management materials; $2.0 million for electronic propulsion technology, and $2.5 million for carbon/carbon heatshields.

The conferees agree to authorize a net increase of $13.5 million in PE 62234N, including an increase of $2.5 million for thermal management materials, an increase of $2.5 million for carbon/carbon heat shield, an increase of $3.0 million for the cryoelectronics waveform generator, an increase of $3.5 million for silicon carbide technology, and an increase of $2.0 million for the development of applied high temperature superconducting technology for synchronous AC electronic propulsion.

Autonomous underwater vehicle and sonar development

The budget request included $56.7 million in PE 62435N for oceanographic and atmospheric technology.

The House bill would authorize an increase of $10.0 million for advanced sensors and unmanned underwater vehicle technologies.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $10.0 million for advanced sensors and unmanned underwater vehicle technologies.

Micro electronic systems technology

The budget request included $2.0 million in PE 62633N for undersea warfare weaponry technology.

The House bill would authorize an increase of $2.0 million for micro electronic systems technology.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $2.0 million for micro electronic systems technology.

Air systems and weapons advanced technology

The budget request included $48.1 million in PE 63217N for air systems and weapons advanced technology.

The House bill would authorize a net decrease of $2.0 million, including a decrease of $7.0 million for the vectoring, extremely short take-off and landing control tailless operation research (VECTOR) project and an increase of $5.0 million for the completion of the DP-2 proof of concept demonstration.

The Senate amendment would authorize the budget request.

The Senate recedes.

Precision strike and air defense technology

The budget request included $58.3 million in PE 63238N for precision strike and air defense technology research.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $5.0 million for mobile offshore base (MOB) research.

The conferees agree to authorize a net decrease of $4.9 million to PE 63238N, including an increase of $4.0 million for MOB research and a decrease of $8.9 million to fleet advanced demonstrations.

Advanced electric systems studies

The budget request included $14.8 million in PE 63508N for fabrication, demonstration, development, and concept studies for quiet electric propulsion motor technologies.

The House bill would authorize the budget request.

The Senate amendment would authorize a decrease of $1.0 million in PE 63508N to eliminate premature studies and reduce intermediate scale development.

The House recedes.

Power electronic building blocks and power node control centers

The budget request included $39.3 million in PE 63508N for surface ship and submarine hull, mechanical, and electrical advanced technology. The budget request included funding to continue the development and demonstration of power electronic building blocks and power node control centers for shipboard electrical power systems.

The House bill would authorize an increase of $6.0 million in PE 63508N to continue the program to accelerate the development of power electronic building block technology and the use of virtual prototyping and a virtual test bed to demonstrate and evaluate advanced shipboard electrical power system concepts. The House bill would also authorize an increase of $2.0 million in PE 63508N to continue the development of power node control centers for advanced electrical distribution system fault detection, switching, reconfiguration, and control of shipboard electrical systems.

The Senate amendment would authorize the budget request.

The Senate recedes.

Composite helicopter hangar

The budget request included no funding for continuation of a program to design and fabricate the outer shell of a DDG–51 helicopter hangar structure using composite materials.

The Senate amendment would authorize an increase of $5.0 million in PE 63508N to continue a developmental effort to design and fabricate the outer shell of a DDG–51 helicopter hangar structure using composite materials.

The House bill would authorize the budget request.

The House recedes.

Marine Corps advanced technology demonstration

The budget request included $41.9 million for the Marine Corps advanced technology demonstration activities associated with the Commandant's warfighting laboratory.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $10.0 million dollars for acceleration of warfighting experimentation activities, including $5.0 million for the second phase continued evaluation of the broad-area unmanned retail and re-supply operation (BURRO). The Senate amendment would also authorize an increase of $1.0 million for evaluation of the K-band training/test instrumentation system.

The conferees agree to authorize an increase of $11.0 million in PE 63640M, including $10.0 million for acceleration of warfighting experimentation, to include $5.0 million of this amount for the evaluation of the BURRO concept, and $1.0 million for evaluation of the K-band training/test instrumentation system.

The conferees note that the Senate report (S. Rept. 105–189) would direct the Secretary of the Navy to provide a report on the long-term plan for developing a ''red team'' countermeasures efforts activity to keep pace with the warfighting experiment efforts. The Secretary was directed to provide the report to the congressional defense committees by May 15, 1999. Pending submission of the report, obligation of funds for the warfighting laboratory effort would have been limited to no more than 85 percent of the funds available.

The conferees acknowledge the ongoing work on the ''red team'' effort and that the Marine Corps and Navy will be able to submit the required report on schedule. However, the Marine Corps has indicated that limiting obligations of funds until the report is submitted may cause the Department to forego some efforts that are important pieces of the Urban Warrior exercise.

The conferees agree that the Secretary should submit the report as directed in the Senate report. However, the conferees further agree that the limitation on obligation is not needed to ensure timely submission of the report and could be counterproductive to this important experimentation effort.

Freeze dried blood

The budget request included $18.7 million in PE 63706N for medical development.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $1.0 million for freeze dried blood research.

The conferees agree to authorize an increase of $1.0 million for freeze dried blood research.

Advanced lightweight influence sweep system

The budget request included $4.2 million for advanced mine sweeping.

The Senate amendment would authorize an increase of $1.0 million to PE 603782N for the advanced lightweight influence sweep system (ALISS) which is focused on developing high temperature superconducting magnets and acoustic transducers to sweep influence mines targeted against specific classes of Navy ships.

The House bill would authorize the budget request.

The conferees agree to authorize $1.0 million for ALISS.

Aviation survivability

The budget request included $8.2 million in PE 63216N for aviation survivability equipment.

The House bill would authorize an increase of $6.0 million as follows:

(1) $3.0 million for ejection seats; and

(2) $3.0 million for the Escape System Dynamic Flow Test Facility.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $3.0 million for the Escape System Dynamic Flow Facility.

ASW systems development

The budget request included $20.1 million for ASW systems development.

The House bill would authorize an increase of $3.0 million for ASW systems development.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $3.0 million to continue the development and testing of advanced anti-submarine warfare technologies on the BEARTRAP platform.

Studies and experiments for combat systems engineering

The budget request included $8.6 million for studies and experiments for advanced combat systems engineering that, potentially, could be leveraged into new ship class computer architectures.

The Senate amendment would authorize a decrease of $2.0 million in PE 63382N for studies and experiments not directly connected to correcting warfighting deficiencies in 21st century platforms.

The House bill would authorize the budget request.

The conferees agree to authorize a decrease of $2.0 million in PE 63382N.

Remote minehunting system

The budget request included $73.5 million in PE 63502N for surface and shallow water mine countermeasures demonstration and validation, including $11.0 million for the remote minehunting system (RMS). The budget request also included $32.9 million for procurement of minesweeping system replacement equipment.

The House bill would authorize an increase of $7.0 million in PE 63502N to continue accelerated development and fielding of the RMS. The House bill would approve the procurement budget request.

The Senate amendment would authorize a transfer of $15.9 million included in the budget request for procurement to PE 63502N for RMS research and development. This shift would enable the Navy to develop the modular V4 design to accommodate advanced sensors for RMS.

The conferees agree to authorize a decrease of $15.9 million for the procurement of RMS and an increase of $7.0 million in PE 63502N for RMS.

Future aircraft carrier transition technology

The budget request included a total of $190.1 million for future aircraft carrier research and development (R&D) and feasibility studies including $149.5 million in PE 63512N and $40.6 million in PE 63564N. The budget request also included $38.5 million in PE 64567N for CVN–77 contract design.

The House bill and the Senate amendment would authorize the budget request. The House bill contained a provision (sec. 212) that would authorize $50.0 million of those funds for CVN–77 technologies that would be applicable to both CVN–77 and CV(X). The Senate amendment contained a similar provision (sec. 212) that would direct that the $50.0 million be applied exclusively to CVN–77 technologies.

The conferees strongly endorse the need to develop new technologies that will reduce life cycle costs and improve operational effectiveness of future aircraft carriers. The Chief of Naval Operations has advised the conferees that the most pressing need for the CV(X) is the initial development of a next generation propulsion plant of sufficient flexibility to support future technology insertion and performance improvements, while reducing propulsion plant life cycle costs.

The conferees note a recent Navy decision to alter the design for the first CV(X). The conferees understand that the Navy's new plan to transition to the next generation aircraft carrier will be an evolutionary development in which carrier design changes will be incremental over several of the first generation of CV(X) carriers.

Unfortunately, the congressional defense committees were provided with conflicting information regarding the Navy's purported change in plans regarding CV(X) and the Navy's intentions for near-term and Future Years Defense Program funding. These mixed communications are only now being sorted out. In the meantime, this conflicting information has caused some of the congressional defense committees to propose significant reductions to the budget request for fiscal year 1999 CV(X) R&D funding.

The conferees agree to authorize a reduction of $80.0 million in PE 63512N without prejudice due to the ongoing refinement of the Navy's planning for CV(X). The conferees would be very receptive to a Navy request for additional authorization of CV(X) funding for fiscal year 1999 once the Navy makes available the restructured CV(X) plan and supporting documentation. The conferees strongly encourage the Secretary of Defense to submit such a request once the restructured CV(X) plan is completed.

The conference agreements include a provision on CVN–77 R&D funding (sec. 212) which is addressed elsewhere in this report.

Shipboard systems component development

The budget request included $27.7 million for surface ship non-propulsion system component development.

The House bill would authorize an increase of $1.0 million in PE 63513N for the qualification and testing required to develop a new 150-kilowatt static frequency converter.

The Senate amendment would authorize the budget request.

It has come to the attention of the conferees that fiscal year 1999 test article procurement, installation and implementation programs assume low risk scenarios for research scheduled for fiscal year 1998 and early fiscal year 1999. These low risk scenarios are not supported by available documentation. Therefore, the conferees agree to a decrease of $2.0 million to PE 63513N.

The conferees also agree to authorize an increase of $1.0 million in PE 63513N for the qualification and testing required to develop a new 150-kilowatt static frequency converter.

SSGN study

The budget request did not include funding for analyzing alternatives for converting *Trident* submarines for use in other than strategic missions.

The Senate amendment would authorize an increase of $1.0 million to PE 63564N for the Secretary of Defense to conduct an analysis of converting some of the *Trident* SSBNs to SSGN-configuration and would direct the Secretary to provide a report of the analysis to the congressional defense committees no later than March 1, 1999.

The House bill would authorize the budget request.

The House recedes.

Intercooled recuperated gas turbine engine

The budget request included $23.5 million in PE 63573N for continued development of the inter-cooled recuperated (ICR) gas turbine engine. The budget request would also continue testing of the ICR gas turbine engine under Memoranda of Understanding (MOUs) with the United Kingdom and France.

The House bill would authorize the budget request. The House report (H. Rept. 105–532) would direct the Secretary of the Navy to provide an updated report on the resolution of technical, programmatic, and funding issues required to insure a stable development program supported by the fiscal year 2000 budget request. The House report would also require consideration of the ICR engine among the alternatives for the prime power plant for the DD–21 land attack destroyer.

The Senate amendment would authorize an increase of $5.0 million in PE 63573N for continued development and testing of the ICR engine.

The conferees agree to authorize the budget request.

The conferees are aware that negotiations are underway among MOU signatories to restructure the ICR program. This restructuring would bring the engine to a point where it could be an industry candidate for DD–21 vice a fully government qualified engine. The conferees understand that this would involve completing a second 500 hour test and conducting a fifth design review. The 3000 hour test and other efforts would be transitioned to other signatories of the MOUs who intend to evaluate the ICR as the prime mover for the Common New Generation Frigate program.

The conferees believe that this is a reasonable approach to further ICR development and the Navy should consider the ICR engine as a competitor for serving as the prime mover in future Navy ships.

Environmentally safe energetic materials

The budget request included $39.8 million in PE 63609N for conventional munitions demonstration and validation.

The House bill would authorize an increase of $3.0 million in PE 63609N to accelerate the program for the development of propellants and explosives that utilize environmentally compliant energetic materials for undersea, surface, and other weapons systems.

The Senate would authorize the budget request.

The conferees agree to authorize an increase of $3.0 million in PE 63609N to accelerate the program for the development of propellants and explosives that utilize environmentally compliant energetic materials for undersea, surface, and other weapons systems.

Marine Corps assault vehicles

The budget request included $104.8 million for Marine Corps assault vehicle research and development activities.

The House bill would authorize an increase of $4.0 million for further development of additional propulsion and suspension alternatives for the advanced amphibious assault vehicle (AAAV).

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $4.0 million for unfunded research and development requirements of the AAAV.

Marine Corps ground combat/support system

The budget request included $37.1 million for Marine Corps ground combat/support research and development activities.

The budget request included no funds in either the Army or Marine Corps research and development programs for improving howitzer capability by continuing development of trajectory correctable munitions (TCM).

The House bill would authorize an increase of $2.5 million for further development of lightweight 155mm howitzer requirements. The House bill would also authorize an increase of $6.0 million in PE63004A to continue Army development of TCM.

The Senate amendment would authorize an increase of $4.0 million for the Predator missile system to maintain the development and fielding schedule.

The conferees agree to authorize an increase of $9.5 million for Marine Corps ground combat and support system research and development requirements. Of this amount, $2.5 million is for research and development requirements of the lightweight 155mm howitzer, $2.0 million is to support Predator system development and fielding schedule, and $5.0 million is for development of TCM. The conferees note that the Army has demonstrated a lack of commitment to continue TCM development and believe there could be application for TCM technology within the Marine Corps' concept of operations. The conferees direct the Marine Corps to provide the congressional defense committees a report, no later than 31 January 1999, on a concept of operations for using TCM in Marine Corps operations and on TCM program development plans and procurement forecast.

Aviation depot maintenance

The budget request included $59.4 million in PE 63721N for environmental protection demonstration and validation, including $3.5 million for Naval aviation pollution prevention.

The House bill would authorize an increase of $2.7 million for the development and demonstration of aviation depot maintenance technologies that will significantly reduce maintenance and repair costs and reduce or eliminate hazardous waste and pollution products.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $2.7 million in PE 63721N for the development and demonstration of aviation depot maintenance technologies to reduce overall costs and enhance pollution prevention measures.

Naval surface fire support system integration

The budget request included $21.6 million for a new initiative to develop surface fire support planning and control systems for the 5-inch 62 gun on DDG–51 ships and the 155mm vertical gun for the future DD–21 class of ships.

The Senate amendment would authorize a decrease of $7.7 million to PE 63795N to eliminate the possibility of developing a stand-alone system for DD–21.

The House bill would authorize the budget request.

The conferees agree to authorize a reduction of $1.6 million.

Vertical gun for advanced ships

The budget request included $25.1 million in PE 63795N for a new initiative to develop a prototype vertical gun for land-based testing.

The House bill would authorize a decrease of $20.0 million due to the lack of a thorough analysis of gun system alternatives and sufficient consideration of gun and missile system technical requirements and operational roles.

The Senate amendment contained a similar provision that would authorize a decrease of $10.0 million.

The conferees authorize a decrease of $10.0 million in PE 63795N and direct the Secretary of the Navy to report to the congressional defense committees the results of an analysis of all advanced gun designs, as well as ammunition availability for those designs, prior to the obligation of funds for a prototype advanced gun system.

Joint strike fighter

The budget request included $463.4 million in PE 63800N for the joint strike fighter (JSF).

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $15.0 million for the JSF alternate engine program.

The conferees agree to authorize an increase of $15.0 million for the JSF alternate engine program.

Nonlethal weapons and technologies of mass protection program

The budget request included $22.6 million for the nonlethal weapons (NLW) and technologies program (PE 63851M).

The House bill would authorize the budget request.

The Senate amendment would authorize an increase to the budget request of $13.3 million for the following activities, including $6.3 million for the development and fielding of near-term, low-technology NLW technologies and $7.0 million for the development of nonlethal tactical denial systems. The Senate amendment would make available $2.0 million for activities of the Human Effects Panel of the Joint Non-Lethal Directorate and $500,000 for complete type classification of non-lethal weapons technology that can be mounted on existing weapons, such as M4 carbines and M16 rifles.

The House recedes.

The conferees remain concerned that the Department of Defense and the military services continue to conduct research and development on NLW activities that benefit all services outside the purview of the established defense NLW program, and without oversight by the executive agent, the Marine Corps. The conferees endorse the position expressed in the Senate report (S. Rept. 105–189) that ''all'' nonlethal weapons technology research and development be consolidated into a single program element, with management and oversight of the program conducted by the Marine Corps, as executive agent.

Commercial off-the-shelf insertion just prior to critical design review for helicopter improvement

The budget request included $231.1 million in PE 64212N for antisubmarine warfare and other helicopter development. Of this amount, $25.0 million would continue efforts to incorporate commercial off-the-shelf (COTS) technology during the two fiscal quarters prior to a second critical design review.

The House bill would authorize the budget request.

The Senate amendment would authorize a decrease of $1.0 million in PE 64212N to insert COTS technology.

The conferees agree to authorize a decrease of $1.0 million in PE 64212N to insert COTS technology.

Parametric airborne dipping sonar

The budget request included no funding for the parametric airborne dipping sonar (PADS).

The Senate amendment would authorize an increase of $8.0 million in PE 64212N for the continued development of PADS.

The House bill would authorize the budget request.

The conferees agree to authorize an increase of $8.0 million in PE 64212N for the continued development of PADS.

Common support aircraft

The budget request included $27.1 million in PE 64217N for the Common Support Aircraft (CSA).

The House bill would authorize a decrease of $27.1 million for the CSA program.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $27.1 million for the CSA program.

Electronic warfare development

The budget request included $128.6 million in PE 64270N for electronic warfare.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $10.0 million for the Integrated Defensive Electronic Countermeasures (IDECM) system.

The conferees agree to authorize an increase of $9.3 million in PE 64270N to accomodate a restructure of the IDECM program, offset by a decrease of $9.3 million in line 43, Aircraft Procurement Navy.

Laboratories and field activities monitoring efforts

The budget request included $132.5 million for surface combatant combat system engineering in PE 64307N, including $19.2 million was requested for laboratory and field activity unspecified scientific services for monitoring baseline efforts.

The Senate amendment authorized a decrease of $3.0 million to unspecified scientific services.

The House bill would authorize the budget request.

The conferees agree to authorize a decrease of $3.0 million to unspecified scientific services.

DDG–51 composite director room

The budget request in PE 64307N did not include funding for design and test of a composite director room for the DDG–51 class of ships.

The Senate amendment would authorize an increase of $5.0 million in PE 64307N for continuation of a project to design and test a composite director room for the DDG–51 class of ships. The House bill would authorize the budget request.

The conferees agree to authorize an increase of $2.5 million in PE 64307N for continuation of a project to design and test a composite director room for the DDG–51 class of ships.

Multi-purpose processor

The budget request included $37.2 million for submarine sonar improvement. The multi-purpose processor (MPP) is the result of a small business innovative research (SBIR) initiative developed under the sponsorship of the new nuclear attack submarine (NSSN) program.

The House bill would authorize an increase of $15.0 million to continue the research and development necessary for the introduction of MPP technology in submarine and other naval sonar systems.

The Senate amendment would authorize an increase of $15.0 million in PE 64503N for continuation of the SBIR follow-on for advanced development of MPP transportable software

technology, technology insertion, advanced processor software builds, and for providing MPP units and training throughout the fleet and the Navy research and development community.

The conferees agree to authorize an increase of $15.0 million in PE 64503N for continuation of the SBIR follow-on for advanced development of MPP transportable software technology, technology insertion, advanced processor software builds, and for providing MPP units and training throughout the fleet and the Navy research and development community.

Air control

The budget request included $4.2 million in PE 64450N for air control research.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $4.0 million for the expeditionary common automatic recovery system (ECARS). The ECARS is a lightweight, man-portable instrument landing system capable of providing azimuth and glide slope information to manned aircraft and UAVs.

The conferees agree to authorize an increase of $4.0 million to PE 64504N for ECARS development.

Submarine sonar domes

The budget request included $218.8 million in PE 64558N for the New Design SSN (NSSN) program.

The House bill would authorize an increase of $7.0 million in PE 64558N to complete fabrication of a full-scale sonar dome using this acoustic sandwich material system for further evaluation and testing.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $7.0 million to determine whether an acoustic sandwich material sonar dome system is capable of meeting submarine requirements for sonar domes.

NSSN advanced technology insertion

The budget request included $218.8 million in PE 64558N for the New Attack Submarine (NSSN) program, including $146.4 million for NSSN hull, mechanical, and electrical systems development, and $72.5 million for NSSN combat systems development.

The House bill would authorize an increase of $10.0 million for the development of high priority submarine technologies that are currently unfunded and the insertion of these technologies into the NSSN program. The House bill also encouraged the Navy to reprogram from within available funds the procurement funding (less than $5.0 million) necessary to complete the technology insertion in the appropriate NSSN hulls.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $8.0 million in PE 64558N for the development of high priority submarine technologies that are currently unfunded and the insertion of these technologies into the NSSN program.

Non-propulsion electronics system

The budget request included $218.8 million in PE 64558N for New Attack Submarine (NSSN) non-propulsion development.

The Senate amendment would authorize an increase of $12.0 million for integration of 15 non-propulsion electronics system (NPES) subsystems to reduce NSSN life-cycle costs.

The House bill would authorize the budget request.

The conferees agree to authorize an increase of $6.0 million in PE 64558N for integration of 15 non-propulsion electronics system subsystems to reduce NSSN life-cycle costs.

System level shock testing

The budget request included $27.5 million for SSN-21 developments in PE 64561N including $5.0 million for *Seawolf* submarine shock testing.

The House bill and the Senate amendment would authorize the budget request.

The conferees agree to a decrease of $5.0 million in PE 64561N. The conferees recent indicators that the total cost of a one-half shock factor test would be $47.0 million. The conferees have concluded that the additional information accumulated from conducting a one-half shock factor test would not justify the $47.0 million cost.

DD–21 land attack destroyer

The budget request included $133.6 million in PE 64567N for ship contract design and live fire test and evaluation including $84.9 million was requested for the Navy's DD-21 land attack destroyer program and $8.6 million for the second year of DD-21 live fire test and evaluation.

The House bill would authorize a decrease of $25.0 million in PE 64567N for the DD-21 land attack destroyer.

The Senate amendment would authorize a reduction of $8.6 million, without prejudice, to reflect the re-phasing of the DD-21 program which was not reflected in the DD-21 live fire test and evaluation budget request.

The House recedes.

The conferees agree that the unique competitive teaming structure agreed upon for the first two phases of DD-21 might lead to either the program office relying on analysis from team members to evaluate options or the program office may grow to a size larger than originally intended. The program office has indicated that a smaller office size is possible by using Navy laboratory and field activity personnel to evaluate contractor applications of technology, systems engineering, and innovative designs. The conferees encourage the Navy to resist creating another level of bureaucracy and growing the program office, and instead coordinate evaluation of contractor options using in-place Navy expertise.

Smart propulsor product model

The budget request included $7.0 million for continuation of the development of the smart propulsor product model (SPPM) for future ships.

The Senate amendment would authorize an increase of $4.0 million in PE 64567N for the SPPM.

The House bill would authorize the budget request.

The House recedes.

NULKA antiship missile decoy system electromagnetic compatibility

The budget request included $2.3 million for continued development and testing of the electro-magnetic compatibility (EMC) upgrade to the NULKA active countermeasures decoy.

The Senate amendment would authorize an increase of $2.0 million in PE 64755N to complete the development and operational testing of the EMC upgrade.

The House bill would authorize the budget request.

The conferees agree to authorize an increase of $2.0 million in PE 64755N to complete the development and operational testing of the EMC upgrade.

Infrared search and track system

The budget request included $983,000 in PE 64755N to continue engineering and manufacturing development and at sea testing of an infrared search and track (IRST) system.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $6.5 million for continued development of the IRST system.

The conferees agree to authorize an increase of $5.0 million in PE 64755N for continued development of the IRST system.

The conferees agree that horizon search, for which an IRST system would be optimal, is an area of relative weakness for active radar. In the statement of managers accompanying the National Defense Authorization Act for Fiscal Year 1996, the conferees noted that the Navy's cost and operational effectiveness analysis supported the conclusion that IRST has the potential to play a very important role in defending naval ships against sea skimming anti-ship missiles. The conferees note, however, the Navy's inconsistent support for the IRST program, the reduction of IRST funding in order to support other Navy programs, and the absence of any funds in the Navy's budget projections to complete engineering and manufacturing development of the system and procurement of IRST for the fleet.

The conferees acknowledge that proposals made within the Department of the Navy staff to establish an international cooperative program with the Netherlands and Canada for development of IRST. The conferees believe that such a cooperative program could be one avenue for developing this capability. The conferees direct the Secretary of the Navy to report to the congressional defense committees by March 1, 1999, the Navy's plan and funding requirements for optimizing horizon search for defense of surface ships and the potential for application of IRST technology to other platforms.

Voice instructional devices

The budget request included $4.3 million in PE 64771N for medical development.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $1.0 million for voice instructional devices (VID) technology.

The conferees agree to authorize an increase of $1.0 million for voice instructional devices (VID) technology.

Distributed surveillance system

The budget request included $42.0 million in PE 64784N for advanced deployable system (ADS) engineering and manufacturing development.

The House bill would authorize an increase of $6.7 million to continue the planned introduction of automation and data fusion capability for the ADS demonstration system.

The Senate amendment contained no similar provision.

The conferees agree to authorize an increase of $6.7 million to continue the planned introduction of automation and data fusion capability for the ADS demonstration system.

Battle force tactical training

The budget request included $5.9 million for the surface tactical team trainer (STTT). The STTT is designated to further develop an existing system, the battle force tactical training (BFTT) system, so it will be able to provide joint warfare training. A highly successful small business innovative research (SBIR) project, N96–111, leveraged the capabilities of commercial off-the-shelf operating systems and processors.

The Senate amendment would authorize an increase of $7.0 million in PE 24571N for the purpose of SBIR phase III follow-on work to continue the BFTT operating system conversion.

The House bill would authorize the budget request.

The conferees agree to authorize an increase of $5.0 million in PE 24571N for the purpose of SBIR phase III follow-on work to continue the BFTT operating system conversion.

High Speed Anti-Radiation Missile Improvement

The budget request included $18.9 million in PE 25601N for High Speed Anti-Radiation Missile Improvement.

The House bill would authorize an increase of $15.0 million for the Advanced Anti-Radiation Guided Missile (AARGM).

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $10.0 million to accelerate AARGM development.

Marine corps ground combat/supporting arms systems

The budget request included $14.7 million for the Marine Corps ground combat/supporting arms systems.

The House bill would authorize an increase of $8.0 million, including $5.0 million for research and development requirements associated with the Shortstop electronic protection system and an increase of an additional $3.0 million would be for development of an automatic target tracker for the M1 Abrams tank.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $3.0 million in PE26623M for development of an automatic target tracking system for the M1 tank.

Airborne reconnaissance systems

The budget request included no funding for the Navy in PE 35206N to develop airborne reconnaissance systems. The budget request included $8.4 million in PE 35206D8Z that the Department of Defense asked to be transfered to the Navy program element. These funds included $4.6 million for development of framing reconnaissance cameras.

The House bill would authorize an increase of $8.0 million in PE 35207D8Z to accelerate the development of electro-optical (EO) framing technology. The House Report (H. Rept. 105–532) noted support of EO framing technology with ''on chip forward motion compensation.''

The Senate amendment would approve the budget request.

The conferees agree to authorize $16.4 million for PE 35206N, including the transfer of $8.4 million from PR 35206D8Z and an increase of $8.0 million for EO framing technology.

The conferees believe that the Department should select the system and the upgrades for using the EO framing resources that would best meet requirements. The conferees understand that the term ''forward motion compensation'' is a proprietary term that could unnecessarily limit the choices of the Department for improving the optical capability of sensors deployed in tactical aircraft and other platforms.

Overview

The budget request for fiscal year 1999 contained an authorization of $13,598.1 million for Air Force, Research and Development in the Department of Defense. The House bill would authorize $13,577.2 million. The Senate amendment would authorize $13,635.0 million. The conferees recommended an authorization of $13,918.7 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
ACCOUNT		RESEARCH DEVELOPMENT TEST & EVAL AF					
0601102F	1	DEFENSE RESEARCH SCIENCES	209,395	209,395	209,395	-	209,395
0602102F	2	MATERIALS	62,578	62,578	64,078	-	64,078
		Friction Welding			[1,500]	1,500	
0602201F	3	AEROSPACE FLIGHT DYNAMICS	64,932	64,932	64,932	-	64,932
0602202F	4	ARMSTRONG LAB EXPLORATORY DEVELOPMENT	60,805	60,805	60,805	-	60,805
0602203F	5	AEROSPACE PROPULSION	69,061	69,061	67,061	-	67,061
		VDVP			[2,000]	2,000	
		Reduction (IPTET)			[-4,000]	(4,000)	
0602204F	6	AEROSPACE AVIONICS	65,549	65,549	65,549	-	65,549
0602269F	7	HYPERSONIC TECHNOLOGY PROGRAM	16,649	16,649	16,649	-	16,649
0602601F	8	PHILLIPS LAB EXPLORATORY DEVELOPMENT	116,139	116,139	125,139	-	125,139
		HAARP			[9,000]	9,000	
0602602F	9	CONVENTIONAL MUNITIONS	41,529	41,529	41,529	-	41,529
0602702F	10	COMMAND CONTROL AND COMMUNICATIONS	65,175	68,175	65,175	-	67,675
		Protein Based Memory		[3,000]		2,500	
0602805F	11	DUAL USE APPLICATIONS PROGRAM	19,606	19,606	19,606	-	19,606
0603106F	12	LOGISTICS SYSTEMS TECHNOLOGY	8,677	8,677	8,677	-	8,677
0603108F	13	INTEGRATED DATA SYSTEMS		-	-	-	-
0603112F	14	ADVANCED MATERIALS FOR WEAPON SYSTEMS	21,006	30,006	21,006	-	30,006
		Advanced Low Observable Coatings		[9,000]		9,000	
0603202F	15	AEROSPACE PROPULSION SUBSYSTEMS INTEGRATION	30,814	30,814	27,814	-	27,814
		Program Reduction (IPTET)			[-3,000]	(3,000)	
0603203F	16	ADVANCED AVIONICS FOR AEROSPACE VEHICLES	26,442	26,442	26,442	-	26,442
0603205F	17	FLIGHT VEHICLE TECHNOLOGY	7,035	7,035	7,035	-	7,035
0603211F	18	AEROSPACE STRUCTURES	12,494	12,494	12,494	-	12,494
0603216F	19	AEROSPACE PROPULSION AND POWER TECHNOLOGY	38,984	38,984	36,984	-	36,984
		Program Reduction (IPTET)			[-2,000]	(2,000)	
0603227F	20	PERSONNEL, TRAINING AND SIMULATION TECHNOLOGY	6,636	6,636	6,636	-	6,636
0603231F	21	CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY	16,603	29,603	19,603	-	28,103
		Aircrew Laser Eye Protection		[5,500]		5,500	
		Ejection Seats		[3,000]		3,000	

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		Night Vision Technology		[4,500]	[3,000]	3,000	
0603238F	22	GLOBAL SURVEILLANCE AND COMMUNICATION TECHNOLOGY		-	-	-	-
0603245F	23	FLIGHT VEHICLE TECHNOLOGY INTEGRATION	7,674	7,674	7,674	-	7,674
0603253F	24	ADVANCED AVIONICS INTEGRATION	10,536	10,536	10,536	-	10,536
0603270F	25	ELECTRONIC COMBAT TECHNOLOGY	25,553	34,553	39,553	-	39,553
		Precision Location and Identification (PLAID)		[9,000]	[14,000]	14,000	
0603302F	26	SPACE AND MISSILE ROCKET PROPULSION	21,121	25,121	21,121	-	25,121
		Integrated High Payoff Rocket PropulsionTechnology		[4,000]		4,000	
0603311F	27	BALLISTIC MISSILE TECHNOLOGY		17,300	5,000	-	16,000
		Ballistic Missile Technologoy/ICBM		[17,300]		-	
		Missile Techonolgy Demonstration			[5,000]	-	
		GPS Range Safety Development and Demonstration				16,000	
0603401F	28	ADVANCED SPACECRAFT TECHNOLOGY	42,571	60,271	67,571	-	75,071
		Low Cost Expendable Launch Veh (Scorpius)				10,000	
		Military Spaceplane		[15,000]		-	
		Ballistic Missile Technologoy		[-1,300]		-	
		Range Improvements for Liquid Upper Stage Testing			[5,000]	5,000	
		Micro-Satellite Technology Program		[4,000]	[10,000]	10,000	
		Solar Orbital Transfer Vehicle			[10,000]	7,500	
0603410F	29	SPACE SYSTEMS ENVIRONMENTAL INTERACTIONS TECHNOLOGY	3,457	3,457	3,457	-	3,457
0603601F	30	CONVENTIONAL WEAPONS TECHNOLOGY	23,244	23,244	23,244	-	23,244
0603605F	31	ADVANCED WEAPONS TECHNOLOGY	40,153	40,153	40,153	-	40,153
0603707F	32	WEATHER SYSTEMS TECHNOLOGY	1,568	1,568	1,568	-	1,568
0603723F	33	ENVIRONMENTAL ENGINEERING TECHNOLOGY	2,663	2,663	2,663	-	2,663
0603726F	34	C3I SUBSYSTEM INTEGRATION	11,025	11,025	11,025	-	11,025
0603728F	35	ADVANCED COMPUTING TECHNOLOGY	7,827	7,827	7,827	-	7,827
0603789F	36	C3 ADVANCED DEVELOPMENT	13,235	13,235	13,235	-	13,235
0305176F	37	COMBAT SURVIVOR EVADER LOCATOR		-	-	-	-
0603260F	38	INTELLIGENCE ADVANCED DEVELOPMENT	4,615	4,615	4,615	-	4,615
0603319F	39	AIRBORNE LASER PROGRAM	292,219	292,219	195,219	-	235,219
		Program Reduction			[-97,000]	(57,000)	
0603430F	40	ADVANCED MILSATCOM (SPACE)	54,413	30,013	54,413	-	54,413

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		Program Reduction		[-24,400]		-	
0603432F	41	POLAR ADJUNCT (SPACE)	41,508	41,508	41,508	-	41,508
0603434F	42	NATIONAL POLAR-ORBITING OPERATIONAL ENVIRON SATELLITE SYS (SPACE)	64,732	64,732	64,732	-	64,732
XXXXXX		SATELLITE SYSTEM SURVIVABILITY (PE 63438F)			30,000	15,000	15,000
0603441F	43	SPACE BASED INFRARED ARCHITECTURE (SPACE) - DEM/VAL	160,262	160,262	160,262	-	160,262
0603617F	44	COMMAND, CONTROL, AND COMMUNICATION APPLICATIONS	7,770	7,770	7,770	-	7,770
0603742F	45	COMBAT IDENTIFICATION TECHNOLOGY	6,177	6,177	6,177	-	6,177
0603790F	46	NATO RESEARCH AND DEVELOPMENT(H)	11,117	11,117	10,717	-	10,717
		Program Reduction			[400]	(400)	
0603800F	47	JOINT STRIKE FIGHTER	456,137	456,137	456,137	-	456,137
0603851F	48	INTERCONTINENTAL BALLISTIC MISSILE - DEM/VAL	29,360	29,360	29,360	-	29,360
0603852F	49	C-130J - DEM/VAL		-	-	-	-
0603853F	50	EVOLVED EXPENDABLE LAUNCH VEHICLE PROGRAM (SPACE)- DEM/VAL		-	-	-	-
0603854F	51	GLOBAL BROADCAST SERVICE	70,147	70,147	70,147	-	70,147
0603855F	52	SPACE ARCHITECT OFFICE		-	-	-	-
0603856F	53	AIR FORCE/NRO PARTNERSHIP (AFNP)	17,645	17,645	17,645	-	17,645
0603860F	54	JOINT PRECISION APPROACH AND LANDING SYSTEMS - DEM/VAL	22,057	22,057	22,057	-	22,057
0603876F	55	SPACE-BASED LASER	35,000	25,000	35,000	-	35,000
		Program Reduction		[-10,000]		-	
0604237F	56	VARIABLE STABILITY IN-FLIGHT SIMULATOR TEST AIRCRAFT		-	7,300	-	7,300
		VISTA			[7,300]	7,300	
0604327F	57	HARD AND DEEPLY BURIED TARGET DEFEAT SYSTEM (HDBTDS) PROGRAM	9,803	9,803	9,803	-	9,803
0604201F	58	INTEGRATED AVIONICS PLANNING AND DEVELOPMENT	10,762	10,762	10,762	-	10,762
0604218F	59	ENGINE MODEL DERIVATIVE PROGRAM (EMDP)		-	-	-	-
0604222F	60	NUCLEAR WEAPONS SUPPORT	4,977	4,977	4,977	-	4,977
0604226F	61	B-1B	195,385	195,385	195,385	-	195,385
0604227F	62	TRAINING SYSTEMS DEVELOPMENT	1,961	1,961	1,961	-	1,961
0604233F	63	SPECIALIZED UNDERGRADUATE PILOT TRAINING	55,563	55,563	55,563	-	55,563
0604239F	64	F-22 EMD	1,582,217	1,582,217	1,582,217	-	1,582,217
0604240F	65	B-2 ADVANCED TECHNOLOGY BOMBER	131,247	131,247	131,247	-	131,247
0604243F	66	MANPOWER, PERSONNEL AND TRAINING DEVELOPMENT		-	-	-	-
0604270F	67	EW DEVELOPMENT	90,126	90,126	110,126	-	110,126

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		Compass Call			[20,000]	20,000	
0604321F	68	COMBAT INTELLIGENCE SYSTEM -EMD		-	-	-	-
0604441F	69	SPACE BASED INFRARED SYSTEM (SBIRS) HIGH EMD	538,438	538,438	538,438	-	538,438
0604442F	70	SPACE BASED INFRARED SYSTEM (SBIRS) LOW EMD	33,328	33,328	33,328	-	33,328
0604479F	71	MILSTAR LDR/MDR SATELLITE COMMUNICATIONS (SPACE)	550,940	550,940	550,940	-	550,940
0604480F	72	GLOBAL POSITIONING SYSTEM BLOCK IIF (SPACE)	62,591	62,591	106,591	-	106,591
		Enhanced GPS			[44,000]	44,000	
0604600F	73	MUNITIONS DISPENSER DEVELOPMENT	7,559	7,559	7,559	-	7,559
0604602F	74	ARMAMENT/ORDNANCE DEVELOPMENT	12,037	12,037	12,037	-	12,037
0604604F	75	SUBMUNITIONS	4,805	4,805	4,805	-	4,805
0604611F	76	JOINT STANDOFF LAND ATTACK MISSILE (JSLAM)		-	-	-	-
0604617F	77	AIR BASE OPERABILITY	2,503	2,503	2,503	-	2,503
0604618F	78	JOINT DIRECT ATTACK MUNITION	12,204	12,204	12,204	-	12,204
0604703F	79	AEROMEDICAL/CHEMICAL DEFENSE SYSTEMS	3,336	3,336	3,336	-	3,336
0604706F	80	LIFE SUPPORT SYSTEMS	3,744	3,744	3,744	-	3,744
0604708F	81	CIVIL, FIRE, ENVIRONMENTAL, SHELTER ENGINEERING	2,715	2,715	2,715	-	2,715
0604711F	82	SYSTEMS SURVIVABILITY (NUCLEAR EFFECTS)		-	-	-	-
0604727F	83	JOINT STANDOFF WEAPONS SYSTEMS	15,134	15,134	15,134	-	15,134
0604735F	84	COMBAT TRAINING RANGES	14,581	14,581	14,581	-	14,581
0604740F	85	COMPUTER RESOURCE TECHNOLOGY TRANSITION (CRTT)	200	200	200	-	200
0604750F	86	INTELLIGENCE EQUIPMENT	1,300	1,300	1,300	-	1,300
0604754F	87	JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	7,956	7,956	7,956	-	7,956
0604762F	88	COMMON LOW OBSERVABLES VERIFICATION SYSTEM (CLOVERS)	4,901	4,901	4,901	-	4,901
0604770F	89	JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM (JSTARS)		-	-	-	-
0604779F	90	JT INTEROPERABILITY OF TACTICAL COMMAND & CONTROL SYS (JINTACCS)	5,823	5,823	5,823	-	5,823
0604805F	91	COMMERCIAL OPERATIONS AND SUPPORT SAVINGS REDUCTION	27,937	27,937	27,937	-	17,937
		Program Reduction				(10,000)	
0604851F	92	INTERCONTINENTAL BALLISTIC MISSILE - EMD	81,546	81,546	81,546	-	81,546
0604853F	93	EVOLVED EXPENDABLE LAUNCH VEHICLE PROGRAM (SPACE) - EMD	280,297	280,297	280,297	-	266,297
		Program Adjustment				(14,000)	
0605011F	94	RDT&E FOR AGING AIRCRAFT	4,901	4,901	4,901	-	4,901
0207325F	95	JOINT AIR-TO-SURFACE STANDOFF MISSILE (JASSM)		-	-	-	-

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0207414F	96	COMBAT INTELLIGENCE SYSTEM		-	-	-	-
0305176F	97	COMBAT SURVIVOR EVADER LOCATOR		-	-	-	-
0603402F	98	SPACE TEST PROGRAM (SPACE)		-	-	-	-
0604256F	99	THREAT SIMULATOR DEVELOPMENT	32,582	32,582	32,582	-	32,582
0604258F	100	TARGET SYSTEMS DEVELOPMENT	1,666	1,666	1,666	-	1,666
XXXXXX		BIG CROW PROGRAM OFFICE			10,000	8,000	8,000
0604759F	101	MAJOR T&E INVESTMENT	34,518	34,518	34,518	-	34,518
0605101F	102	RAND PROJECT AIR FORCE	21,168	21,168	21,168	-	21,168
0605306F	103	RANCH HAND II EPIDEMIOLOGY STUDY	4,408	4,408	4,408	-	4,408
0605502F	104	SMALL BUSINESS INNOVATION RESEARCH		-	-	-	-
0605704F	105	THEATER AIR DEFENSE BMC4I		-	-	-	-
0605712F	106	INITIAL OPERATIONAL TEST & EVALUATION	24,541	24,541	24,541	-	24,541
0605807F	107	TEST AND EVALUATION SUPPORT	370,168	376,168	366,168	-	372,168
		Flight Test Safety Enhancement		[6,000]		6,000	
		Program Reduction			[-4,000]	(4,000)	
0605808F	108	DEVELOPMENT PLANNING	6,075	6,075	4,075	-	4,075
		Program Reduction			[-2,000]	(2,000)	
0605853F	109	ENVIRONMENTAL CONSERVATION		-	-	-	-
0605854F	110	POLLUTION PREVENTION	1,673	1,673	1,673	-	1,673
0605856F	111	ENVIRONMENTAL COMPLIANCE		-	-	-	-
0605860F	112	ROCKET SYSTEMS LAUNCH PROGRAM (SPACE)	7,865	18,865	7,865	-	18,865
		Advanced Solid Axial Stage		[11,000]		11,000	
0605864F	113	SPACE TEST PROGRAM (STP)	45,933	45,933	55,933	-	45,933
		Space Manuever Vehicle			[10,000]	-	
0605876F	114	MINOR CONSTRUCTION (RPM) - RDT&E		-	-	-	-
0605878F	115	MAINTENANCE AND REPAIR (RPM) - RDT&E		-	-	-	-
0605879F	116	REAL PROPERTY SERVICES (RPS) - RDT&E		-	-	-	-
0605896F	117	BASE OPERATIONS - RDT&E		-	-	-	-
0909900F	118	FINANCING FOR EXPIRED ACCOUNT ADJUSTMENTS		-	-	-	-
1001004F	119	INTERNATIONAL ACTIVITIES	3,752	3,752	3,752	-	3,752
0101113F	120	B-52 SQUADRONS	6,436	6,436	6,436	-	6,436
0101120F	121	ADVANCED CRUISE MISSILE		-	-	-	-

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0102325F	122	JOINT SURVEILLANCE SYSTEM	2,175	2,175	2,175	-	2,175
0102326F	123	REGION/SECTOR OPERATION CONTROL CENTER MODERNIZATION PROGRAM	13,592	13,592	13,592	-	13,592
0102411F	124	NORTH ATLANTIC DEFENSE SYSTEM	615	615	615	-	615
0207131F	125	A-10 SQUADRONS	2,312	2,312	2,312	-	2,312
0207133F	126	F-16 SQUADRONS	125,076	100,476	125,076	-	125,076
		Program Adjustment		[-24,600]		-	
0207134F	127	F-15E SQUADRONS	104,207	104,207	104,207	-	104,207
0207136F	128	MANNED DESTRUCTIVE SUPPRESSION	2,443	2,443	2,443	-	2,443
0207141F	129	F-117A SQUADRONS	5,147	5,147	5,147	-	5,147
0207161F	130	TACTICAL AIM MISSILES	52,966	52,966	52,966	-	52,966
0207163F	131	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	45,078	45,078	45,078	-	25,078
		AMRAAM P3I Engineering and Manufacturing Development Program Delay				(20,000)	
0207217F	132	PODDED RECONNAISSANCE SYSTEM		-	-	-	-
0207247F	133	AF TENCAP	6,447	6,447	6,447	-	6,447
0207248F	134	SPECIAL EVALUATION PROGRAM	92,551	92,551	92,551	-	92,551
0207268F	135	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	92,069	92,069	92,069	-	92,069
0207320F	136	SENSOR FUSED WEAPONS	3,551	3,551	3,551	-	3,551
0207323F	137	AGM-86C CONVENTIONAL AIR-LAUNCHED CRUISE MISSILE SYSTEM		-	-	-	-
0207325F	138	JOINT AIR-TO-SURFACE STANDOFF MISSILE (JASSM)	132,870	132,870	132,870	-	129,870
		Reduction of Additional Test Missiles				(3,000)	
0207412F	139	THEATER AIR CONTROL SYSTEMS	431	431	431	-	431
0207414F	140	COMBAT INTELLIGENCE SYSTEM	9,802	9,802	9,802	-	9,802
0207417F	141	AIRBORNE WARNING AND CONTROL SYSTEM (AWACS)	28,189	28,189	28,189	-	28,189
0207419F	142	TACTICAL AIRBORNE COMMAND AND CONTROL SYSTEMS		-	-	-	-
0207423F	143	ADVANCED COMMUNICATIONS SYSTEMS	2,348	2,348	2,348	-	2,348
0207424F	144	EVALUATION AND ANALYSIS PROGRAM	84,950	84,950	84,950	-	72,150
		Program Adjustment				(12,800)	
0207431F	145	COMBAT AIR INTELLIGENCE SYSTEM ACTIVITIES		-	-	-	-
0207433F	146	ADVANCED PROGRAM TECHNOLOGY	74,707	74,707	74,707	-	74,707
0207438F	147	THEATER BATTLE MANAGEMENT (TBM) C4I	27,292	27,292	32,292	-	32,292
		Theater Battle Management Core System (TBMCS) Development			[5,000]	5,000	
0207440F	148	TACTICAL AIR CONTROL SYSTEM FOR COUNTERNARCOTICS		-	-	-	-

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0207581F	149	JOINT SURVEILLANCE AND TARGET ATTACK RADAR SYSTEM (JOINT STARS)	123,793	118,193	123,793	-	98,793
		Studies and Miscellaneous Research & Development		[-5,600]		(5,600)	
		Radar Technology Insertion Program				(19,400)	
0207590F	150	SEEK EAGLE	17,590	19,590	17,590	-	19,590
		Longshot		[2,000]		2,000	
0207591F	151	ADVANCED PROGRAM EVALUATION	272,914	272,914	272,914	(12,000)	260,914
0207601F	152	USAF MODELING AND SIMULATION	14,899	14,899	14,899	-	14,899
0207605F	153	WARGAMING AND SIMULATION CENTERS	5,287	5,287	5,287	-	5,287
0208006F	154	MISSION PLANNING SYSTEMS	17,090	17,090	17,090	-	17,090
0208019F	155	TACTICAL INFORMATION PROGRAM (TIP)	10,685	10,685	10,685	(10,685)	-
0208021F	156	INFORMATION WARFARE SUPPORT	1,375	1,375	1,375	-	1,375
0208030F	157	WAR RESERVE MATERIEL - AMMUNITION		-	-	-	-
0208031F	158	WAR RESERVE MATERIEL - EQUIPMENT/SECONDARY ITEMS	1,470	1,470	1,470	-	1,470
0208060F	159	THEATER MISSILE DEFENSES	31,057	31,057	31,057	-	31,057
0208160F	160	TECHNICAL EVALUATION SYSTEM	113,040	113,040	113,040	-	113,040
0208161F	161	SPECIAL EVALUATION SYSTEM	61,119	61,119	61,119	-	61,119
0301310F	162	FOREIGN TECHNOLOGY DIVISION	1,234	1,234	1,234	-	1,234
0301315F	163	MISSILE AND SPACE TECHNICAL COLLECTION	18,595	26,595	18,595	-	26,595
		Program Adjustment		[8,000]		8,000	
0301398F	165	MANAGEMENT HEADQUARTERS GDIP	1,241	1,241	1,241	-	1,241
0302015F	166	E-4B NATIONAL AIRBORNE OPERATIONS CENTER (NAOC)	4,233	4,233	4,233	-	4,233
0303110F	167	DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPACE)	15,641	15,641	15,641	-	15,641
0303131F	168	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (MEECN)	39,230	39,230	39,230	-	39,230
0303140F	169	INFORMATION SYSTEMS SECURITY PROGRAM	8,420	10,420	18,420	-	10,420
		Program Adjustment		[2,000]		2,000	
0303141F	170	GLOBAL COMBAT SUPPORT SYSTEM	17,973	17,973	17,973	-	17,973
0303144F	171	JOINT SPECTRUM CENTER (JSC)		-	-	-	-
0303150F	172	GLOBAL COMMAND AND CONTROL SYSTEM	13,675	13,675	13,675	-	13,675
0303152F	173	WORLD-WIDE MILITARY CMD AND CONTROL SYS, INFORMATION SYS		-	-	-	-
0303601F	174	MILSTAR SATELLITE COMMUNICATIONS SYSTEM (SPACE)	2,352	2,352	2,352	-	2,352
0304311F	176	SELECTED ACTIVITIES	3,000	3,000	3,000	-	3,000
0305099F	177	GLOBAL AIR TRAFFIC MANAGEMENT (GATM)	27,056	27,056	27,056	-	27,056

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0305110F	178	SATELLITE CONTROL NETWORK (SPACE)	56,622	56,622	56,622	-	56,622
0305111F	179	WEATHER SERVICE	10,649	10,649	10,649	-	10,649
0305114F	180	AIR TRAFFIC CONTROL, APPROACH, AND LANDING SYSTEM (ATCALS)	4,729	4,729	4,729	-	4,729
0305119F	181	MEDIUM LAUNCH VEHICLES (SPACE)	7,375	7,375	7,375	-	7,375
0305128F	182	SECURITY AND INVESTIGATIVE ACTIVITIES	458	458	458	-	458
0305137F	183	NATIONAL AIRSPACE SYSTEM (NAS) PLAN	1,881	1,881	1,881	-	1,881
0305138F	184	INERTIAL UPPER STAGE (IUS)	558	558	558	-	558
0305144F	186	TITAN SPACE LAUNCH VEHICLES (SPACE)	87,443	87,443	87,443	-	87,443
0305145F	187	ARMS CONTROL IMPLEMENTATION		-	-	-	-
0305154F	188	DEFENSE AIRBORNE RECONNAISSANCE PROGRAM		-	-	-	-
0305158F	189	TACTICAL TERMINAL	237	237	237	-	237
0305160F	190	DEFENSE METEOROLOGICAL SATELLITE PROGRAM (SPACE)	20,432	20,432	20,432	-	20,432
0305164F	191	NAVSTAR GLOBAL POSITIONING SYSTEM (USER EQUIPMENT) (SPACE)	67,238	67,238	67,238	-	62,238
		Navigation Warfare Engineering and Manufacturing Development				(5,000)	
0305165F	192	NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE AND CONTROL SEGMENTS)	21,155	21,155	21,155	-	21,155
0305182F	194	EASTERN SPACE LAUNCH FACILITY (ESLF) (SPACE)	24,578	24,578	24,578	-	24,578
0305205F	195	ENDURANCE UNMANNED AERIAL VEHICLES	4,307	182,975	4,307	-	182,975
		Program Reduction				(25,000)	
		Global Hawk Transfer/Increase				115,051	
		Dark Star				40,518	
		CGS Transfer				48,099	
0305206F		AIRBORNE RECONNAISSANCE SYSTEM				-	125,768
		Transfer from 35206D				125,768	
0305208F		DISTRIBUTED COMMON GROUND SYSTEMS				-	14,701
		Transfer from 35208D				14,701	
0305207F	196	MANNED RECONNAISSANCE SYSTEMS		10,300	-	-	30,266
		Transfer from APAF, 35206D, 35207D				17,766	
		RAS-1R				7,500	
		ASARS Improvement				5,000	
		DISTRUTED COMMON GROUND/SYSTEM INTEROPERABILITY, NIMA		2,540	-	-	-
0305906F	197	NCMC - TW/AA SYSTEM	7,878	7,878	7,878	-	7,878
0305910F	198	SPACETRACK (SPACE)	39,532	38,532	39,532	-	38,532

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		Program Reduction		[-1,000]		(1,000)	
0305911F	199	DEFENSE SUPPORT PROGRAM (SPACE)	12,037	12,037	12,037	-	12,037
0305913F	200	NUDET DETECTION SYSTEM (SPACE)	13,314	13,314	13,314	-	13,314
0305917F	201	SPACE ARCHITECT	13,714	13,714	13,714	-	13,714
0305953F	202	EVOLVED EXPENDABLE LAUNCH VEHICLE (EELV) (SPACE)	3,316	3,316	3,316	-	3,316
0308601F	203	MODELING AND SIMULATION SUPPORT	1,093	1,093	1,093	-	1,093
0401119F	204	C-5 AIRLIFT SQUADRONS	47,940	47,940	59,940	-	47,940
		C-5 Modernization			[12,000]	-	
0401130F	205	C-17 AIRCRAFT	123,069	123,069	123,069	-	123,069
0401214F	206	AIR CARGO MATERIAL HANDLING (463-L) (NON-IF)	512	512	512	-	512
0401218F	207	KC-135S	11,093	11,093	11,093	-	11,093

Title II- RDTE – Continued

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0404102F	208	AEROSPACE RESCUE AND RECOVERY		-	-	-	-
0702207F	209	DEPOT MAINTENANCE (NON-IF)	1,500	1,500	1,500	-	1,500
0708011F	210	INDUSTRIAL PREPAREDNESS	50,997	58,397	50,997	-	50,997
		Manufacturing Technology (General Increase)		[7,400]		-	
0708026F	211	PRODUCTIVITY, RELIABILITY, AVAILABILITY, MAINTAIN. PROG OFC (PRAMPO)	970	970	970	-	970
0708071F	212	JOINT LOGISTICS PROGRAM - AMMUNITION STANDARD SYSTEM	16,086	16,086	16,086	-	16,086
0708611F	213	SUPPORT SYSTEMS DEVELOPMENT	23,010	23,010	23,010	-	23,010
0804734F	214	CRYPTOLOGIC/SIGINT-RELATED SKILL TRAINING		-	-	-	-
0901218F	215	CIVILIAN COMPENSATION PROGRAM	6,756	6,756	6,756	-	6,756
1001004F	216	INTERNATIONAL ACTIVITIES		-	-	-	-
1001018F	217	NATO JOINT STARS		-	-	-	-
XXXXXX		AIRCREW LASER EYE PROTECTION		-	5,500	-	-
XXXXXX	999	CLASSIFIED PROGRAMS	4,420,330	4,204,138	4,395,330	-	4,420,330
		ADVISORY AND ASSISITANCE SERVICES		(40,000)		(34,183)	(34,183)
		ECONOMIC ADJUSTMENT			(39,000)	(39,000)	(39,000)
		TOTAL RESEARCH DEVELOPMENT TEST & EVAL AF	13,598,093	13,577,209	13,634,993	320,635	13,918,728

Friction welding

The budget request included $62.6 million in PE 62102F for materials research.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $1.5 million to develop and optimize friction welding techniques.

The conferees agree to authorize an increase of the $1.5 million to develop and optimize friction welding techniques.

Integrated high performance turbine engine program

The budget request included a total of $15.0 million for the integrated high performance turbine engine program (IPTEP).

The House bill would authorize the budget request.

The Senate amendment would authorize a decrease of $9.0 million: $4.0 million in PE 62203F; $3.0 in PE 63202F; and $2.0 in PE 63216F for IPTEP.

The House recedes.

Variable displacement vane pump

The budget request included $69.0 million in PE 62203F for aerospace propulsion.

The House bill would authorize the budget request.

The Senate amendment would authorize a decrease of $4.0 million, as discussed elsewhere in this statement of managers, and an increase of $2.0 million for the variable displacement vane pump program.

The House recedes.

High frequency active auroral research program

The budget request included no funding for the high frequency auroral research program (HAARP).

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $14.0 million for HAARP, including: $9.0 million in PE 62601F; $3.0 million in PE 63160BR; and $2.0 million in PE 63714D.

The conferees agree to authorize a total of $14.0 million for HAARP, as recommended in the Senate amendment.

The purpose of HAARP is to explore the use of low-frequency electromagnetic waves for detecting and imaging underground structures and tunnels and to determine the viability and military utility of the HAARP concept. The conferees direct the Secretary of the Air Force to report to the congressional defense committees on the potential applications and use of the HAARP concept to support military and intelligence objectives with the submission of the fiscal year 2000 budget request.

Protein-based memory

The budget request included $65.2 million in PE 62702F for command control and communications research.

The House bill would authorize an increase of $3.0 million for protein-based memory development.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $2.5 million in PE 62702F for protein-based memory development.

Advanced low observable coatings

The budget request included $21.0 million in PE 63112F for advanced materials for weapons systems.

The House bill would authorize an increase of $9.0 million for continued exploration of advanced low observable coatings.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $9.0 million.

Night vision technology

The budget request included $16.6 million in PE 63231F for crew systems and personnel protection technology.

The House bill would authorize an increase of additional $13.0 million, including $3.0 million for ejection seat technology, $5.5 million for laser aircrew protection, and $4.5 million for panoramic night vision technology.

The Senate amendment would authorize an increase of $3.0 million for panoramic night vision technology.

The conferees agree to authorize an increase of $11.5 in PE 63231F, including an increase of $3.0 million for panoramic night vision technology; an increase of $3.0 million for ejection seat technology; and an increase of $5.5 million for laser aircrew protection.

Electronic combat technology

The budget request included $25.6 million in PE 63270F for electronic combat technology.

The House bill would authorize an increase of $9.0 million for the ALR–69 Radar Warning Receiver.

The Senate amendment would authorize an increase of $14.0 million for the ALR–69 Precision Location and Identification upgrade.

The conferees agree to authorize an increase of $14.0 million for the ALR–69 Precision Location and Identification upgrade.

Ballistic Missile Technology

The budget request included no funds in PE 63311F for the Ballistic Missile Technology (BMT) program.

The House bill would authorize an increase of $16.0 million in PE 63311F for advanced ballistic missile technology and the conventional ballistic missile demonstration, as well as transfer $1.3 million from PE 63401F to PE 63311F.

The Senate amendment would authorize an increase of $5.0 million in PE 63311F to support an additional missile technology demonstration (MTD–4).

The conferees agree to authorize an increase of $16.0 million in PE 63311F for ballistic missile technology and GPS range safety.

Micro-satellite technology development program

The budget request did not include funds for the micro-satellite technology program.

The House bill would authorize an increase of $4.0 million in PE 63401F for the micro-satellite technology program.

The Senate amendment would authorize an increase of $10.0 million in PE 63401F for the micro-satellite technology program.

The conferees agree to authorize an increase of $10.0 million in PE 63401F for the micro-satellite technology program.

The conferees note that $30.0 million is available in fiscal year 1998 funds for the Clementine II program. The conferees agree to authorize the use of these funds for the micro-satellite technology development program established pursuant to section 215 the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85). The conferees support the plan that has been developed by the Air Force and the National Aeronautics and Space Administration to conduct a micro-satellite inspection mission from the space shuttle. In addition, the conferees direct the Secretary of Defense to develop a plan for executing the remaining funds. In developing this plan, the conferees direct the Secretary to evaluate proposals and technologies developed by the Air Force Research Laboratory, the Naval Research Laboratory, and the Lawrence Livermore National Laboratory. The Secretary's plan shall be submitted to the congressional defense committees by March 15, 1999.

Solar orbital transfer vehicle

The budget request did not include funds for the Solar Orbital Transfer Vehicle (SOTV).

The Senate amendment would authorize an increase of $10.0 million in PE 63401F for SOTV.

The House bill would not authorize additional funds for SOTV.

The conferees agree to authorize an increase of $7.5 million in PE 63401F for SOTV. The conferees support the solar powered orbital transfer vehicle program, which combines thermionic technology for electricity production and thermal propulsion which can be used to move spacecraft to higher orbits or new orbits.

Low cost launch technology development

The budget request included no funds for low cost launch technology development.

The Senate amendment would authorize the following increases for low cost launch technology: (1) an increase of $5.0 million for the Scorpius concept in PE 63173C; (2) an increase of $5.0 million for the Excalibur concept in PE 63173C; and (3) an increase of $5.0 million in PE 63401F for the Air Force to utilize in support of low cost launch technology development.

The House bill would authorize the budget request for low cost technology development.

The conferees agree to authorize an increase of $10.0 million in PE 63401F and no funds in PE 63173C for low cost launch technology development. The conferees direct the Secretary of the Air Force to utilize these funds in support of the Scorpius and Excalibur concepts in a manner that is most effective. The conferees also believe that the Air Force should begin to program sustaining funds to support these technology efforts in the outyears.

Space maneuver vehicle

The budget request did not include funds for space maneuver vehicle or common aero vehicle technology development.

The House bill would authorize an increase of $15.0 million in PE 63401F to support development of space maneuver vehicle and common aero vehicle technology development.

The Senate amendment would authorize an increase of $10.0 million in PE 65864F for space maneuver vehicle technology development.

The conferees agree to authorize no increase in fiscal year 1999 funds, but note that $10.0 million is available in fiscal year 1998 funds appropriated for the Military Spaceplane. The conferees agree to authorize the use of these fiscal year 1998 funds for space maneuver vehicle or common aero vehicle technology development.

The conferees direct the Air Force to work with the National Aeronautics and Space Administration (NASA) on developing responsive, reusable space access systems such as the space maneuver vehicle, which could serve as a reusable upper stage for a variety of space test missions.

Space control technology development

The budget request did not include funds for a new space control technology initiative.

The Senate amendment would authorize an increase of $30.0 million for space control technology development.

The House bill would authorize the budget request for a new space control technology initiative.

The conferees have reviewed the Department of Defense's February 1998 report on the Kinetic Energy Anti-Satellite (KE–ASAT) program. The report states that ''DOD is currently examining potential space control related research, development, and acquisition options to support the President's policy, satisfy military requirements within available resources, and address the architecture.'' In the cover letter to this report, the Under Secretary of Defense for Acquisition and Technology states that ''I anticipate that these efforts will culminate in

a comprehensive plan in time for the FY 2000 President's budget.''

The conferees support the development of such a plan but are concerned that insufficient resources are available to support a comprehensive evaluation of various technical options. Therefore, the conferees agree to authorize an increase of $15.0 in PE 63438F to support a range of space control technology activities and to develop the ''comprehensive plan'' cited in DOD's report. The Assistant Secretary of Defense for Command, Control, Communications, and Intelligence (Space and Information Superiority) shall be responsible for developing this plan. The conferees direct the Secretary of Defense to submit a report to the congressional defense committees by February 15, 1999, that describes the Secretary's plan for executing the space control technology funds specified above. The report should also describe the Secretary's plan for continuing these efforts in fiscal year 2000 and beyond.

The conferees note that $37.5 million is available in fiscal year 1998 funds appropriated for the KE–ASAT program. The conferees direct the Secretary to obligate promptly these funds. If the Secretary concludes that a portion of these fiscal year 1998 funds should be applied to other space control development activities, the conferees direct the Secretary to include any such recommendation in the comprehensive space control technology development plan specified above. The conferees will consider any such recommendation and any related reprogramming that the Secretary may choose to submit to Congress.

Variable stability in-flight simulator test aircraft

The budget request included no funding for the Variable Stability In-Flight Simulator Test Aircraft (VISTA).

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $7.3 million in PE 64237F for the VISTA.

The conferees agree to authorize an increase of $7.3 million in PE 64237F for the VISTA.

Electronic warfare development

The budget request included $90.1 million in PE 64270F for electronic warfare development.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $20.0 million to accelerate the development of the C–130 Compass Call upgrade to the block 30 configuration.

The conferees agree to authorize an increase of $20.0 million to accelerate the development of the C–130 Compass Call upgrade to the block 30 configuration.

Evolved expendable launch vehicle program

The budget request included $280.3 million for the Evolved Expendable Launch Vehicle (EELV) program.

The House bill would authorize the budget request.

The Senate amendment would authorize the budget request.

The conferees are aware of excess prior year funding in the EELV program. The conferees agree to authorize a decrease to the budget request of $14.0 million in PE 64853F, and direct that $14.0 million in excess prior years funds be used to satisfy fiscal year 1999 requirements for the EELV program.

Big Crow program office

The budget request included no funding for the Big Crow Program Office (BCPO). The BCPO operates two flying laboratories to evaluate weapons and communications systems under stressful conditions.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $10.0 million to the budget request for the BCPO to underwrite activities in fiscal year 1999.

The conferees agree to authorize an increase of $8.0 million for BCPO, and support the need for the report on funding policy and management directed in the Senate report (S. Rept. 105–189).

Flight test safety

The budget request included $370.1 million in PE 65807F for test and evaluation support.

The House bill would authorize an increase of $6.0 million for flight test safety enhancements.

The Senate amendment would authorize a decrease of $4.0 million, as discussed elsewhere in this statement of managers.

The conferees agree to authorize a net increase of $2.0 million in PE 65807F, including an increase of $6.0 million for flight test safety enhancements at the Air Force Flight Test Center and a decrease of $4.0 million, as discussed elsewhere in this report.

F–16 Squadrons

The budget request included $125.0 million in PE 27133F for F–16 squadrons.

The House bill would authorize a decrease of $24.6 million.

The House report (H. Rept. 105–532) noted that the budget request reflects an increase of $24.6 million over the level forecast as necessary to support fiscal year 1999 requirements in the fiscal year 1998 budget request.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

Advanced medium range air-to-air missile

The budget request included $45.0 million in PE 27163F for advanced medium range air-to-air missile (AMRAAM) research.

The House bill and the Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $20.0 million to reflect the delayed EMD effort.

The conferees are aware that there are additional risk reduction activities that will be required before the Air Force begins the engineering and manufacturing development (EMD) effort for the AMRAAM pre-planned product improvement (P3I) program. The conferees support the goals of the P3I program, but believe it prudent to conduct the additional risk reduction activities.

Joint Air-To-Surface Standoff Missile

The budget request included $132.9 million for the Joint Air-to-Surface Standoff Missile (JASSM).

The House bill and the Senate amendment would authorize the budget request.

The budget request included 52 test missiles to support the JASSM test program. Based largely on lower than expected cost estimates, the conferees understand the Air Force now plans to procure 69 test missiles. Even under a revised test plan, eight of these missiles are excess to the testing needs of the program. The conferees agree to authorize a decrease of $3.0 million to eliminate these missiles.

Theater Battle Management C4I

The budget request included $27.3 million for theater battle management C4I.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $5.0 million for pre-planned product improvements for the air support operations center (ASOC).

The conferees agree to authorize an increase of $5.0 million for pre-planned product improvements for the ASOC.

Joint Surveillance and Target Attack Radar System

The budget request included $123.8 million in PE 27581F for the Joint Surveillance and Target Attack Radar System (JSTARS).

The House bill would authorize a decrease of $5.6 million to eliminate unnecessary studies and research.

The Senate amendment would authorize the budget request.

The conferees note that the budget request includes $40.2 million for the Radar Technology Improvement Program (RTIP). The conferees support the RTIP program, but also understand that the Air Force has identified a funding shortfall of $428.0 million for this program in fiscal year 2000 and beyond. Given the uncertain status of the program, the conferees believe it is prudent to reduce the level of resources applied to RTIP in fiscal year 1999 pending submission of a fully funded budget by the Air Force. Accordingly, the conferees agree to authorize a decrease of $25.0 million, as follows:

(1) $5.6 million to eliminate unnecessary studies and research; and

(2) $19.4 million to slow RTIP until such time as the Air Force clarifies future funding of the JSTARS program.

Seek Eagle

The budget request included $17.6 million in PE 27590F for the Seek Eagle weapons integration flight test program.

The House bill would authorize an increase of $2.0 million to continue testing Longshot, a range-increasing modification for munitions.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $2.0 million to continue testing Longshot.

Defense Airborne Reconnaissance Program research and development

The budget request included funds for research and development in the Army, Navy, Air Force, and Defense-Wide accounts for activities of the Defense Airborne Reconnaissance Program (DARP), as shown in the following table.

Account	Budget request	Change from request		Conference agreement
		House bill	Senate amendment	
RDT&E, Army	75,636	(26,000)	—	70,048
RDT&E, Navy	342	67,200	(23,400)	66,548
RDT&E, Air Force	—	224,008	—	349,403
RDT&E, Defense-Wide	444,137	(143,333)	(8,000)	35,665
Total	520,115	121,875	(31,400)	521,664

Section 905 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) transferred the management responsibilities of the Defense Airborne Reconnaissance Office (DARO) to the military services, while retaining Office of the Secretary of Defense (OSD)-level oversight responsibilities for determining airborne reconnaissance architecture and systems interface requirements.

The budget request reflected continuation of airborne reconnaissance programs within DARO. However, subsequent to submitting the budget request, the Secretary of Defense decided to:

(1) abolish the DARO;

(2) transfer the OSD-level functions to the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence (ASD C3I); and

(3) transfer program management responsibilities to the military services.

This decision was reflected in a April 14, 1998 letter from the Under Secretary of Defense for Acquisition and Technology.

The conferees agree to make these adjustments, in both the procurement and the research and development titles. These transfers are reflected in the tables contained in the conference report. In addition, a more detailed spreadsheet of DARO-related investment programs, summarizing transfers and other adjustments to individual budget lines and program elements, is provided in the classified annex that accompanies this conference report.

The conferees note that, unless otherwise reflected in the statement of managers, the transfers do not reflect a change to the purposes for which the funds were requested in the original budget request.

The conferees are extremely concerned that assignment of acquisition program management and funding to the services not been seen as a signal that stovepipe systems of the past will be acceptable in the future. The conferees stress that these programmatic actions demand a firm leadership role by the Assistant Secretary of Defense (Command, Control, Communications and Intelligence) in establishing policy and exercising oversight to ensure reconnaissance system interoperability for joint operations.

In particular, the tactical control system (TCS), previously assigned to the Unmanned Aerial Vehicle (UAV) Joint Program Office, continues to be assigned to the Navy as the lead service. The conferees note that there is some disagreement within the Department of Defense with respect to whether TCS will serve as the implementation of a single standard tactical UAV and sensor control architecture. The conferees believe that the issue of who operationally controls UAVs and their sensors is an issue separate and distinct from system design technical capabilities. The conferees believe it is imperative that the Joint Requirements Oversight Counsel makes the necessary standards decisions to ensure that operational commanders have full operational flexibility for employment of UAVs.

The budget request included $5.0 million in PE 35204D8Z for the Army's Unmanned Aerial Vehicle (UAV) Systems Integration Laboratory (SIL), and included $3.0 million for continued development of the Multiple UAV Simulation Environment (MUSE).

The House bill would direct the Assistant Secretary of Defense (Command, Control, Communications and Intelligence) to provide the congressional defense and intelligence committees a plan, which includes a funding profile, for the continued operation of the SIL no later than March 31, 1999.

The Senate amendment had no similar provision.

The Senate recedes.

Overview

The budget request for fiscal year 1999 contained an authorization of $9,314.7 million for Defense-Wide, Research and Development in the Department of Defense. The House bill would authorize $9,173.9 million. The Senate amendment would authorize $9,302.8 million. The conferees recommended an authorization of $8,848.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
ACCOUNT		RESEARCH DEVELOPMENT TEST & EVAL DEFWIDE					
0601101D	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	2,173	2,173	2,173	-	2,173
0601101E	2	DEFENSE RESEARCH SCIENCES	65,102	65,102	65,102	-	65,102
0601103D	3	UNIVERSITY RESEARCH INITIATIVES	216,320	231,320	216,320	-	216,320
		DEPSCOR		[15,000]		[20,000]	
0601105D	4	GULF WAR ILLNESS	19,646	19,646	29,646	-	19,646
		Gulf War Illness				-	
0601111D	5	GOVERNMENT/INDUSTRY COSPONSORSHIP OF UNIVERSITY RESEARCH	9,870	9,870	9,870	-	9,870
0601384BP	6	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	25,282	25,282	30,282	-	30,282
		Chem-Bio Sensors			[5,000]	5,000	
0602110E	7	NEXT GENERATION INTERNET	40,000	53,000	40,000	-	53,000
		NGI Revolutionary Applications		[13,000]		13,000	
0602173C	8	SUPPORT TECHNOLOGIES - APPLIED RESEARCH	86,866	89,666	100,866	-	100,866
		Mandatory Programs (SBIR/STTR)		[-12,200]		-	
		IS&T Wide Band Gap Electronics		[15,000]	[14,000]	14,000	
0602227D	9	MEDICAL FREE ELECTRON LASER	9,706	14,706	16,706	-	16,706
		MFEL		[5,000]	[7,000]	7,000	
0602228D	10	HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU) SCIENCE		-	-	-	-
0602234D	11	LINCOLN LABORATORY RESEARCH PROGRAM	19,641	19,641	19,641	-	19,641
0602301E	12	COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY	417,723	417,723	377,723	-	377,723
		Program Reduction			[-40,000]	(40,000)	
0602383E	13	BIOLOGICAL WARFARE DEFENSE	88,000	88,000	77,500	-	82,500
		Multi-media Technology			[1,500]	1,500	
		Program Reduction			[-12,000]	(7,000)	
0602384BP	14	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	57,683	57,683	66,683	-	66,683
		Light Weight Chem-Bio Detectors			[5,000]	5,000	
		Safeguard			[4,000]	4,000	
0602702E	15	TACTICAL TECHNOLOGY	188,995	151,995	183,995	-	156,995
		Program Reduction		[-37,000]	[-5,000]	(32,000)	
0602708E	16	INTEGRATED COMMAND AND CONTROL TECHNOLOGY	34,000	40,000	42,000	-	41,000
		HDS/Flat Panel Display Domestic Infrastructure		[6,000]	[8,000]	7,000	
0602712E	17	MATERIALS AND ELECTRONICS TECHNOLOGY	244,408	244,408	250,408	-	242,408

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		Specialty Aerospace Metals		[10,000]		-	
		Mixed Mode Electronics			[6,000]	6,000	
		Sonoelectronics				(8,000)	
0602715BR	18	WMD RELATED TECHNOLOGIES	203,598	203,598	218,598	-	216,598
		Thermionics		[5,000]		-	
		Core Competencies			[10,000]	10,000	
		Deep Digger			[3,000]	3,000	
		EMP			[2,000]	-	
0602715H	19	DEFENSE SPECIAL WEAPONS AGENCY		-	-	-	-
0602787D	20	MEDICAL TECHNOLOGY	9,239	9,239	9,239	-	9,239
0305108K	21	COMMAND AND CONTROL RESEARCH	1,961	1,961	1,961	-	1,961
0603002D	22	MEDICAL ADVANCED TECHNOLOGY	2,136	2,136	2,136	-	2,136
0603104D	23	EXPLOSIVES DEMILITARIZATION TECHNOLOGY	11,650	13,650	17,150	-	17,650
		Environmental Safe Disposal		[2,000]		2,000	
		Blast Chamber Tec			[4,000]	4,000	
		Portable Blast Chamber Tec			[1,500]	-	
0603120D	24	DEMINING		-	-	-	-
0603121D	25	ALTERNATIVE TO LANDMINES	4,753	4,753	4,753	-	4,753
0603122D	26	COUNTERTERROR TECHNICAL SUPPORT	35,813	39,813	40,813	-	39,813
		Facial Recognition		[4,000]	[5,000]	4,000	
0603160BR	27	COUNTERPROLIFERATION SUPPORT - ADV DEV	70,611	57,611	73,611	-	77,611
		Program Reduction		[-13,000]		-	
		HAARP			[3,000]	3,000	
		Counterproliferation Analysis Planning System (CAPS)1				4,000	
0603160D	28	COUNTERPROLIFERATION SUPPORT - ADV DEV		-	-	-	-
0603173C	29	SUPPORT TECHNOLOGIES - ADVANCED TECHNOLOGY DEVELOPMENT	166,676	176,676	292,676	-	282,676
		Operational Support		[-2,000]		-	
		Atmospheric Interceptor Technology		[22,000]	[22,000]	22,000	
		Space-Based Laser Readiness Demonstrator		[-10,000]	[94,000]	94,000	
		Scorpius			[5,000]	-	
		Excalibur			[5,000]	-	
0603225D	30	JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVELOPMENT	13,447	13,447	13,447	-	13,447

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603232D	31	AUTOMATIC TARGET RECOGNITION	5,081	8,081	5,081	-	5,081
		Optical Correlator Technology		[3,000]		-	
0603384BP	32	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - ADVANCED DEVELOPMENT	42,762	42,762	42,762	-	42,762
0603704D	33	SPECIAL TECHNICAL SUPPORT	11,337	11,337	11,337	-	11,337
0603711BR	34	VERIFICATION TECHNOLOGY DEMONSTRATION	63,052	38,052	63,052	-	48,052
		Program Reduction		[-25,000]		(25,000)	
		Nuclear Detection				10,000	
0603711H	35	VERIFICATION TECHNOLOGY DEMONSTRATION		-	-	-	-
0603712S	36	GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS	17,788	17,788	21,788	-	21,788
		CATT			[4,000]	4,000	
0603716D	37	STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM		-	-	54,419	54,419
0603727D	38	JOINT WARFIGHTING PROGRAM	23,700	23,700	23,700	-	23,700
0603728D	39	AGILE PORT DEMONSTRATION		-	-	-	-
0603729D	40	ROCKET LAUNCH FACILITY UPGRADES		-	-	-	-
0603730D	41	AIRFIELD SURFACE TRAFFIC MONITORING		-	-	-	-
0603738D	42	COOPERATIVE DOD/VA MEDICAL RESEARCH		-	10,000	-	10,000
		Cooperative DOD/VA Medical Research				10,000	
0603739E	43	ADVANCED ELECTRONICS TECHNOLOGIES	244,737	244,737	250,737	-	246,337
		Lithography			[10,000]	10,000	
		Program Reduction			[-4,000]	-	
		Molecular Level Printing Program Acceleration				(3,300)	
		Submarine Sensor Suite Development				(5,100)	
0603746E	44	MARITIME TECHNOLOGY	15,000	15,000	20,000	-	20,000
		MARITECH Advanced Shipbuilding Enterprise			[5,000]	5,000	
0603747E	45	ELECTRIC VEHICLES		-	-	-	-
0603750D	46	ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS	116,330	104,330	110,330	-	104,330
		Program Reduction		[-12,000]	[-6,000]	(12,000)	
0603752D	47	COMMERCIAL TECHNOLOGY INSERTION PROGRAM		-	-	-	-
0603753S	48	ELECTRONIC COMMERCE RESOURCE CENTERS		-	-	-	-
0603755D	49	HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM	140,927	140,927	163,927	-	163,927
		High Performance Technology			[20,000]	20,000	
		High Performance Viz Technology			[3,000]	3,000	

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603760E	50	COMMAND, CONTROL AND COMMUNICATIONS SYSTEMS	200,100	172,600	189,100	-	172,600
		Program Reduction		[-27,500]	[-11,000]	(27,500)	
0603761E	51	COMMUNICATION AND SIMULATION TECHNOLOGY	56,114	56,114	56,114	-	56,114
0603762E	52	SENSOR AND GUIDANCE TECHNOLOGY	213,154	210,054	213,154	-	200,054
		Program Reduction		[-13,100]		(13,100)	
		Seismic Sensor Technology		[10,000]		-	
0603763E	53	MARINE TECHNOLOGY	24,788	24,788	24,788	-	24,788
0603764E	54	LAND WARFARE TECHNOLOGY	108,490	96,890	104,490	-	90,890
		Program Reduction		[-11,600]	[-4,000]	(11,600)	
		Tactical Mobile Robots Acceleration				(3,000)	
		Situation Awareness System Program Growth				(3,000)	
0603765E	55	CLASSIFIED DARPA PROGRAMS	55,500	55,500	55,500	-	42,000
		Unmanned Combat Air Vehicle				(13,500)	
0603800E	56	JOINT STRIKE FIGHTER (JSF) - DEM/VAL		-	-	-	-
0603805E	57	DUAL USE APPLICATIONS PROGRAMS		-	-	-	-
0603805S	58	COMMERCIAL TECHNOLOGY FOR MAINTENANCE ACTIVITIES	6,000	6,000	6,000	-	6,000
0603832D	59	JOINT WARGAMING SIMULATION MANAGEMENT OFFICE	70,696	70,696	70,696	-	70,696
0603228D	63	PHYSICAL SECURITY EQUIPMENT	31,792	31,792	25,792	-	28,792
		Program Reduction			[-6,000]	(3,000)	
0603708D	64	INTEGRATED DIAGNOSTICS	3,436	3,436	3,436	-	3,436
0603709D	65	JOINT ROBOTICS PROGRAM	16,217	16,217	16,217	-	16,217
0603714D	66	ADVANCED SENSOR APPLICATIONS PROGRAM	15,147	15,147	17,147		17,147
		HAARP				2,000	
0603736D	67	CALS INITIATIVE	1,863	1,863	3,863	-	3,863
		IDE			[2,000]	2,000	
0603790D	68	NATO RESEARCH AND DEVELOPMENT		-	-	-	-
0603790T	69	NATO RESEARCH AND DEVELOPMENT	10,762	10,762	8,462	-	8,462
		Program Reduction			[-2,300]	(2,300)	
0603851D	70	ENVIRONMENTAL SECURITY TECHNICAL CERTIFICATION PROGRAM	17,051	17,051	17,051	-	17,051
0603857J	71	ALL SERVICE COMBAT IDENTIFICATION EVALUATION TEAM (ASCIET)	13,014	13,014	13,014	-	13,014
0603861C	72	THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM - TMD - DEM/VAL	497,752	497,752	497,752	29,600	527,352
0603867C	73	NAVY AREA		-	-	-	-

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603868C	74	NAVY THEATER WIDE	190,446	260,446	310,446	-	310,446
		Navy Upper Tier Acceleration		[70,000]	[70,000]	70,000	
		Radar Improvements			[50,000]	50,000	
0603869C	75	MEADS CONCEPTS - DEM/VAL	43,027	43,027	10,027	-	24,027
		Program Reduction			[-33,000]	(19,000)	
0603870C	76	BOOST PHASE INTERCEPT THEATER MISSILE DEFENSE ACQUISITION - DEM/VAL		-	-	-	-
0603871C	77	NATIONAL MISSILE DEFENSE - DEM/VAL	950,473	950,473	950,473	-	950,473
0603872C	78	JOINT THEATER MISSILE DEFENSE - DEM/VAL	176,846	174,846	176,846	-	176,846
		User Interface		[-2,000]		-	
0603873C	79	FAMILY-OF SYSTEMS ENGINEERING AND INTEGRATION (FOS E&I)	96,915	96,915	96,915	-	96,915
0603874C	80	BMD TECHNICAL OPERATIONS	190,147	186,147	190,147	-	190,147
		Advanced Research Center			[5,000]	5,000	
		Architecture and Engineering		[-4,000]	[-5,000]	(5,000)	
0603875C	81	INTERNATIONAL COOPERATIVE PROGRAMS	50,676	50,676	49,924	-	62,676
		Arrow Interoperability			[12,000]	12,000	
		RAMOS			[-12,752]	-	
0603876C	82	THREAT AND COUNTERMEASURES	22,113	22,113	22,113	-	22,113
0603884BP	83	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - DEM/VAL	60,404	60,404	60,404	-	60,404
0603892D	84	ASAT		-	-	-	-
0603920D	85	HUMANITARIAN DEMINING	17,234	12,234	17,234	-	17,234
		Program Reduction		[-5,000]		-	
0605104T	86	TECHNICAL STUDIES, SUPPORT AND ANALYSIS	980	980	980	-	980
0605110T	87	CRITICAL TECHNOLOGY SUPPORT	2,618	2,618	2,618	-	2,618
0208043J	88	ISLAND SUN		-	-	-	-
0904901U	89	UNDISTRIBUTED ADJUSTMENTS		-	-	-	-
0604160D	90	COUNTERPROLIFERATION SUPPORT - EMD		-	-	-	-
0604384BP	91	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - EMD	125,312	125,312	125,312	-	125,312
0604709D	92	JOINT ROBOTICS PROGRAM - ENG DEV	11,307	11,307	17,307	-	17,307
		Joint Robotics Technology EMD			[6,000]	6,000	
0604764K	93	ADVANCED IT SERVICES JOINT PROGRAM OFFICE (AITS-JPO)	15,588	15,588	15,588	-	15,588
0604771D	94	JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	30,512	30,512	30,512	-	30,512
0604805D	95	COMMERCIAL OPERATIONS AND SUPPORT SAVINGS INITIATIVE	13,410	13,410	13,410	-	13,410

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0604861C	96	THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM - TMD - EMD	323,942	323,942	-	-	-
		Program Reduction			[-323,942]	(323,942)	
0604865C	97	PATRIOT PAC-3 THEATER MISSILE DEFENSE ACQUISITION - EMD	137,265	193,265	177,265	-	177,265
		Enhanced LRIP		[16,000]		-	
		Transfer from PAC 3 Procurement		[40,000]	[40,000]	40,000	
0604867C	98	NAVY AREA THEATER MISSILE DEFENSE - EMD	245,796	245,796	245,796	-	245,796
0603858D	99	UNEXPLODED ORDNANCE DETECTION AND CLEARANCE	1,273	1,273	1,273	-	1,273
0604942D	100	ASSESSMENTS AND EVALUATIONS	3,916	3,916	3,916	-	3,916
0605104D	101	TECHNICAL STUDIES, SUPPORT AND ANALYSIS	30,021	30,021	30,021	-	30,021
0605110D	102	USD(A&T)--CRITICAL TECHNOLOGY SUPPORT		-	-	-	-
0605114E	103	BLACK LIGHT	5,000	5,000	5,000	-	5,000
0605117D	104	FOREIGN MATERIAL ACQUISITION AND EXPLOITATION	35,035	35,035	35,035	-	35,035
0605122D	105	INDUSTRIAL CAPABILITIES ASSESSMENTS	2,937	2,937	2,937	-	-
		Program Reduction				(2,937)	
0605126J	106	JOINT THEATER AIR AND MISSILE DEFENSE ORGANIZATION	17,423	17,423	17,423	-	17,423
0605128BR	107	CLASSIFIED PROGRAMS	13,755	13,755	13,755	-	13,755
0605128D	108	CLASSIFIED PROGRAM USD(P)		-	-	-	-
0605160BR	109	COUNTERPROLIFERATION SUPPORT	9,874	9,874	13,874	-	9,874
		CAPS			[4,000]	-	
0605160D	110	COUNTERPROLIFERATION SUPPORT		-	-	-	-
0605384BP	111	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	24,922	24,922	24,922	-	24,922
0605502D	112	SMALL BUSINESS INNOVATIVE RESEARCH		-	-	-	-
0605502E	113	SMALL BUSINESS INNOVATIVE RESEARCH		-	-	-	-
0605710D	114	CLASSIFIED PROGRAMS - C3I	439	439	6,439	-	6,439
		Program Increase				6,000	
0605790D	115	SMALL BUSINESS INNOVATION RESEARCH ADMINISTRATION	1,820	1,820	1,820	-	1,820
0605798S	116	DEFENSE TECHNOLOGY ANALYSIS	5,010	5,010	7,010	-	7,010
		Commodity Management Technology			[2,000]	2,000	
0605801K	117	DEFENSE TECHNICAL INFORMATION SERVICES (DTIC)	46,469	46,469	45,469	-	45,469
		Program Reduction			[-1,000]	(1,000)	
0605801S	118	DEFENSE TECHNICAL INFORMATION CENTER		-	-	-	-
0605803S	119	R&D IN SUPPORT OF DOD ENLISTMENT, TESTING AND EVALUATION	8,248	8,248	8,248	-	8,248

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0605898E	120	MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	38,611	38,611	38,611	-	38,611
0305190D	121	C3I INTELLIGENCE PROGRAMS	1,657	1,657	1,657	-	1,657
0909900E	122	FINANCING FOR EXPIRED ACCOUNT ADJUSTMENTS		-	-	-	-
0208045K	123	C3 INTEROPERABILITY	26,296	26,296	26,296	-	26,296
0208052J	124	JOINT ANALYTICAL MODEL IMPROVEMENT PROGRAM	1,847	1,847	1,847	-	1,847
0302016K	127	NATIONAL MILITARY COMMAND SYSTEM-WIDE SUPPORT	1,189	1,189	1,189	-	1,189
0302019K	128	DEFENSE INFO INFRASTRUCTURE ENGINEERING AND INTEGRATION	4,975	4,975	4,975	-	4,975
0303126K	129	LONG-HAUL COMMUNICATIONS (DCS)	11,561	11,561	11,561	-	11,561
0303127K	130	SUPPORT OF THE NATIONAL COMMUNICATIONS SYSTEM	4,428	4,428	4,428	-	4,428
0303129K	131	DEFENSE MESSAGE SYSTEM		-	-	-	-
0303131K	132	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (MEECN)	3,061	3,061	3,061	-	3,061
0303140G	133	INFORMATION SYSTEMS SECURITY PROGRAM	239,081	239,081	239,081	-	239,081
0303149J	134	C4I FOR THE WARRIOR	2,819	2,819	2,819	-	2,819
0303149K	135	C4I FOR THE WARRIOR	3,675	3,675	3,675	-	3,675
0303153K	136	JOINT SPECTRUM CENTER	8,839	8,839	8,839	-	8,839
0305102BQ	138	DEFENSE IMAGERY AND MAPPING PROGRAM	114,417	114,417	114,417	-	114,417
0305127V	139	FOREIGN COUNTERINTELLIGENCE ACTIVITIES	418	418	418	-	418
0305154D	140	DEFENSE AIRBORNE RECONNAISSANCE PROGRAM		-	-	-	-
0305154G	141	DEFENSE AIRBORNE RECONNAISSANCE PROGRAM		-	-	-	-
0305159I	142	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE)	40,504	34,504	40,504	-	30,722
		Tactical Communitions Transfer				(3,895)	
		Program Reduction		[-6,000]		(5,887)	
0305188J	143	JOINT C4ISR BATTLE CENTER (JBC)		-	-	-	-
0305190D	144	C3I INTELLIGENCE PROGRAMS	8,015	8,015	8,015	-	8,015
0305204D	145	TACTICAL UNMANNED AERIAL VEHICLES	37,192	-	37,192	-	-
		Transfer to 35204N		[-37,192]		(37,192)	
0305205D	146	ENDURANCE UNMANNED AERIAL VEHICLES	178,668	-	170,668	-	-
		Transfer to 35205F		[-178,668]		-	
		Global Hawk			[32,500]	(90,051)	
		Dark Star			[-40,500]	(40,518)	
		HAE Common Ground Segment				(48,099)	
0305206D	147	AIRBORNE RECONNAISSANCE SYSTEMS	162,666	82,266	162,666		-

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(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		Transfers		[-80,400]		(162,666)	
0305207D	148	MANNED RECONNAISSANCE SYSTEMS	10,840	26,840	10,840	-	-
		EO Framing		[8,000]		-	
		Transfer to USAF ASARS		[8,000]		(4,966)	
		Transfer to NSA				(5,874)	
0305207G	149	MANNED RECONNAISSANCE SYSTEMS	4,085	4,085	4,085		24,959
		Transfers				20,874	
0305208D	150	DISTRIBUTED COMMON GROUND SYSTEMS	34,985	29,407	34,985	-	-
		DARP Transfer		[-5,578]		(34,985)	
0305208BQ	150a	DISTRIBUTED COMMON GROUND SYSTEMS INTEROPERABITY, NIMA		2,540		-	9,358
		Transfer from 35206D and 35208D		[2,540]		9,358	
0305208G	150b	DISTRIBUTED COMMON GROUND SYSTEMS INTEROPERABITY, NSA		2,540		-	2,540
		Transfer from 35208D and 35209D		[2,540]		2,540	
0305208L	150c	DISTRIBUTED COMMON GROUND SYSTEMS INTEROPERABITY, DIA/CMO		1,958		-	1,958
		Transfer from 35209D		[1,958]		1,958	
0305209D	151	DARP INTEGRATION AND SUPPORT	15,701	-	15,701	-	-
		Transfer		[-11,000]		(11,000)	
		Program Reduction		[-4,701]		(4,701)	
0305885G	153	TACTICAL CRYPTOLOGIC ACTIVITIES	104,510	184,910	104,510		101,360
		Transfer from 35206D		[80,400]		-	
		Other				(3,150)	
0305889G	154	COUNTERDRUG INTELLIGENCE SUPPORT		-	-	-	-
0305898L	155	MANAGEMENT HEADQUARTERS (AUXILIARY FORCES)		-	-	-	-
0708011S	156	INDUSTRIAL PREPAREDNESS	26,231	26,231	26,231	-	26,231
0902298J	157	MANAGEMENT HEADQUARTERS (OJCS)	9,617	9,617	9,617	-	9,617
0902740J	158	JOINT SIMULATION SYSTEM	24,775	24,775	29,275	-	24,775
		JSIMS			[4,500]	-	
0909999D	159	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS		-	-	-	-
1001017D	160	PARTNERSHIP FOR PEACE ACTIVITIES	1,957	5,957	1,957	-	5,957
		International Medical Satellite		[4,000]		4,000	
1160279BB	161	SMALL BUSINESS INNOVATIVE RESEARCH/SMALL BUS TECH TRANSFER PILOT PROG		-	-	-	-
1160401BB	162	SPECIAL OPERATIONS TECHNOLOGY DEVELOPMENT	4,026	4,026	4,026	-	4,026

Title II- RDTE

(Dollars in Thousands)

ACCOUNT	No.		1999 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
1160402BB	163	SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT	8,020	8,020	8,020	-	8,020
1160404BB	164	SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT	106,238	109,238	106,238	-	106,238
		Polymer Cased Ammunition		[3,000]		-	
1160405BB	165	SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT	1,805	6,805	1,805	-	4,305
		Special Operations Intelligence Vehicle		[5,000]		2,500	
1160407BB	166	SOF MEDICAL TECHNOLOGY DEVELOPMENT	2,015	2,015	2,015	-	2,015
1160408BB	167	SOF OPERATIONAL ENHANCEMENTS	33,799	33,799	33,799	-	33,799
XXXXXXX	999	Classified Programs	1,057,100	1,127,868	1,075,400	7,800	1,064,900
		ADVISORY AND ASSISTANCE SERIVES REDUCTION		(50,000)		(23,415)	(23,415)
		ECOMOMIC ADJUSTMENTS			(26,700)	(26,700)	(26,700)
		TOTAL RESEARCH DEVELOPMENT TEST & EVAL DEFWIDE	9,314,665	9,173,932	9,302,771	(465,829)	8,848,836
ACCOUNT		**DEVELOPMENTAL TEST & EVAL, DEFENSE**					
0604940D	1	CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT (CTEIP)	122,169	122,169	122,169	-	122,169
0605130D	2	FOREIGN COMPARATIVE TESTING	32,684	32,684	32,684	-	32,684
0605804D	3	DEVELOPMENT TEST AND EVALUATION	96,253	96,253	94,253	-	94,253
		Program Reduction			[-2,000]	(2,000)	
		TOTAL DEVELOPMENTAL TEST & EVAL, DEFENSE	251,106	251,106	249,106	(2,000)	249,106
ACCOUNT		**OPERATIONAL TEST & EVALUATION, DEFENSE**					
0605118D	1	OPERATIONAL TEST AND EVALUATION	15,311	15,311	15,311	-	15,311
0605131D	2	LIVE FIRE TESTING	9,934	13,934	9,934	-	13,934
		RF Weapon Vulnerability		[4,000]		4,000	
		TOTAL OPERATIONAL TEST & EVALUATION, DEFENSE	25,245	29,245	25,245	4,000	29,245
		General Reduction			(275,000)		
		Total	36,078,577	36,228,048	35,942,157	(70,639)	36,007,938

University research initiative

The budget request included $216.0 million in PE 61103D for the university research initiative. The request included $10.0 million for the Defense Experimental Program to Stimulate Competitive Research (DEPSCoR).

The House bill would authorize an increase $15.0 million for the DEPSCoR.

The Senate amendment would authorize the budget request but would fence an additional $10.0 million within the request for the DEPSCoR, a total of $20.0 million.

The House recedes.

Ballistic Missile Defense Organization funding and programmatic guidance

The budget request included approximately $3.6 billion for the Ballistic Missile Defense Organization (BMDO) for research, development, test, and evaluation (RDT&E), and procurement.

The House bill would authorize an increase of $76.8 million for BMDO. In addition, the House bill would authorize an increase of $50.0 million for radar improvements related to Navy Upper Tier under Navy research, development, test, and evaluation (RDT&E).

The Senate amendment would authorize a decrease of $97.7 million for BMDO.

The conferees agree to authorize a decrease of $51.7 million for BMDO.

The conferees recommended funding allocations for BMDO are summarized in the following table. Additional programmatic and funding guidance is also provided below.

BMDO FUNDING ALLOCATION

[In millions of dollars]

Program	Request	Senate	House	Conference	
				Change	Total
Support Technology	253.5	+140.0	+12.8	+130.0	383.5
THAAD	821.7	−323.9		−294.3	527.4
TMD–BM/C3*	22.8				22.8
Navy Lower Tier**	289.1				289.1
Navy Upper Tier***	190.4	+120.0	+70.0	+120.0	310.4
MEADS	43.0	−33.0		−19.0	24.0
NMD	950.5				950.5
Joint TMD	176.8		−2.0		176.8
PAC–3**	480.5				480.5
FOS E&I	96.9				96.9
BMD Tech Ops	190.1		−4.0		190.1
Int'l Coop Programs	50.7	−0.8		+12.0	62.7
Threat/Countermeasures	22.1				22.1
BMDO Total	3,588.1	−97.7	+76.8	−51.3	3,536.8

*Procurement only.

**Procurement and RDT&E.

***The House bill also included an increase of $50.0 million for radar improvements related to Navy Upper Tier under Navy RDT&E.

Support technology

The conferees continue to support BMDO's wide bandgap electronics material development program. Higher speed and higher temperature operation afforded by wide bandgap electronic materials could enhance the miniaturization and functionality of advanced sensors and processing systems for space-based ballistic missile defense (BMD) sensors and ground-based radar systems. The conferees agree to authorize an increase of $14.0 million in PE 62173C to support this important activity.

The conferees continue to support the Atmospheric Interceptor Technology (AIT) program to develop advanced interceptors with potential applications for a range of theater missile defense (TMD) programs. The conferees agree to authorize an increase of $22.0 million in PE 63173C to continue the AIT program.

The conferees commend BMDO and the Air Force for increasing funding in the fiscal year 1999 budget request for the Space Based Laser (SBL) Readiness Demonstrator (RD) program, but are concerned by the Air Force's failure to move the program beyond initial concept definition studies. The conferees continue to support the development of an SBL–RD that could be ready for launch in the 2006–2008 timeframe and urge the Secretary of Defense to provide the necessary funding and programmatic guidance to put the SBL program on this path. Due to the failure to release a request for proposal (RFP) and the Air Force's apparent lack of interest in aggressively advancing the program, the conferees will evaluate alternative management arrangements for the program. The conferees direct the Secretary of Defense to promptly release the RFP for an SBL–RD that could be launched in the 2006–2008 timeframe. In order to support this objective, the conferees agree to authorize an increase of $94.0 million in PE 63173C.

National Missile Defense

The conferees note the existence of some confusion regarding what, if any, national missile defense (NMD) policy has been established in law or otherwise endorsed by Congress. Although the conferees agreed to a provision on this subject last year, which was enacted in the National Defense Authorization Act for Fiscal Year 1998 (section 231 of Public Law 105–85), this provision did not address NMD deployment policy nor otherwise endorse the administration's policy known as ''three-plus-three''.

Although the Congress has acceded to recent funding requests for the administration's ''three-plus-three'' program, it has never formally endorsed the concept. Indeed, the continued lack of programmatic definition associated with the ''plus-three'' phase has called into question the administration's willingness and ability to deploy an NMD system on the ''three-plus-three'' schedule, the integrity of the concept itself, and exacerbated the current debate. The NMD program is the only major defense acquisition program that is not being managed to scheduled milestones beyond initial development. This is a departure from usual practice and proven program management principles. The conferees note that the Director of BMDO has testified that NMD is still an ''extremely high risk'' program. The conferees believe that the lack of program definition in the ''plus-three'' phase, and the lack of a defined path from this phase into production and deployment, is contributing to this risk and suboptimal decision-making with adverse impact to NMD programmatics and budgets.

At the same time, the conferees note that the bipartisan Commission to Assess the Ballistic Missile Threat to the United States unanimously concluded that ''under some plausible scenarios . . . the U.S. might well have little or no warning before operational deployment'' of long range ballistic missiles by hostile powers. The conferees believe that the potential mismatch between this warning time and the deployment timeline for a national missile defense poses a conundrum. Current policy is that no ballistic missile threat to the United States currently justifies deployment of a national missile defense. However, when new ballistic missile threats do emerge, it may be too late to respond in a timely manner.

In view of the above, the conferees believe that further program definition in the ''plus-three'' phase and beyond will mitigate some of the risks identified. Accordingly, the Secretary of Defense is expected to establish appropriate milestones and exit criteria for the NMD program that are consistent with those for other major defense acquisition programs. Further, the Secretary is expected to conduct NMD program milestone and budget reviews to ensure that established exit criteria are being met.

The conferees note that the Secretary of Defense has completed and submitted to Congress the report on sea-based NMD options called for in last year's conference report (H. Rept. 105-340), but that this report was submitted only in classified form. The conferees direct the Secretary to submit an unclassified summary of this report to the congressional defense committees as soon as possible.

Medium Extended Air Defense System

Although the conferees continue to support the need for a TMD system to support maneuver forces, the conferees are troubled by the failure of the Department of Defense to structure a fully-funded development program to satisfy this requirement. Although the conferees would support a coherent and fully-funded Medium Extended Air Defense System (MEADS) program, they are unwilling to support a MEADS program that has no funding programmed beyond fiscal year 1999. The conferees note that the Department of Defense has had ample opportunity to address this shortfall. In light of the Department's unwillingness to provide adequate funding in the outyears, the conferees recommend a reduction of $19.0 million in PE 63869C. Additional funding and programmatic guidance regarding the MEADS program is provided elsewhere in this report.

Theater High Altitude Area Defense (THAAD) system

The conferees continue to support the development, production, and fielding of THAAD as a matter of highest priority. The conferees support the budget request of $497.7 million for THAAD Demonstration and Validation (Dem/Val). In addition, as addressed elsewhere in this report, the conferees agree to authorize an increase of $29.6 million in THAAD Dem/Val funding to support increased competition in the THAAD program, for a total authorization in PE 63861C of $527.4 million.

The conferees are encouraged by the recent cost sharing agreement between the prime contractor and BMDO, and believe that testing should resume at an expeditious pace, without undue delay. However, given recent delays in the THAAD testing program, and the requirement for THAAD to achieve three successful intercept tests prior to entering Engineering and Manufacturing Development (EMD), the conferees agree to authorize a decrease of $323.9 million from PE 64861C for THAAD EMD.

The conferees expect the Secretary of Defense not to overreact to limited, albeit adverse, test results but to re-double efforts to structure a THAAD program that provides for as timely a response as possible to the recent medium range ballistic missile threat developments. The conferees reiterate the views expressed in previous reports that the THAAD missile and the Navy Upper Tier missile should not be viewed as competing systems, but as complementary. The conferees do not support proposals to use the Navy Upper Tier missile as a substitute for THAAD. The conferees note that the Navy endorses continuation of the THAAD program and views continuation of THAAD testing as important to the success of an accelerated Navy Upper Tier program.

Navy Upper Tier (Theater Wide)

The conferees continue to support the Navy Upper Tier program and urge the Secretary of Defense to accelerate this important development effort within an acceptable degree of program risk. To facilitate this acceleration, the conferees also urge the Navy to begin allocating funds from within its budget to complement those already programmed within the BMDO budget.

The conferees are concerned that necessary radar improvements have not kept up with developments in the Navy Upper Tier interceptor missile system. Therefore, the conferees agree to authorize an increase of $50.0 million for radar improvements competition. The conferees direct BMDO and the Navy to accelerate radar upgrades to ensure that this

capability becomes available at the earliest possible date. In pursuing this competition, the conferees direct that a prototype solid state radar be available in 2001 in order to take full advantage of the Standard Missile III development testing planned for 2002. In addition, the conferees agree to authorize an increase of $70.0 million for Navy Upper Tier acceleration, for an overall increase of $120.0 million in PE 63868C.

BMD Technical Operations

The conferees support the efforts being performed at the Army Space and Strategic Defense Command's Advanced Research Center (ARC). The ARC continues to be a valuable tool in support of the Army's development of both theater and national missile defense systems. Therefore, the conferees agree to authorize an increase of $5.0 million in PE 63874C for support of the ARC.

The conferees note substantial unexplained growth in BMDO's system architecture and engineering effort and agree to authorize a decrease of $5.0 million in PE 63874C.

International Cooperative Programs

The budget request included $37.9 million for BMDO's Israeli Cooperative Project, which includes funding for the Arrow ballistic missile defense system. The conferees agree to authorize an increase of $12.0 million in PE 63875C to support interoperability design so the Arrow can operate alongside forward deployed U.S. missile defense systems.

Patriot PAC-3

At the request of the Director of BMDO, the conferees recommend a zero-balance transfer of $40.0 million from PAC-3 procurement to PAC-3 EMD to properly align funds for the type of work being performed. The conferees note with concern that this realignment is the result of significant delays in the PAC-3 flight test program. The conferees remain convinced that PAC-3 is an essential TMD system and is the only near term defense against threats emerging in the Southwest Asia and elsewhere. Nevertheless, if the PAC-3 test program does not demonstrate significant improvement, the conferees do not rule out the possibility of future funding reductions.

Medical free electron laser

The budget request included $9.7 million in PE 62227D for the medical free electron laser program.

The House bill would authorize an increase of $5.0 million.

The Senate amendment would authorize an increase $7.0 million.

The conferees agree to authorize an increase of $7.0 million.

Computing systems and communications technology

The budget request included $417.7 million in PE 62301E for computing systems and communications technology.

The House bill would authorize the budget request.

The Senate amendment would authorize a decrease of $30.0 million in the joint infrastructure protection project and a transfer of an additional $10.0 million from that project to PE 33104F for cyber–security research.

The conferees endorse the views in the Senate report (S. Rept. 105-189) with regard to the joint infrastructure protection project and reiterate the requirement for the report specified by the Senate. The conferees are especially concerned about the deficient planning for such a project given the widely recognized need to address vulnerabilities in the U.S. information infrastructure as quickly as possible. However, in recognition of the urgency of this issue, the conferees agree to an undistributed reduction in PE 62301E of $40.0 million to allow Defense Advanced Research Projects Agency (DARPA) flexibility to allocate the reduction consistent with national security priorities.

Chemical-biological defense program

The budget request included $620.3 million for the chemical-biological defense program, including $336.4 million in research and development, test and evaluation and $283.9 million in procurement. The budget request also included $88.0 million for the Defense Advanced Research Projects Agency (DARPA) biological warfare (BW) defense program (PE 62383E).

The House bill would authorize the budget request for the chemical-biological defense program and the biological warfare defense program (PE 62383E), but would decrease the budget request of $6.9 million for procurement of contamination avoidance equipment for the use by the Reserve Components to respond to domestic emergencies.

The Senate amendment would recommend the following increases to the budget request for the chemical-biological defense program: $10.0 million to accelerate research and development of small, light-weight, man-portable chemical and biological agent detection sensors; $4.0 million in PE 62384BP for Project SAFEGUARD to continue proof of concept testing to establish sensor performance, initiate packaging and real-time processing, and the conduct of platform studies; and $1.5 million in PE 62383E to demonstrate the use of technologies for the deployment of telemedicine and other capabilities to the warfighters; but would recommend a $12.0 million reduction to the budget request for the DARPA BW program.

Additionally, the Senate amendment would transfer the mission, function and resources for the chemical-biological defense program to the Defense Threat Reduction Agency (DTRA), consistent with the recommendation of the November 1997 Defense Reform Initiative (DRI).

The conferees agree to authorize an increase of $15.5 million for chemical-biological defense for acceleration of research and development of small, light-weight, man-portable chemical and biological detectors ($5.0 million in PE 61384BP and $5.0 million in PE 62384BP), $4.0 million in PE 62384 BP for Project SAFEGUARD, and $1.5 million in PE 62384E for the demonstration and deployment of technologies for telemedicine and other capabilities to the warfighters; but would reduce the budget request by $7.0 million for PE 62383E. Additionally, the conferees continue to express strong support for innovative technologies to detect chemical and biological agents, such as aerogels and radio frequency identification sensor tags, and encourage the broad participation of the national laboratories, universities and, where appropriate, industry, in these efforts.

The conferees endorse the concerns expressed in the Senate report (S. Rept. 105–189) regarding the shortcomings and deficiencies in the chemical-biological defense program related to the provision of adequate force structure and equipment to protect military facilities, as well as the deficiencies in doctrine, policy, equipment and training for the defense of critical overseas ports and airfields. The conferees direct the Secretary of Defense to report to the congressional defense committees by December 1, 1998 and annually thereafter, in the Department of Defense Nuclear, Chemical Biological (NCB) Defense Annual Report, on the plans to correct these deficiencies, including the deployment on a long-term basis of Army Biological Integrated Detection Systems (BIDS) companies in high threat commands or regions.

Oversight and management of chemical/biological defense program

The conferees note progress achieved in implementing the provisions of section 1701 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160, 52 U.S.C. 1522) in consolidating, coordinating and integrating the chemical-biological defense requirements of the military departments into a single office within the Department of Defense. Under this agreement, the DOD chemical-biological defense program office provides overall policy and budget guidance for the program, the Defense Acquisition Board process provides oversight of the program, and the Department of the Army acts as the executive agent. The conferees also note that the establishment of a Joint Nuclear, Chemical and Biological (NCB) Board to provide management structure for the program ensures that the operational needs of the services are integrated and coordinated, and that unnecessary duplication of effort is eliminated in the preparation of the chem-bio defense Program Objective Memorandum.

The conferees agree that a single office for overall coordination and integration of the DOD chem-bio defense program, as required by Public Law 103–160, be maintained within the Office of the Secretary, and strongly believe that the office must be assigned sufficient staff to exercise its policy and budget guidance roles. In addition, the conferees strongly support continued implementation of the Joint Service Agreement to ensure coordination, integration and management of the program.

With regard to the transfer of the chem-bio defense program to the Defense Threat Reduction Agency (DTRA), the conferees agree that the management role of the DTRA with regard to the chem-bio defense program should be limited to those chem-bio defense activities and projects that represent unique operational mission responsibilities of DTRA. Therefore, the conferees do not agree to transfer overall responsibility for the execution and day-to-day management of the chem-bio defense program to DTRA. However, to ensure consideration of DTRA chem-bio defense and related counterproliferation operational requirements in the DOD chem-bio defense program, the conferees recommend that DTRA become a party to the Joint Service Agreement on NCB defense and be included as a voting member of the Joint NCB Defense Board.

Tactical technology

The budget request included $189.0 million in PE 62702E for tactical technology.

The House bill would authorize a decrease of $37.0 million for applied research in tactical technology.

The Senate amendment would authorize a decrease of $5.0 million for the increased scope of work on the micro unmanned aerial vehicle program.

The conferees agree to authorize a decrease of $32.0 million in PE 62702E.

Integrated command and control technology

The budget request included $34.0 million in PE 62708E for integrated command and control technology.

The House bill would authorize an increase of $6.0 million for continued development of advanced technologies for flat panel displays.

The Senate amendment would authorize an increase of $8.0 million for flat panel display to continue the development of a domestic infrastructure within the context of the flat panel display initiative.

The conferees agree to authorize an increase of $7.0 million for flat panel displays.

Materials and electronic technologies

The budget request included $244.4 million in PE 62712E for material and electronics technology.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $6.0 million for the continued development of the mixed mode electronics multi-technology insertion (MIME) program.

The conferees agree to authorize an increase of $6.0 million for the MIME program and to authorize a reduction of $8.0 million for sonoelectronics to fund other higher priority projects.

Weapons of mass destruction technologies

The budget request included $203.6 million for weapons of mass destruction technologies (PE 62715BR) of the Defense Special Weapons Agency (DSWA).

The House bill would authorize the budget request.

The Senate amendment would recommend an increase of $15.0 million, including $10.0 million to maintain nuclear core competencies and critical scientific and engineering expertise; $2.0 million to maintain efforts to protect critical civil and commercial advanced electronic technologies and space systems against nuclear and conventional explosions; and $3.0 million to accelerate the pace and development of components and subsystems toward a prototype ''deep digger'' system.

The conferees agree to authorize an increase of $13.0 million to the budget request: $10.0 million to maintain nuclear core competencies and critical scientific and engineering expertise in nuclear weapons effects technology and $3.0 million to accelerate the pace and development of components and subsystems toward a prototype ''deep digger'' system.

The conferees remain concerned about the impact of high altitude nuclear and conventional explosions on critical civil and commercial activities and the potential vulnerability of next generation satellites and high technology upon which U.S. Armed Forces rely. The conferees have supported the efforts of the DSWA to conduct research on the effects of electromagnetic pulse (EMP) and the potential impact on military systems and critical technologies, and to develop technologies that would reduce potential vulnerabilities of the effects of radiation and EMP on advanced electronic technologies and space systems.

The conferees endorse the direction contained in the House Report (H. Rept. 105–532) accompanying its fiscal year 1999, defense authorization bill that the Secretary of Defense, in consultation with the Director of Central Intelligence, report to the congressional defense committees by March 1, 1999 on the potential effects of high- and low-frequency EMP on critical military and civil systems and steps that might be taken to reduce potential vulnerabilities to EMP.

Explosives demilitarization technology

The budget request included $11.6 million for the explosives demilitarization technology program (PE 63104D8Z).

The House bill would authorize an increase of $2.0 million to allow continued aggressive development of environmentally safe procedures to safely dispose of conventional military munitions.

The Senate amendment would authorize an increase of $5.5 million: $4.0 million to complete the demonstration of existing commercially available blast chamber technology; and $1.5 million to design a mobile system utilizing the commercially available blast chamber technology.

The conferees agree to authorize an increase of $6.0 million to the budget request, including $2.0 million to continue aggressive development of environmentally safe procedures to dispose of conventional military munitions and $4.0 million to complete the demonstration of commercially available blast chamber technology as a viable alternative to open burn/open detonation demilitarization of conventional munitions.

The conferees concur with the concerns expressed in the Senate report (S. Rept. 105–189) regarding the existence of small numbers of conventional munitions at demilitarization sites in the United States which need to be destroyed, where it may not be cost effective or practical to construct a destruction facility. The conferees support the efforts of the Department of Defense to design a mobile system utilizing the commercially available blast chamber technology.

Counterterror technical support program

The budget request included $35.8 million for the counterterror technical support (CTTS) program (PE 63122D8Z).

The House bill would authorize an increase of $4.0 million increase for the development and demonstration of biometric access control technology, to include the use of authentication software and the principal component method of facial recognition.

The Senate amendment would authorize an increase of $5.0 million for the facial recognition technology program. Additionally, the Senate would recommend the transfer of the counterterror technical support program to the Defense Threat Reduction Agency.

The conferees agree to authorize an increase of $4.0 million for the facial recognition technology program. In addition, the conferees endorse two recommendations contained in the Senate report (S. Rept. 105–185). First, the conferees support efforts by the Department of Defense to maintain collaborative efforts with allies who have demonstrated counter-terrorism capabilities, which can provide the United States with a cost-effective way to remain on the cutting-edge of technology. Second, the conferees support efforts by the Department to continue its examination of retrofit options and to develop design guidelines for new and existing structures, including the use of composite systems.

The conferees recognize the success of the interagency Technical Support Working Group (TSWG) and the Counterterror Technical Support program, and direct that oversight and direction of the program remain with the Office of the Assistant Secretary for Special Operations and Low Intensity Conflict.

The conferees understand that the ASD (SO/LIC) is responsible for oversight of the TSWG and the Office of Special Technology (OST). The conferees also understand that there are other entities within the Department of Defense that can contribute to the interagency program to combat terrorism, such as the Defense Special Weapons Agency (DSWA), and encourage the TSWG to continue its coordination activities with these DOD entities, as well as with non-DOD entities, to ensure that the expertise available to the U.S. Government is appropriately applied to national and international efforts to combat terrorism.

The conferees also encourage the continued cooperation between the TSWG and the Physical Security Action Group (PSEAG) to ensure that the CTTS and the physical security equipment programs address technologies that meet force protection needs.

Counterproliferation support program

The budget request included $80.4 million for the counterproliferation support program, $70.6 million in PE 63160BR and $9.8 million in PE 65160BR.

The House bill would recommend that the counterproliferation support program be maintained at the fiscal year 1998 level and would authorize a decrease of $13.0 million.

The Senate amendment would authorize an increase of $4.0 million to PE 65160BR for the Counterproliferation Analysis and Planning System (CAPS) and an increase of $3.0 million to PE 63160BR for the high frequency active auroral research program (HAARP). In addition, the Senate would recommend an increase of $20.5 million increase for the unfunded requirements for the U.S. Special Operations Command (USSOCOM) for training, equipment and activities related to detecting, identifying, rendering safe, destroying or recovering weapons of mass destruction.

The House recedes.

The conferees endorse the concerns expressed in the Senate report (S. Rept. 105-185) and the recommendation that funds authorized for HAARP not be diverted to fund government overhead and Systems Engineering and Technical Assessments (SETA) support, and that the combined overhead/SETA support costs be no more than 10 percent.

Automatic target recognition

The budget request included $5.1 million in PE 63232D for automatic target recognition.

The House bill would authorize an increase of $3.0 million for optical correlation technology research.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

Generic logistics research and development technology demonstrations

The budget request included $17.8 million in PE 63712S for generic logistics research and development technology demonstrations.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $4.0 million for the computer assisted technology transfer program.

The conferees agree to authorize an increase of $4.0 million for the computer assisted technology transfer program.

Strategic Environmental Research and Development Program

The budget request included $54.4 million for the Strategic Environmental Research and Development Program (SERDP) and transferred the program from PE 63716D to PE 63780A.

The House bill included no funds for SERDP.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request and direct that SERDP be identified under a Department of Defense (DOD) program element to avoid confusion about its unique multi-agency purpose. The conferees recognize the value of SERDP as a tri-agency cooperative program that supports basic and applied research and development of innovative technologies to meet the environmental obligations of the DOD, the Department of Energy, and the Environmental Protection Agency. The conferees expect that maintaining SERDP under a DOD program element will preserve its multi-agency focus.

Advanced electronics technologies

The budget request included $244.7 million in PE 63739E for advanced electronics technologies.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $10.0 million for advanced mask writer development in advanced lithography and would authorize a decrease of $4.0 million for new start work in project MT–04.

The conferees agree to authorize an increase of $10.0 million for advanced lithography development, as described in the Senate report (S. Rept. 105-189), and a decrease

of $8.4 million for molecular level printing program acceleration and submarine sensor suite development to fund higher priority projects.

Maritime technology

The budget request included $15.0 million in PE 63746E for the maritime technology (MARITECH) advanced shipbuilding enterprise (ASE) program.

The Senate amendment would authorize an increase of $5.0 million to PE 63746E for MARITECH ASE.

The House bill would authorize the budget request.

The conferees agree to authorize an increase of $5.0 million to PE 63746E for MARITECH ASE.

Advanced concept technology demonstrations

The budget request included $116.3 million in PE 63750D for advanced concept technology demonstrations.

The House bill would authorize a decrease of $12.0 million for advanced concept technology demonstrations.

The Senate amendment would authorize a decrease of $6.0 million in the same program.

The conferees agree to authorize a decrease of $12.0 million for advanced concept technology demonstrations.

High performance computing modernization program

The budget request included $140.9 million in PE 63755D for high performance computing modernization program.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $20.0 million to sustain operations of supercomputing centers established with Department of Defense funds and an increase of $3.0 million for a program to address related challenges in remote visualization, distance learning expansion, and collaborative exploitation of high performance computing capabilities.

The House recedes.

Command, control and communications systems

The budget request included $200.1 million in PE 63760E for command, control and communications systems.

The House bill would authorize a decrease of $27.5 million for command, control and communications systems.

The Senate amendment would authorize a decrease of $11.0 million in the same program.

The conferees agree to authorize a decrease of $27.5 million.

Sensor and guidance technology

The budget request included $213.2 million in PE 63762E for sensor and guidance technology.

The House bill would authorize a decrease of $13.1 million within the program and an increase of $10.0 million for seismic sensor technology development.

The Senate amendment would authorize the budget request.

The conferees agree to authorize a decrease of $13.1 million for the program. The funding for seismic sensor technology development is addressed elsewhere in this statement of managers.

Land warfare technology

The budget request included $108.5 million in PE 63764E for land warfare technology.

The House bill would authorize a decrease of $11.6 million in the program.

The Senate amendment would authorize a decrease of $4.0 million for a new start project in LNW01.

The conferees agree to a decrease of $17.6 million in the program: a reduction of $11.6 million, as described in the House report (H. Rept. 105–532); and a reduction of $6.0 million for tactical mobile robots acceleration and situation awareness system program growth to fund higher priority programs.

Physical security

The budget request included $31.7 million for the Department of Defense physical security program (PE 63228D8Z).

The House bill would authorize the budget request.

The Senate amendment would authorize a decrease of $6.0 million for activities related to demonstrating commercial off-the-shelf technologies. In addition, the Senate would make available $3.0 million for a study to determine the utility of a software technology developed jointly by industry and the national laboratories, the Analytic System and Software for Evaluating Safeguards and Security (ASSESS), for use by the Department of Defense as an integral component in conducting vulnerability assessments at numerous Department of Defense facilities and installations.

The conferees agree to authorize a decrease of $3.0 million for activities related to demonstrating commercial off-the-shelf technologies in PE 63228D8Z, and that decreases to this program not be made to projects currently underway. Additionally, the conferees would make available $3.0 million for a study on the utility of ASSESS as an integral component of DOD efforts to assess vulnerability assessments at its facilities and installations.

Continuous acquisition and life-cycle support activities initiative

The budget request included $1.9 million in PE 63736D for the continuous acquisition and life-cycle support activities (CALS) initiative.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $2.0 million for the integrated data environment program.

The conferees agree to authorize an increase of $2.0 million for the integrated data environment program.

North Atlantic Treaty Organization research and development

The budget request included $44.4 million for the North Atlantic Treaty Organization (NATO) research and development activities in the following accounts: $11.6 million for the Army (PE 63790A); $11.0 million for the Navy (PE 63790N); $11.1 million for the Air Force (PE 63790F); and $10.7 million for the Department of Defense (PE 63790T).

The House bill would authorize a decrease of $5.0 million VECTOR activity in the Navy program (PE 63790N), an international flight demonstration effort utilizing X–31 experimental aircraft.

The Senate amendment would recommend that funds for the NATO research and development activities remain at the fiscal year 1998 funding levels plus inflation, resulting in the following decreases: $2.0 million (Army); $1.1 million (Navy); $0.4 million (Air Force); and $2.3 million (defense-wide).

The conferees agree to authorize the following decreases: $2.0 million (Army); $4.0 million (Navy); $0.4 million (Air Force); and $2.3 million (defense-wide). The omnibus reprogramming (FY98-16PA) currently before the Congress for approval includes as a source of funds $3.0 million from the Navy NATO research and development program for activities related to VECTOR. According to the rationale making the sources available for reprogramming, agreements have not been reached yet between the United States and Sweden, and therefore the funds are available. The conferees recommend that the Department of the Navy utilize those funds for activities in fiscal year 1999.

Humanitarian demining

The budget request included $17.2 million for humanitarian demining research and development activities in PE 63920D8Z.

The House bill would authorize a decrease of $5.0 million.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

Joint robotics program-engineering development

The budget request included $11.3 million in PE 64709D for the joint robotics program-engineering development.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $6.0 million for accelerated joint robotics technology engineering and management development.

The conferees agree to authorize an increase of $6.0 million for accelerated joint robotics technology engineering and management development.

Defense technology analysis

The budget request included $5.0 million in PE 65798S for the defense technology analysis program.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $2.0 million for the commodity management technology program.

The conferees agree to an increase of $2.0 million for the commodity management technology program.

Defense technical information services

The budget request included $46.5 million in PE 65801K for defense technical information services.

The House bill would authorize the budget request.

The Senate amendment would authorize a decrease of $1.0 million for expansion of defense technical information.

The conferees agree to authorize a decrease of $1.0 million for expansion of defense technical information.

Special operations intelligence systems development

The budget request included $1.8 million for special operations forces intelligence systems development.

The House bill would authorize an increase of $5.0 million for research and development requirements associated with the Special Operations intelligence vehicle.

The Senate amendment would authorize the budget request.

The conferees agree to authorize an increase of $2.5 million for development of the Special Operations intelligence vehicle.

Live fire testing

The budget request included $9.9 million in PE 65131D for live fire testing.

The House bill would authorize an increase of $4.0 million to expand threat vulnerability testing to include the threat of radio frequency weapons.

The Senate amendment would authorize the budget request.

The Senate recedes.

ITEMS OF SPECIAL INTEREST

Advanced lightweight grenade launcher

The conferees note ongoing efforts by the Special Operations Command (SOCOM) to develop new lightweight weapon systems necessary to support critical mission requirements by reducing the load that special operations personnel must carry. The conferees support ongoing efforts to develop a new advanced lightweight grenade launcher (ALGL) that will support special operations missions and believe this capability has applicability beyond the Special Operations

Command. The conferees encourage the Special Operations Command to assess future warfighting requirements and determine the viability of ALGL concept. If ALGL meets warfighting requirements, the conferees would expect SOCOM to request funding necessary to develop this weapon and meet future warfighting requirements.

Advanced tactical computer science and sensor technology

The budget request included $18.5 million in PE 63772A for advanced tactical computer science and sensor technology.

The House bill would authorize the budget request.

The Senate amendment would authorize an additional $2.5 million for digital intelligence technology development.

The Senate recedes.

The conferees strongly endorse the use of commercial-off-the-shelf (COTS) technology where appropriate to meet the needs of the 21st Century Army. The committee urges the Army to consider spending up to $5.0 million of the discretionary funds in the Army's digitization program to explore alternative COTS technology for command and control applications for dismounted soldiers.

Commercial technologies for maintenance activities

The conferees agree to amend the budget request to change the name of PE 63805S to commercial technologies for maintenance activities.

The conferees support funding for this program established in section 361 of the National Defense Authorization Act for Fiscal Year 1998. The conferees believe the commercial technologies for maintenance activities program provides a framework for the depot maintenance activities to work together with U.S. manufacturing companies on projects of common interest in which industry will match Department of Defense funding on a two-for-one basis. The conferees believe that in planning the program in the outyears, the Defense Logistics Agency (DLA) should require each of the participating services to match DLA funds for the projects conducted under the program. In managing the program in fiscal year 1999, the DLA should consider imposing such a matching requirement where practicable.

Cyber Security Program

The conferees support the Air Force cybersecurity program, which would allow the Air Force to conduct research and development at federally funded research and development centers that are currently working in collaboration on issues relating to security information assurance. This program would help to facilitate the transition of information assurance technology to the defense community which is vital as the Defense Department increases its reliance on computer networks and information technology.

Defense information superiority, assurance, and interoperability

Joint Vision 2010, the Joint Chiefs of Staff conceptual template for how U.S. Armed Forces will fight future wars, identifies information superiority—the capability of maintaining an uninterrupted flow of information while denying an adversary's ability to do the same—as a key enabler for success in any future conflict.

The conferees believe that communications network interoperability problems experienced by Navy carrier battle groups during operational test and evaluation of the advanced combat direction system and the cooperative engagement capability, as discussed elsewhere in this statement of managers, highlight potentially greater interoperability problems in communications, command, control, computers, intelligence, surveillance, and reconnaissance (C4ISR) systems networking at the joint level. Such problems will adversely affect the ability of U.S. Armed Forces to achieve the information superiority required for success on future battlefields.

The General Accounting Office (GAO) has identified a number of activities within the Department of Defense (DOD) intended to ensure that U.S. Armed Forces are capable of establishing and maintaining information superiority in the future. According to the GAO reports, the DOD has begun to make progress toward establishing a comprehensive C4ISR architecture, but needs to complete its development, establish adequate information assurance measures, and ensure compliance with the architecture by the military departments, unified commands, and agencies. The GAO also observed that the complexity, magnitude, and cost of DOD's information superiority efforts warrant a comprehensive annual overview of the state of the Department's management and oversight of C4ISR acquisitions. The conferees understand that the DOD agreed with the recommendations contained in the GAO reports.

Accordingly, the conferees direct the Secretary of Defense to submit with the DOD budget request for fiscal year 2000 a report to the congressional defense committees on the implementation of the information superiority concept and its attendant key C4ISR systems development and acquisitions. The report should describe a DOD roadmap for C4ISR interoperability. The report should describe identified obstacles to interoperability, architecture development, implementation, and maintenance and the plans, including the planned allocation of resources, to address them.

Joint simulation system

The conferees view the development of the Joint Simulation System (JSIMS) in PE 92740J as an important step in meeting a critical joint readiness requirement. In addition, JSIMS provides a framework for the migration of all training simulations into a common system and the elimination of the existing suite of legacy simulations across the services. These legacy simulations are increasingly outdated and expensive to maintain. JSIMS is also a key enabler for the joint experimentation process recently directed by the Secretary of Defense to be established under the Commander in Chief, U.S. Atlantic Command.

The conferees encourage the Department of Defense to adequately fund this program in fiscal year 2000 and beyond as a means of ensuring that full operating capability follows the fielding of initial operating capability without delay.

Man overboard indicator technology

The budget request included no funds for the development of man overboard indicator technology.

Both the House report (H. Rept. 105-532) and the Senate report (S. Rept. 105-189) encouraged the Navy to investigate the utility of commercially available, water-activated man overboard indicator and the feasibility of integrating such a system for fleet use.

The conferees encourage the Navy to investigate the feasibility of integrating a commercial off-the-shelf man overboard indicator as a means of immediately alerting ship control personnel of a person accidentally falling overboard. Additionally, the conferees encourage the Navy to continue their initiatives to identify a commercial off-the-shelf personnel tracking and physiological monitoring system, and to investigate the possibility and utility of combining man overboard, tracking, and physiological monitoring requirements into one device.

Materials research

The House report (H. Rept. 105-532) expressed concern about the direction of materials research within the Department of Defense and the belief that such research should seek to reduce long-term dependence for critical defense materials upon foreign sources. The report directed the Secretary of Defense to undertake a basic review of the policies and programs regarding defense critical materials and critical materials research and to report the results of this review by February 15, 1999.

The Senate report (S. Rept. 105-189) included no similar direction.

The conferees note the views expressed in the House report and the potential vulnerabilities of the domestic and foreign supplier base for critical defense materials needed in the production of future defense systems. The conferees recognize the decline in funding of applied materials research in the Department, particularly in the support of fundamental materials research by the Defense Advanced Research Projects Agency.

In addition to the issues identified in the House report, the conferees direct the Secretary of Defense to assess the requirements for a long-range plan for future materials research that would ensure the availability of emerging high performance materials for future defense needs and to include the results of this assessment in the report submitted to the Congress. As a part of this assessment, the Secretary should consider the state of competition, both within the United States and international markets, for raw materials for high speed applications, such as gallium or other materials.

Military human immunodeficiency virus research

The budget request included $5.7 million in PE 63105A for military human immunodeficiency virus research.

The House bill would authorize the budget request.

The Senate amendment would authorize a decrease of $2.6 million for the program.

The conferees agree to authorize the budget request.

Navy antisubmarine warfare program

The conferees note the 1997 report by the Naval Studies Board of the National Academy of Sciences, Technology for the United States Navy and Marine Corps, 2000–2035. The report concludes that:

(1) antisubmarine warfare (ASW) is one of the Navy's most fundamental core competencies;

(2) ASW must remain a core competency in the face of a submarine threat that will increase in the 21st century to become the dominant threat to the accomplishment of naval missions;

(3) the continuing draw down in naval forces and the current de-emphasis on ASW have seriously eroded the Navy's ASW capabilities;

(4) this erosion of capabilities comes at a time when potential future adversaries are rapidly acquiring advanced quieting techniques and other offensive submarine capabilities;

(5) the lack of consensus on a submarine threat and competing naval warfare priorities, combined with mounting pressure on the overall defense budget, have put the Navy's ASW program at historically low levels;

(6) advances in ASW capability come about only as a result of dedicated, long-term research and development based on at-sea operations, testing, measurements, and experimentation; and

(7) these types of research and development projects and operations are largely absent from current Navy programs and plans.

The conclusions of the Naval Studies Board closely parallel congressional concerns about the erosion of the Navy's ASW capabilities since the end of the Cold War. These concerns led to direction to the Secretary of Defense in the statement of managers that accompanied the conference report on S. 1124 (H. Rept. 104–450), and in the classified annex that accompanied the statement of managers on H.R. 3230 (H. Rept. 104–724). These reports directed the Secretary to assess the current and projected U.S. ASW capability in the light of the developing threat and budget trends, and to identify the short-term and long-term improvements needed to cope with the evolving submarine threat.

The conferees commend the Navy and the Office of the Secretary of Defense for The 1997 Anti-Submarine Warfare Assessment, dated March 1998. The assessment reaffirms that ASW is a top priority mission for the Navy, as well as being a core and enduring naval competency. The assessment of ASW training, modernization, and organization concludes that ASW training proficiency has declined and recommends that responsibility for ASW proficiency be refocused in the fleet. According to the report, the highest priority ASW modernization efforts are funded and the President's budget request for fiscal year 1999 provides adequate equipment to respond to likely threats to the end of the Future Year Defense Program and beyond. The Navy has also created a new staff organization within the Office of the Chief of Naval Operations (N-84), and charged that organization with the responsibility for integration and assessment of the Navy ASW program.

The conferees believe that ASW is a critical enabler for naval operations in the world's littoral regions, and that a stable and focused ASW program under appropriate oversight by the Department of the Navy and the Office of the Secretary of Defense will be critical to achieving the goals of near- and long-term improvements in ASW proficiency and capabilities. To that end, the conferees direct the Navy to update, at least biannually, an ASW Master Plan that reflects the Navy's overall ASW investment strategy and program. The conferees also believe that the Chief of Naval Operations should consider providing staffing and responsibility for N-84 that is on a level commensurate with that of other Navy staff resource sponsors for the functional warfare areas.

Navy land attack missile program

The budget request included $11.3 million in PE 63795N for continued evaluation of a naval version of the Army Tactical Missile System (NTACMS) for naval surface ship and submarine use. No funds were included in the budget request for the Land Attack Standard Missile (LASM), a land attack variant of the Navy Standard Missile.

The House bill would authorize the budget request. The House bill would also direct that the Navy's land attack missile program not proceed to a Milestone I development decision until the analysis of alternatives and other issues appropriate to a major acquisition program milestone decision have been resolved.

The Senate amendment would authorize the budget request. The Senate amendment would also direct the Secretary of the Navy to report, among other things, an analysis of alternatives for an advanced gun system that considers fulfilling some portion of the Navy's fire support requirement with a modified version of the Army's extended range multiple launch rocket system and some portion of the fire support requirement with NTACMS.

The House Report (H. Rept. 105–132) accompanying the National Defense Authorization Act for Fiscal Year 1998 cautioned that a thorough, objective and independent cost and operational effectiveness analysis of competing system alternatives for meeting the operational requirements for a naval land attack missile would be required before the Navy proceeds with any development milestone decision for such a missile system.

The conferees are aware that the Chief of Naval Operations selected LASM as the most cost effective near-term solution to its requirement for a land attack missile system. According to the Navy, selection of LASM was based on an extensive and broadly based land attack analysis that compared LASM and NTACMS on the basis of range, responsiveness, lethality, growth potential, and cost. But, the conferees believe that the assumptions used in the analysis may not accurately reflect the operational realities of the littoral battlefield. In addition, the impact of selecting LASM may result in the cancellation of the NTACMS program. Cancellation of NTACMS would result in a different approach regarding land attack missile support of Marines ashore and submarine employment in the littorals from that described in Navy testimony before Congress. The conferees are reluctant to approve a request for authorizing LASM if it results in cancellation of NTACMS without Navy explanations of the impact of such a decision on support of Marines ashore and other submarine missions in littoral warfare.

The conferees agree to authorize $11.3 million for development, risk reduction, and analytical activities leading to a defense acquisition program milestone decision for the missile system program to satisfy the Navy's land attack missile requirement. The conferees direct the Secretary of Defense to ensure that the analysis of alternatives for a Navy land attack missile system, as discussed in the statements of managers accompanying the National Defense Authorization Act for 1998 (Public Law 105–85) and the National Defense Authorization Act for Fiscal Year 1999 (H. Rept. 105–532 and S. Rept. 105–189), and other issues appropriate to a major acquisition milestone decision are completed and the results reviewed by the Defense Acquisition Board before the Navy proceeds with a development milestone decision for the land attack missile system.

Oceanographic research information

The conferees are aware of recent announcements by the Vice President that the Department of the Navy is declassifying, and will make available for use by the public and private institutions and agencies with ocean research and education programs, previously classified acoustical data from the U.S. Navy's underwater Sound Surveillance System (SOSUS) and data on ocean temperature and salinity levels under the Arctic ice cap. These data can be used, among other things, to track the migrations of large marine mammals, predict natural catastrophes, and support long-term climate change research. The conferees believe that such actions provide the opportunity to leverage the nation's $16.0 billion investment in the SOSUS system by making data from this system available for continuing defense research and for civilian scientific research and education.

The conferees request that the Chairman of the National Oceanographic Research Leadership Council conduct an assessment of: (1) the value of SOSUS data to meet the requirements of appropriate private and public institutions and agencies with ocean research and education programs; (2) the cost of making SOSUS data available for such purposes in comparison to the cost of deploying alternative data-gathering systems; (3) recommended options for making such data available to civilian and defense research and education institutions and agencies; and (4) recommendations on effective ways to foster cooperation among agencies that would benefit from SOSUS data, including the potential for cost-sharing among the agencies and institutions that would participate in the program. In conducting the assessment, the Council should take into account the cooperative research and development agreement that was established between the Navy and the Scientific Environmental Research Foundation in June 1998, to use deactivated SOSUS stations to collect data for scientific and educational purposes. The conferees further request that a report of the results of the assessment be included in the annual report to Congress on the National Oceanographic Partnership Program that is to be submitted by March 1, 1999.

Optical correlation technology for automatic target recognition

The conferees understand that progress in the development of optical correlation technology for automatic target recognition holds promise for the application of this technology to precision munitions, target cueing for surveillance systems, medical diagnosis, and other applications. The conferees agree with the direction contained in the House report (H. Rept. 105–532) that the Under Secretary of Defense (Acquisition and Technology) report to the congressional defense committees with the submission of the fiscal year 2000 budget request, the overall plan and program of the Department of Defense for the development and demonstration of optical correlator technology for automatic target recognition. The conferees urge the Secretary of Defense to consider using discretionary funds to continue development of this program through fiscal year 1999.

Patriot anti-cruise missile defense

The conferees reaffirm their support for fully evaluating the Patriot anti-cruise missile (PACM) concept and direct the Secretary of the Army to complete a rigorous test and evaluation program in fiscal year 1999, using funds previously appropriated for this purpose, to determine the effectiveness of the PACM seeker against the full range of cruise missile threats. Results of this evaluation shall be provided to the congressional defense committees in a report by April 15, 1999. The report shall also include an assessment of options and associated costs for utilizing the PACM seeker in future upgrades to existing Patriot missiles.

Project M

The budget request included $4.9 million in PE 63508N to continue the development and demonstration of advanced vibration control and quieting technology for naval machinery support structures that was developed under the Defense Advanced Research Project Agency's Project M.

The House bill would authorize the budget request. The House bill would also direct the Secretary of the Navy to program funds for fiscal year 2000 to develop a prototype system for surface ships that uses the Project M technology.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request to continue the development and demonstration of the Project M technology in the Navy's submarine large scale vehicle. The conferees also request the Secretary of the Navy to assess the potential benefits that might result from the application of the Project M technology in surface ships and to report the results of that assessment to the congressional defense committees by March 31, 1999.

Software security

The conferees note the potential value of continuing efforts to improve computer security by developing and testing prototype software security mechanisms, and the conferees urge the Secretary of Defense to consider using $500,000 from discretionary funds for this purpose.

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Authorization of Appropriations

Authorization of appropriations (secs. 201–202)

The House bill contained provisions (secs. 201–202) that would authorize the recommended fiscal year 1999 funding levels for all research, development, test, and evaluation accounts.

The Senate amendment contained similar provisions.

The conference agreement includes these provisions.

Subtitle B—Program Requirements, Restrictions, and Limitations

Management responsibility for Navy mine countermeasures programs (sec. 211)

The House bill contained a provision (sec. 211) that would extend until fiscal year 2003 the Office of the Secretary of Defense's responsibilities for certifying that: (1) the Navy has submitted an adequate plan for mine countermeasures programs; (2) the budget and the Future Years Defense Program support the plan; and (3) the Chairman of the Joint Chiefs of Staff has determined the Navy's program is sufficient.

The Senate amendment contained no similar provision.

The Senate recedes.

Future aircraft carrier transition technologies (sec. 212)

The budget request included $149.5 million for future aircraft carrier research and development in PE 63512N and $40.6 million for CV(X) feasibility studies in PE 63564N. The request also included $38.5 million for CVN-77 contract design in PE 64567N.

The House bill contained a provision (sec. 212) that would authorize the budget request and designate $50.0 million of the $149.5 million authorization for future carrier development to be available for CVN-77 research and development.

The Senate amendment contained a similar provision (sec. 212).

The Senate recedes.

Manufacturing technology program (sec. 213)

The House bill contained a provision (sec. 213) that would amend section 2525 of title 10, United States Code, to establish goals for cost sharing in the manufacturing technology program and procedures for waiver of the cost sharing requirements. The provision would also require the Secretary of Defense to include information on the extent of cost sharing by participants in the manufacturing technology program in the five-year plan for the manufacturing technology program.

The Senate amendment contained a similar provision (sec. 216) which would modify cost sharing requirements to allow for different levels of cost sharing where appropriate, provide for establishing the level of cost sharing by competitive bidding, move the authority for wavier of cost sharing requirements to the service secretaries, and require cost share reporting to track investments by non-industry program participants.

The conferees agree to a provision that would require the use of competitive procedures for determination of cost sharing, delegate the authority to waive cost sharing requirements to the Under Secretary of Defense for Acquisition and Technology or to service acquisition executives, provide for the establishment of annual goals for cost sharing, and require that the five-year plan for the program include assessments of the effectiveness of the manufacturing technology program and of the extent to which costs of projects are being shared by the participants in the program.

The conferees note the requirement of section 2525(d)(1) of Title 10, United States Code, that competitive procedures shall be used for awarding all grants and entering into all contracts, cooperative agreements, and other transactions under the manufacturing technology program. The conferees note further the policy of Congress, as reflected in section 2374 of Title 10, United States Code, that the Department of Defense, the military departments, the Coast Guard, and the National Aeronautics and Space Administration, should not be required by legislation to award a new grant for research, development, test, or evaluation to a non-federal entity; and that any program, project, or technology identified in legislation be awarded through merit-based selection procedures.

Sense of Congress on the defense science and technology program (sec. 214)

The House bill contained a provision (sec. 214) that would express the sense of Congress that at least 10 percent of the funds in the research, development, test and evaluation accounts of the services should be spent on science and technology programs. The provision would also express the sense of Congress concerning certain management objectives and would require an interagency study on recommendations for maintaining the technology base supporting the Department of Defense.

The Senate amendment contained a provision (sec. 1076) that would express the sense of Congress that the Secretary of Defense have an objective of increasing science and technology funding by no less than 2 percent over inflation above the amount requested for the prior fiscal year for each year during the period of fiscal years 2000 through 2008. The provision would also express the sense of Congress regarding management goals for the program.

The Senate recedes with an amendment that would include the Senate funding objectives and integrate the House and Senate management goals.

Next generation internet (sec. 215)

The budget request included $40.0 million in PE 62110E for the next generation internet program.

The House bill contained a provision (sec. 215) that would authorize $53.0 million for the program and clarify that the amount specified in section 201(4) would be the amount authorized for the program, notwithstanding any other provision of law.

The Senate amendment contained no similar provision and would authorize the budget request.

The Senate recedes.

Crusader self-propelled artillery system program (sec. 216)

The Senate amendment contained a provision (sec. 211) that would require the Secretary of the Army to revisit both requirements and schedule for the established Crusader program and provide a report to the Congress that addresses:

(1) assessment of the risk associated with the current Crusader program technology;

(2) total requirement for Crusader associated with Army After Next force structure revisions;

(3) potential for reducing system weight by as much as 50 percent;

(4) potential for propellant and munition alternatives and the impact of maturing this technology on the overall program schedule; and

(5) cost and benefit analysis of delaying procurement of Crusader to avoid affordability issues associated with the current schedule and allow for maturation of weight and propellant technologies.

The provision would limit the expenditure of funds for Crusader development to $223.0 million until 30 days after the date on which the Secretary of the Army submits the results of this report to the Congress.

The House bill contained no similar provision.

The House recedes with an amendment.

Airborne Laser Program (sec. 217)

The Senate amendment contained a provision (sec. 214) that would: (1) direct the Secretary of Defense to conduct an assessment of the technical obstacles and operational shortcomings expected for the Airborne Laser (ABL) program; (2) direct the Secretary to submit a report to Congress by March 15, 1999 that outlines his findings and recommendations regarding the ABL program; (3) recommend a reduction of $97.0 million for the ABL program; and (4) direct that no more than $150.0 million of the funds remaining available to the ABL program be obligated until 30 days after the Secretary submits the report.

The House bill contained no similar provision.

The House recedes with an amendment that would: (1) direct the Secretary of Defense to conduct an assessment of the technical and operational aspects of the ABL program; (2) direct the Secretary to submit a report to Congress by March 15, 1999 that outlines his findings and recommendations regarding the ABL program; (3) authorize $235.2 million for the ABL program, a reduction of $57.0 million to the budget request; and (4) direct that no more than $185.0 million of the funds authorized for the ABL program be obligated until 30 days after the Secretary submits the report.

The conferees understand and support the Department of Defense's desire to achieve operational boost phase intercept capability as soon as technically possible. In pursuit of this goal, the conferees support continuation of the Airborne Laser program. The conferees note that, although the ABL program has undergone a significant degree of technical review, questions having to do with the technical risk in the program continue to be raised in the Department of Defense and by independent organizations. Although the conferees have not come to any final conclusions regarding these questions, they are concerned that the current ABL development program may not include sufficient near-term risk reduction in the area of beam compensation and may be structured to proceed too rapidly with finalization of an objective design. In particular, the conferees are concerned that the Air Force plans to enter engineering and manufacturing development (EMD) without adequate time to operate, test, and evaluate the program definition and risk reduction (PDRR) configuration. For example, the Air Force plans to order its first EMD aircraft a year before the PDRR aircraft undergoes a full system demonstration against a missile target.

To meet these concerns, the conferees believe that the Secretary of Defense must carefully evaluate the technical risk in the ABL program and determine: (1) whether additional testing and risk reduction is necessary prior to integration of the ABL subsystems into a commercial 747–400F aircraft; and (2) whether the fully integrated PDRR aircraft should be operated for a period of time and thoroughly tested prior to finalizing an objective design. In addition, the Secretary must also evaluate the ABL operational concepts and their relationship to

technical risk and uncertainties in the program.

The conferees direct the Secretary of Defense to establish an independent review team to assist him in addressing the issues specified above, and transmit to Congress the review team's findings with the Secretary's report. While this review is underway, and while the Air Force undertakes additional ground testing and data collection, the conferees believe that the Air Force should temporarily slow the pace of activities related to integration of the PDRR aircraft. Therefore, the conferees agree to authorize a reduction of $57.0 million to the budget request for ABL. If the Secretary concludes that additional ground testing or other risk reduction activities beyond those already planned are required during fiscal year 1999, the conferees agree to authorize the Secretary to utilize up to $40.0 million from funds authorized for ABL to conduct those activities.

Enhanced Global Positioning System program (sec. 218)

The Senate amendment contained a provision (sec. 215) that would: (1) require the Secretary of Defense to develop an enhanced Global Positioning System (GPS) program as an urgent national security priority; (2) authorize $44.0 million for fiscal year 1999 to begin such development; (3) urge the Secretary of Defense to fund adequately this initiative in the Future Years Defense Program; (4) urge the Secretary of Transportation to provide sufficient funding to support additional civil frequencies and other enhancements for civil users; (5) extend by five years the existing requirement to outfit all major Defense Department platforms with GPS receivers by the year 2000; and (6) require the Secretary to submit a plan for implementing this provision by April 15, 1999.

The House bill contained no similar provision.

The House recedes with a technical amendment.

The conferees strongly support the modernization of the Global Positioning System to meet new military requirements and evolving threats. Such modernization should include those enhancements necessary to sustain the Global Positioning System's unique advantage to friendly forces for the long term. Similarly, the modernization plan should include a suitable array of methods and techniques to deny these same advantages to an adversary when necessary. Although U.S. forces presently may be more dependent than other nation's forces on the Global Positioning System's highly accurate position, velocity, and timing information, these same dependencies will naturally arise among the forces of potential enemies as satellite navigation technologies are further disseminated and integrated into force doctrine, training, and techniques, and as GPS-embedded applications become widely available. While near term needs may suggest that assured access to GPS signals by the United States and its allies will have a higher pay-off than techniques that would deny access to the GPS signal by adversaries, a longer term view suggests that denial of enemy exploitation may offer significant, if not overwhelming, advantage. Furthermore, the conferees recognize that modernization of GPS satellites will take a long time given current purchasing approaches and the long life of individual satellites comprising the operational satellite constellation. A design change that must be implemented in a full constellation to be effective will take 12 or more years to field and will be in place for another 12–13 years. This 25-year time period necessitates balanced investment in both protection and prevention enhancements. Although the conferees appreciate the funding constraints facing the Department of Defense, they do not believe that such constraints justify freezing the GPS design for the next quarter century in a way that does not adequately respond to obvious emerging threats. Consequently, the conferees direct the Secretary of Defense to undertake a GPS modernization program that improves access by friendly forces and denies access by hostile forces. The conferees direct the Secretary to include in the report required by this provision specific details of the actions to protect and deny the GPS signal.

The conferees note that the effort by the Department of Defense to modernize the GPS system has delayed the new GPS satellite design. Given this situation, it is premature for the Department to enter into a multi-year procurement or other significant block satellite buy. At the same time, however, the Department requires additional funds for research and development to define fully the scope of the GPS modernization effort and to begin development of new satellite sub-systems. Therefore, the conferees agree to authorize no funds in Air Force missile procurement for GPS advance procurement, and to authorize an increase of $44.0 million in PE 64480F for GPS modernization.

Subtitle C—Ballistic Missile Defense

Sense of Congress on national missile defense coverage (sec. 231)

The House bill contained a provision (sec. 231) that would express the sense of Congress that any deployed national missile defense system should defend all fifty states and that U.S. territories should be protected from ballistic missile attack.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Limitation on funding for the Medium Extended Air Defense System (sec. 232)

The House bill contained a provision (sec. 232) that would prohibit the Secretary of Defense from obligating or expending funds authorized and appropriated for the Medium Extended Air Defense System (MEADS) until the Secretary certifies to Congress that funding has been designated for MEADS in the Future Years Defense Program (FYDP). The provision would require that if such certification is not received by January 1, 1999, the funds authorized for MEADS would thereafter be authorized only for the purpose of research and development to adapt the Patriot Advanced Capability 3-Configuration 3 (PAC–3) to meet the Army requirement for a mobile theater missile defense system.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would make funds authorized for MEADS available to support alternative programmatic and technical approaches to meeting the requirement for mobile theater missile defense if the Secretary does not certify to Congress that funding has been designated for MEADS in the FYDP.

Limitation on funding for cooperative ballistic missile defense programs (sec. 233)

The House bill contained a provision (sec. 233) that would prohibit obligation or expenditure of $5.0 million authorized to be appropriated for the Russian-American Observation Satellites (RAMOS) program until the Secretary of Defense certifies to Congress that the Department of Defense has received detailed information concerning the nature, extent, and military implications of ballistic missile technology transfer from Russian sources to Iran.

The Senate amendment contained no similar provision.

The Senate recedes.

Sense of Congress with respect to ballistic missile defense cooperation with Russia (sec. 234)

The Senate amendment contained a provision (sec. 231) that would state that the United States should seek to foster a climate of cooperation with Russia on matters related to missile defense, especially in the area of early warning.

The House bill contained no similar provision.

The House recedes with a technical amendment.

The conferees believe that a cooperative approach to ballistic missile defense could lead to a mutually agreeable evolution of the ABM Treaty, i.e., either modification or replacement by a newer understanding or agreement, that would clear the way for the United States and Russia to deploy national missile defenses each believes necessary for its security. If implemented in a cooperative manner, the conferees do not believe that such steps would undermine the original intent of the ABM Treaty, which was to maintain strategic stability and permit significant nuclear arms reductions.

Ballistic missile defense program elements (sec. 235)

The House bill contained a provision (sec. 235) that would realign program elements for the Ballistic Missile Defense Organization and require each program element to include funding for the management and support necessary for the activities within that program element.

The Senate amendment contained no similar provision.

The Senate recedes.

Restructuring of theater high altitude area defense system acquisition strategy (sec. 236)

The House bill contained a provision (sec. 236) that would: (1) require the Secretary of Defense to select an alternative contractor as a potential source for the development and production of the Theater High Altitude Area Defense (THAAD) interceptor missile within a ''leader-follower'' acquisition strategy; (2) require the Secretary of Defense to establish a cost sharing arrangement with the THAAD prime contractor for flight test failures of that missile beginning with the ninth test flight; (3) require the Secretary of Defense to proceed as expeditiously as possible with the milestone approval process for the engineering and manufacturing development (EMD) phase of the THAAD system for the battle management and command, control, and communications (BM/C3) and ground based radar elements of the system; (4) prohibit the obligation of funds for the THAAD user operational evaluation system (UOES) until there have been two successful tests of the THAAD interceptor missile; and (5) prohibit the Secretary of Defense from approving the commencement of EMD for the THAAD interceptor missile until there have been three successful tests of that missile.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would: (1) require the Secretary of Defense to take appropriate steps to implement technical and price competition for the development and production of the THAAD interceptor missile; (2) authorize $29.6 million to establish this technical and price competition; (3) require the Secretary of Defense to establish a cost sharing arrangement with the THAAD prime contractor for flight test failures of that missile beginning with the ninth flight test; (4) allow the Secretary of Defense to proceed with the milestone approval process for the EMD phase of the

THAAD system for the BM/C3 and ground based radar elements of the system; (5) require the Secretary of Defense to prepare a plan that would allow for contingency deployment of THAAD missile interceptors before U.S. military forces are equipped with the objective configuration of those missiles; and (6) prohibit the Secretary of Defense from approving the commencement of EMD for the THAAD interceptor missile until there have been three successful tests of that missile.

The conferees are aware that the Department of Defense is considering establishment of a second source for the THAAD interceptor missile seeker, the portion of the missile deemed to contain the highest technical risk. Based on information received to date, the conferees tentatively support this proposal, but direct the Secretary of Defense to submit a detailed report on this concept to the congressional defense committees by February 15, 1999, including the cost and programmatic implications of this approach.

Subtitle D—Other Matters

Extension of authority to carry out certain prototype projects (sec. 241)

The Senate amendment contained a provision (sec. 218) that would extend the authority to carry out certain prototyping projects as specified under section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160), through September 30, 2001.

The House bill contained no similar provision.

The House recedes.

The conferees continue to believe that the section 845 authority should only be used in the exceptional cases where it can be clearly demonstrated that a normal contract or grant will not allow sufficient access to affordable technologies. The conferees are especially concerned that such authority not be used to circumvent the appropriate management controls in the standard acquisition and budgeting process. Any further consideration of extending this authority beyond September 30, 2001 will be based upon a careful review and a conclusion by the congressional defense committees that this authority has been used in a limited and responsible manner. The conferees direct the Secretary of Defense to provide a report to the congressional defense committees, no later than March 1, 1999, on the use of this authority.

North Atlantic Treaty Organization alliance ground surveillance concept definition (sec. 242)

The Senate amendment contained a provision (sec. 219) that would make available funds from Army and Air Force research and development of a North Atlantic Treaty Organization Alliance Ground Surveillance (NATO AGS) capability based on the Joint Surveillance/Target Attack Radar System (JSTARS).

The House bill contained no similar provision.

The House recedes.

NATO common funded civil budget (sec. 243)

The Senate amendment contained a provision (sec. 220) that would authorize the contribution of the United States to the common funded Civil Budget of NATO.

The House amendment contained no similar provision, but would authorize funds included in the budget request for the U.S. contribution to the common funded Civil Budget of NATO.

The House recedes.

Executive agent for cooperative research program of the Department of Defense and the Department of Veterans Affairs (sec. 244)

The Senate amendment contained a provision (sec. 222) that would authorize $10.0 million for the Department of Defense/Department of Veterans Affairs (DOD/VA) Cooperative Research Program and clarify the role of the Department of Defense as executive agent of the program.

The House bill contained no similar provision.

The House recedes with an amendment that would delete the reference to funding. The conferees agree to authorize $10.0 million in PE 63738D for the DOD/VA cooperative research program.

Review of pharmacological interventions for reversing brain injury (sec. 245)

The Senate amendment contained a provision (sec. 232) that would require the Secretary of Defense to review and report to the Congress on research on pharmacological interventions for reversing brain injury resulting from injuries incurred in combat or exposures to chemical weapons.

The House bill contained no similar provision.

The House recedes.

The conferees direct that the Secretary of Defense include in the report a discussion of the ability to detect and treat status epilepticus at the scene of the injury, which could have an impact on reducing mortality and morbidity resulting from both head trauma and chemical weapon exposure.

Pilot program for revitalizing the laboratories and test and evaluation centers of the Department of Defense (sec. 246)

The Senate amendment contained a provision (sec. 1067) that would provide authority for one laboratory and one test and evaluation center to carry out a pilot program to demonstrate improved cooperative agreements with universities and other private entities.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Chemical warfare defense (sec. 247)

The House bill contained a provision (sec. 723) that would authorize the Secretary of the Air Force to conduct research on health-related environmental and ecological effects of exposure to chemical, biological and radiological hazards and to develop more accurate risk assessment tools. In addition, the provision would authorize an increase of $1.8 million in the Defense Health Program to conduct this risk assessment program.

The Senate amendment contained a provision (sec. 1045) that would direct the Secretary of Defense to review, and modify as appropriate, Department of Defense chemical warfare defense policy and doctrine regarding the protection of U.S. forces against exposure to low levels of chemical warfare agents. In addition, the provision would require the Secretary of Defense to report to the congressional defense committees on any modification to chemical warfare policy and doctrine as a result of the review, and establish a plan for a five-year research program to assist the Secretary in developing policy and doctrine on exposure to low-level chemical agents.

The conferees agree to a provision that would direct the Secretary of Defense to review and modify Department of Defense chemical warfare policy and doctrine to ensure that U.S. forces are adequately protected against any exposure to chemical warfare agents, to include exposure to low-levels of chemical agents and other potentially toxic substances in the environment that would endanger the health of exposed personnel. Additional areas to be included in the review are the exposure of U.S. forces to low-grade nuclear and electromagnetic radiation, preventive medications, and diesel, jet, and other hydro-carbon based fuels.

The provision would also require the Secretary of Defense to develop and carry out a plan to establish a research program that would assist the Secretary in developing policy and doctrine, as well as new risk assessment methods and instruments, with respect to the effects of exposure to chemical warfare agents and other toxic substances, in order to ensure that U.S. forces are adequately protected against exposure to chemical warfare agents and toxic substances. The provision also requires that a five-year budget plan be developed.

The Secretary of Defense is required to report to the congressional defense committees not later than May 1, 1999, on the review of DOD policies and doctrine on exposure to chemical warfare agents and toxic substances, and any recommendations to modify current policy and doctrine as a result of the review, any recommended legislative provisions, and the plan to establish the research program.

Landmine alternatives (sec. 248)

The Senate amendment contained a provision (sec. 233) that would make $17.2 million available from funds authorized in section 201 of this Act for alternatives to anti-personnel landmines and anti-personnel submunitions used in mixed anti-tank mine systems; would require the Secretary of Defense to contract with scientific organizations to identify existing and new tactics, technologies and concepts that would provide comparable combat capabilities to current anti-personnel landmines and anti-personnel landmines used in mixed systems, and report to Congress on their recommendations; would require the Secretary of Defense to submit a report to the congressional defense committees by April 1, 1999 and April 1, 2000 on the progress achieved in identifying and deploying tactics, technologies and concepts as alternatives to anti-personnel landmines; and would define anti-personnel landmines and mixed munition systems consistent with the definitions contained in the Convention on the Prohibition on the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and their Destruction (otherwise known as the Ottawa Treaty) for anti-personnel landmine and mixed mine systems.

The House bill contained no similar provision, but would authorize the budget request for Army and defense-wide activities related to research and development of alternatives to anti-personnel landmines.

The conferees agree to a provision that would direct that not more than $19.2 million be made available from amounts authorized in section 201 of this Act for research and development of alternatives to anti-personnel landmines and anti-personnel landmines used in mixed anti-tank mine systems that would be equivalent to the combat capabilities of the current systems. The conferees also direct the Secretary of Defense to submit, with the fiscal year 2000 budget, an explanation of any funds requested to support a research and development program for existing and new technologies and concepts that could provide an equivalent combat capability to anti-personnel submunitions used in mixed mine systems or to mixed mine systems.

Additionally, the conferees direct the Secretary of Defense to submit a report to the congressional defense committees describing progress made in identifying existing and new technologies and concepts as alternatives to anti-personnel submunitions used in mixed mine systems or to mixed mine systems. The conferees direct the Secretary to include in the report the recommendations of two scientific organizations regarding the identification, adaptation, modification, research and development of existing and new technologies and concepts.

LEGISLATIVE PROVISIONS NOT ADOPTED

Limitation on funding for counterproliferation support

The House bill contained a provision (sec. 234) that would prohibit the obligation or expenditure of funds requested in the fiscal year 1999 budget for the counterproliferation support program in PE 63160BR until receipt of an annual report required by Section 234 of the National Defense Authorization Act of 1998 (Public Law 105–340) on the threat posed to the United States and its allies by weapons of mass destruction and cruise and ballistic missiles.

The Senate amendment contained no similar provision.

The House recedes.

Unmanned aerial vehicle programs

The budget request included $178.7 million for High Altitude Endurance, Unmanned Aerial Vehicles (HAE UAVs) in the Defense-Wide research and development account (PE 35205D8Z). This included $90.1 million for the Global Hawk program, $40.5 million for the DarkStar program, and $48.1 million for common ground segment development. Within these totals, the budget request included $68.6 million to support contractor participation in test and evaluation of military utility in joint exercises for the Global Hawk and DarkStar programs ($39.2 million and $29.4 million, respectively). The budget request also included $4.3 million for Air Force endurance UAVs in PE 35205F.

The House bill would authorize an increase of $32.5 million in the procurement title to buy three additional Global Hawk UAVs. The House bill would also transfer HAE UAV development funding from Defense-Wide research and development to PE 35205F.

The Senate amendment would authorize a decrease of $8.5 million. The Senate amendment also contained a provision (sec. 213) that would terminate the DarkStar unmanned aerial vehicle program, and transfer $32.5 million to the Global Hawk unmanned aerial vehicle program once phase II testing of the Global Hawk unmanned aerial vehicle is complete.

The conferees note the recent successful test flights of the DarkStar UAV. The Senate recedes on the provision to terminate the DarkStar program.

The conferees are disappointed that these two UAV programs have not been able to adhere to the original schedule. The conferees believe that the delays in the Global Hawk and DarkStar development and test programs will reduce the level of participation in joint exercises in fiscal year 1999 below that level assumed in the budget request. The conferees are also aware that these delays have affected the common ground segment development effort as well.

In view of the above, the conferees believe that the budget request for joint exercise participation and common ground segment development exceeds what can realistically be accomplished in fiscal year 1999. Thus, the conferees agree to authorize a decrease of $25.0 million for these two activities in a manner which will allow equitable testing of both Global Hawk and DarkStar, the specific application of which shall be at the discretion of the Secretary of the Air Force.

The conferees have also learned that, because of business decisions about production facilities unrelated to the Global Hawk program, the contractor is experiencing substantial dislocation in its business plan and the construction facility has been forced to operate in a manner that could adversely impact any future Global Hawk production. Accordingly, the conferees agree to authorize an increase of $25.0 million to mitigate the effects of the business plan dislocation on the Global Hawk construction facility.

In summary, the conferees authorize $183.0 million for endurance UAVs in PE 35205F, including a $25.0 million increase to mitigate adverse impacts to the Global Hawk construction facility, and a $25.0 million decrease to be applied against the joint exercise and/or common ground segment development activities.

In accordance with section 216 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85), the conferees reiterate that no additional HAE UAV aircraft are to be procured until the completion of the respective phase II military user assessments (NMA).

Because the conferees believe that the transition to procurement could involve significant air vehicle design changes, the conferees direct the Department of Defense to conduct any follow-on HAE UAV procurement program in adherence with its established acquisition procedures. Further, the conferees direct that no follow-on HAE UAV procurement may commence until the Secretary of the Air Force provides the congressional defense and intelligence committees with the following:

(1) a formal statement of requirements for the HAE UAVS;

(2) a certification that either or both of these UAVs satisfy the Air Force's military utility and suitability requirements; and

(3) completes a formal engineering and manufacturing development program for the selected UAV alterative(s).

Persian Gulf illnesses

The Senate amendment contained a provision (sec. 221) that would authorize an increase of $10.0 million in PE 61105D for research in Persian Gulf illnesses.

The House bill contained no similar provision.

The Senate recedes.

The conferees urge the Secretary of Defense to use discretionary funds to increase research for Persian Gulf illnesses in fiscal year 1999.

Low cost launch development program

The Senate amendment contained a provision (sec. 223) that would increase funds for low cost launch technology development.

The House bill contained no similar provision.

The Senate recedes. Funding for low cost launch technology development is addressed elsewhere in this report.

TITLE III—OPERATION AND MAINTENANCE

Overview

The budget request for fiscal year 1999 contained an authorization of $94,219.1 million for Operation and Maintenance in the Department of Defense and $900.0 for Working Capital Fund Accounts in fiscal year 1999. The House bill would authorize $92,476.5 million for Operation and Maintenance and $1,746.1 for Working Capital Fund Accounts. The Senate amendment would authorize $93,849.8 million for Operation and Maintenance and $764.1 for Working Capital Fund Accounts. The conferees recommended an authorization of $92,891.5 million for Operation and Maintenance and $1,746.1 for Working Capital Fund Accounts for fiscal year 1999. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Summary of
National Defense Authorization for FY 1999

(In Thousands of $'s)

	Authorization Request	House Authorized	Senate Authorized	Change from Request	Conference Agreement
TITLE III					
OPERATION and MAINTENANCE & WORKING CAPITAL FUNDS					
Operation and Maintenance, Army	17,273,063	16,339,700	17,371,563	(270,500)	17,002,563
Operation and Maintenance, Navy	21,927,202	21,839,328	21,969,302	(349,500)	21,577,702
Operation and Maintenance, Marine Corps	2,523,703	2,539,703	2,618,903	4,900	2,528,603
Operation and Maintenance, Air Force	19,177,004	18,816,108	19,182,404	(486,371)	18,690,633
Operation and Maintenance, Special Operations Command		0	1,251,503	0	0
Operation and Maintenance, Defense-wide	10,750,701	10,354,216	9,042,998	(200,625)	10,550,076
Operation and Maintenance, Army Reserve	1,202,622	1,197,622	1,215,622	(4,600)	1,198,022
Operation and Maintenance, Navy Reserve	928,639	948,639	941,639	(8,000)	920,639
Operation and Maintenance, Marine Corps Reserve	114,593	116,993	134,593	3,300	117,893
Operation and Maintenance, Air Force Reserve	1,744,696	1,747,696	1,757,696	(21,900)	1,722,796
Operation and Maintenance, Army National Guard	2,436,815	2,464,815	2,592,815	127,500	2,564,315
Operation and Maintenance, Air National Guard	3,093,933	3,096,933	3,109,933	(46,500)	3,047,433
Office of the Inspector General	130,764	130,764	130,764	0	130,764
United States Court of Appeals for the Armed Forces	7,324	7,324	7,324	0	7,324
Environmental Restoration, Army	377,640	377,640	369,640	(7,000)	370,640
Environmental Restoration, Navy	281,600	281,600	273,600	(7,000)	274,600
Environmental Restoration, Air Force	379,100	379,100	371,100	(7,000)	372,100
Environmental Restoration, Defense-Wide	26,091	26,091	22,091	(1,000)	25,091
Environmental Restoration, Formerly Used Defense Sites	195,000	195,000	195,000	0	195,000
Overseas Humanitarian, Disaster, & Civic Aid	63,311	47,311	50,000	(13,311)	50,000
Drug Interdiction and Counter-drug Activities, Defense	727,582	727,582	725,582	(2,000)	725,582
Defense Health Program	9,653,435	9,663,035	9,617,435	(36,000)	9,617,435
Former Soviet Union Threat Reduction	442,400	417,400	440,400	(2,000)	440,400

Summary of
National Defense Authorization for FY 1999

(In Thousands of $'s)

	Authorization Request	House Authorized	Senate Authorized	Change from Request	Conference Agreement
Payment to Kaho' Olawe Island Fund	15,000	15,000	15,000	0	15,000
Overseas Contingency Operation Transfer Fund	746,900	746,900	746,900	0	746,900
Overseas Military Facility Investment					
General Reduction (Fuel Price Inflation Change)		0	(304,000)	0	0
Disposal of DoD Real Property					
Lease of DoD Real Property					
Restoration of Rocky Mountain Arsenal					
National Science Center, Army					
Defense Burdensharing-Allies/Nato					
Subtotal Operation and Maintenance	94,219,118	92,476,500	93,849,807	(1,327,607)	92,891,511
REVOLVING FUNDS					
Defense Working Capital Fund (Air Force)	30,800	30,800	30,800	0	30,800
Military Commisary Revolving Fund	63,700	1,045,771	63,700	982,071	1,045,771
National Defense Sealift Fund	418,166	669,566	669,566	251,400	669,566
Reserve Moblization Insurance Fund	37,300	0	0	(37,300)	0
National Defense Stockpile Transaction Fund (Routine & Ongoing Sales)					0
Transfer from National Stockpile to WCF	350,000	0	0	(350,000)	
National Defense Stockpile Transaction Fund (Excess of Routine Sales)					0
Subtotal Working Capital Funds	899,966	1,746,137	764,066	846,171	1,746,137
Total Operation and Maintenance & Working Capital Funds	95,119,084	94,222,637	94,613,873	(481,436)	94,637,648

Title III - Operations and Maintenance

(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
	OPERATION AND MAINTENANCE, ARMY					
	BUDGET ACTIVITY 1: OPERATING FORCES					
	LAND FORCES	2,966,468	3,046,668	2,966,468	60,200	3,026,668
10	DIVISIONS	1,091,232	1,151,432	1,091,232	0	1,151,432
	NTC Funding		[60,200]		60,200	
20	CORPS COMBAT FORCES	299,739	299,739	299,739	0	299,739
30	CORPS SUPPORT FORCES	316,361	316,361	316,361	0	316,361
40	ECHELON ABOVE CORPS FORCES	434,579	434,579	434,579	0	434,579
50	LAND FORCES OPERATIONS SUPPORT	824,557	844,557	824,557	0	824,557
	JRTC Improvements		[20,000]		0	
	LAND FORCES READINESS	1,919,575	1,969,575	1,919,575	31,000	1,950,575
60	FORCE READINESS OPERATIONS SUPPORT	973,814	973,814	973,814	0	973,814
70	LAND FORCES SYSTEMS READINESS	375,038	375,038	375,038	0	375,038
80	LAND FORCES DEPOT MAINTENANCE	570,723	620,723	570,723	31,000	601,723
	LAND FORCES READINESS SUPPORT	3,219,888	3,219,888	3,534,888	0	3,219,888
90	BASE SUPPORT	2,332,231	2,332,231	2,517,231	0	2,332,231
100	MAINTENANCE OF REAL PROPERTY	641,651	641,651	771,651	0	641,651
110	MANAGEMENT AND OPERATIONAL HEADQUARTERS	110,538	110,538	110,538	0	110,538
120	UNIFIED COMMANDS	71,990	71,990	71,990	0	71,990
130	MISCELLANEOUS ACTIVITIES	63,478	63,478	63,478	0	63,478
	TOTAL, BUDGET ACTIVITY 1:	**8,105,931**	8,236,131	8,420,931	**91,200**	**8,197,131**
	BUDGET ACTIVITY 2: MOBILIZATION					
	MOBILITY OPERATIONS	624,635	624,635	624,635	0	624,635
140	POMCUS	0	0	0	0	0
150	STRATEGIC MOBILIZATION	314,541	314,541	314,541	0	314,541
160	ARMY PREPOSITIONED STOCKS	165,349	165,349	165,349	0	165,349

Title III - Operations and Maintenance

(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
170	INDUSTRIAL PREPAREDNESS	78,645	78,645	78,645	0	78,645
180	MAINTENANCE OF REAL PROPERTY	66,100	66,100	66,100	0	66,100
	TOTAL, BUDGET ACTIVITY 2:	**624,635**	624,635	624,635	**0**	**624,635**
	BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
	ACCESSION TRAINING	**339,001**	**339,001**	**339,001**	**0**	**339,001**
190	OFFICER ACQUISITION	63,580	63,580	63,580	0	63,580
200	RECRUIT TRAINING	14,264	14,264	14,264	0	14,264
210	ONE STATION UNIT TRAINING	14,909	14,909	14,909	0	14,909
220	RESERVE OFFICER TRAINING CORPS (ROTC)	130,270	130,270	130,270	0	130,270
230	BASE SUPPORT (ACADEMY ONLY)	72,999	72,999	72,999	0	72,999
240	MAINTENANCE OF REAL PROPERTY (ACADEMY ONLY)	42,979	42,979	42,979	0	42,979
	BASIC SKILL/ ADVANCE TRAINING	**2,165,176**	**2,165,176**	**2,165,176**	**0**	**2,165,176**
250	SPECIALIZED SKILL TRAINING	215,964	215,964	215,964	0	215,964
260	FLIGHT TRAINING	226,501	226,501	226,501	0	226,501
270	PROFESSIONAL DEVELOPMENT EDUCATION	192,720	192,720	192,720	0	192,720
280	TRAINING SUPPORT	488,799	488,799	488,799	0	488,799
290	BASE SUPPORT (OTHER TRAINING)	782,265	782,265	782,265	0	782,265
300	MAINTENANCE OF REAL PROPERTY (OTHER TRAINING)	258,927	258,927	258,927	0	258,927
	RECRUITING/OTHER TRAINING	**731,386**	**731,386**	**731,386**	**0**	**731,386**
310	RECRUITING AND ADVERTISING	234,154	234,154	234,154	0	234,154
320	EXAMINING	71,593	71,593	71,593	0	71,593
330	OFF-DUTY AND VOLUNTARY EDUCATION	100,203	100,203	100,203	0	100,203
340	CIVILIAN EDUCATION AND TRAINING	73,517	73,517	73,517	0	73,517
350	JUNIOR ROTC	73,423	73,423	73,423	0	73,423
360	BASE SUPPORT (RECRUITING LEASES)	178,496	178,496	178,496	0	178,496
	TOTAL, BUDGET ACTIVITY 3:	**3,235,563**	3,235,563	3,235,563	**0**	**3,235,563**

Title III - Operations and Maintenance

(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
	SECURITY PROGRAMS	404,340	404,340	404,340	0	404,340
370	SECURITY PROGRAMS	404,340	404,340	404,340	0	404,340
	LOGISTICS OPERATIONS	1,505,999	1,505,999	1,505,999	0	1,505,999
380	SERVICEWIDE TRANSPORTATION	398,473	398,473	398,473	0	398,473
390	CENTRAL SUPPLY ACTIVITIES	370,824	370,824	370,824	0	370,824
400	LOGISTIC SUPPORT ACTIVITIES	336,403	336,403	336,403	0	336,403
410	AMMUNITION MANAGEMENT	400,299	400,299	400,299	0	400,299
	SERVICEWIDE SUPPORT	3,131,374	2,765,474	3,131,374	-338,400	2,792,974
420	ADMINISTRATION	304,679	277,179	304,679	0	304,679
430	SERVICEWIDE COMMUNICATIONS	606,379	606,379	606,379	0	606,379
440	MANPOWER MANAGEMENT	142,081	142,081	142,081	0	142,081
450	OTHER PERSONNEL SUPPORT	150,483	150,483	150,483	0	150,483
460	OTHER SERVICE SUPPORT	618,384	618,384	618,384	0	618,384
470	ARMY CLAIMS ACTIVITIES	118,886	118,886	118,886	0	118,886
480	REAL ESTATE MANAGEMENT	68,815	68,815	68,815	0	68,815
490	BASE SUPPORT	700,689	700,689	700,689	0	700,689
500	COMMISSARY OPERATIONS	338,400	0	338,400	-338,400	0
510	MAINTENANCE OF REAL PROPERTY	82,578	82,578	82,578	0	82,578
	SUPPORT OF OTHER NATIONS	265,221	265,221	265,221	0	265,221
520	INTERNATIONAL MILITARY HEADQUARTERS	227,377	227,377	227,377	0	227,377
530	NATO ENLARGEMENT	0	0	0	0	0
540	MISC. SUPPORT OF OTHER NATIONS	37,844	37,844	37,844	0	37,844
	TOTAL, BUDGET ACTIVITY 4:	**5,306,934**	**4,941,034**	**5,306,934**	**-338,400**	**4,968,534**
	Miscellaneous	**0**	-697,663	-216,500	**-23,300**	**-23,300**
	Economic Adjustment			[-24,000]	-24,000	

Title III - Operations and Maintenance

(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
	Civilian Underexecution		[-517,000]	[-120,000]	-100,000	
	Foreign Currency		[-78,232]	[-81,300]	-81,300	
	DFAS workyears			[8,800]	0	
	Classified Programs		[7,000]		0	
	Basic Training Barracks Modifications		[8,000]			
	Contract and Advisory Services		[-40,000]		-25,000	
	Criminal Investigators Tranining Efficiencies		[-12,000]		-12,000	
	Criminal Investigators Computer Training & Lab		[-6,000]		-6,000	
	ADP Legacy System Efficiencies		[-96,660]		-10,000	
	JCAL Program Slippage		[-33,200]		0	
	USAREUR long Haul Truck Repair Cost Reduction		[-5,400]		0	
	JRISS Duplicative Program		[-3,770]		0	
	E-mall Consolidation		[-1]		0	
	Fuel Price Savings		[-29,900]		-30,000	
	DISA Transfer		[53,400]		0	
	WHS Transfer		[6,100]		0	
	Real Property Maintenance		[50,000]		130,000	
	Base Support				135,000	
	TOTAL, OPERATION AND MAINTENANCE, ARMY	**17,273,063**	**16,339,700**	**17,371,563**	**-270,500**	**17,002,563**
	OPERATION AND MAINTENANCE, NAVY					
	BUDGET ACTIVITY 1: OPERATING FORCES					
	AIR OPERATIONS	**4,788,805**	**4,933,805**	**4,858,805**	**80,000**	**4,868,805**
10	MISSION AND OTHER FLIGHT OPERATIONS	2,089,630	2,139,630	2,134,630	0	2,134,630
	Aircraft Spares		[50,000]	[45,000]	45,000	
20	FLEET AIR TRAINING	751,533	771,533	751,533	0	751,533
	Naval Air Strike Air Warfare Center Improvement		[20,000]		0	

Title III - Operations and Maintenance

(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
30	INTERMEDIATE MAINTENANCE	46,925	46,925	46,925	0	46,925
40	AIR OPERATIONS AND SAFETY SUPPORT	88,459	88,459	88,459	0	88,459
50	AIRCRAFT DEPOT MAINTENANCE	735,731	810,731	735,731	35,000	770,731
60	AIRCRAFT DEPOT OPERATIONS SUPPORT	20,249	20,249	20,249	0	20,249
70	BASE SUPPORT	772,678	772,678	772,678	0	772,678
80	MAINTENANCE OF REAL PROPERTY	283,600	283,600	308,600	0	283,600
	SHIP OPERATIONS	7,093,373	7,183,373	7,187,373	51,000	7,144,373
90	MISSION AND OTHER SHIP OPERATIONS	1,987,873	1,987,873	1,987,873	0	1,987,873
100	SHIP OPERATIONAL SUPPORT AND TRAINING	541,069	541,069	541,069	0	541,069
110	INTERMEDIATE MAINTENANCE	388,408	388,408	388,408	0	388,408
120	SHIP DEPOT MAINTENANCE	1,947,424	2,037,424	1,977,424	45,000	1,992,424
130	SHIP DEPOT OPERATIONS SUPPORT	1,147,209	1,147,209	1,147,209	0	1,147,209
140	BASE SUPPORT	832,789	832,789	867,789	0	832,789
150	MAINTENANCE OF REAL PROPERTY	248,601	248,601	277,601	0	254,601
	Dredging			[6,000]	6,000	
	COMBAT OPERATIONS/SUPPORT	1,723,193	1,730,693	1,730,193	14,500	1,737,693
160	COMBAT COMMUNICATIONS	234,450	234,450	234,450	0	234,450
170	ELECTRONIC WARFARE	7,734	7,734	7,734	0	7,734
180	SPACE SYSTEMS AND SURVEILLANCE	138,271	138,271	138,271	0	138,271
190	WARFARE TACTICS	134,014	134,014	134,014	0	134,014
200	OPERATIONAL METEOROLOGY AND OCEANOGRAPHY	228,159	235,659	235,159	0	242,659
	Naval Meteorology & Oceanography Command			[7,000]	7,000	
	National Oceanography Partnership Program		[7,500]		7,500	
210	COMBAT SUPPORT FORCES	444,072	444,072	444,072	0	444,072
220	EQUIPMENT MAINTENANCE	170,937	170,937	170,937	0	170,937
230	DEPOT OPERATIONS SUPPORT	694	694	694	0	694

Title III - Operations and Maintenance

(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
240	BASE SUPPORT	312,259	312,259	312,259	0	312,259
250	MAINTENANCE OF REAL PROPERTY	52,603	52,603	52,603	0	52,603
	WEAPONS SUPPORT	1,535,843	1,535,843	1,557,843	0	1,535,843
260	CRUISE MISSILE	121,192	121,192	143,192	0	121,192
	Tomahawk Recertication			[22,000]	0	
270	FLEET BALLISTIC MISSILE	812,041	812,041	812,041	0	812,041
280	IN-SERVICE WEAPONS SYSTEMS SUPPORT	61,598	61,598	61,598	0	61,598
290	WEAPONS MAINTENANCE	389,469	389,469	389,469	0	389,469
300	BASE SUPPORT	119,868	119,868	119,868	0	119,868
310	MAINTENANCE OF REAL PROPERTY	31,675	31,675	31,675	0	31,675
	WORKING CAPITAL FUND SUPPORT	43,300	43,300	43,300	0	43,300
320	NWCF SUPPORT	43,300	43,300	43,300	0	43,300
	TOTAL, BUDGET ACTIVITY 1:	**15,184,514**	**15,427,014**	**15,377,514**	**145,500**	**15,330,014**
	BUDGET ACTIVITY 2: MOBILIZATION					
	READY RESERVE AND PREPOSITIONING FORCES	428,775	428,775	428,775	0	428,775
330	SHIP PREPOSITIONING AND SURGE	428,775	428,775	428,775	0	428,775
	ACTIVATIONS/INACTIVATIONS	512,627	512,627	512,627	0	512,627
340	AIRCRAFT ACTIVATIONS/INACTIVATIONS	651	651	651	0	651
350	SHIP ACTIVATIONS/INACTIVATIONS	511,976	511,976	511,976	0	511,976
	MOBILIZATION PREPAREDNESS	56,891	56,891	56,891	0	56,891
360	FLEET HOSPITAL PROGRAM	23,496	23,496	23,496	0	23,496
370	INDUSTRIAL READINESS	16,166	16,166	16,166	0	16,166
380	COAST GUARD SUPPORT	17,229	17,229	17,229	0	17,229
	TOTAL, BUDGET ACTIVITY 2:	**998,293**	**998,293**	**998,293**	**0**	**998,293**

Title III - Operations and Maintenance

(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
	BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
	ACCESSION TRAINING	287,693	287,693	287,693	0	287,693
390	OFFICER ACQUISITION	75,643	75,643	75,643	0	75,643
400	RECRUIT TRAINING	4,556	4,556	4,556	0	4,556
410	RESERVE OFFICERS TRAINING CORPS (ROTC)	69,087	69,087	69,087	0	69,087
420	BASE SUPPORT	57,036	57,036	57,036	0	57,036
430	MAINTENANCE OF REAL PROPERTY	81,371	81,371	81,371	0	81,371
	BASIC SKILLS AND ADVANCED TRAINING	1,187,896	1,187,896	1,187,896	0	1,187,896
440	SPECIALIZED SKILL TRAINING	237,916	237,916	237,916	0	237,916
450	FLIGHT TRAINING	315,874	315,874	315,874	0	315,874
460	PROFESSIONAL DEVELOPMENT EDUCATION	71,780	71,780	71,780	0	71,780
470	TRAINING SUPPORT	138,319	138,319	138,319	0	138,319
480	BASE SUPPORT	331,607	331,607	331,607	0	331,607
490	MAINTENANCE OF REAL PROPERTY	92,400	92,400	92,400	0	92,400
	RECRUITING, AND OTHER TRAINING AND EDUCATION	265,851	304,451	256,851	20,800	286,651
500	RECRUITING AND ADVERTISING	130,415	165,415	130,415	17,500	147,915
510	OFF-DUTY AND VOLUNTARY EDUCATION	74,669	74,669	74,669	0	74,669
520	CIVILIAN EDUCATION AND TRAINING	37,425	37,425	28,425	0	37,425
530	JUNIOR ROTC	22,830	22,830	22,830	0	22,830
540	BASE SUPPORT	451	4,051	451	3,300	3,751
550	MAINTENANCE OF REAL PROPERTY	61	61	61	0	61
	TOTAL, BUDGET ACTIVITY 3:	**1,741,440**	**1,780,040**	**1,732,440**	**20,800**	**1,762,240**
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
	SERVICEWIDE SUPPORT	1,825,674	1,570,674	1,807,674	-273,000	1,552,674
560	ADMINISTRATION	565,193	565,193	565,193	0	565,193
570	EXTERNAL RELATIONS	21,456	21,456	21,456	0	21,456
580	CIVILIAN MANPOWER AND PERSON MANAGEMENT	140,247	140,247	120,247	-20,000	120,247

Title III - Operations and Maintenance

(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
590	MILITARY MANPOWER AND PERSON MANAGEMENT	125,125	125,125	125,125	0	125,125
600	OTHER PERSONNEL SUPPORT	201,014	201,014	201,014	0	201,014
610	SERVICEWIDE COMMUNICATIONS	244,766	244,766	246,766	0	246,766
	NISE-East			[2,000]	2,000	
620	BASE SUPPORT	228,046	228,046	228,046	0	228,046
630	MEDICAL ACTIVITIES	0	0	0	0	0
640	MAINTENANCE OF REAL PROPERTY	44,827	44,827	44,827	0	44,827
650	COMMISSARY OPERATIONS	255,000	0	255,000	-255,000	0
	LOGISTICS OPERATIONS AND TECHNICAL SUPPORT	1,590,349	1,590,349	1,590,349	0	1,590,349
660	SERVICEWIDE TRANSPORTATION	144,245	144,245	144,245	0	144,245
670	PLANNING, ENGINEERING AND DESIGN	262,615	262,615	262,615	0	262,615
680	ACQUISITION AND PROGRAM MANAGEMENT	473,159	473,159	473,159	0	473,159
690	AIR SYSTEMS SUPPORT	280,437	280,437	280,437	0	280,437
700	HULL, MECHANICAL AND ELECTRICAL SUPPORT	55,467	55,467	55,467	0	55,467
710	COMBAT/WEAPONS SYSTEMS	41,700	41,700	41,700	0	41,700
720	SPACE AND ELECTRONIC WARFARE SYSTEMS	72,178	72,178	72,178	0	72,178
730	BASE SUPPORT	219,826	219,826	219,826	0	219,826
740	MAINTENANCE OF REAL PROPERTY	40,722	40,722	40,722	0	40,722
	SECURITY PROGRAMS	578,497	578,497	578,497	0	578,497
750	SECURITY PROGRAMS	568,257	568,257	568,257	0	568,257
760	BASE SUPPORT	8,814	8,814	8,814	0	8,814
770	MAINTENANCE OF REAL PROPERTY	1,426	1,426	1,426	0	1,426
	SUPPORT OF OTHER NATIONS	8,435	8,435	8,435	0	8,435
780	INTERNATIONAL HEADQUARTERS AND AGENCIES	8,435	8,435	8,435	0	8,435
	CANCELLED ACCOUNTS	0	0	0	0	0
	PROBLEM DISBURSMENTS	0	0	0	0	0
	TOTAL, BUDGET ACTIVITY 4:	**4,002,955**	**3,747,955**	**3,984,955**	**-273,000**	**3,729,955**

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
	Miscellaneous	**0**	-113,974	-123,900	**-242,800**	**-242,800**
	Economic Adjustment			[-32,000]	-32,000	
	Civilian Underexecution		[-15,000]	[-106,000]	-50,000	
	Foreign Currency		[-6,650]	[-7,900]	-7,900	
	DFAS Workyears			[10,000]	0	
	Y2K System Compliance			[12,000]	0	
	Classified Programs		[20,396]		0	
	Contract and Advisory Services		[-40,000]		-25,000	
	Management HQ Reductions		[-23,900]		-23,900	
	ADP Legacy Systems Efficiencies		[-87,820]		-10,000	
	Fuel Price Savings		[-90,500]		-146,000	
	Real Property Maintenance		[50,000]		50,000	
	Navy Environmental Leadership Program		[4,000]		2,000	
	DISA Transfer		[67,800]		0	
	WHS Transfer		[7,700]		0	
	TOTAL, OPERATION AND MAINTENANCE, NAVY	**21,927,202**	**21,839,328**	**21,969,302**	**-349,500**	**21,577,702**
	OPERATION AND MAINTENANCE, MARINE CORPS					
	BUDGET ACTIVITY 1: OPERATING FORCES					
	EXPEDITIONARY FORCES	**1,660,869**	**1,711,269**	**1,759,869**	**40,000**	**1,700,869**
10	OPERATIONAL FORCES	375,531	380,531	408,531	0	395,531
	AGCC Twentynine Palms		[5,000]		0	
	Training OPTEMPO			[20,000]	0	
	Initial Issue			[13,000]	20,000	
20	FIELD LOGISTICS	221,693	242,393	221,693	0	221,693
30	DEPOT MAINTENANCE	78,713	78,713	98,713	20,000	98,713
40	BASE SUPPORT	692,716	692,716	702,716	0	692,716

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
50	MAINTENANCE OF REAL PROPERTY	292,216	316,916	328,216	0	292,216
	Equipment Repair, Okinawa		[10,000]		0	
	Cold Weather Clothing		[12,600]		0	
	Active Duty Special Work		[2,100]		0	
	USMC PREPOSITIONING	85,653	85,653	85,653	0	85,653
60	MARITIME PREPOSITIONING	81,325	81,325	81,325	0	81,325
70	NORWAY PREPOSITIONING	4,328	4,328	4,328	0	4,328
	TOTAL, BUDGET ACTIVITY 1:	**1,746,522**	**1,796,922**	**1,845,522**	**40,000**	**1,786,522**
	BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
	ACCESSION TRAINING	81,309	81,309	82,509	0	81,309
80	RECRUIT TRAINING	10,202	10,202	11,402	0	10,202
90	OFFICER ACQUISITION	289	289	289	0	289
100	BASE SUPPORT	53,526	53,526	53,526	0	53,526
110	MAINTENANCE OF REAL PROPERTY	17,292	17,292	17,292	0	17,292
	BASIC SKILLS AND ADVANCED TRAINING	196,026	196,026	196,026	0	196,026
120	SPECIALIZED SKILLS TRAINING	28,269	28,269	28,269	0	28,269
130	FLIGHT TRAINING	161	161	161	0	161
140	PROFESSIONAL DEVELOPMENT EDUCATION	6,478	6,478	6,478	0	6,478
150	TRAINING SUPPORT	81,338	81,338	81,338	0	81,338
160	BASE SUPPORT	55,771	55,771	55,771	0	55,771
170	MAINTENANCE OF REAL PROPERTY	24,009	24,009	24,009	0	24,009
	RECRUITING AND OTHER TRAINING EDUCATION	115,951	129,451	115,951	12,000	127,951
180	RECRUITING AND ADVERTISING	80,798	92,798	80,798	12,000	92,798
190	OFF-DUTY AND VOLUNTARY EDUCATION	15,016	15,016	15,016	0	15,016
200	JUNIOR ROTC	9,201	9,201	9,201	0	9,201
210	BASE SUPPORT	8,496	9,996	8,496	0	8,496

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
220	MAINTENANCE OF REAL PROPERTY	2,440	2,440	2,440	0	2,440
	TOTAL, BUDGET ACTIVITY 3:	**393,286**	**406,786**	**394,486**	**12,000**	**405,286**
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
	SERVICEWIDE SUPPORT	**383,895**	**297,295**	**383,895**	**-86,600**	**297,295**
230	SPECIAL SUPPORT	224,668	224,668	224,668	0	224,668
240	SERVICEWIDE TRANSPORTATION	29,630	29,630	29,630	0	29,630
250	ADMINISTRATION	26,509	26,509	26,509	0	26,509
260	BASE SUPPORT	14,557	14,557	14,557	0	14,557
270	MAINTENANCE OF REAL PROPERTY	1,931	1,931	1,931	0	1,931
280	COMMISSARY OPERATIONS	86,600	0	86,600	-86,600	0
	TOTAL, BUDGET ACTIVITY 4:	**383,895**	**297,295**	**383,895**	**-86,600**	**297,295**
	Miscellaneous	**0**	**38,700**	**-5,000**	**39,500**	**39,500**
	Economic Adjustment			[-4,000]	-4,000	
	Foreign Currency			[-2,300]	-2,300	
	DFAS Workyears			[1,300]	0	
	Real Property Maintenance		[25,000]		36,000	
	Fuel Price Savings				-2,700	
	Base Support				12,500	
	TOTAL, OPERATION AND MAINTENANCE, MARINE CORPS	**2,523,703**	**2,539,703**	**2,618,903**	**4,900**	**2,528,603**
	OPERATION AND MAINTENANCE, AIR FORCE					
	BUDGET ACTIVITY 1: OPERATING FORCES					
	AIR OPERATIONS	**7,400,896**	**7,570,896**	**7,529,996**	**110,000**	**7,510,896**
10	PRIMARY COMBAT FORCES	2,311,299	2,461,299	2,341,299	0	2,421,299
	Aircraft Spares		[150,000]	[30,000]	110,000	

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
20	PRIMARY COMBAT WEAPONS	236,147	236,147	245,147	0	236,147
	ALCM/ACM			[9,000]	0	
30	COMBAT ENHANCEMENT FORCES	196,036	196,036	196,036	0	196,036
40	AIR OPERATIONS TRAINING	562,839	562,839	567,939	0	562,839
45	DEPOT MAINTENANCE	1,022,087	1,022,087	1,022,087	0	1,022,087
50	COMBAT COMMUNICATIONS	958,706	958,706	958,706	0	958,706
60	BASE SUPPORT	1,538,126	1,538,126	1,573,126	0	1,538,126
65	MAINTENANCE OF REAL PROPERTY	575,656	595,656	625,656	0	575,656
	Air Warfare Center Improvements		[20,000]		0	
	COMBAT RELATED OPERATIONS	**1,385,350**	**1,385,350**	**1,385,350**	**0**	**1,385,350**
70	GLOBAL C3I AND EARLY WARNING	669,379	669,379	669,379	0	669,379
80	NAVIGATION/WEATHER SUPPORT	118,337	118,337	118,337	0	118,337
90	OTHER COMBAT OPS SUPPORT PROGRAMS	221,593	221,593	221,593	0	221,593
100	JCS EXERCISES	30,521	30,521	30,521	0	30,521
110	MANAGEMENT/OPERATIONAL HEADQUARTERS	117,540	117,540	117,540	0	117,540
120	TACTICAL INTEL AND OTHER SPECIAL ACTIVITIES	227,980	227,980	227,980	0	227,980
	SPACE OPERATIONS	**1,123,425**	**1,123,425**	**1,123,425**	**0**	**1,123,425**
130	LAUNCH FACILITIES	221,046	221,046	221,046	0	221,046
140	LAUNCH VEHICLES	102,064	102,064	102,064	0	102,064
150	SPACE CONTROL SYSTEMS	246,940	246,940	246,940	0	246,940
160	SATELLITE SYSTEMS	36,152	36,152	36,152	0	36,152
170	OTHER SPACE OPERATIONS	85,292	85,292	85,292	0	85,292
180	BASE SUPPORT	309,406	309,406	309,406	0	309,406
185	MAINTENANCE OF REAL PROPERTY	122,525	122,525	122,525	0	122,525
	TOTAL, BUDGET ACTIVITY 1:	**9,909,671**	**10,079,671**	**10,038,771**	**110,000**	**10,019,671**

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
	BUDGET ACTIVITY 2: MOBILIZATION					
	MOBILITY OPERATIONS	**2,808,949**	**2,808,949**	**2,820,949**	**0**	**2,808,949**
190	AIRLIFT OPERATIONS	1,326,774	1,326,774	1,326,774	0	1,326,774
200	AIRLIFT OPERATIONS C3I	21,676	21,676	21,676	0	21,676
210	MOBILIZATION PREPAREDNESS	134,807	134,807	146,807	0	134,807
	WAR RESERVE MATERIALS			[12,000]	0	
215	DEPOT MAINTENANCE	316,485	316,485	316,485	0	316,485
220	PAYMENTS TO TRANSPORTATION BUSINESS AREA	470,000	470,000	470,000	0	470,000
230	BASE SUPPORT	390,876	390,876	390,876	0	390,876
235	MAINTENANCE OF REAL PROPERTY	148,331	148,331	148,331	0	148,331
	TOTAL, BUDGET ACTIVITY 2:	**2,808,949**	**2,808,949**	**2,820,949**	**0**	**2,808,949**
	BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
	ACCESSION TRAINING	**205,044**	**205,044**	**205,044**	**0**	**205,044**
240	OFFICER ACQUISITION	57,679	57,679	57,679	0	57,679
250	RECRUIT TRAINING	4,360	4,360	4,360	0	4,360
260	RESERVE OFFICER TRAINING CORPS (ROTC)	46,522	46,522	46,522	0	46,522
270	BASE SUPPORT (ACADEMIES ONLY)	58,828	58,828	58,828	0	58,828
275	MAINTENANCE OF REAL PROPERTY (ACADEMIES ONLY)	37,655	37,655	37,655	0	37,655
	BASIC SKILLS AND ADVANCED TRAINING	**1,264,253**	**1,264,253**	**1,264,253**	**0**	**1,264,253**
280	SPECIALIZED SKILL TRAINING	215,477	215,477	215,477	0	215,477
290	FLIGHT TRAINING	406,940	406,940	406,940	0	406,940
300	PROFESSIONAL DEVELOPMENT EDUCATION	90,709	90,709	90,709	0	90,709
310	TRAINING SUPPORT	65,742	65,742	65,742	0	65,742
315	DEPOT MAINTENANCE	12,186	12,186	12,186	0	12,186
320	BASE SUPPORT (OTHER TRAINING)	370,961	370,961	370,961	0	370,961
325	MAINTENANCE OF REAL PROPERTY (OTHER TRAINING)	102,238	102,238	102,238	0	102,238

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
	RECRUITING, AND OTHER TRAINING AND EDUCATION	229,246	229,246	229,246	0	229,246
330	RECRUITING AND ADVERTISING	54,775	54,775	54,775	0	54,775
340	EXAMINING	2,668	2,668	2,668	0	2,668
350	OFF DUTY AND VOLUNTARY EDUCATION	84,122	84,122	84,122	0	84,122
360	CIVILIAN EDUCATION AND TRAINING	61,124	61,124	61,124	0	61,124
370	JUNIOR ROTC	26,557	26,557	26,557	0	26,557
	TOTAL, BUDGET ACTIVITY 3:	**1,698,543**	**1,698,543**	**1,698,543**	**0**	**1,698,543**
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
	LOGISTICS OPERATIONS	2,535,950	2,535,950	2,535,950	0	2,535,950
380	LOGISTICS OPERATIONS	706,893	706,893	706,893	0	706,893
390	TECHNICAL SUPPORT ACTIVITIES	389,685	389,685	389,685	0	389,685
400	SERVICEWIDE TRANSPORTATION	196,178	196,178	196,178	0	196,178
405	DEPOT MAINTENANCE	69,344	69,344	69,344	0	69,344
410	BASE SUPPORT	916,165	916,165	916,165	0	916,165
415	MAINTENANCE OF REAL PROPERTY	257,685	257,685	257,685	0	257,685
	SERVICEWIDE ACTIVITIES	1,653,027	1,336,056	1,638,027	-317,071	1,335,956
420	ADMINISTRATION	140,879	125,979	140,879	0	140,879
430	SERVICEWIDE COMMUNICATIONS	234,065	234,065	234,065	0	234,065
440	PERSONNEL PROGRAMS	127,718	127,718	112,718	-15,000	112,718
450	RESCUE AND RECOVERY SERVICES	48,466	48,466	48,466	0	48,466
470	ARMS CONTROL	30,005	30,005	30,005	0	30,005
480	OTHER SERVICEWIDE ACTIVITIES	517,780	517,780	517,780	0	517,780
490	OTHER PERSONNEL SUPPORT	31,828	31,828	31,828	0	31,828
500	CIVIL AIR PATROL CORPORATION	13,927	13,927	13,927	0	13,927
505	COMMISSARY OPERATIONS	302,071	0	302,071	-302,071	0
510	BASE SUPPORT	180,221	180,221	180,221	0	180,221
515	MAINTENANCE OF REAL PROPERTY	26,067	26,067	26,067	0	26,067

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
	SECURITY PROGRAMS	557,256	557,256	557,256	0	557,256
520	SECURITY PROGRAMS	557,256	557,256	557,256	0	557,256
	SUPPORT TO OTHER NATIONS	13,608	13,608	13,608	0	13,608
530	INTERNATIONAL SUPPORT	13,608	13,608	13,608	0	13,608
	TOTAL, BUDGET ACTIVITY 4:	**4,759,841**	**4,442,870**	**4,744,841**	**-317,071**	**4,442,770**
	Miscellaneous	**0**	**-213,925**	**-120,700**	**-279,300**	**-279,300**
	Economic Adjustment			[-31,000]	-31,000	
	Civilian Underexecution			[-83,800]	-50,000	
	Foreign Currency		[-16,105]	[-19,200]	-25,000	
	DFAS Workyears			[13,300]	0	
	Classified Programs		[500]		0	
	Contract and Advisory Services		[-40,000]		-25,000	
	Management HQ Reductions		[-60,300]		-60,300	
	ADP Legacy Systems Efficiencies		[-95,620]		-10,000	
	Reduction of First Program		[-7,000]		-1,000	
	E-mall Consolidation		[-1,000]		0	
	Fuel Price Savings		[-110,500]		-157,000	
	Real Property Maintenance		[50,000]		50,000	
	DISA Transfer		[59,400]		0	
	WHS Transfer		[6,700]		0	
	Base Support				30,000	
	TOTAL, O&M, AIR FORCE	**19,177,004**	**18,816,108**	**19,182,404**	**-486,371**	**18,690,633**
	OPRATIONS AND MAINTENANCE, SPECIAL OPERATIONS COMMAND					
	BUDGET ACTIVITY 1: OPERATING FORCES					
10	SPECIAL OPERATIONS COMMAND	0	0	1,161,978	0	0

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ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
	CPRO Training			[7,650]	0	
	Maritime Training			[5,000]	0	
	TOTAL, BUDGET ACTIVITY 1:	**0**	**0**	**1,161,978**	**0**	**0**
	BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
30	SPECIAL OPERATIONS COMMAND		0	42,408	0	0
	TOTAL, BUDGET ACTIVITY 3:	**0**	**0**	**42,408**	**0**	**0**
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
40	SPECIAL OPERATIONS COMMAND		0	47,117	0	0
	TOTAL, BUDGET ACTIVITY 4:	**0**	0	47,117	**0**	**0**
	TOTAL, OPRATIONS AND MAINTENANCE, SPECIAL OPERATIONS COMMAND	**0**	**0**	**1,251,503**	**0**	**0**
	OPERATION AND MAINTENANCE, DEFENSE-WIDE					
	BUDGET ACTIVITY 1: OPERATING FORCES					
10	JOINT CHIEFS OF STAFF	410,065	435,065	415,065	0	425,065
	Mobility Enhancement Fund		[25,000]		15,000	
	Joint Experimentation			[5,000]	0	
20	SPECIAL OPERATIONS COMMAND	1,149,328	1,149,328	0	-1,149,328	0
	TOTAL, BUDGET ACTIVITY 1:	**1,559,393**	**1,584,393**	**415,065**	**-1,134,328**	**425,065**
	BUDGET ACTIVITY 2: MOBILIZATION					
30	DEFENSE LOGISTICS AGENCY	38,934	38,934	38,934	0	38,934
	TOTAL, BUDGET ACTIVITY 2:	**38,934**	**38,934**	**38,934**	**0**	**38,934**
	BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
30	SPECIAL OPERATIONS COMMAND	42,408	42,408	0	-42,408	0
40	DEFENSE ACQUISITION UNIVERSITY	0	0	0	0	0

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ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
45	AMERICAN FORCES INFORMATION SERVICE	11,059	11,059	11,059	0	11,059
	TOTAL, BUDGET ACTIVITY 3:	**53,467**	**53,467**	**11,059**	**-42,408**	**11,059**
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
55	AMERICAN FORCES INFORMATION SERVICE	93,815	93,815	93,815	0	93,815
60	CIVIL MILITARY PROGRAMS	44,894	50,394	71,894	0	61,394
	Star Base			[5,000]	5,000	
	National Guard Youth Challenge		[21,500]	[22,000]	21,500	
	Innovative Readiness Training		[-16,000]		-10,000	
65	CLASSIFIED AND INTELLIGENCE	3,803,561	3,803,561	3,777,361	0	3,803,561
70	CORPORATE INFORMATION MANAGEMENT	0	0	0	0	0
75	DEFENSE CONTRACT AUDIT AGENCY	330,087	326,112	330,087	-2,375	327,712
	Management HQ Reduction		[-1,600]		0	
80	DEFENSE FINANCE AND ACCOUNTING SERVICE	83,277	48,677	83,277	0	83,277
85	DEFENSE HUMAN RESOURCES ACTIVITY	198,923	192,923	180,923	0	191,923
	DCPDS Program Slippage		[-6,000]		-7,000	
90	DEFENSE INFORMATION SYSTEMS AGENCY	771,106	517,706	771,106	0	769,306
	Management HQ Reduction		[-1,800]		-1,800	
	Transfer to Service Accounts		[-221,600]		0	
95	DEFENSE LEGAL SERVICES AGENCY	9,027	9,027	9,027	0	9,027
100	DEFENSE LOGISTICS AGENCY	1,140,137	1,120,137	1,142,437	0	1,155,137
	Headquarters and Administrative Management		[-35,000]		0	
	Document Coversion Technology		[15,000]		15,000	
	DFAS Workyears			[2,300]	0	
105	DEFENSE POW /MISSING PERSONS OFFICE	14,110	14,110	14,110	0	14,110
100	DEFENSE SECURITY ASSISTANCE AGENCY	4,610	4,610	4,610	0	4,610
105	DEFENSE SECURITY SERVICE	83,419	83,419	83,419	0	83,419
110	DEFENSE SPECIAL WEAPONS AGENCY	0	0	0	0	0
115	DEFENSE SUPPORT ACTIVITIES	0	0	0	0	0

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
120	DEFENSE TECHNOLOGY SECURITY ADMINISTRATION	0	0	0	0	0
125	DEFENSE THREAT REDUCTION AND TREATY COMPLIANCE AGENCY	304,745	291,745	275,295	0	277,345
	DTRA Consolidations				-12,000	
	Treaty Implementation Delays				-15,400	
130	DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION	1,347,718	1,347,718	1,347,718	0	1,347,718
135	FEDERAL ENERGY MANAGEMENT PROGRAM	0	0	0	0	0
140	JOINT CHIEFS OF STAFF	139,616	112,816	139,616	0	137,216
	Management HQ Reduction		[-2,400]		-2,400	
145	OFFICE OF ECONOMIC ADJUSTMENT	31,233	31,233	31,233	0	31,233
150	OFFICE OF THE SECRETARY OF DEFENSE	369,836	353,936	369,836	0	369,836
	DRI Administration and Management		[-15,900]		0	
155	OFFICE OF THE SECRETARY OF DEFENSE (NO YEAR)	0	0	0	0	0
160	ON SITE INSPECTION AGENCY	0	0	0	0	0
165	SPECIAL OPERATIONS COMMAND	47,117	43,717	0	-47,117	0
	Management HQ Reduction		[-3,400]		0	
170	WASHINGTON HEADQUARTERS SERVICE	281,676	225,276	281,676	0	281,676
	Travel Reengineering Program		[-35,000]		0	
	Travel Reengineering Program Management		[-21,400]		0	
	TOTAL, BUDGET ACTIVITY 4:	**9,098,907**	**8,670,932**	**9,007,440**	**-56,592**	**9,042,315**
	BUDGET ACTIVITY 5: SPECIAL OPERATIONS COMMAND					
	OPERATING FORCES					
10	SPECIAL OPERATIONS COMMAND	**0**	**0**	**0**	1,149,328	1,161,978
	CPRO Training				7,650	
	Maritime Training				5,000	
	TOTAL, OPERATING FORCES:	**0**	**0**	**0**	**1,161,978**	**1,161,978**
	TRAINING AND RECRUITING					
30	SPECIAL OPERATIONS COMMAND		0	0	42,408	42,408

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
	TOTAL, TRAINING AND RECRUITING	**0**	**0**	**0**	**42,408**	**42,408**
	ADMIN & SERVICEWIDE ACTIVITIES					
40	SPECIAL OPERATIONS COMMAND		**0**	**0**	47,117	47,117
	TOTAL, ADMIN & SERVICEWIDE ACTIVITIES	**0**	0	0	**47,117**	**47,117**
	TOTAL, BUDGET ACTIVITY 5	**0**	0	0	**1,251,503**	**1,251,503**
	Miscellaneous	**0**	**6,490**	**-429,500**	**-218,800**	**-218,800**
	Economic Adjustment			[-17,600]	-17,600	
	Civilian Underexecution		[-7,117]	[-349,000]	-100,000	
	Foreign Currency Fluctuation		[-5,300]	[-8,500]	-9,500	
	Defense Reform Initiative			[-150,000]	-75,000	
	Impact Aid		[35,000]	[35,000]	35,000	
	Y2K Testing/Contingency Planning			[60,000]	0	
	Arctic Military Cooperation Program			[-1,500]	-1,500	
	DFAS Work years			[2,100]	0	
	Classified Programs		[17,707]		6,000	
	Contract and Advisory Services		[-40,000]		-25,000	
	ADP Legacy Systems		[-18,000]		0	
	DISA Transfer		[33,200]		0	
	Fuel Price Savings		[-9,000]		-31,200	
	TOTAL, OPERATION AND MAINTENANCE, DEFENSE-WIDE	**10,750,701**	**10,354,216**	**9,042,998**	**-200,625**	**10,550,076**
	OPERATION AND MAINTENANCE, ARMY RESERVE					
	BUDGET ACTIVITY 1: OPERATING FORCES					
	LAND FORCES	**509,126**	**509,126**	**524,126**	**0**	**509,126**
10	DIVISION FORCES	10,918	10,918	10,918	0	10,918
20	CORPS COMBAT FORCES	17,890	17,890	17,890	0	17,890

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
30	CORPS SUPPORT FORCES	165,897	165,897	180,897	0	165,897
40	ECHELON ABOVE CORPS FORCES	86,565	86,565	86,565	0	86,565
50	LAND FORCES OPERATIONS SUPPORT	227,856	227,856	227,856	0	227,856
	LAND FORCES READINESS	**184,923**	**184,923**	**184,923**	**0**	**184,923**
60	FORCES READINESS OPERATIONS SUPPORT	123,824	123,824	123,824	0	123,824
70	LAND FORCES SYSTEM READINESS	13,757	13,757	13,757	0	13,757
80	DEPOT MAINTENANCE	47,342	47,342	47,342	0	47,342
	LAND FORCES READINESS SUPPORT	**368,427**	**368,427**	**368,427**	**0**	**368,427**
90	BASE SUPPORT	305,760	305,760	305,760	0	305,760
100	MAINTENANCE OF REAL PROPERTY	61,177	61,177	61,177	0	61,177
110	UNIFIED COMMANDS	107	107	107	0	107
120	MISCELLANEOUS ACTIVITIES	1,383	1,383	1,383	0	1,383
	TOTAL, BUDGET ACTIVITY 1:	**1,062,476**	**1,062,476**	**1,077,476**	**0**	**1,062,476**
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES	**140,146**	**140,146**	**140,146**	**0**	**140,146**
130	STAFF MANAGEMENT HEADQUARTERS	27,465	27,465	27,465	0	27,465
140	INFORMATION MANAGEMENT	23,601	23,601	23,601	0	23,601
150	PERSONNEL/FINANCIAL ADMINISTRATION	47,327	47,327	47,327	0	47,327
160	RECRUITING AND ADVERTISING	41,753	41,753	41,753	0	41,753
	TOTAL, BUDGET ACTIVITY 4:	**140,146**	140,146	140,146	**0**	**140,146**
	Miscelleneous	**0**	**-5,000**	**-2,000**	**-4,600**	**-4,600**
	Economic Adjustment			[-2,000]	-2,000	
	WMD Reductions		[-5,000]		0	
	Fuel Price Savings				-2,600	
	TOTAL, OPERATION AND MAINTENANCE, ARMY RESERVE	**1,202,622**	**1,197,622**	**1,215,622**	**-4,600**	**1,198,022**

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
	OPERATION AND MAINTENANCE, NAVY RESERVE					
	BUDGET ACTIVITY 1: OPERATING FORCES					
	RESERVE AIR OPERATIONS	569,877	569,877	569,877	0	569,877
10	MISSION AND OTHER FLIGHT OPERATIONS	300,682	300,682	300,682	0	300,682
20	FLEET AIR TRAINING	484	484	484	0	484
30	INTERMEDIATE MAINTENANCE	17,271	17,271	17,271	0	17,271
40	AIR OPERATION AND SAFETY SUPPORT	3,044	3,044	3,044	0	3,044
50	AIRCRAFT DEPOT MAINTENANCE	121,740	121,740	121,740	0	121,740
60	AIRCRAFT DEPOT OPS SUPPORT	323	323	323	0	323
70	BASE SUPPORT	101,963	101,963	101,963	0	101,963
75	MAINTENANCE OF REAL PROPERTY	24,370	24,370	24,370	0	24,370
	RESERVE SHIP OPERATIONS	152,723	172,723	167,723	10,000	162,723
80	MISSION AND OTHER SHIP OPERATIONS	61,924	81,924	76,924	0	71,924
	MCM Operations		[20,000]		10,000	
90	SHIP OPERATIONAL SUPPORT AND TRAINING	611	611	611	0	611
100	INTERMEDIATE MAINTENANCE	9,472	9,472	9,472	0	9,472
110	SHIP DEPOT MAINTENANCE	79,257	79,257	79,257	0	79,257
120	SHIP DEPOT OPERATIONS SUPPORT	1,459	1,459	1,459	0	1,459
	RESERVE COMBAT OPERATIONS SUPPORT	72,372	72,372	72,372	0	72,372
140	COMBAT SUPPORT FORCES	28,355	28,355	28,355	0	28,355
150	BASE SUPPORT	34,411	34,411	34,411	0	34,411
155	MAINTENANCE OF REAL PROPERTY	9,606	9,606	9,606	0	9,606
	RESERVE WEAPONS SUPPORT	5,217	5,217	5,217	0	5,217
160	WEAPONS MAINTENANCE	5,217	5,217	5,217	0	5,217
	TOTAL, BUDGET ACTIVITY 1:	800,189	820,189	815,189	10,000	810,189

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES	125,916	125,916	125,916	0	125,916
170	ADMINISTRATION	6,209	6,209	6,209	0	6,209
180	CIVILIAN MANPOWER AND PERSONNEL MANAGEMENT	1,015	1,015	1,015	0	1,015
190	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	25,420	25,420	25,420	0	25,420
210	SERVICEWIDE COMMUNICATIONS	50,534	50,534	50,534	0	50,534
220	BASE SUPPORT	29,571	29,571	29,571	0	29,571
225	MAINTENANCE OF REAL PROPERTY	7,182	7,182	7,182	0	7,182
230	COMBAT/WEAPONS SYSTEMS	5,398	5,398	5,398	0	5,398
240	GENERAL DEFENSE INTELLIGENCE PROGRAM	587	587	587	0	587
	LOGISTICS OPERATIONS AND TECHNICAL SUPPORT	2,534	2,534	2,534	0	2,534
250	AIR SYSTEMS SUPPORT	2,534	2,534	2,534	0	2,534
	PROBLEM DISBURSEMENTS	0	0	0	0	0
	TOTAL, BUDGET ACTIVITY 4:	**128,450**	**128,450**	**128,450**	**0**	**128,450**
	Misc	**0**		**-2,000**	**-18,000**	**-18,000**
	Economic Adjustment			[-2,000]	-2,000	
	Fuel Price Savings				-16,000	
	TOTAL, OPERATION AND MAINTENANCE, NAVY RESERVE	**928,639**	**948,639**	**941,639**	**-8,000**	**920,639**
	OPERATION AND MAINTENANCE, MARINE CORPS RESERVE					
	BUDGET ACTIVITY 1: OPERATING FORCES					
	MISSION FORCES	74,327	75,527	94,327	1,200	75,527
10	TRAINING	14,435	14,435	29,435	0	14,435
	Initial Issue			[10,000]	0	
	782 Gear			[5,000]	0	
20	OPERATING FORCES	33,823	33,823	33,823	0	33,823

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
30	BASE SUPPORT	16,272	16,272	16,272	0	16,272
35	MAINTENANCE OF REAL PROPERTY	6,976	6,976	6,976	0	6,976
40	DEPOT MAINTENANCE	2,821	4,021	7,821	0	4,021
	USMCR Increased Use		[1,200]		1,200	
	TOTAL, BUDGET ACTIVITY 1:	**74,327**	**75,527**	**94,327**	**1,200**	**75,527**
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES	**40,266**	**41,466**	**40,266**	**2,100**	**42,366**
50	RECRUITING AND ADVERTISING	7,920	9,120	7,920	0	7,920
60	SPECIAL SUPPORT	11,080	11,080	11,080	0	11,080
70	SERVICEWIDE TRANSPORTATION	4,714	4,714	4,714	0	4,714
80	ADMINISTRATION	8,763	8,763	8,763	0	8,763
90	BASE SUPPORT	7,789	7,789	7,789	0	9,889
	Active Duty for Special Work				2,100	
	PROBLEM DISBURSEMENTS	0	0	0	0	0
	TOTAL, BUDGET ACTIVITY 4:	**40,266**	**41,466**	**40,266**	**2,100**	**42,366**
	TOTAL, O&M, MARINE CORPS RESERVE	**114,593**	**116,993**	**134,593**	**3,300**	**117,893**
	OPERATION AND MAINTENANCE, AIR FORCE RESERVE					
	BUDGET ACTIVITY 1: OPERATING FORCES					
	AIR OPERATIONS	**1,663,150**	**1,663,150**	**1,678,150**	**0**	**1,663,150**
10	AIRCRAFT OPERATIONS	1,038,509	1,038,509	1,053,509	0	1,038,509
20	MISSION SUPPORT OPERATIONS	40,926	40,926	40,926	0	40,926
30	BASE SUPPORT	223,606	223,606	223,606	0	223,606
35	MAINTENANCE OF REAL PROPERTY	61,616	61,616	61,616	0	61,616
40	DEPOT MAINTENANCE	298,493	298,493	298,493	0	298,493
	TOTAL, BUDGET ACTIVITY 1:	**1,663,150**	**1,663,150**	**1,678,150**	**0**	**1,663,150**

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES	81,546	84,546	81,546	3,000	84,546
50	ADMINISTRATION	46,002	46,002	46,002	0	46,002
60	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	20,205	20,205	20,205	0	20,205
70	RECRUITING AND ADVERTISING	8,360	11,360	8,360	3,000	11,360
80	OTHER PERSONNEL SUPPORT	6,366	6,366	6,366	0	6,366
90	AUDIOVISUAL	613	613	613	0	613
	TOTAL, BUDGET ACTIVITY 4:	**81,546**	84,546	81,546	**3,000**	**84,546**
	Misc	**0**		**-2,000**	**-24,900**	**-24,900**
	Economic Adjustment			[-2,000]	-2,000	
	Fuel Price Savings				-22,900	
	TOTAL, O&M, AIR FORCE RESERVE	**1,744,696**	**1,747,696**	**1,757,696**	**-21,900**	**1,722,796**
	OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD					
	BUDGET ACTIVITY 1: OPERATING FORCES					
	MISSION OPERATIONS	2,285,721	2,285,721	2,325,721	80,000	2,365,721
10	LAND FORCES	1,302,542	1,302,542	1,342,542	50,000	1,352,542
20	LAND FORCES READINESS	144,113	144,113	144,113	0	154,113
	Distance Learning Project				10,000	
30	LAND FORCES READINESS SUPPORT	839,066	839,066	839,066	0	859,066
	Depot Maintenance				20,000	
	TOTAL, BUDGET ACTIVITY 1:	**2,285,721**	**2,285,721**	**2,325,721**	**80,000**	**2,365,721**
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
	ADMINISTRATION AND SERVICEWIDE ACTIVITIES	151,094	151,094	151,094	0	151,094
50	PERSONNEL ADMINISTRATION	59,249	59,249	59,249	0	59,249
60	STAFF MANAGEMENT	33,490	33,490	33,490	0	33,490

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(Dollars in Thousands)

ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
70	INFORMATION MANAGEMENT	21,793	21,793	21,793	0	21,793
80	PUBLIC AFFAIRS	0	0	0	0	0
90	RECRUITING AND ADVERTISING	36,562	36,562	36,562	0	36,562
	TOTAL, BUDGET ACTIVITY 4:	**151,094**	**151,094**	**151,094**	**0**	**151,094**
	Miscelleneous	**0**	28,000	116,000	**47,500**	**47,500**
	Economic Adjustment			[-4,000]	-4,000	
	Training/OPTEMPO			[120,000]	0	
	Military Technicians		[27,000]		27,000	
	Fuel Price Savings				-5,500	
	WMD Reduction				0	
	Information Technology Infrastructure Training				0	
	Real Property Maintenance				30,000	
	TOTAL, OPERATION AND MAINTENANCE, ARMY NAT. GUARD	**2,436,815**	**2,464,815**	**2,592,815**	**127,500**	**2,564,315**
	OPERATION AND MAINTENANCE, AIR NATIONAL GUARD					
	BUDGET ACTIVITY 1: OPERATING FORCES					
	AIR OPERATIONS	**3,083,268**	**3,083,268**	**3,103,268**	**0**	**3,083,268**
10	AIRCRAFT OPERATIONS	1,935,880	1,935,880	1,935,880	0	1,935,880
20	MISSION SUPPORT OPERATIONS	340,884	340,884	340,884	0	340,884
30	BASE SUPPORT	295,163	295,163	295,163	0	295,163
35	MAINTENANCE OF REAL PROPERTY	82,633	82,633	102,633	0	82,633
40	DEPOT MAINTENANCE	428,708	428,708	428,708	0	428,708
	TOTAL, BUDGET ACTIVITY 1:	**3,083,268**	**3,083,268**	**3,103,268**	**0**	**3,083,268**
	BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
	SERVICEWIDE ACTIVITIES	**10,665**	**13,665**	**10,665**	**3,000**	**13,665**
50	ADMINISTRATION	2,913	2,913	2,913	0	2,913

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ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
60	RECRUITING AND ADVERTISING	7,752	10,752	7,752	3,000	10,752
	TOTAL, BUDGET ACTIVITY 4:	**10,665**	13,665	10,665	**3,000**	**13,665**
	Misc	**0**		-4,000	**-49,500**	-49,500
	Economic Adjustment			[-4,000]	-4,000	
	Fuel Price Savings				-45,500	
	TOTAL, O&M, AIR NATIONAL GUARD	**3,093,933**	**3,096,933**	**3,109,933**	**-46,500**	**3,047,433**
	TRANSFER ACCOUNTS AND MISCELLANEOUS					
	TRANSFER ACCOUNTS	**2,733,913**	**2,733,913**	**2,703,913**	**-24,000**	**2,709,913**
10	ENVIRONMENTAL RESTORATION, ARMY	377,640	377,640	369,640	-6,000	370,640
	Economic Adjustment				-1,000	
20	ENVIRONMENTAL RESTORATION, NAVY	281,600	281,600	273,600	-6,000	274,600
	Economic Adjustment				-1,000	
30	ENVIRONMENTAL RESTORATION, AIR FORCE	379,100	379,100	371,100	-6,000	372,100
	Economic Adjustment				-1,000	
40	ENVIRONMENTAL RESTORATION, DEFENSE-WIDE	26,091	26,091	22,091	0	25,091
	Economic Adjustment				-1,000	
50	ENVIRONMENTAL RESTORATION, FORMERLY UTILIZED DEFENSE SITES	195,000	195,000	195,000	0	195,000
60	DRUG INTERDICTION	727,582	727,582	725,582	0	725,582
	Economic Adjustment			[-2,000]	-2,000	
70	OVERSEAS CONTINGENCIES	746,900	746,900	746,900	0	746,900
	TOTAL, O&M, TRANSFER ACCOUNTS:	**2,733,913**	**2,733,913**	**2,703,913**	**-24,000**	**2,709,913**
	O&M, MISCELLANEOUS	**10,312,234**	**10,280,834**	**10,260,923**	**-51,311**	**10,260,923**
80	INSPECTOR GENERAL	130,764	130,764	130,764	0	130,764
90	COURT OF MILITARY APPEALS	7,324	7,324	7,324	0	7,324

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ID	ACCOUNT/BA/AG/SAG	1999 Request	House Authorize	Senate Authorize	Conference Change	Conference Agreement
100	EMERGENCY RESPONSE FUND, DEFENSE	0	0	0	0	0
110	SUPPORT FOR INTERNATIONAL SPORTING COMPETITIONS, DEFENSE	0	0	0	0	0
120	OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AFFAIRS	63,311	47,311	50,000	-13,311	50,000
130	PAYMENT TO KAHO'OLAWE ISLAND	15,000	15,000	15,000	0	15,000
140	DEFENSE HEALTH PROGRAM	9,653,435	9,663,035	9,617,435	0	9,617,435
	Economic Adjustment			[-36,000]	-36,000	
	Environmental Risk Assessment		[1,800]		0	
	Medical Trauma Training		[4,800]		0	
	Traditional CHAMPUS for Disabled Retirees		[3,000]		0	
150	FORMER SOVIET UNION THREAT REDUCTION	442,400	417,400	440,400	-2,000	440,400
160	QUALITY OF LIFE ENHANCEMENTS	0	0	0	0	0
170	OPPLAN 34A-35	0	0	0	0	0
	TOTAL, O&M, MISCELLANEOUS:	**10,312,234**	**10,280,834**	**10,260,923**	**-51,311**	**10,260,923**
	TOTAL, O&M, MISCELLANEOUS AND TRANSFER ACCOUNTS:	**13,046,147**	**13,014,747**	**12,964,836**	**-75,311**	**12,970,836**
	GENERAL REDUCTION (Fuel Price Inflation)			-304,000	0	0
	TOTAL OPERATION AND MAINTENANCE TITLE:	**94,219,118**	**92,476,500**	**93,849,807**	**-1,327,607**	**92,891,511**

Arms control implementation

The budget request included $275.3 million in the military services and defense accounts to meet specific arms control implementation and compliance obligations. The budget request is formulated on anticipated resource requirements, to include planning assumptions of anticipated dates of entry into force of arms control agreements, numbers of inspections or observations to be performed in the year, data reporting and information exchange requirements.

The House bill would decrease the budget request for the On-Site Inspection Agency for the following: $1.5 million for START II implementation activities; $1.0 million for implementation of the Open Skies Treaty; and $1.0 million for activities related to entry into force of the Comprehensive Test Ban Treaty (CTBT). The House bill would also authorize a decrease of $25.0 million for research and development activities related to implementation of the CTBT. Lastly, the House bill would authorize no funds for reimbursement to the Organization for the Prohibition of Chemical Weapons (OPCW) for the costs of inspectors salaries and transportation from the Hague for inspections conducted pursuant to the Chemical Weapons Convention.

The Senate amendment would authorize no funds to reimburse the Organization for the Prohibition of Chemical Weapons for inspectors salaries and transportation from The Hague to the U.S. Point of Entry, and for reimbursement of the cost of arms control inspections in foreign countries when those costs are the obligation of the inspected country.

The conferees agree to authorize a decrease of $28.0 million for the following arms control implementation activities: $1.5 million for START II; $1.0 million for Open Skies activities; $1.0 million for CTBT; $9.0 million for reimbursement of other than ''usual'' in-country inspection costs; and, $0.5 million for anticipated reimbursement of payments for arms control inspection costs borne by the inspected party to a treaty or agreement. The conferees also agree to a decrease of $15.0 million for research and development activities in support of CTBT and U.S. nuclear test detection requirements.

The conferees agree that of the funds authorized for research and development activities in support of CTBT requirements, $20.0 million shall be available for efforts to develop critical seismic technology to detect, verify, and evaluate both natural and weapons-related phenomena important to nuclear test detection.

Navy Environmental Leadership Program

The budget request included $2.4 million for the Navy Environmental Leadership Program (NELP).

The House bill would authorize an increase of $4.0 million for NELP.

The Senate amendment would authorize no funds for NELP.

The conferees agree to authorize an increase of $2.0 million for NELP.

Defense Threat Reduction Agency (DTRA)

The budget request included $304.7 million for the Defense Threat Reduction Agency (DTRA).

In November 1997, as part of its Defense Reform Initiative (DRI), the Department of Defense recommended the establishment on October 1, 1998 of the Defense Threat Reduction Agency (DTRA), a single agency that would carry out programs to counter proliferation and reduce threats posed by weapons of mass destruction and to provide nuclear weapons stockpile and related support. The agency would consolidate several functions from the Office of the Secretary of Defense (OSD) and the Washington Headquarters Services involved in the oversight and management of associated programs, including the On-Site Inspection Agency (OSIA), the Defense Special Weapons Agency (DSWA), the chemical-biological defense program and the counterproliferation support program. The budget request also recommended elimination of the position of the Assistant to the Secretary of Defense for Nuclear, Chemical and Biological Matters (ATSD(NCB)).

The House bill would authorize a decrease of $500,000 for DTRA.

The Senate amendment would authorize a decrease of $20.0 million for DTRA and would recommend that in addition to transferring the activities of the OSIA and DSWA to the DTRA, the chemical-biological defense program, counterproliferation support program, the unitary and nonstockpile chemical and munitions destruction programs, and programs related to force protection, such as the physical security program (PE 63228D8Z), and the counter-terror technical support program (PE 63122D8Z), also be transferred to DTRA.

The conferees agree to authorize a decrease of $12.0 million for DTRA. The conferees agree that the counterproliferation support program and activities related to force protection, such as the physical security program (PE 63228D8Z) and subelements of the counter-terror technical support program (PE 63122D8Z) related to weapons of mass destruction and force and infrastructure protection, be transferred to DTRA. As noted elsewhere in this report, oversight and direction of the counter-terror technical support program remains with the Assistant Secretary of Defense (Special Operations/Low Intensity Conflict).

The conferees agree that policy and programmatic oversight for the chem-bio defense program and the chemical demilitarization program should remain within the Office of the Secretary of Defense, and that the Department of the Army should remain the executive agent for these programs, pursuant to Section 1701 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) and Section 1412 of the Department of Defense Authorization Act for Fiscal Year 1986 (Public Law 99–145). However, the conferees do recognize that there may be activities within both of these programs that represent unique operational responsibilities of DTRA, and encourage DTRA to consult closely with both the Office of the Secretary of Defense and the Department of the Army.

The conferees agree to a separate provision (sec. 1521) dealing with the Defense Technical Security Administration (DTSA). A discussion of the conferees recommendation for the DTSA can be found elsewhere in this report.

The conferees do not agree to transfer the statutory responsibility for nuclear weapons, including support of the Nuclear Weapons Council, to DTRA. Elsewhere in this report the conferees discuss in greater detail the decision not to abolish the Assistant to the Secretary of Defense for Nuclear, Chemical, and Biological Matters.

A part of the proposal to create DTRA is the physical consolidation of the various functions located in the Dulles area of Virginia. The On-Site Inspection Agency (OSIA), one of the DTRA components, is currently located in the Dulles area. The conferees have been informed by the Department of Defense (DOD) that sufficient space does not currently exist at OSIA, or in the Dulles area, to co-locate all of the DTRA elements in one building or in one complex. As a result, DOD must either build or lease substantial additional space to accommodate the new organization. The conferees believe that one of the primary goals of any consolidation should be to have all the elements of the DTRA either in one building or complex or at least within walking distance of each other. Otherwise, the conferees are concerned the consolidation unnecessarily could result in substantial disruption of personnel and substantial increases in time commuting to meetings and other events during the day.

Before any further commitments for office space are made or additional efforts taken to consolidate the component parts of DTRA in the Dulles area, the conferees direct the Secretary of Defense to submit a report no later than May 14, 1999 on the cost and overall effect of this move on the work of the agency. This report should address: the availability of public transportation; plans for transporting employees during the day; relocations costs; commuting impacts; potential savings; an assessment of the advantages and disadvantages of co-locating and co-locating to the Dulles area; issues associated with force protection; an assessment of the alternatives to co-locating including not moving; and the impact on retention and morale of personnel that would move.

Joint Military Intelligence Program

The budget request included $3.8 billion in the Operation and Maintenance, Defense-Wide account for classified and intelligence programs, including funds in the Joint Military Intelligence Program for the National Imagery and Mapping Agency (NIMA), the Joint Reserve Intelligence Program (JRIP), and the Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance Integrated Architecture Plan (CIAP).

The House bill would authorize a net decrease of $9.0 million for NIMA, an increase of $3.0 million for JRIP, and an increase of $3.0 million for CIAP. The House report (H. Rept. 105–508) accompanying the Intelligence Authorization Act for Fiscal Year 1999 (H.R. 3694) directed that no funds authorized or appropriated for NIMA be made available for the joint mapping tool kit (JMTK) module of the global command and control system (GCCS) until the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence (ASD(C3I)) either certifies that the Defense Information Systems Agency (DISA) will procure the module commercially, or reports to the congressional defense and intelligence committees why such commercial procurement would be disadvantageous.

The Senate amendment would authorize the budget request for NIMA, JRIP, and CIAP.

The conferees agree to authorize a decrease of $7.0 million for NIMA sustaining capabilities and an increase of $7.0 million for product outsourcing. The conferees direct that the sustaining capabilities reduction be applied equitably across all NIMA facilities and functions, and that no more than half of the decrease be applied to personnel. The conferees also agree to authorize an increase of $3.0 million for JRIP and an increase of $3.0 million for CIAP.

With regard to the House position on JMTK module procurement, the conferees agree that NIMA and DISA should be acquiring commercially available products unless there is very strong justification to the contrary. Therefore, the conferees direct the ASD (C3I) to provide the congressional defense and intelligence committees by January 29, 1999 a report on his plan for: (1) establishing a process for certifying commercial products that meet GCCS interface protocols and standards; (2) providing all documentation needed for vendors to determine whether their applications software products can achieve such certification; and (3) ensuring

that NIMA and DISA are making all reasonable efforts to evaluate commercially available GCCS modules (such as JMKT) that can achieve such certification before spending Department of Defense funds to develop such modules.

Domestic emergency response program

The budget request included $246.2 million for key Department of Defense programs to counter paramilitary and terrorist threats involving weapons of mass destruction, including $99.1 million for the domestic emergency response preparedness program as follows: $49.9 million for the Department of Defense to prepare and enhance Federal, state and local response capabilities to terrorist incidents involving weapons of mass destruction (WMD), and $49.2 million for the Department of the Army for the Reserve Components' participation in domestic emergency preparedness and response to the terrorist use of weapons of mass destruction.

The House bill would authorize a decrease of $28.5 million for the Reserve Components' participation in WMD domestic preparedness, including $14.6 million for military personnel, $7.0 million for operation and maintenance, and $6.9 million for the procurement of contamination avoidance equipment.

The Senate amendment would authorize the budget request for domestic emergency preparedness for the Department of Defense and the Department of the Army. In addition, the Senate would recommend the transfer of the mission, function and resources for the Defense domestic emergency preparedness program to the Defense Threat Reduction Agency (DTRA).

The conferees agree to authorize the budget request for countering paramilitary and terrorist WMD threats and for the DOD and the Department of the Army for the WMD domestic emergency response program. Authorization of Reserve Components' participation in WMD domestic emergency preparedness and response is discussed in Title V of this report. Additionally, specific adjustments to program elements for countering paramilitary and terrorist WMD threats are discussed elsewhere in the report on the individual projects which are included in the program.

The conferees are aware that a National Coordinator has been appointed by the President, pursuant to the direction contained in the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201), whose responsibilities shall include operational oversight of the Federal government's security and counterterrorism efforts, to include domestic emergency preparedness and response to the terrorist use of WMD. The conferees have included a provision in Title XIV of this report that would require the President to increase the effectiveness of the domestic emergency preparedness program and to submit a report to Congress by January 31, 1999 outlining the actions taken to increase the effectiveness of the program. In addition, the conferees direct that the report submitted by the President on January 31, 1999 include information on the efforts to meet the challenge of limiting the damage and manage the consequences of the terrorist use of WMD, as outlined in Presidential Decision Directive (PDD) 62. The conferees understand that the intent of PDD 62 is to create a new and more systematic approach to fighting the threat of the terrorist use of WMD. The report should outline the role and obligations of the National Coordinator in overseeing the relevant policies and programs in the U.S. Government, the responsibility of the National Coordinator to the Congress, implementation of recommendations on budgets for counter-terrorism programs and the coordination and development of guidelines necessary for crisis management. The conferees request that the President's report identify requirements for any additional fiscal year 1999 funds that may be required to implement actions taken to increase the effectiveness of the domestic emergency response program.

The conferees endorse the direction contained in the Senate report (S. Rept. 105-189) requiring the Secretary of Defense to report to the congressional defense committees on the use of the DOD stockpile of vaccines, medical supplies and protective gear in a domestic WMD emergency, and the availability of vaccines, antiserums and antidotes in other Federal entities that could also be used. In addition, the President's report to Congress should discuss the advisability of establishing regional stockpiles of both emergency protective gear and vaccines that could be available for emergency use by Federal, state and local responders in the event of a terrorist event using WMD.

ITEMS OF SPECIAL INTEREST

Fire support software engineering center

The conferees are concerned about the readiness and upgrades of Army command and control and fire direction systems presently maintained by the Fire Support Software Engineering Center (FSSEC) at Fort Sill, Oklahoma. Delays on systems such as the Battery Computer System, the Initial Fire Support Automated System, and the Multiple Launch Rocket System must be avoided. Therefore, the conferees urge the Army to continue full operational funding for the FSSEC.

Lead-based paint soil contamination at Department of Defense facilities

A December 20, 1996, Environmental Protection Agency (EPA) memorandum indicates that the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) may be applied to compel the cleanup of lead-contaminated soils on federal facilities. The conferees understand that, to date, EPA has only applied this interpretation of CERCLA at DOD sites.

The conferees note that section 120(a)(1) and (2) of the CERCLA provides that federal facilities are to comply with all guidelines, rules, regulations, and criteria ''. . . in the same manner, and to the extent as such guidelines, rules, regulations, and criteria are applicable to other facilities.'' Although the conferees recognize that there may be quantifiable human health risks that support response actions at certain sites with lead-based paint contamination, there is concern about consistency.

The conferees are concerned about the possibility of disparate enforcement actions related to lead-based paint. The conferees direct that the Secretary of Defense include in the fiscal year 1998 annual report on environmental restoration (10 U.S.C. 2706(a)) a description of the sites, human health risks, costs, and delays, if any, related to the EPA enforcement of response action requirements for lead-based paint at Department of Defense sites.

State certification of underground storage tanks

The conferees note that underground storage tanks owned and operated by the Department of Defense (DOD) are subject to Federal, state, and local statutory and regulatory guidance. The Resource Conservation and Recovery Act (RCRA) (42 U.S.C. 6991–6991h) sets minimum standards for spill, overfill, and corrosion protection mechanisms to be included in standards for upgrading, replacing, and closing new and existing underground storage tanks. Existing underground storage tanks, those installed prior to December 22, 1988, must be upgraded to have spill, overfill, and corrosion protection, otherwise such tanks may be subject to removal, closure in place, or replacement. Generally, state environmental regulatory agencies have adopted the Federal minimum RCRA compliance standards for underground storage tanks.

A recent audit conducted by the DOD Office of Inspector General (IG) determined that there were significant variances between state- and DOD-generated underground storage tank inventories. The DOD IG determined that such divergent results occurred because the DOD managers and state environmental regulators prepared separate underground storage tank inventories that were not reconciled. Consistent with that determination, the DOD IG concluded that operations may be disrupted at some DOD installations after December 22, 1998, if state regulatory agencies do not obtain accurate data with which to assess DOD underground storage tank compliance under RCRA, Subtitle I.

The conferees direct the Secretary of Defense to submit a report, no later than 60 days after the enactment of this Act, to the congressional defense committees on the number of underground storage tanks projected to be noncompliant after December 22, 1998. The report shall identify a plan that would minimize operational disruptions associated with noncompliant tanks.

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Authorization of Appropriations

Authorization of appropriations (secs. 301–302)

The House bill contained provisions (secs. 301–302) that would authorize the recommended fiscal year 1999 funding levels for all operations and maintenance and working capital fund accounts.

The Senate amendment contained similar provisions.

The conference agreement includes these provisions.

Armed Forces Retirement Home (sec. 303)

The House bill contained a provision (sec. 303) that would authorize $70.7 million from the Armed Forces Retirement Trust Fund for the operation of the Armed Forces Retirement Home, including the U.S. Soldiers' and Airmen's Home and the Naval Home.

The Senate amendment contained an identical provision (sec. 303).

The conference agreement includes this provision.

Transfer from the National Defense Stockpile Transaction Fund (sec. 304)

The House bill contained a provision (sec. 304) that would authorize the Secretary of Defense, to the extent provided in an appropriation act, to transfer $150.0 million from the National Defense Stockpile Transaction Fund to the operations and maintenance accounts.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Subtitle B—Program Requirements, Restrictions, and Limitations

Refurbishment of M1–A1 Tanks (sec. 311)

The House bill contained a provision (sec. 305) that would authorize $31.0 million for the refurbishment of up to 70 M1–A1 tanks under the AIM–XXI program.

The Senate amendment contained no similar provision.

The Senate recedes.

Operation of prepositioned fleet, National Training Center, Fort Irwin, California (sec. 312)

The House bill contained a provision (sec. 306) that would authorize $60.2 million for

the operation of the prepositioned fleet of equipment during training operations at the National Training Center, Fort Irwin, California.

The Senate amendment contained no similar provision.

The Senate recedes.

Berthing space at Norfolk Naval Shipyard, Virginia (sec. 313)

The House bill contained a provision (sec. 307) that would authorize the Navy to obligate $6.0 million for the relocation of the U.S.S. Wisconsin from Norfolk Naval Shipyard to another suitable location to increase available berthing space at the shipyard.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees are aware of the facility capacity constraints at Norfolk Naval Shipyard where the Navy currently maintains some of its inactive reserve vessels. These constraints require the relocation of the U.S.S. Wisconsin to a different location in order to make space available for active vessels in need of repair and maintenance. Because of the requirement for the Navy to berth this deep draft vessel within the Norfolk vicinity so that it can be returned to the shipyard for reactivation, if necessary, the Navy is exploring alternative berthing sites including some within the Elizabeth River. The committee is aware that the redeployment of this vessel to a suitable location in the Norfolk area may require some additional dredging. Therefore, the conferees recommend an increase of $6.0 million for the dredging and other costs associated with the redeployment of the U.S.S. Wisconsin within the Norfolk region.

NATO common-funded military budget (sec. 314)

The budget request for Army operations and maintenance included $227.4 million for support of other nations, which includes support of North Atlantic Treaty Organization (NATO) operations and NATO expansion.

The Senate amendment contained a provision (sec. 314) that would authorize the budget request for Army operations and maintenance for support of other nations.

The House bill contained no similar provision.

The House recedes.

Subtitle C—Environmental Provisions

Settlement of claims of foreign governments for environmental cleanup of overseas sites formerly used by the Department of Defense (sec. 321)

The Senate amendment contained a provision (sec. 326) that would require the President to provide notification to Congress of any negotiations related to the ex-gratia settlement of environmental cleanup claims by other countries.

The House bill contained no similar provision.

The House recedes.

Authority to pay negotiated settlement for environmental cleanup of formerly used defense sites in Canada (sec. 322)

The House bill contained a provision (sec. 321) that would authorize the Secretary of Defense to pay the Government of Canada up to $100.0 million in annual payments over a ten year period.

The Senate amendment contained a provision (sec. 325) that would allow for the payment of $100.0 million reimbursement to Canada, subject to annual authorizations and appropriations process. The Department would be required to submit to Congress evidence of proportionate Canadian investment in environmental cleanup in support of each annual authorization and appropriation request. The provision would make certain findings regarding the basis for the reimbursement, state that the authorization shall not be construed as precedent setting, and that the $100.0 million would be paid in full satisfaction of any and all environmental contamination claims by Canada.

The House recedes with an amendment that would authorize the $10.0 million appropriated in fiscal year 1998 appropriation for the Canadian reimbursement.

Removal of underground storage tanks (sec. 323)

The House bill contained a provision (sec. 322) that would enable the Department of Defense (DOD) to use not more than $150,000 of the funds available for environmental restoration of formerly used defense sites to conduct removal of underground storage tanks at the Authorities Allied Industrial Park in Macon, Georgia.

The Senate amendment contained no similar provision.

Senate recedes with an amendment that would give the Secretary of Defense discretion to fund any tank removal at formerly used defense sites. The conferees note that such exercise of discretion would be dependent upon a determination of DOD liability, consistent with current law. The conferees direct the Secretary of Defense to determine whether it would be appropriate to use authorized funds for removal of former DOD underground storage tanks, and then report to the congressional defense committees within 90 days of the enactment of this Act.

Report regarding polychlorinated biphenyls under Department of Defense control overseas (sec. 324)

The Senate amendment contained a provision (sec. 321) that would amend Chapter 157 of title 10, United States Code, by adding a new section to permit Department of Defense agencies to transport to the United States for disposal, treatment, or storage of foreign manufactured polychlorinated biphenyls (PCBs) generated by the Department's overseas activities. The provision would ensure that the PCB-containing material transported to the United States is handled in an environmentally responsible manner.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to submit a report to the Congress that addresses international and domestic issues related to the transportation and disposition of foreign manufactured PCBs.

Modification of deadline for submittal to Congress of annual reports on environmental activities (sec. 325)

The Senate amendment contained a provision (sec. 322) that would amend section 2706 of title 10, United States Code, by substituting the 45 day annual reporting deadline for the current 30 day period.

The House bill contained no similar provision.

The House recedes.

The conferees are aware that the Department of Defense has considered modification of the annual report on environmental restoration activities. While the Department has been directed to restructure the annual report on environmental compliance by including useful and comprehensible information, the conferees note that the environmental restoration report does not require such changes. The conferees expect that any modifications to the annual environmental reports will be fully coordinated with the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

Submarine solid waste control (sec. 326)

The Senate amendment contained a provision (sec. 323) that would amend the Act to Prevent Pollution from Ships (APPS) (33 U.S.C. 1901, et seq.) by authorizing certain submersible vessels owned or operated by the Navy to discharge non-plastic garbage that has been compacted and weighted to ensure negative buoyancy within special use areas. The APPS implements the Annex V of the International Convention for the Prevention of Pollution on Ships (MARPOL). The Navy has determined that compliance with the special use area requirements of MARPOL Annex V would impair submarine operations and operational capability, or would not be technologically feasible. A comprehensive Navy environmental analysis revealed that the discharge of non-plastic garbage from Navy submarines would not have a significant effect on the marine environment, either within or beyond the limits of MARPOL Annex V special use areas.

The House bill contained no similar provision.

The House recedes with a technical amendment.

The conferees direct the Navy to provide adequate support and justification for future funding requests related to the compliance obligations associated with this new authority.

Arctic Military Environmental Cooperation program (sec. 327)

The budget request included $5.5 million in the defense operations and maintenance to address military environmental matters in the Arctic region under the Arctic Military Environmental Cooperation (AMEC) program, to include environmental restoration activities.

The Senate amendment contained a provision (sec. 327) that would authorize the AMEC program, subject to the legislative prohibitions and limitations of the Cooperative Threat Reduction (CTR) program, to include section 1503 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 105–85). The provision would authorize $4.0 million for AMEC, a decrease of $1.5 million, and would preclude the obligation or expenditure of fiscal year 1999 funds until 45 days after the Secretary of Defense submits a plan that specifies the conformance of AMEC projects to existing prohibitions and limitations on the use of CTR funds.

The House bill contained no similar provision. The House report (H. Rept. 105–532) urged the Secretary of Defense to use up to $1.0 million to support the establishment of a Joint United States-Russia Nuclear Materials Commission that would include legislators, agency and ministry leaders, and environmental experts representing the international environmental community.

The House recedes with an amendment that would require congressional notification prior to the obligation of AMEC funds, similar to the requirement that applies to the use of CTR funds, and would also prohibit the use of AMEC funds for environmental restoration. The conferees agree that AMEC should address important military environmental issues related to U.S. national security interests in the Arctic. In order to ensure that AMEC has the requisite focus, the conferees expect the Secretary of Defense to develop a comprehensive program plan, consistent with the legislative prohibitions and limitations of the CTR program. That plan must be in place before funds are obligated for AMEC. The conferees direct the Secretary of Defense to include in the plan a specific program termination date.

The Secretary of Defense recently notified the Congress of an intent to reobligate prior year CTR funds for AMEC to ''. . . focus on threats to the environment. . . .'' The conferees are concerned about the vagueness of this notice, the possible use of reobligated

funds for environmental restoration, and the potential conflict with existing law. The Congress prohibited the use of CTR funds for the provision of assistance to promote environmental restoration (National Defense Authorization Act for Fiscal Year 1997 (Public Law 105–85)). The new AMEC authority and existing CTR requirements would prohibit the use of CTR or AMEC funds for environmental restoration.

Sense of Congress regarding oil spill prevention training for personnel on board Navy vessels (sec. 328)

The Senate amendment contained a provision (sec. 328) that would express a sense of the Senate that the Secretary of the Navy should ensure that personnel on board Navy vessels in Puget Sound, Washington, receive oil spill prevention training.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Subtitle D—Information Technology Issues

Additional information technology responsibilities of chief information officers (sec. 331)

The House bill contained a provision (sec. 311) that would assign certain responsibilities to the chief information officers of the military services and the Department of Defense to ensure that information system budget requests are sufficient and that the systems themselves are interoperable.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would ensure that the Chief Information Officer of the Department of Defense (DOD) is responsible for examining all information systems within the Department to ensure that they are interoperable and are not duplicative of other DOD systems.

Defense-wide electronic mall system for supply purchases (sec. 332)

The House bill contained a provision (sec. 312) that would require the Defense Logistics Agency to develop a single, defense wide electronic mall system that would be operational by June 1, 1999.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Joint Electronic Commerce Program Office (JECPO) of the Department of Defense to develop a single, defense-wide electronic mall system, which would provide a single, defense-wide electronic point of entry and a single view, access, and ordering capability for all Department of Defense electronic catalogs. The provision would direct that the Defense Logistics Agency would be responsible for maintaining the system under the direction of the JECPO.

Year 2000 Compliance of Department of Defense Information Technology and National Security Systems

The conferees are concerned with the Department of Defense's (DOD) and the intelligence community's information technology and national security systems lack of progress in achieving year 2000 (Y2K) compliance. While debate continues over which steps are necessary to prepare the national security community for 21st century threats, the conferees agree that insufficient attention has been given to preparing this community for the Y2K transition.

Despite the fact that Y2K problems have been known for years, the Department has not met its projected time lines for renovating all necessary systems. In particular, many mission critical systems are still in the renovation phase, with little assurance from DOD that the required testing and integration efforts will be completed in sufficient time to avoid system-wide problems. The Department's reliance upon other public and private sector, including other nations, information technology systems adds to these concerns.

It is difficult to know how other nations will react if their own information technology systems are crippled by Y2K deficiencies and they are left without reliable and complete information. In an age where weapons of mass destruction with global reach are controlled through elaborate information networks, it is of critical importance that steps be taken to minimize any confusion or misunderstandings before they develop into crisis situations. The conferees commend the U.S. Strategic Command for its foresight and efforts in strengthening communications with other nations on Y2K, ensuring responsible management of Y2K problems that may arise.

For these reasons the conferees included three provisions (secs. 333, 334, and 335) to address the Department's and the intelligence communities Y2K issues. As discussed further in this title, these provisions cover such issues as Y2K contingency plans, relations with foreign nations, testing of systems, and adequate funding.

Priority funding to ensure year 2000 compliance of information technology and national security systems (sec. 333)

The House bill contained a provision (sec. 314) that would transfer $1.0 billion from other information technology and national security programs to assist in the Department's Y2K compliance efforts. The provision would also require that 75 percent of funds for information technology and national security programs be used for these Y2K efforts.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would prohibit the expenditure of funds on the development or modernization of any information technology system unless that system is Y2K compliant, or is required to be performed by law. The amendment would further protect funds for mission critical systems from any unallocated reductions. Finally, the provision would require the Department to develop contingency plans for these systems in the event that they are not Y2K compliant, and provide the Congress with a report on the Department's efforts to ensure its systems are compliant.

Evaluation of year 2000 compliance as part of training exercises programs (sec. 334)

The House bill contained a provision (sec. 315) that would require the Secretary of Defense to provide the congressional defense committees with a report that would outline the Department's plans for incorporating Y2K tests as part of its joint exercises.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require that Y2K tests be incorporated in at least 25 exercises, and that each mission critical system expected to be used in any major theater war be tested in at least one of these exercises.

Continuity of essential operations at risk of failure because of information technology and national security systems that are not year 2000 compliant (sec. 335)

The Senate amendment contained a provision (sec. 1026) that would require the Secretary of Defense and the Director of Central Intelligence to provide a joint report outlining their planned course of action to ensure a continuity of essential operations in the year 2000.

The House bill contained no similar provision.

The House recedes with an amendment that would eliminate the findings.

The conferees believe the report should include the adoption of a comprehensive contingency plan for the entire national security community, as well as individual contingency plans for the separate elements of the community, including the creation of crisis action teams to respond to emergencies arising from the Y2K problem. Furthermore, the report should outline any cooperative agreements between the United States and foreign countries to ensure that the Y2K problems with the strategic systems of those countries do not pose a threat to the United States.

Subtitle E—Defense Infrastructure Support Improvement

Clarification of definition of depot-level maintenance and repair (sec. 341)

The House bill contained a provision (sec. 335) that would clarify section 2460 (a) of title 16, United States Code, to include the location at which depot level maintenance is performed.

The Senate amendment contained no similar provision.

The Senate recedes.

Reporting and analysis requirements before change of commercial and industrial type functions to private sector performance (sec. 342)

The House bill contained a provision (sec. 331) that would amend and clarify certain requirements and notifications that the Department of Defense must meet before it could study a commercial or industrial type function under section 2461 of title 10, United States Code.

The Senate amendment contained a provision (sec. 346) that would express the Sense of the Senate that the Secretary of Defense should take action to initiate public-private competitions pursuant to Office of Management and Budget Circular A–76 for functions of the Department of Defense involving not fewer than 180,000 full time employees over the next six years. The provision would further waive any study requirements for functions involving 50 or fewer employees, and would give the Department increased flexibility to choose the public or private option that provides the best overall value for the taxpayer by expressly authorizing the use of ''best value'' techniques for public-private competitions for support services.

The Senate recedes with an amendment that would not include the requirement contained in the original House provision for the Secretary of Defense to notify the Congress of his determination regarding the cost effectiveness of procuring services or supplies through the private sector, rather than a working capital fund organization, before entering into such a contract. Any analysis performed to determine if supplies or services should be procured from the private sector rather than through a working capital fund organization, should, to the extent practicable, include the impact on the rates of the working capital fund organization. Furthermore, although the provision would allow any employee to raise an objection on the grounds that the required report and certifications were not performed, such an objection would have to be raised within 90 days of the date on which the employee either knew, or should have known, that the function was being studied for potential conversion to the private sector. In addition, the provision would waive the reporting requirement of section 2461 of title 10, United States Code, for functions with 51 or more employees, rather than 21 or more employees as provided in current law.

Notification of determinations of military items as being commercial items for purposes of the exception to requirements regarding core logistics capabilities (sec. 343)

The House bill contained a provision (sec. 336) that would define a commercial item for those situations in which the Department is determining if there is a requirement to establish a core depot maintenance capability. This definition would require that before an item can be considered a commercial item, and therefore not require a core depot maintenance capability, at least 90 percent of the total content by component value remains identical to the commercial version. It would further require that purchases and leases to the general public, rather than the government, constitute the majority of transactions of the item before it could be considered commercial.

The Senate had no similar provision.

The Senate recedes with an amendment that would require the Secretary of Defense submit to the Congress a report that outlines any determination regarding core depot maintenance capability and a detailed justification for each item determined for the first time to be a commercial item for the purposes of section 2464 of title 10, United States Code.

Oversight of development and implementation of automated identification technology (sec. 344)

The House bill contained a provision (sec. 333) that would require the Smart Card Technology Office within the Defense Human Resources Field Activity of the Department of Defense (DOD) to be responsible for the oversight and coordination of Automated Identification Technology programs within the DOD.

The Senate amendment contained a provision (sec. 345) that would require the Navy to allocate up to $25.0 million for Smart Cards. The Senate amendment also required the Navy to equip at least one carrier battle group, one air wing, and one amphibious readiness group, in each of the Atlantic and Pacific Fleets with Smart Card technology by March 31, 1999, and prohibited the procurement of the Joint Uniformed Services Identification card for the Department of the Navy after March 31, 1999 unless these units were equipped with Smart Cards. The Senate amendment also required the Secretary of the Navy to submit a plan to equip all operational naval units with Smart Cards.

The Senate recedes with an amendment that would establish an Automated Identification Technology Office within the Department of Defense with the responsibility for the development and coordination of DOD automated information technology programs including but not limited to Smart Cards. The conferees further agree to delay the date for equipping the Atlantic and Pacific naval units with Smart Cards to June 30, 1999 and to require the Secretary of Defense to submit a plan to the congressional defense committees for the use of Smart Card technology by each military department rather than requiring a plan only for the Navy.

Contractor-operated civil engineering supply stores program (sec. 345)

The House bill contained a provision (sec. 338) that would prohibit the incorporation of a civil engineering supply function into a broader base operations function for the purpose of competition or contracting until the Secretary of Defense submits a report to the Congress identifying the reasons for the incorporation, including why the combined competition or contract is the best method by which to achieve savings.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Conditions on expansion of functions performed under prime vendor contracts for depot-level maintenance and repair (sec. 346)

The House bill contained a provision (sec. 334) that would require the Secretary of Defense or the secretary of a military department to provide a report to the Congress each time the secretary intends to enter into a prime vendor contract for a hardware system, including one involving depot-level maintenance or logistics management functions. The report would address the competitive procedures that are proposed to be used to award the prime vendor contract, the effect of the contract on the working capital funds, and the costs and benefits associated with the contract which demonstrate that it will result in savings to the Federal Government over the life of the contract. The provision would prohibit the secretary concerned from entering into such a contract until 60 days after submission of the report.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would make the provision applicable to any prime vendor contract that the Department of Defense proposes to enter into that involves the depot-level maintenance of a piece of military equipment or major weapon systems. The Department would have to wait 30 days after submitting to the Congress a report that outlines the competitive procedures to be used as well as an examination of the costs (including costs derived as a result of changes to the working capital fund organizations) and benefits that will result from the contract, before entering into the contract.

Best commercial inventory practices for management of secondary supply items (sec. 347)

The Senate amendment contained a provision (sec. 344) that would direct the secretary of each military department to develop and submit to the Congress a schedule for the implementation of the best inventory management practices found in the commercial sector that are consistent with military requirements. The provision would also require the Comptroller General of the Department of Defense to review the extent to which the service secretaries comply with this requirement, and the extent to which best commercial inventory practices are being implemented by the Defense Logistics Agency.

The House bill contained a similar provision.

The House recedes with a technical amendment.

Personnel reductions in Army Materiel Command (sec. 348)

The House bill contained a provision (sec. 339) that would require the Comptroller General of the United States to provide to the congressional defense committees a report outlining the readiness impact of proposed personnel reductions within the Army Materiel Command and would delay the implementation of these reductions until the report is provided, or March 31, 1999.

The Senate amendment contained a similar provision but did not delay the implementation of these reductions.

The House recedes.

Inventory management of in-transit items (sec. 349)

The Senate amendment contained a provision (sec. 349) that would require the Secretary of Defense to submit a plan to the Congress on those actions the Secretary is taking to ensure effective management and oversight of in-transit secondary inventory.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to submit a plan to the Congress that would address the actions the Department is taking to improve the management and oversight of both secondary inventory, as well as major end-items.

Review of Defense Automated Printing Service functions (sec. 350)

The Senate amendment contained a provision (sec. 1085) that would require the Secretary of Defense to select an entity outside of the Department of Defense to review the functions of the Defense Automated Printing Service (DAPS).

The House bill contained no similar provision.

The House recedes with an amendment that would require an experienced private sector entity be consulted during the review of DAPS functions.

Development of plan for establishment of core logistic capabilities for maintenance and repair of C–17 aircraft (sec. 351)

The House bill contained a provision (sec. 337) that included findings regarding the need to perform depot-level maintenance of the C–17 aircraft in government depots, and would require the Secretary of the Air Force to submit to the Congress a plan for the establishment of the core logistics capabilities for the C–17 aircraft, consistent with the requirements of section 2464 of title 10, United States Code. The provision would further prohibit the extension of the interim contract for the C–17 Flexible Sustainment Program until after the end of the 60 day period beginning on the date the plan is submitted to Congress.

The Senate amendment had no similar provision.

The Senate recedes with an amendment that would delete the findings.

The conferees note that in January of 1999, the C–17 will complete its fourth year of its operational capability. At that point, the Department of the Air Force must have the capability to maintain the non-commercial portions of this system in a public depot, should the need arise.

Subtitle F—Commissaries and Nonappropriated Fund Instrumentalities

Continuation of management and funding of Defense Commissary Agency through the Office of the Secretary of Defense (sec. 361)

The House bill contained a provision (sec. 341) that would require that the Defense Commissary Agency (DECA) continue to be managed and funded through the Office of the Secretary of Defense.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Defense to establish a Board of Directors to oversee the operations of DECA.

Expansion of current eligibility of reserves for commissary benefits (sec. 362)

The House bill contained a provision (sec. 342) that would increase the number of days that certain ready reserve members and reserve retirees under the age of 60 are eligible to use commissary stores from 12 days each calendar year to 24 days each calendar year, and would extend commissary eligibility to members of the national guard who are activated during federally-declared disasters.

The Senate amendment contained no similar provision.

The Senate recedes.

Costs payable to the Department of Defense and other federal agencies for services provided to the Defense Commissary Agency (sec. 363)

The Senate amendment contained a provision (sec. 1049) that would prohibit the Defense Commissary Agency from paying any

costs for services provided by a Department of Defense or other federal agency that exceeds the price at which the service could be procured in full and open competition.

The House bill contained no similar provision.

The House recedes with an amendment that would clarify that the prohibition only applies to overseas transportation services.

Collection of dishonored checks presented at commissary stores (sec. 364)

The Senate amendment contained a provision (sec. 1050) that would permit the Secretary of Defense to impose a charge for the collection of dishonored checks presented at a commissary store in a manner consistent with the practices of commercial grocery stores.

The House bill contained no similar provision.

The House recedes.

Restrictions on patron access to, and purchases in, overseas commissaries and exchange stores (sec. 365)

The House bill contained a provision (sec. 344) that would authorize the Secretary of Defense to continue to restrict the sale of certain items in overseas exchanges and commissaries, but would require that the Secretary ensure that such restrictions are consistent with the primary purpose of providing U.S. made goods to authorized patrons.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Repeal of requirement for Air Force to sell tobacco products to enlisted personnel (sec. 366)

The House bill contained a provision (sec. 343) that would repeal section 9623 of title 10, United States Code. This section requires the Air Force to sell not more than 16 ounces of tobacco a month to any enlisted member who requests it.

The Senate amendment contained no similar provision.

The Senate recedes.

Prohibition on consolidation or other organizational changes of Department of Defense retail system (sec. 367)

The House bill contained a provision (sec. 346) that would prohibit the Department of Defense from consolidating military exchange and commissary operations, and from conducting further study of consolidation, unless specifically authorized by law.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would eliminate the prohibition against conducting further studies.

The conferees note that the Department of Defense recently contracted for a due diligence study regarding exchange integration. The conferees intend for that study to continue, but expect that implementation of any study recommendations would await congressional approval. The conferees do not intend that the prohibition against consolidation or merger of retail systems be an impediment to implementing agreements and operations among the exchange systems that are determined to be mutually beneficial and increase efficiency of the exchange systems.

Defense Commissary Agency telecommunications (sec. 368)

The Senate amendment contained a provision (sec. 1051) that would require the Secretary of Defense to provide the Defense Commissary Agency (DECA) authority to obtain telecommunications and related services under the Federal Telecommunications System (FTS) 2000/2001 contract, and to report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives when DECA telecommunications have been initiated under the FTS 2000/2001 contract.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Survey of commissary store patrons regarding satisfaction with commissary store merchandise (sec. 369)

The House bill contained a provision (sec. 348) that would require the Secretary of Defense to survey eligible commissary store patrons to determine their interest in commissary stores selling beer and wine. The provision would also authorize the Secretary to conduct a demonstration project at seven military installations in the United States, after consideration of the survey results.

The Senate amendment contained a provision (sec. 351) that would prohibit the Secretary of Defense from conducting a survey of eligible commissary store patrons to determine their interest in commissary stores selling beer and wine and from conducting a demonstration project in which beer and wine would be sold in commissaries.

The Senate recedes with an amendment that would require the Secretary of Defense to conduct survey of eligible patrons of the commissary system to determine patron satisfaction with commissary store products.

Subtitle G—Other Matters

Eligibility requirements for attendance at Department of Defense domestic dependent elementary and secondary schools (sec. 371)

The House bill contained a provision (sec. 361) that would permit dependents residing in a territory, commonwealth, or possession of the United States to participate in an educational program when the parent is a service member assigned to a remote or unaccompanied location. The provision would also clarify the authority of the Secretary of Defense to make exceptions for enrollment in dependent schools for dependents of civilian employees in Puerto Rico and Guam, where such employees reside off the installation, and would provide that the Department be reimbursed for the cost of such education.

The Senate amendment contained a similar provision (sec. 1055).

The Senate recedes with an amendment that would preserve the portion of the Senate provision with regard to permitting dependents of United States Customs Service agents in Puerto Rico to attend Department of Defense schools during the term of the agent's assignment in Puerto Rico.

Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees (sec. 372)

The House bill contained a provision (sec. 364) that would authorize $35.0 million for educational assistance to local education agencies where the standard for the minimum level of education within the state could not be maintained because of the large number of military-connected students or the effects of base realignments and closures.

The Senate amendment contained no similar provision.

The Senate recedes.

Department of Defense readiness reporting system (sec. 373)

The House bill contained a provision (sec. 367) that would require the Secretary of Defense to establish a comprehensive reporting system to measure the capability of the armed forces to carry out their responsibilities under the National Security Strategy, defense planning guidance, and the National Military Strategy. The information collected by this system would be presented each month to the Chairman of the Joint Chiefs of Staff, and to the congressional defense committees. This would replace the quarterly readiness reports that are currently provided by the Department of Defense to the Congress.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would delay the implementation date of this provision, clarify that the Secretary of Defense is not required to submit the complete documentation of each joint monthly readiness review to the Congress, and make other technical changes.

The conferees recognize that stable requirements for measuring and reporting readiness are essential in order for the Department of Defense to develop an effective readiness reporting system that is capable of making valid comparisons over time.

The conferees urge the Secretary to retain in the new reports required by this section those elements of the expanded Quarterly Readiness Report to the Congress that are believed to be effective in informing the Congress on the readiness of our armed forces.

Specific emphasis of program to investigate fraud, waste, and abuse within Department of Defense (sec. 374)

The House bill contained a provision (sec. 362) that would expand the formal waste, fraud, and abuse program within the Department of Defense to include any overpayment to a vendor.

The Senate amendment contained no similar provision.

The Senate recedes.

Condition for providing financial assistance for support of additional duties assigned to the Army National Guard (sec. 375)

The Senate amendment contained a provision (sec. 347) that would require the Secretary of the Army to conduct a competition with the private sector prior to expanding the amount of support which the Army National Guard performs pursuant to section 113(b) of title 32, United States Code, if that support is not yet performed by the Guard, or that support is not currently under official consideration by the Secretary of the Army for award to the National Guard.

The House bill contained no similar provision.

The House recedes with an amendment that would also allow qualified public sector sources, including depots, to participate in any competition for activities that the National Guard is seeking to perform under section 113(b).

Demonstration program to improve quality of personal property shipments of members (sec. 376)

The House bill contained a series of provisions (secs. 381–387) that would require the Department of Defense to replace its existing pilot program to re-engineer the movement of household goods with a program known as the Commercial-Like Activities for Superior Quality Demonstration (CLASS) Program, that would make certain modifications to the existing regulations governing the movement of these goods.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Defense to implement and complete within one year the current pilot program designed in consultation with industry representatives. The Secretary would also be required to submit to the Congress a report, not later than August 31, 1999, outlining the extent to which the current program meets its goals and to

report the extent to which the industry alternative program would meet these goals.

Pilot program for acceptance and use of landing fees charged for use of domestic military airfields by civil aircraft (sec. 377)

The Senate amendment contained a provision (sec. 313) that would authorize the secretary of the military department to accept payments for the use of domestic military and shared use airfields by civil aircraft and to use those payments for the operation and maintenance of the airfield.

The House bill contained no similar provision.

The House recedes with an amendment that would require that the Secretary of the Department of Defense establish uniform procedures for the collection and obligation of any receipts generated as a result of such fees.

Strategic plan for expansion of distance learning initiatives (sec. 378)

The House bill contained a provision (sec. 365) that would require the Secretary of Defense to develop a plan to establish a framework for developing and applying distance learning technologies to training courses where it makes sense and is cost effective.

The Senate amendment contained a provision (sec. 1029) that would require the Secretary of Defense to develop and provide to the Congress a five-year plan for guiding and expanding distance learning initiatives in the Department of Defense.

The House recedes.

Public availability of operating agreements between military installations and financial institutions (sec. 379)

The House bill contained a provision (sec. 366) that would subject operating agreements that provide financial services, including electronic banking, on military installations in the United States, to the same requirements of the Freedom of Information Act (FOIA) as all other federal contracts.

The Senate amendment contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Funding for information technology and national security programs

The House bill contained a provision (sec. 313) that would require the expenditure of certain funds for information technology programs of the military services.

The Senate amendment contained no similar provision.

The House recedes.

Requirement to maintain government owned and operated core logistics capability

The House bill contained a provision (sec. 332) that would amend section 2464 of title 10, United States Code, by requiring that core depot maintenance workloads be performed by public depots acting as prime contractors rather than subcontractors.

The Senate amendment contained no similar provision.

The House recedes.

Extension of demonstration project for uniform funding of morale, welfare, and recreation activities

The House bill contained a provision (sec. 345) that would extend for one year the authority of the Secretary of Defense to conduct a demonstration project for the uniform funding of morale, welfare, and recreation activities at certain military installations.

The Senate amendment contained no similar provision.

The House recedes.

Authorized use of appropriated funds for relocation of Navy Exchange Service Command

The House bill contained a provision (sec. 347) that would provide that the Navy Exchange Service Command (NEXCOM) shall not be required to reimburse the United States for appropriated funds allotted to NEXCOM during fiscal years 1994, 1995, and 1996 for costs incurred in connection with the relocation of NEXCOM headquarters to Virginia Beach, Virginia, and for the lease of headquarters space.

The Senate amendment contained no similar provision.

The House recedes.

Fees for providing historical information to the public

The Senate amendment contained a provision (sec. 1056) that would allow the historical institutes of the military services to provide historical information to members of the public for a fee that is equivalent to the cost of researching and transmitting the information.

The House bill contained no similar provision.

The Senate recedes.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Active Forces

End strengths for active forces (sec. 401)

The House bill contained a provision (sec. 401) that would authorize the following end strengths for active duty personnel of the armed forces as of September 30, 1999:

	Fiscal year—		
	1998 authorization	1999 request	1999 recommendation
Army	495,000	480,000	484,800
Navy	390,802	372,696	376,423
Marine Corps	174,000	172,200	173,922
Air Force	371,577	370,882	371,577
Total	1,431,379	1,395,778	1,406,722

The Senate amendment contained a provision (sec. 401) that would authorize active duty end strengths for fiscal year 1999, as shown below:

	Fiscal year—		
	1998 authorization	1999 request	1999 recommendation
Army	495,000	480,000	480,000
Navy	390,802	372,696	372,696
Marine Corps	174,000	172,200	172,200
Air Force	371,577	370,882	370,882
Total	1,431,379	1,395,778	1,395,778

The House recedes.

Revision in permanent end strength levels (sec. 402)

The House bill contained a provision (sec. 402) that would amend section 691 of title 10, United States Code, by establishing new end strength floors for the active forces at the levels recommended in section 401. This section would also permit active end strengths to vary up to one percent below the established floor.

The Senate amendment contained a provision (sec. 404) that would repeal section 691 of title 10, United States Code, which established end strength floors for the military services.

The Senate recedes with an amendment that would establish end strength floors at the levels in the budget request and would permit active end strengths to vary up to 0.5 percent flexibility below the established floor.

Date for submission of annual manpower requirements report (sec. 403)

The House bill contained a provision (sec. 403) that would establish a new suspense date for the submission of an Annual Manpower Requirements Report, requiring it to be transmitted to the Congress not later than 30 days after the budget for the next fiscal year is submitted to Congress.

The Senate amendment contained a provision (sec. 521) that would change the date the Secretary of Defense must submit the Annual Manpower Requirements Report from February 15 of each year to a date not later than 45 days after the President submits the budget to the Congress.

The House recedes with a clarifying amendment.

Additional exemption from percentage limitation on number of lieutenant generals and vice admirals (sec. 404)

The Senate amendment contained a provision (sec. 402(a)) that would increase from six to seven the number of lieutenant generals and vice admirals serving on the Joint Staff who are exempt from the limit of lieutenant generals and vice admirals on active duty.

The House bill contained no similar amendment.

The House recedes.

Extension of authority for Chairman of the Joint Chiefs of Staff to designate up to 12 general and flag officer positions to be excluded from general and flag officer grade limitations (sec. 405)

The House bill contained a provision (sec. 404) that would extend to October 1, 2001, from October 1, 1998, the authority for the Chairman of the Joint Chiefs of Staff to exclude up to 12 general and flag officer positions from existing grade limitations.

The Senate amendment contained a provision (sec. 402(b)) that would extend until October 1, 2002, the temporary authority to exclude up to 12 joint duty officers from the limitation on authorized general and flag officer strength.

The House recedes.

Exception for Chief, National Guard Bureau, from limitation on number of officers above major general (sec. 406)

The conference report includes a provision that would exempt the position of Chief of the National Guard Bureau from the limitation on the number of officers above major general serving on active duty in that officer's armed force.

Limitation on daily average of personnel on active duty in grades E-8 and E-9 (sec. 407)

The Senate amendment contained a provision (sec. 403) that would change the method for computing the time limitation on active duty enlisted personnel serving in the grades of E-8 and E-9 to a fiscal year basis from a calendar year basis. The recommended provision would also correct a technical error in the existing statute.

The House bill contained no similar provision.

The House recedes with an amendment that would make the provision effective October 1, 1999.

Subtitle B—Reserve Forces

End strengths for selected reserve (sec. 411)

The House bill contained a provision (sec. 411) that would authorize the following end strengths for the selected reserve personnel, including the end strength for reserves on active duty in support of the reserves, as of September 30, 1999:

	Fiscal year—		
	1998 authorization	1998 request	1998 recommendation
The Army National Guard of the United States	361,516	357,000	357,000
The Army Reserve	208,000	208,000	209,000
The Naval Reserve	94,294	90,843	90,843
The Marine Corps Reserve	42,000	40,018	40,018

	Fiscal year—		
	1998 authorization	1998 request	1998 recommendation
The Air National Guard of the United States	108,002	106,991	106,991
The Air Force Reserve	73,447	74,242	74,242
The Coast Guard Reserve	8,000	8,000	8,000
Total	895,259	885,094	886,094

The increases in selected reserve end strength shown above include the additions to the end strength for reserves on active duty in support of the reserves described in section 412 of the House bill.

The Senate amendment contained a provision (sec. 411) that would authorize Selected Reserve end strengths for fiscal year 1999 as shown below:

	Fiscal year—		
	1998 authorization	1998 request	1998 recommendation
The Army National Guard of the United States	361,516	357,000	357,000
The Army Reserve	208,000	208,000	208,000
The Naval Reserve	94,294	90,843	90,843
The Marine Corps Reserve	42,000	40,018	40,018
The Air National Guard of the United States	108,002	106,991	106,991
The Air Force Reserve	73,447	74,242	74,242
The Coast Guard Reserve	8,000	8,000	8,000
Total	895,259	885,094	885,094

The House recedes with an amendment that would authorize the following end strengths for the selected reserve personnel, including the end strength for reserves on active duty in support of the reserves, as of September 30, 1999:

	Fiscal year—		
	1998 authorization	1999 request	1999 recommendation
The Army National Guard of the United States	361,516	357,000	357,223
The Army Reserve	208,000	208,000	208,003
The Naval Reserve	94,294	90,843	90,843
The Marine Corps Reserve	42,000	40,018	40,018
The Air National Guard of the United States	108,002	106,991	106,992
The Air Force Reserve	73,447	74,242	74,243
The Coast Guard Reserve	8,000	8,000	8,000
Total	895,259	885,094	885,322

The amendment would increase the end strengths for Selected Reserve personnel to include the authorization to use reserves for emergencies involving weapons of mass destruction.

End strengths for reserves on active duty in support of the reserves (sec. 412)

The House bill contained a provision (sec. 412) that would authorize the following end strengths for reserves on active duty in support of the reserves, as of September 30, 1999:

	Fiscal year—		
	1998 authorization	1999 request	1999 recommendation
The Army National Guard of the United States	22,310	21,763	21,763
The Army Reserve	11,500	11,804	12,804
The Naval Reserve	16,136	15,590	15,590
The Marine Corps Reserve	2,559	2,362	2,362
The Air National Guard of the United States	10,616	10,930	10,930
The Air Force Reserve	748	991	991
Total	62,869	63,440	64,440

The provision would increase by 1,000 the number of Active Guard and Reserve authorizations for the United States Army Reserve above the budget request.

The Senate amendment contained a provision (sec. 412) that would authorize full-time support end strengths for fiscal year 1999, as shown below:

	Fiscal year—		
	1998 authorization	1999 request	1999 recommendation
The Army National Guard of the United States	22,310	21,763	21,763
The Army Reserve	11,500	11,804	11,804
The Naval Reserve	16,136	15,590	15,590
The Marine Corps Reserve	2,559	2,362	2,362
The Air National Guard of the United States	10,671	10,930	10,930
The Air Force Reserve	867	991	991

The Senate recedes with an amendment that would authorize the following end strengths for reserves on active duty in support of the reserves, as of September 30, 1999:

	Fiscal year—		
	1998 authorization	1999 request	1999 recommendation
The Army National Guard of the United States	22,310	21,763	21,986
The Army Reserve	11,500	11,804	12,807
The Naval Reserve	16,136	15,590	15,590
The Marine Corps Reserve	2,559	2,362	2,362
The Air National Guard of the United States	10,616	10,930	10,931
The Air Force Reserve	748	991	992
Total	62,869	63,440	64,668

The amendment would increase the end strengths for reserves on active duty in support of the reserves to include the authorization to use the reserves for emergencies involving weapons of mass destruction.

End strengths for military technicians (dual status) (sec. 413)

The House bill contained a provision (sec. 413) that would authorize the following end strengths for military technicians (dual status) as of September 30, 1999:

	Fiscal year—		
	1998 authorization	1999 request	1999 recommendation
The Army National Guard of the United States	23,125	22,179	23,125
The Army Reserve	5,503	5,205	5,395
The Air National Guard of the United States	22,853	22,408	22,408
The Air Force Reserve	9,802	9,761	9,761
Total	61,007	59,553	60,689

The Senate amendment contained a provision (sec. 413) that would authorize military technician end strengths for fiscal year 1999, as shown below:

	Fiscal year—		
	1998 authorization	1999 request	1999 recommendation
The Army National Guard of the United States	23,125	22,179	22,179
The Army Reserve	5,503	5,205	5,205
The Air National Guard of the United States	22,853	22,408	22,408
The Air Force Reserve	9,802	9,761	9,761

The Senate recedes.

Increase in number of members in certain grades authorized to serve on active duty in support of the reserves (sec. 414)

The House bill contained a provision (sec. 414) that would authorize increases in the grades of reserve members authorized to serve on active duty or on full-time national guard duty for the administration of the reserves or the national guard. The provision would authorize 133 additional majors, 22 additional enlisted personnel in the grade of E–9, and 89 additional enlisted personnel in the grade of E–8 in the Air Force. The provision would also authorize 26 additional colonels and 20 additional enlisted personnel in the grade of E–9 in the Army.

The Senate amendment contained a provision (sec. 415) that would increase the number of officers and senior enlisted personnel on active duty in certain grades in the reserve components of the Army and the Air Force in support of the reserves. The recommended provision would increase the authorized number of Army reserve component colonels from 412 to 438 and enlisted members in the grade of E–9 from 603 to 623. The provision would increase the authorized number of Air Force reserve component majors from 643 to 791; lieutenant colonels from 672 to 713; colonels from 274 to 297; enlisted members in the grade of E–8 from 890 to 997; and enlisted members in the grade of E–9 from 366 to 395.

The House recedes with a clarifying amendment.

Consolidation of strength authorizations for active status Naval Reserve flag officers of the Navy Medical Department staff corps (sec. 415)

The Senate amendment contained a provision (sec. 416) that would consolidate flag officer authorizations for the Navy Reserve Medical Department Staff Corps, identify the components of the Medical Department Staff Corps, and allocate one rear admiral (lower half) authorization to each component of the Medical Department Staff Corps.

The House bill contained no similar provision

The House recedes.

SUBTITLE C—AUTHORIZATION OF APPROPRIATIONS

Authorization of appropriations for military personnel (sec. 421)

The House bill contained a provision (sec. 421) that would authorize $70.7 billion to be appropriated for military personnel accounts in fiscal year 1999.

The Senate amendment contained similar provisions (sec. 421) that would authorize $70.4 billion to be appropriated for military personnel for fiscal year 1999.

The House recedes with an amendment that would authorize $70.6 billion for military personnel for fiscal year 1999.

The conferees provide the following itemization of the increases and decreases from the President's budget request related to military personnel accounts and personnel-related Operation and Maintenance accounts.

Fiscal Year 1999 Military Personnel Budget Items

[In millions of dollars]

Increases	
3.6 percent basic pay increase	186.0
Active Army End Strength	25.0
USNR Contributory Support to CINCs (ADT)	5.0
USNR Active Duty Special Work	5.0
USMCR Increased Use	3.4
Increase USAR AGRs	15.0
Army National Guard Schools & Special Training.	20.0
Army Enlistment Bonus	10.0
Navy Enlistment Bonus	9.4
Navy College Fund	13.9
USMC Enlistment Bonus	3.0
USMC College Fund	5.9
Total adds	301.6
Reductions:	
Obligations for Advanced Pay	301.0
Army	161.0
Navy	69.0
Air Force	53.0
USMC	18.0
FY 99 End Strength Underexecution	151.8
Army	3.0
Navy	11.8
USMC	9.3
USAF	83.3
Army Guard	28.0

Fiscal Year 1999 Military Personnel Budget Items—Continued

Army Reserve	5.4
Navy Reserve	5.0
Marine Corps Reserve	N/A
Air Guard	N/A
Air Force Reserve	6.0
Foreign Currency Fluctuation	29.6
Army	5.3
Navy	12.0
USMC	4.2
Air Force	8.1
Unemployment Compensation:	
Air Force	4.0
Total Reductions	486.4

The conferees are concerned about the increasing challenges to all services in attracting quality personnel. The conferees are especially concerned about the Navy's projected inability to realize their established recruiting goals during fiscal year 1998. In addition, the conferees are concerned that Navy recruiting may be underfunded for fiscal year 1999. The conferees have increased the recruiting accounts to assist services' recruiting efforts. The conferees urge the Navy to commit additional resources to the recruiting function so as to avoid a recurrence of the projected recruiting failures. The conferees adjusted the personnel related Operation and Maintenance accounts, as follows:

Fiscal Year 1999 MILPERS-related Operation & Maintance Accounts

[In millions of dollars]

Increases:	
Navy Recruiting Advertising	$17.5
USMC Recruiting Advertising	12.0
Air National Guard Recruiting Advertising	3.0
USAFR Recruiting Advertising	3.0
Navy Recruiter Support	3.3
National Guard Youth Challenge Program	21.5
STARBASE	5.0
USMCR Increased Use	1.2
USMCR Active Duty Special Work	2.1
Army National Guard Military Technicians	27.0
Total MILPERS-related O&M Increases	95.6
Reductions:	
Innovative Readiness Training	10.0
Total MILPERS-related O&M Reductions	10.0

LEGISLATIVE PROVISIONS NOT ADOPTED

Exclusion of additional reserve component general and flag officers from limitation on number of general and flag officers who may serve on active duty

The Senate amendment contained a provision (sec. 414) that would permit a number of reserve component general and flag officers ordered to active duty for more than 179 days to be excluded from the limitation on the number of general and flag officers on active duty. The number of reserve component general and flag officers ordered to active duty under this authority would not exceed three percent of the total number of authorized active duty general and flag officers.

The House bill contained no similar provision.

The Senate recedes.

TITLE V—MILITARY PERSONNEL POLICY

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Officer Personnel Policy

Codification of eligibility of retired officers and former officers for consideration by special selection boards (sec. 501)

The House bill contained a provision (sec. 501) that would clarify that a retired or former officer may be considered for promotion by a special selection board without being returned to active duty.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Involuntary separation pay denied for officer discharged for failure of selection for promotion requested by the officer (sec. 502)

The House bill contained a provision (sec. 502) that would clarify that the Congress intended that written communications from officers to promotion boards authorized in section 614 of title 10, United States Code, be limited to matters that enhance the officer's case for promotion.

The Senate amendment contained a provision (sec. 503) that would modify the conditions under which separation pay is paid. Under the provision, officers who submit a request to a promotion board not to be selected for promotion and are subsequently not selected for promotion would not be eligible for separation pay if the reason for their separation is failure to be promoted to the next higher grade. The provision would require the report of a selection board that received communications from an officer who requested not to be selected to include that officer's name.

The House recedes with a clarifying amendment.

Streamlined selective retention process for regular officers (sec. 503)

The House bill contained a provision (sec. 503) that would eliminate the requirement to convene boards of review for regular officers who have been recommended for administrative separation by boards of inquiry and would eliminate the 30-day board of inquiry notification process.

The Senate amendment contained a provision (sec. 501) that would eliminate the requirement to convene boards of review for officers who have been recommended for administrative separation by a board of inquiry.

The House recedes.

Permanent applicability of limitations on years of active naval service of Navy limited duty officers in grades of commander and captain (sec. 504)

The Senate amendment contained a provision (sec. 502) that would make permanent the temporary mandatory retirement points for Navy Limited Duty Officers. The recommended change would not affect Marine Corps Limited Duty Officers of the same grades.

The House bill contained no similar provision.

The House recedes.

Tenure of Chief of the Air Force Nurse Corps (sec. 505)

The House bill contained a provision (sec. 505) that would clarify that the Secretary of the Air Force determines the length of the tour served by the Chief of the Air Force Nurse Corps.

The Senate amendment contained a provision (sec. 504) that would extend the term of office for the chief of the Air Force Nurse Corps from three years to four years.

The Senate recedes.

Grade of Air Force Assistant Surgeon General for Dental Services (sec. 506)

The conference report includes a provision that would require the Assistant Surgeon General for Dental Services of the Air Force to be an officer in the grade of brigadier general.

Review regarding allocation of Naval Reserve Officers' Training Corps scholarships among participating colleges and universities (sec. 507)

The Senate amendment contained a provision (sec. 505) that would modify the method by which the Navy allocates Naval Reserve Officer Training Corps (NROTC) scholarships within a state.

The House bill contained no similar provision.

The House recedes with an amendment that would urge the Secretary of the Navy to review the method by which the Navy allocates NROTC scholarships.

Subtitle B—Reserve Component Matters

Use of reserves for emergencies involving weapons of mass destruction (sec. 511)

The Senate amendment contained a provision (sec. 515) that would authorize the President to call-up reserve forces in response to domestic emergencies involving a use, or threatened use, of a weapon of mass destruction. In addition, the provision would permit reserve full-time support personnel to perform duties in support of emergency preparedness programs to prepare for, or to respond to, an emergency involving the use of a weapon of mass destruction.

The House bill contained no similar provision.

The House recedes with an amendment that would limit the number of reserves who may serve on active duty in support of the defense against the domestic use of weapons of mass destruction, and would require the Secretary of Defense to certify that members of a rapid assessment element team have been trained and that the teams possess the requisite equipment to meet all mission requirements.

Service required for retirement of National Guard officer in higher grade (sec. 512)

The Senate amendment contained a provision (sec. 511) that would extend the period for which a National Guard officer could receive credit towards the time-in-grade required for retirement.

The House bill contained no similar provision.

The House recedes.

Reduced time-in-grade requirement for reserve general and flag officers involuntarily transferred from active status (sec. 513)

The Senate amendment contained a provision (sec. 512) that would authorize the secretary of a military department to retire, at the grade held on active reserve status, a reserve component general or flag officer who is involuntarily transferred from active reserve status.

The House bill contained no similar provision.

The House recedes.

Active status service requirement for promotion consideration for Army and Air Force Reserve component brigadier generals (sec. 514)

The House bill contained a provision (sec. 512) that would require the Secretary of the Army and the Secretary of the Air Force to consider reserve brigadier generals serving in an inactive status for promotion if the officers had been in an inactive status for less than one year as of the date of the convening of the promotion board, and continuously served for at least one year on the reserve active status list or the active duty list immediately before transfer to inactive status.

The Senate amendment contained a provision (sec. 513) that would authorize the Secretary of the Army or the Secretary of the Air Force to waive the eligibility requirements to permit a reserve component brigadier general of the Army or Air Force who is on the reserve inactive status list to be considered for promotion to major general. To be eligible for the waiver, the reserve brigadier general must have served at least one year on the reserve active status list or active duty list immediately preceding transfer to the inactive status list, and the transfer to the inactive status list occurred within the twelve-month period preceding the date the promotion board convenes.

The Senate recedes.

Composition of selective early retirement boards for rear admirals of the Naval Reserve and major generals of the Marine Corps Reserve (sec. 515)

The House bill contained a provision (sec. 511) that would authorize the Secretary of the Navy to convene selective early retirement boards for rear admirals in the Navy Reserve and major generals in the Marine Corps Reserve without complying with the requirement specified in section 14102 of title 10, United States Code, that one half of the selection board members be reserve officers and that all the board members hold higher permanent grades than the officers being considered by the board.

The Senate amendment contained a provision (sec. 514) that would change the minimum grade requirement for officers participating as members of a board convened to consider rear admirals in the Naval Reserve or major generals in the Marine Corps Reserve for early retirement, and would require any active duty officer participating in a selective early retirement board considering Naval Reserve rear admirals or Marine Corps Reserve major generals be one grade higher than the officers being considered, and would require that at least one member of the board be a reserve officer in the same grade as the officers being considered.

The House recedes with a clarifying amendment.

Authority for temporary waiver for certain Army Reserve officers of baccalaureate degree requirement for promotion of reserve officers (sec. 516)

The House bill contained a provision (sec. 513) that would authorize an exception to the requirement for reserve officers in the Army commissioned through the Army Officer Candidate School to possess a baccalaureate degree before promotion to the grade of captain. The exception would expire on October 1, 2000.

The Senate amendment contained no similar provisions.

The Senate recedes with an amendment that would authorize the Secretary of the Army to waive, on a case-by-case basis, for two years, the requirement for reserve officers in the Army commissioned through the Army Officer Candidate School to possess a baccalaureate degree before being promotion to the grade of captain. The authority for the Secretary of the Army to grant a waiver would expire on September 30, 2000.

The conferees expect that the Secretary of the Army will only grant waivers to those individuals who demonstrate progress toward achieving the goal of earning a baccalaureate degree.

Furnishing of burial flags for deceased members and former members of the Selected Reserve (sec. 517)

The Senate amendment contained a provision (sec. 1082) that would direct the Secretary of Veterans Affairs to provide a U.S. flag to drape the casket of deceased members or former members of the Selected Reserve.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Subtitle C—Military Education and Training

Separate housing for male and female recruits during recruit basic training (sec. 521)

The House bill contained a provision (sec. 521) that would amend title 10, United States Code, to require each of the military departments to assign male and female recruits to same-gender units at the platoon, flight, and division levels, and to house male and female recruits in separate barracks or troop housing facilities. It would provide each of the service secretaries the authority to waive the separate barracks requirement initially at specific installations due to a lack of adequate facilities at the installation. However, it would require that no such waiver be in effect after October 1, 2001. This section also would require that if a waiver is granted at a particular installation, the secretary of a military department shall require that male and female recruits be housed on separate floors in military barracks or troop housing facilities at that installation. During the interim period, housing recruits on separate floors is defined to include billeting male and female recruits separately and securely either on separate floors, in separate bays, or on same floors with a fire-safe wall separating the recruits. Further, the separate billeting spaces should include independent sleeping areas, latrines and separate, lockable entrances. To facilitate the Army's ability to make barracks modifications needed for housing by separate floors, the committee recommends an increase of $8.0 million in that department's operations and maintenance account.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the secretaries of the military departments to provide separate, safe, and secure housing for male and female recruits with the sleeping areas separated by permanent walls and access limited to separate entrances by April 15, 1999. Should an installation not be able to meet this requirement, males and females would be required to be housed in separate facilities. The amendment would require that all future construction of barracks at basic training sites accommodate separate, safe, and secure housing for both male female recruits. The amendment would also require the General Accounting Office to report on the costs associated, by service, with providing separate buildings for male and female recruits.

After-hours privacy for recruits during basic training (sec. 522)

The House bill contained a provision (sec. 522) that would amend title 10, United States Code, to require each of the secretaries of the military departments to restrict after-hours access to recruit housing areas to same-sex training personnel. The provision would allow an exception to this policy in case of an emergency or circumstance requiring immediate action.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would restrict after-hours access to recruit housing areas to drill sergeants and other training personnel who are of the same gender as the recruits housed in that area or to members of the chain of command as long as they are accompanied by a member, who is not a recruit, but is of the same gender, as the recruits housed in that area.

The conferees note that these restrictions are intended to cover the period after ''lights out'' at night until ''lights on'' in the morning.

Sense of the House of Representatives relating to small unit assignments by gender during recruit basic training (sec. 523)

The conference report contains a provision that would express the sense of the House of Representatives that the secretaries of the military departments should require males and females to be assigned to separate units at the platoon, division, or flight level during recruit basic training.

The conferees direct the Secretary of Defense to include a separate section in the report on sexual harassment required by section 591 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) of the National Defense Authorization Act for Fiscal Year 1998 to report on sexual misconduct at the basic training centers of each of the military departments. Specifically, the report shall include a statistical summary, by type, of all incidents of sexual misconduct, including sexual harassment and fraternization, involving trainees, cadre members or trainees and cadre members that occurred in the basic training centers of each service. The data provided in the report for each service should be expressed using a common standard of measurement and should include a summary of the disciplinary and administrative actions taken in response to the misconduct. Consistent with the requirement for the sexual harassment report, the report on sexual misconduct in basic training shall be submitted to the Congress no later than April 1, 1999, and shall include data on all cases of sexual misconduct that occurred during the preceding year.

The Commission on Military Training and Gender-Related Issues, established in the National Defense Authorization Act for Fiscal Year 1998, is expected to report to the Congress in April 1999, on its review of the basic training programs of each of the military services. The House conferees intend to fully review all matters pertaining to basic training once the findings and recommendations of the Commission are received and anticipate the likelihood of legislation next year on issues addressed in the Commission's review, including the issue of gender-separate basic training.

Extension of reporting dates for Commission on Military Training and Gender-Related Issues (sec. 524)

The House bill contained a provision (sec. 523) that would amend section 562 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) to extend the reporting dates required of the Commission on Military Training and Gender-Related Issues. This provision would extend the date of the initial report to October 15, 1998, and the final report to March 15, 1999.

The Senate amendment contained a similar provision (sec. 526).

The Senate recedes.

Improved oversight of innovative readiness training (sec. 525)

The House bill contained a provision (sec. 524) that would require the Department of Defense to implement the General Accounting Office recommendations to improve program compliance with section 2012 of title 10, United States Code, which governs the Innovative Readiness Training program, and would require the Department to establish better cost accounting methods.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle D—Decorations, Awards, and Commendations

Study of new decorations for injury or death in line of duty (sec. 531)

The House bill contained a provision (sec. 531) that would require the Secretary of Defense, in cooperation with the secretaries of the military departments and the Secretary of Transportation with regard to the Coast Guard, to determine the appropriate name, policy, award criteria, and design for two new decorations, that recognize the service of members of the armed forces who are killed or wounded under non-combat conditions and U.S. civilians who are killed or wounded while serving in an official capacity with a U.S. armed forces. This provision would also require the Secretary to submit a legislative proposal to establish the two decorations and a recommendation concerning the need for the new decorations to the

Committee on Armed Services of the Senate and the National Security Committee of the House of Representatives, not later than July 31, 1999.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Defense to study the need for such awards, the criteria that may be used to determine eligibility for such awards, and to report the results of the study to the Senate Armed Services of the Senate and the National Security Committee of the House of Representatives, not later than July 31, 1999.

Waiver of time limitations for award of certain decorations to certain persons (sec. 532)

The House bill contained a provision (sec. 532) that would waive the statutory time limitations for the award of military decorations to individuals who have been recommended for award of the decorations by the secretaries of the military departments.

The Senate amendment contained a similar provision (sec. 530).

The House recedes with an amendment that would include awards approved by the secretaries of the military departments since May 12, 1998.

Commendation and commemoration of the Navy and Marine Corps personnel who served in the United States Navy Asiatic Fleet from 1910–1942 (sec. 533)

The House bill contained a provision (sec. 533) that would commend those personnel who served in the Asiatic Fleet of the United States Navy between 1910 and 1942.

The Senate amendment contained a similar provision (sec. 1060).

The House recedes with a clarifying amendment.

The conferees note that March 1, 1999, is the 57th anniversary of the sinking of the Asiatic Fleet's flagship, the U.S.S. Houston, by Japanese Imperial Forces. The conferees believe that March 1, 1999, may be the most appropriate day for the President to designate as the United States Navy Asiatic Fleet Memorial Day.

Appreciation for service during World War I and World War II by members of the Navy assigned on board merchant ships as the Naval Armed Guard Service (sec. 534)

The House bill contained a provision (sec. 534) that would express the appreciation of the Congress and the American people for the service of members of the Navy assigned as gun crews aboard merchant ships as part of the Naval Armed Guard Service during World War I and World War II.

The Senate amendment contained no similar provision.

The Senate recedes.

Sense of Congress regarding the heroism, sacrifice, and service of the military forces of South Vietnam and other nations, and indigenous groups in connection with the United States Armed Forces during the Vietnam conflict (sec. 535)

The House bill contained a provision (sec. 535) that would recognize and honor the significant heroism, sacrifices, and service that the armed forces of South Vietnam and other allies made while fighting together with U.S. Military Forces during the Vietnam conflict.

The Senate amendment contained no similar provision.

The Senate recedes.

Sense of Congress the regarding the heroism, sacrifice, and service of former South Vietnamese commandos in connection with the United States Armed Forces during the Vietnam conflict (sec. 536)

The House bill contained a provision (sec. 536) that would recognize and honor the significant heroism, sacrifices and service that the South Vietnamese commandos made during the Vietnam conflict. The House report (H. Rept. 105–532) notes that section 657 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201) authorized compensation for Vietnamese commandos incarcerated for 20 years or more.

The Senate amendment contained a similar provision (sec. 1068).

The Senate recedes.

Prohibition on members of armed forces entering correctional facilities to present decorations to persons who have committed serious violent felonies (sec. 537)

The Senate amendment contained a provision (sec. 531) that would prohibit the military services from presenting a military award or decoration in a prison or confinement facility.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees note that the provision does not preclude the military services from awarding a military award or decoration to an eligible current or former service member who may be confined. However, the award may not be presented to the individual in a prison or confinement facility.

SUBTITLE E—ADMINISTRATION OF AGENCIES RESPONSIBLE FOR REVIEW AND CORRECTION OF MILITARY RECORDS

Personnel freeze (sec. 541)

The House bill contained a provision (sec. 541) that would preserve the current level of performance of the Army Review Board Agency, the Air Force Review Boards Agency, and the Board for Correction of Naval Records by requiring a report to the Congress 90 days before the number of employees assigned to those organizations is reduced below the number assigned, as of October 1, 1997.

The Senate amendment contained no similar provision.

The Senate recedes.

Professional staff (sec. 542)

The House bill contained a provision (sec. 542) that would amend chapter 79 of title 10, United States Code, to require each Board for the Correction of Military Records to employ an attorney and a physician to serve as advisors to the staff on legal and medical matters being considered by the board.

The Senate amendment contained no similar provision.

The Senate recedes.

Ex parte communications (sec. 543)

The House bill contained a provision (sec. 543) that would amend chapter 79 of title 10, United States Code, to require each Board for the Correction of Military Records to provide applicants with copies of communications that directly apply to or have a material effect on the applicants' cases.

The Senate amendment contained no similar provision.

The Senate recedes.

Timeliness standards (sec. 544)

The House bill contained a provision (sec. 544) that would require each Board for the Correction of Military Records to improve the timeliness of board actions over a ten-year period, beginning in fiscal year 2001 and culminating with a requirement to complete action on 90 percent of the cases within ten months of receipt during fiscal year 2011 and beyond.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Scope of correction of military records (sec. 545)

The conference agreement includes a provision that would define military records for purposes of payment of claims arising from correction of a military record and would require the Secretary of Defense to report to the Congress not later than March 31, 1998, on the effect of the six-year bar to retroactive payments when relief is granted by a Board for the Correction of Military Records.

Subtitle F—Reports

Report on personnel retention (sec. 551)

The House bill contained a provision (sec. 1033) that would require the Secretary of Defense to submit, within 90 days of enactment, a report to the Congress that contains information on the retention of active duty service members of each military service during each fiscal year from 1989 through 1998.

The Senate amendment contained no similar provision.

The Senate recedes.

Report on process for selection of members for service on courts-martial (sec. 552)

The House bill contained a provision (sec. 561) that would require the Secretary of Defense to submit to the Congress, by April 15, 1999, a report on the method of selection of members of the armed forces to serve on courts-martial, including the development of a plan by the military services for random selection of members.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

Report on prisoners transferred from United States Disciplinary Barracks, Fort Leavenworth, Kansas, to Federal Bureau of Prisons (sec. 553)

The House bill contained a provision (sec. 560) that would require the Secretary of Defense to evaluate and report to Congress on the rationale for, and effectiveness of, the policy of transferring prisoners from the United States Disciplinary Barracks, Fort Leavenworth, Kansas, to the Federal Bureau of Prisons, and would require the Secretary of the Army to monitor the parole and recidivism rates of the military prisoners transferred to the Federal Bureau of Prisons.

The Senate amendment contained no similar provision.

The Senate recedes.

Review and report regarding the distribution of National Guard full-time support among the states (sec. 554)

The Senate amendment contained a provision (sec. 1035) that would require the Chief of the National Guard Bureau to review the process used to allocate and distribute resources, including all categories of full-time manning, among the states for the National Guard and to report not later than March 15, 1999 to the congressional defense committees.

The House bill contained no similar provision.

The House recedes with an amendment that would focus the review on the process used to allocate and distribute all categories of National Guard full-time support among the states, would require the Chief of the National Guard Bureau to submit the report to the Secretary of Defense, and would require the Secretary of Defense to forward the report, along with his evaluation of the report, to the Committee on Armed Services of the Senate and the National Security Committee of the House of Representatives.

Subtitle G—Other Matters

Two-year extension of certain force drawdown transition authorities relating to personnel management and benefits (sec. 561)

The House bill contained a provision (sec. 551) that would extend through fiscal year 2000 certain temporary authorities which provide the tools the armed services need to manage personnel reductions and shape the

force following the completion of the drawdown of military forces.

The Senate amendment contained a provision (sec. 522) that would extend until September 30, 2003, the force reduction transition period management and benefits authorities established during the drawdown of the military services.

The House recedes with an amendment that would extend the temporary authorities until September 30, 2001.

Leave without pay for suspended academy cadets and midshipmen (sec. 562)

The House bill contained a provision (sec. 552) that would authorize the appropriate secretary, upon the recommendation of the Superintendent of the United States Military Academy, the United States Naval Academy, the United States Air Force Academy, or the United States Coast Guard Academy, to order a cadet or midshipman to be placed on involuntary leave without pay under certain circumstances.

The Senate amendment contained a provision (sec. 604) that would authorize the superintendents of the military academies and the Coast Guard Academy to order a cadet or midshipman to be placed on involuntary leave without pay if the cadet or midshipman is pending separation from the academy for misconduct, conduct deficiency, or honor violation while the separation is pending final approval.

The House recedes with an amendment that would authorize the appropriate service secretary to order a cadet or midshipman to be placed on involuntary leave without pay if the cadet or midshipman is pending separation from the academy for misconduct, conduct deficiency, or honor violation while the separation is pending final approval.

Continued eligibility under Voluntary Separation Incentive program for members who involuntarily lose membership in a reserve component (sec. 563)

The House bill contained a provision (sec. 554) that would authorize Voluntary Separation Incentive (VSI) recipients to continue to receive VSI payments after separation from the reserves when the separation was due to age, years of service, failure to be selected for promotion, or medical disqualification, provided the ineligibility does not result from a deliberate action to avoid service.

The Senate amendment contained a provision (sec. 523) that would permit members who separated under the VSI program and lost their membership in a reserve component, as a result of certain conditions, to continue to receive the benefit payments.

The House recedes with a clarifying amendment.

Reinstatement of definition of financial institution in authorities for reimbursement of defense personnel for Government errors in direct deposit of pay (sec. 564)

The House bill contained a provision (sec. 555) that would amend sections 1053 and 1594 of title 10, United States Code, to specify that the term ''financial institution'' means a bank, savings and loan association or similar institution, or credit union chartered by the United States or a State.

The Senate amendment contained a similar provision (sec. 1047).

The Senate recedes with a clarifying amendment.

Increase in maximum amount for College Fund program (sec. 565)

The House bill contained a provision (sec. 556) that would increase the maximum College Fund payment to $50,000, effective October 1, 1999, for service members enlisting after that date.

The Senate amendment contained a provision (sec. 618) that would increase the amount authorized for military service College Fund programs, not to exceed $50,000, an increase of $10,000.

The Senate recedes with an amendment that would remove the specified effective date.

Central Identification Laboratory, Hawaii (sec. 566)

The House bill contained a provision (sec. 557) that would require the Secretary of Defense to establish joint manning requirements for the Central Identification Laboratory, Hawaii (CILHI), and to staff CILHI at 100 percent of its manpower requirements.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees do not intend that this provision be interpreted to direct that billets at the Central Identification Laboratory, Hawaii, be designated as joint billets on the joint duty assignment list. The Secretary of Defense may, however, designate billets at the Central Identification Laboratory, Hawaii, as joint duty on the joint duty assignment list if he determines that the billets meet the existing criteria for such designation.

Military funeral honors for veterans (sec. 567)

The House bill contained a provision (sec. 558) that would require the secretaries of the military departments to provide, upon request, honor guard details for the funerals of veterans. The provision would specify that the honor guard details be comprised of not less than three persons with the capability to play a recording of Taps, unless a bugler is included in the detail. The honor guard detail would consist of members of the armed forces, members of veterans organizations, or other organizations approved for participation by the Secretary of Defense. The provision would require the Secretary of Defense to establish a system for selection of units of the armed forces or other organizations to provide honor guard details. Before issuing regulations to establish the system, the Secretary of Defense would consult with veterans service organizations to determine the views of those organization regarding methods for providing honor guard details at funerals for veterans, suggestions for organizing the system to provide those details, and estimates of the resources that those organizations could provide for honor guard details. This provision would apply to burials of veterans that occur on, or after, October 1, 1999.

The Senate amendment contained a provision (sec. 1079) that would require, not later than October 31, 1998, the Secretary of Defense, in consultation with the Secretary of Veterans Affairs, to convene a conference to determine means of improving and increasing the availability of military burial honors for veterans.

The Senate recedes with an amendment that would combine the two provisions in such a manner as to require the Secretary of Defense, in consultation with the Secretary of Veterans Affairs, to convene a conference, not later than December 31, 1998, to determine means of improving and increasing the availability of military burial honors for veterans, and to report the findings and recommendations resulting from the conference to the Committee on Armed Services of the Senate and the National Security Committee of the House of Representatives not later than March 15, 1999. The provision would also require the secretaries of the military departments to provide, upon request, honor guard details for the funerals of veterans comprised of not less than three persons with the capability to play a recording of Taps, unless a bugler is included in the detail, for the funerals of veterans, after December 31, 1999.

The conferees intend that the requirement to provide a three- person burial detail upon request of a veteran to be effective only if the Secretary of Defense and the Secretary of Veterans Affairs do not recommend an acceptable alternative proposal in the required report. If a recommended alternative includes permitting members of veterans service organizations to perform burial honor details, the Secretary of Defense may consider providing equipment and materiel, as appropriate, to support burial honor detail duties.

The conferees agree that men and women have unselfishly answered the call to arms at tremendous personal sacrifice. These men and women who served honorably, whether in war or peace, deserve commemoration for their military service at the time of their death by an appropriate tribute. Burial honors are an important means of reminding Americans of the sacrifices endured to keep the Nation free.

Status in the Naval Reserve of cadets at the Merchant Marine Academy (sec. 568)

The House bill contained a provision (sec. 563) that would require the Secretary of Defense, in coordination with the Secretary of Transportation, to ensure that citizens of the United States appointed as cadets at the United States Merchant Marine Academy are members of the Naval Reserve. The provision would also require the Secretary of Defense to issue such cadets military identification cards.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

The conferees direct the Secretary of the Navy to determine the specific status cadets at the United States Merchant Marine Academy shall have within the Naval Reserve. The Secretary shall ensure that the benefits associated with the military identification card issued to cadets at the United States Merchant Marine Academy are consistent with their status within the Naval Reserve.

Repeal of restriction on civilian employment of enlisted members (sec. 569)

The Senate amendment contained a provision (sec. 525) that would repeal section 974 of title 10, United States Code, which restricts enlisted personnel from engaging in a civilian pursuit or business if the pursuit or business interferes with the employment of local civilians in their art, trade, or profession.

The House bill contained no similar provision.

The House recedes.

Transitional compensation for abused dependent children not residing with the spouse or former spouse of a member convicted of dependent abuse (sec. 570)

The Senate amendment contained a provision (sec. 528) that would authorize transitional compensation to eligible dependent children who do not reside with a spouse or former spouse who is also eligible for transitional compensation payments. The recommended provision would ensure that dependent children who are victims of abuse are not denied compensation because of family circumstances that may cause the dependent children not to reside with the spouse or former spouse.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Pilot program for treating GED and home school diploma recipients as high school graduates for determinations of eligibility for enlistment in the armed forces (sec. 571)

The Senate amendment contained a provision (sec. 529) that would establish a five-

year pilot program to permit participants in a National Guard Youth Challenge Program who receive a general education development (GED) certificate and those who complete their high school requirements through a home schooling program to enlist in the armed forces, as if they had received a high school diploma. The recommended provision would limit the pilot program to not more than 10,000 persons per year (1,250 per educational source per military service). The provision would require the Secretary of Defense to conduct a comprehensive evaluation of the performance of the participants in the pilot program and report the results to the Congress not later than February 1, 2004.

The House bill contained no similar provision.

The House recedes with an amendment that would reduce the number of participants to 5,000 per year (1,250 per military service) and require a separate evaluation of the performance of GED and home school participants.

Sense of Congress concerning New Parent Support Program and military families (sec. 572)

The House bill contained a provision (sec. 1051) that would express the sense of Congress that the New Parent Support Program has been an effective tool in curbing family violence within the military community and that the Department of Defense should seek ways to ensure that, in future fiscal years, sufficient funds are made available for this program. The recommended provision would also require that, within 120 days of the date of enactment of this Act, the Secretary of Defense to submit a report to the Congress describing the manner in which the New Parent Support Program is being implemented by each service, the number of military installations receiving support for the program, and the funding for the program by the date of each military service for fiscal years 1994 through 1998 and the amount of funding projected for fiscal year 1999.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the report to address funding during fiscal years 1994 through 1999, and the funding projected for fiscal year 2000.

Advancement of Benjamin O. Davis, Junior, to grade of General on the retired list of the Air Force (sec. 573)

The Senate amendment contained a provision (sec. 532) that would authorize the President to advance Benjamin O. Davis, Junior, to the grade of General on the retired list of the Air Force. The provision would specifically provide that no additional benefits accrue to General Davis or his heirs as a result of this advancement.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Sense of the House of Representatives concerning adherence by civilians in military chain of command to the standard of exemplary conduct required of commanding officers and others in authority in the Armed Forces (sec. 574)

The House bill contained a provision (sec. 559) that would extend the requirement for exemplary conduct on commanding officers and others to the President, as Commander-in-Chief, and the Secretary of Defense, both of whom exercise authority in the military chain of command.

The Senate amendment contained no similar provision.

The conference agreement includes a provision that would express the sense of the House of Representatives that civilian members of the military chain of command should, in the same manner as commanding officers and others in authority in the armed forces, show in themselves a good example of virtue, honor, and patriotism, and to subordinate themselves to those ideals.

For many years, commanding officers, and others in authority, in the Navy have been required by law to conduct themselves in an exemplary manner. The National Defense Authorization Act for Fiscal Year 1998 extended such a requirement for exemplary conduct to commanding officers, and others in authority, in the Army and Air Force. This provision results from the House conferees' belief that a similar standard for exemplary conduct should also extend to the civilian leaders designated by title 10, United States Code, as being in the military chain of command.

LEGISLATIVE PROVISIONS NOT ADOPTED

Posthumous commissions and warrants

The House bill contained a provision (sec. 504) that would authorize the President to promote an officer posthumously when the secretary of a military department approves the results of the appropriate board after the date of death of the officer, so long as the officer is selected for promotion by a promotion board before the date of death.

The Senate amendment contained no similar provision.

The House recedes.

Study of revising the term of service of members of the United States Court of Appeals for the Armed Forces

The House bill contained a provision (sec. 562) that would require the Secretary of Defense to submit to Congress a report on the desirability of revising the term of appointment for judges of the United States Court of Appeals for the Armed Forces so that the term would be for 15 years or until the judge attained age 65, whichever is later.

The Senate amendment contained no similar provision.

The House recedes.

Repeal of limitations on authority to set rates and waive requirement for reimbursement of expenses incurred for instruction at service academies of persons from foreign countries

The Senate amendment contained a provision (sec. 524) that would repeal the limitations on the authority of the secretary of a military department to waive the requirement for reimbursement of expenses for foreign students at the military service academies.

The House bill contained no similar provision.

The Senate recedes.

Moratorium on changes of gender-related policies and practices pending completion of the work of the Commission on Military Training and Gender-Related Issues

The Senate amendment contained a provision (sec. 527) that would prohibit the Secretary of Defense from implementing any policy changes with regard to separation or integration of members of the armed forces on the basis of gender, which are within the responsibility of the Commission on Military Training and Gender-Related Issues, until the commission has completed its work and issued its report. The final report is due on March 15, 1999.

The House bill contained no similar provision.

The Senate recedes.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Pay and Allowances

Increase in basic pay for fiscal year 1999 (sec. 601)

The House bill contained a provision (sec. 601) that would waive section 1009 of title 37, United States Code, and increase, effective January 1, 1999, the rates of basic pay for members of the uniformed services by 3.6 percent or the percent increase determined under subsection (c) of section 1009 of title 37, United States Code, should the President approve a pay increase for federal workers, whichever is higher.

The Senate amendment contained a provision (sec. 601) that would waive section 1009 of title 37, United States Code, and increase the rates of basic pay for members of the uniformed services by 3.6 percent, effective January 1, 1999.

The Senate recedes.

Rate of pay for cadets and midshipmen at the service academies (sec. 602)

The Senate amendment contained a provision (sec. 602) that would increase the rate of pay for cadets and midshipmen at the service academies from $558.04 per month to $600.00 per month, effective January 1, 1999.

The House bill contained no similar provision.

The House recedes.

Basic allowance for housing outside the United States (sec. 603)

The House bill contained a provision (sec. 602) that would authorize the payment of advance deposits and rent for housing in overseas areas when required by local conditions. The provision would also protect the member from losses due to fluctuations in the value of foreign currency and would allow the government to recoup the full amount of advances, to include any gain resulting from currency fluctuations.

The Senate amendment contained no similar provision

The Senate recedes.

Basic allowance for subsistence for reserves (sec. 604)

The House bill contained a provision (sec. 603) that would clarify the entitlement of reservists to rations in kind or payment for meals purchased when rations in kind are not available.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle B—Bonuses and Special Incentive Pays

Three-month extension of certain bonuses and special pay authorities for reserve forces (sec. 611)

The House bill contained a provision (sec. 611) that would extend the authority for the special pay for health care professionals who serve in the Selected Reserve in critically short wartime specialties, the Selected Reserve reenlistment bonus, the Selected Reserve enlistment bonus, special pay for enlisted members of the Selected Reserve assigned to certain high priority units, the Selected Reserve affiliation bonus, the Ready Reserve enlistment and reenlistment bonus, and the prior service enlistment bonus until September 30, 2000. The provision would also extend the authority for repayment of educational loans for certain health professionals who serve in the Selected Reserve until October 1, 2000.

The Senate amendment contained a provision (sec. 611) that would extend the authority to pay special pay critically short wartime health specialists in the Selected Reserve, the Selected Reserve reenlistment bonuses, the Selected Reserve enlistment bonuses, the special pay for enlisted members assigned to certain high priority units in the Selected Reserve, the Selected Reserve affiliation bonus, the Ready Reserve enlistment and reenlistment bonus, the repayment of loans for certain health professionals who serve in the Selected Reserve, and the prior

service enlistment bonus until December 31, 1999.

The House recedes.

The conferees understand the value of bonuses and special pay as a tool for recruiting and retaining skilled, qualified personnel. The conferees intend that these bonuses will be reauthorized on an annual basis.

Three-month extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists (sec. 612)

The House bill contained a provision (sec. 612) that would extend the authority for the nurse officer candidate accession program, the accession bonus for registered nurses, and the incentive special pay for nurse anesthetists until September 30, 2000.

The Senate amendment contained a provision (sec. 612) that would extend the authority to pay certain bonuses and special pay for nurse officer candidates, registered nurses, and nurse anesthetists until December 31, 1999.

The House recedes.

The conferees understand the value of bonuses and special pay as a tool for recruiting and retaining skilled, qualified personnel. The conferees intend that these bonuses will be authorized on an annual basis.

Three-month extension of authorities relating to payment of other bonuses and special pays (sec. 613)

The House bill contained a provision (sec. 613) that would extend the authority for the aviation officer retention bonus, reenlistment bonus for active members, enlistment bonuses for members with critical skills, special pay for nuclear qualified officers who extend the period of active service, and the nuclear career accession bonus to September 30, 2000. The provision would also extend the authority for the nuclear career annual incentive bonus until October 1, 2000.

The Senate amendment contained a provision (sec. 613) that would extend the authority to pay the aviation officer retention bonus, the reenlistment bonus for active members, the enlistment bonuses for critical skills, the special pay for nuclear qualified officers who extend the period of active service, the nuclear career accession bonus, and the nuclear career annual incentive bonus until December 31, 1999.

The House recedes.

The conferees understand the value of bonuses and special pay as a tool for recruiting and retaining skilled, qualified personnel. The conferees intend that these bonuses will be reauthorized on an annual basis.

Increased hazardous duty pay for aerial flight crewmembers in certain pay grades (sec. 614)

The Senate amendment contained a provision (sec. 620a) that would increase the hazardous duty pay for enlisted aerial flight crewmembers.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Aviation career incentive pay and aviation officer retention bonus (sec. 615)

The House bill contained a provision (sec. 614) that would make clarifying amendments to sections 301a and 301b of title 37, United States Code, to facilitate the payment of Aviation Career Incentive Pay and Aviation Continuation Pay to warrant officers.

The Senate amendment contained no similar provision.

The Senate recedes.

Diving duty special pay for divers having diving duty as a nonprimary duty (sec. 616)

The House bill contained a provision (sec. 615) that would clarify that the service secretaries may continue paying diving pay to members not assigned to diving duties when the members are required to maintain diving proficiency.

The Senate amendment contained a similar provision (sec. 620b).

The House recedes.

The conferees believe that members should be required to maintain proficiency as a diver only when they are subject to no notice return to diving duty on a temporary or permanent basis.

Hardship duty pay (sec. 617)

The House bill contained a provision (sec. 620) that would change the criteria eligiblity to receive hardship duty pay from a location to a specific duty without regard to location.

The Senate amendment contained a similar provision (sec. 620).

The House recedes with a clarifying amendment.

Selective reenlistment bonus eligibility for Reserve members performing active Guard and Reserve duty (sec. 618)

The House bill contained a provision (sec. 616) that would authorize payment of selective reenlistment bonuses to members of the reserve components who are on extended active duty in the Active Guard and Reserve (AGR) program.

The Senate amendment contained a provision (sec. 614) that would authorize the secretary concerned to offer a reenlistment bonus to reserve component members who are on extended active duty in support of the reserves. The provision would require reserve component members on active duty in support of the reserves to meet the same criteria as regular component enlisted personnel to be eligible for a reenlistment bonus.

The House recedes with a clarifying amendment.

Repeal of ten percent limitation on certain selective reenlistment bonuses (sec. 619)

The House bill contained a provision (sec. 617) that would remove the 10 percent limitation on the number of selective reenlistment bonuses in excess of $20,000 that may be paid.

The Senate amendment contained a provision (sec. 615) that would repeal the restriction limiting the number of selective reenlistment bonuses which exceed $20,000 paid during any fiscal year.

The Senate recedes with a clarifying amendment.

Increase in maximum amount authorized for Army enlistment bonus (sec. 620)

The House bill contained a provision (sec. 618) that would increase the maximum bonus for enlistment in the Army from $4,000 to $6,000.

The Senate amendment contained a provision (sec. 616) that would increase the maximum amount authorized to be offered to a qualifying high school graduate who enlists in the Army for at least three years in designated skills from $4,000 to $6,000.

The House recedes with a clarifying amendment.

Equitable treatment of Reserves eligible for special pay for duty subject to hostile fire or imminent danger (sec. 621)

The House bill contained a provision (sec. 619) that would authorize reserve members to receive the amount of imminent danger pay authorized for a full month regardless of the number of qualifying days served by the member during the month. The provision would make the imminent danger pay payment policy for reservists consistent with the policy for active duty members. Accordingly, the House bill provided for an increase of $3.0 million over the amount included in the budget request for reserve imminent danger pay.

The Senate amendment contained no similar provision.

The Senate recedes.

Retention incentives initiative for critically short military occupational specialites (sec. 622)

The Senate amendment contained a provision (sec. 620(c)) that would require the Secretary of Defense to establish a series of new incentives, in addition to the current incentives, to encourage service members in critically short specialities to reenlist.

The House bill contained no similar provision.

The House recedes.

Subtitle C—Travel and Transportation Allowances

Payments for movements of household goods arranged by members (sec. 631)

The Senate amendment contained a provision (sec. 603) that would authorize the Departments of Defense, Health, and Transportation to provide members of the uniformed services with a reimbursement or monetary allowance in advance for the cost of transportation for that member's baggage and household effects. The monetary allowance may be paid only if payment of the allowance results in an overall cost savings to the government. This will enhance the ability of members of the uniformed services to arrange for the movement of their household goods themselves, rather than relying upon the current system, whereby the employing agencies arrange for the movement of these goods for the members.

The House bill contained no similar provision.

The House recedes with an amendment that would insert the words ''new sentence'' in (a)(1)(B). The amendment would further replace the word ''a'' with the word ''the'' in the same paragraph. Finally, the amendment would make technical changes to standing law reflecting the fact that paragraphs have been redesignated because of the elimination of subsection (j).

Exception to maximum weight allowance for baggage and household effects (sec. 632)

The House bill contained a provision (sec. 631) that would authorize the service secretaries to exceed the maximum weight allowance for shipment of household goods to a new permanent duty station to accommodate shipment of consumable goods that cannot be reasonably obtained at the new location.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees intend that this apply only to shipments to a new permanent duty station where consumable goods are not reasonably available. The conferees do not intend the increased weight allowance to be used for shipments from a permanent duty station in which consumable goods were not reasonably available.

Travel and transportation allowances for travel performed by members in connection with rest and recuperative leave from overseas stations (sec. 633)

The House bill contained a provision (sec. 632) that would clarify that the service secretaries may provide the transportation authorized the rest and recuperation travel using either government or commercial carriers. This provision would enhance the cost efficiency of the rest and recuperation program being provided to personnel assigned to Operation Joint Guard in the Republic of Bosnia and Herzegovina.

The Senate amendment contained a provision (sec. 621) that would authorize the secretary concerned to pay for commercial

transportation, not to exceed the cost of government provided transportation, for leave travel of members assigned to overseas locations in contingency operations or at overseas locations where unusual conditions exist. The provision would permit members to receive one round trip during any period of service of at least six months, but not to exceed 24 months.

The Senate recedes.

Storage of baggage of certain dependents (sec. 634)

The House bill contained a provision (sec. 633) that would amend section 430 of title 37, United States Code, to authorize dependents of military members assigned to overseas locations annual round trip visits while those dependents are college students in the United States. The provision would authorize the storage of unaccompanied baggage of such dependents in lieu of shipment if advantageous to the government.

The Senate amendment contained a provision (sec. 622) that would authorize storage of a dependent student's unaccompanied baggage in lieu of shipping the baggage to the overseas duty station of the sponsor. When a student attending school in the United States returns to spend the summer with their family in an overseas location, they must ship their goods to the overseas location. The recommended provision would permit the baggage to be stored locally, which is less expensive than a round-trip overseas shipment.

The Senate recedes.

Commercial travel of Reserves at Federal supply schedule rates for attendance at inactive-duty training assemblies (sec. 635)

The House bill contained a provision (sec. 368) that would permit members of the reserve components to use General Services Administration federal supply contracts for commercial air transportation in order to perform inactive duty training.

The Senate amendment contained a similar provision (sec. 623).

The House recedes.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

Paid-up coverage under Survivor Benefit Plan (sec. 641)

The Senate amendment contained a provision (sec. 631) that would, effective October 1, 2003, terminate Survivor Benefit Plan payments following 30 years of payments and attainment of the age of 70.

The House bill contained no similar provision.

The House recedes with an amendment that would make the effective date October 1, 2008.

Survivor Benefit Plan open enrollment period (sec. 642)

The Senate amendment contained a provision (sec. 634) that would establish a one-year open enrollment period for the Survivor Benefit Plan, beginning March 1, 1999. The provision would require persons electing to enroll in the Survivor Benefit Plan during the open enrollment period to pay premiums equal to the amount the member would have paid had the member enrolled at the first opportunity afforded that member, with interest, and any additional amount the Secretary of Defense determines to be necessary to make the election actuarially sound.

The House bill contained no similar provision.

The House recedes.

Effective date of court-required former spouse survivor benefit plan coverage effectuated through elections and deemed elections (sec. 643)

The House bill contained a provision (sec. 641) that would standardize the effective date of Survivor Benefit Plan coverage for a former spouse as the first day of the first month following the date of the court order directing the coverage.

The Senate amendment contained a similar provision (sec. 632).

The House recedes with a clarifying amendment.

Presentation of a United States flag to members of the Armed Forces upon retirement (sec. 644)

The Senate amendment contained a provision (sec. 637) that would require the secretary of a military department to present a United States flag to a member upon retirement from active or reserve service.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Recovery, care, and disposition of remains of medically retired member who dies during hospitalization that begins while on active duty (sec. 645)

The House bill contained a provision (sec. 553) that would authorize military retirees the same benefits for recovery, care, and disposition of remains as active duty members when that member is medically retired from active duty while hospitalized and the hospitalization is continuous until the date of death.

The Senate amendment contained a similar provision (sec. 633).

The House recedes with a clarifying amendment.

Revision to computation of retired pay for certain members (sec. 646)

The House bill contained a provision (sec. 642) that would clarify that section 1406(i) of title 10, United States Code, would not apply to enlisted members who, after serving as the senior enlisted advisor of an armed force, are reduced in grade as the result of a court-martial sentence, nonjudicial punishment, or other administrative process. The provision would also provide that the computation of the high-three average of a retired enlisted member who was reduced in grade be based on the lower grade.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would retain the clarification to section 1406(i).

The conferees urge the Secretary of Defense to review the effect of a reduction in grade on members who are reduced in grade and who may retire under the high-three average method of computation of retired pay and, if appropriate, recommend legislation to ensure that the member's retired pay be computed based on the lower grade.

Elimination of backlog of unpaid retired pay (sec. 647)

The Senate amendment contained a provision (sec. 638) that would require the Secretary of the Army to eliminate the backlog of unpaid retired pay for members and the former members of the Army, the Army Reserve, and the Army National Guard by December 31, 1998.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Subtitle E—Other Matters

Definition of possessions of the United States for pay and allowances purposes (sec. 651)

The House bill contained a provision (sec. 651) that would delete the Canal Zone from the list of U.S. possessions as defined in title 37, United States Code.

The Senate amendment contained a similar provision (sec. 641).

The Senate recedes with a clarifying amendment.

Accounting of advance payments (sec. 652)

The House bill contained a provision (sec. 652) that would clarify the authority of the secretary concerned to disburse advance payments to service members in a permanent change of station status in amounts that may exceed available appropriations in the relevant military personnel accounts.

The Senate amendment (sec. 1046) contained a similar provision.

The Senate recedes with a technical amendment.

Reimbursement of rental vehicle costs when motor vehicle transported at government expense is late (sec. 653)

The House bill contained a provision (sec. 653) that would authorize a service member being transferred to an overseas station to rent a car for one week at government expense when the privately owned vehicle shipped to the overseas location does not arrive as scheduled. The provision would limit the car rental reimbursement to $30 a day for one week, and would require the Secretary of Defense to certify in a report to the Congress that a system is operational to recover the cost of the reimbursement for the rental car from the shipping company that caused the delay prior to any reimbursement.

The Senate amendment contained no similar provision.

The Senate recedes.

Education loan repayment program for health professions officers serving in Selected Reserve (sec. 654)

The House bill contained a provision (sec. 654) that would increase the authorized caps on the education loan amounts that may be repaid by the Secretary of Defense to recruit and retain health professionals with shortage wartime critical medical skills who serve in the Selected Reserve. The provision would increase the repayment amounts from $3,000 per year and $20,000 total to $10,000 and $50,000, respectively.

The Senate amendment contained a provision (sec. 617) that would modify the current education loan repayment program by permitting the services to offer the program to certain health professions students, and would increase the loan repayment limit from $3,000 per year and a total of $20,000 to $20,000 per year and a total of $50,000.

The House recedes.

Federal employees' compensation coverage for students participating in certain officer candidate programs (sec. 655)

The Senate amendment contained a provision (sec. 642) that would provide medical coverage to college students participating in a Senior Reserve Officers' Training program or the Marine Corps Platoon Leaders Course who are injured or become ill while attending training on orders. The provision would provide for medical coverage for injury or illness even if incurred during non-duty hours, provided the injury or illness is determined to be in the line of duty, as prescribed by service regulations.

The House bill contained no similar provision.

The House recedes.

Relationship of enlistment bonuses to eligibility to receive Army college fund supplement under Montgomery GI bill Educational Assistance Program (sec. 656)

The Senate amendment contained a provision (sec. 619) that would authorize the military services to offer both an enlistment bonus and a college fund program to prospective recruits in selected critically short specialities.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Authority to provide financial assistance for education of certain defense dependents overseas (sec. 657)

The Senate amendment contained a provision (sec. 643) that would authorize the Secretary of Defense to provide financial assistance to sponsors of dependents in overseas areas in which the Department of Defense does not operate schools.

The House bill contained no similar provision.

The House recedes.

Clarifications concerning payments to certain persons captured or interned by North Vietnam (sec. 658)

The Senate amendment contained a provision (sec. 635) that would authorize payments to the surviving parents or siblings of Vietnamese commandos who were not married at the time of their death.

The Senate amendment contained an additional provision (sec. 636) that would clarify that payments to Vietnamese commandos or their survivors must be paid directly to the authorized recipient.

The House bill contained no similar provisions.

The House recedes with an amendment that would combine the two provisions into a single provision.

LEGISLATIVE PROVISIONS NOT ADOPTED

Voting rights of military personnel

The Senate amendment contained a provision (sec. 644) that would amend the Soldiers' and Sailors' Civil Relief Act of 1940 to preclude a military member from losing a claim to state residency for the purpose of voting in federal and state elections because of absence due to military orders, and amend the Uniformed and Overseas Citizens Absentee Voting Act to require each state to permit absent military voters to use absentee registration procedures and to vote by absentee ballot in elections for state and local offices, in addition to federal offices as provided in current law.

The House bill contained no similar provision.

The Senate recedes.

TITLE VII—HEALTH CARE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Health Care Services

Dependents' dental program (sec. 701)

The House bill contained a provision (sec. 721) that would amend section 1076a(b)(2) of title 10, United States Code, to allow for the cap on an enrolled member's share of the monthly premium for the dependent dental program to be adjusted annually for inflation.

The Senate amendment contained a provision (sec. 701) that would establish an index under which an enrolled member's monthly premium for the dependent dental plan could increase in a manner not to exceed the percentage of the annual pay raise.

The House recedes with an amendment that would not include the Dependent Dental Program within TRICARE and would prohibit the Secretary of Defense from reducing the dependent dental benefit without prior consultation with the Committee on Armed Services of the Senate and the National Security Committee of the House of Representatives.

Expansion of dependent eligibility under retiree dental program (sec. 702)

The House bill contained a provision (sec. 701) that would amend section 1076c of title 10, United States Code, to allow dependents of certain retired service members to enroll in the retiree dental program even if the retired member does not enroll in the program.

The Senate amendment contained no similar provision.

The Senate recedes.

Plan for redesign of military pharmacy system (sec. 703)

The House bill contained a provision (sec. 703) that would require the Secretary of Defense to submit to the Congress, by March 1, 1999, a plan for a system-wide redesign of the military and contractor retail and mail-order pharmacy system by incorporating the ''best business practices'' of the private sector.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees intend that the uniform formulary be considered the minimum and not the maximum inventory of drugs that may be available through a military treatment facility. The conferees expect that, if the military treatment facility commander determines that the beneficiary population served by that military treatment facility requires drugs that could be provided in a more cost effective manner to the government through the military treatment facility, the military treatment facility commander must have the flexibility to add such drugs to the formulary in that facility. The conferees instruct the Secretary of Defense that the required pharmacy redesign plan not include any proposal in which pharmacies in military treatment facilities could charge fees or co-pays for active duty personnel, nor for any formulary or equivalent generic drug dispensed to any eligible beneficiary. The conferees do not intend that any proposed pharmacy redesign would include any proposal to permit retail pharmacies to purchase drugs at a government rate.

Transitional authority to provide continued health care coverage for certain persons unaware of loss of CHAMPUS eligibility (sec. 704)

The House bill contained a provision (sec. 704) that would authorize the Secretary of Defense to extend temporarily CHAMPUS eligibility to certain beneficiaries who may have been unaware of their loss of eligibility for CHAMPUS coverage.

The Senate amendment contained a similar provision (sec. 704).

The Senate recedes.

Subtitle B—TRICARE Program

Payment of claims for provision of health care under the TRICARE program for which a third party may be liable (sec. 711)

The House bill contained a provision (sec. 711) that would amend section 1095 of title 10, United States Code, to authorize the Secretary of Defense to allow TRICARE contractors to pay certain provider claims for the provision of health care services for accidental injury prior to seeking payment from potential third-party payers.

The Senate amendment contained no similar provision.

The Senate recedes.

TRICARE prime automatic enrollments and retiree payment options (sec. 712)

The House bill contained a provision (sec. 712) that would direct the Secretary of Defense to establish procedures for the automatic enrollment in TRICARE Prime at a military treatment facility for active-duty dependents residing within the catchment area of the facility, would require advance written notification of this enrollment, and would allow enrolled family members to disenroll from Military Treatment Facility TRICARE Prime at any time. The provision would also permit retired service members to have any fees associated with enrollment in TRICARE to be paid through an allotment from their retired pay or via electronic funds transfer from a financial institution.

The Senate amendment contained a similar provision (sec. 703).

The House recedes with an amendment that would permit retired members enrolled in TRICARE Prime to pay enrollment fees by allotment, electronic funds transfer or direct payment on a monthly or quarterly basis, would permit automatic re-enrollment for everyone who is enrolled in TRICARE Prime, and would permit automatic enrollment in TRICARE Prime for authorized family members of service members in grades E–4 and below.

The conferees intend that service members be notified that their authorized family members have been enrolled in TRICARE Prime and advise them of the procedures to change the enrollment if the automatic enrollment process did not properly enroll their authorized family members. The conferees intend that the Secretary of Defense establish procedures to notify those beneficiaries enrolled in TRICARE Prime of the status of their enrollment upon arrival at a new duty station to ensure that the enrollment is appropriate. The conferees direct the secretaries of the military departments to ensure that unit commanders include TRICARE Prime enrollment as part of all predeployment and permanent change of station inprocessing procedures to ensure that service members are apprised of the enrollment status of their authorized family members and the procedures to modify the enrollment, if necessary. The Secretary of Defense may establish the annual re-enrollment date for those enrolled in TRICARE Prime as he determines to be most efficient. The conferees do not necessarily intend that the annual re-enrollment date be on the specific anniversary of the initial enrollment.

System for tracking data and measuring performance in meeting TRICARE access standards (sec. 713)

The House bill contained a provision (sec. 722) that would require the Secretary of Defense to establish a system for measuring military treatment facilities and TRICARE contractors' performance in meeting the Department of Defense standards for access to primary care services.

The Senate amendment contained no similar provision.

The Senate recedes.

Establishment of appeals process for claimcheck denials (sec. 714)

The House bill contained a provision (sec. 728) that would require the Secretary of Defense, not later than November 1, 1998, to submit a proposal to establish an appeals process in cases of denials through the Claim Check computer software system of claims by civilian health care providers in TRICARE.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would direct the Secretary of Defense to establish an appeals process in cases of denials of claims from a civilian health care provider in TRICARE by any computer based software system and to report to the Committee on Armed Services of the Senate and the National Security Committee of the House of Representatives when the appeals system is implemented.

Reviews relating to accessibility of health care under TRICARE (sec. 715)

The Senate amendment contained a provision (sec. 711) that would require the Secretary of Defense to revise the TRICARE policy manual to clarify that rehabilitative services are available to a patient for a head injury when the treating physician certifies

that such services would be beneficial and to review the adequacy of the provider network to determine whether the networks include sufficient health care providers and specialists.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to review the TRICARE policy manual to determine whether the policies dealing with the availability of rehabilitative services for patients suffering from head injuries are adequate and address the consideration of certification by an attending physician and report to the Committee on Armed Services of the Senate and the National Security Committee of the House of Representatives, not later than April 1, 1999.

The conferees direct the Secretary of Defense to ensure that the TRICARE policy manual is written in such a manner as to be clear and easy to comprehend by health care providers and others who may be involved in decisions concerning the authorized coverage under TRICARE.

Subtitle C—Health-Care Services for Medicare-Eligible Department of Defense Beneficiaries (secs. 721–724)

The House bill contained a provision (sec. 729) that would authorize a three-year demonstration project under which not more than 70,000 Medicare-eligible beneficiaries of the Military Health Care System may enroll in the Federal Employees Health Benefits Program (FEHBP). The provision would require the Secretary of Defense and the Director of the Office of Personnel Management to report to the Congress, not later than 39 months after the beginning of the test, on the effectiveness of the demonstration. The Comptroller General would be required to make a similar report within the same time frame as the report of the Secretary of Defense.

The Senate amendment contained a provision (sec. 707) that would authorize the Secretary of Defense to conduct three health care demonstration projects in order to assess the feasibility and advisability of providing health care to certain Medicare-eligible beneficiaries of the Military Health Care System. The demonstrations would begin not later than January 1, 2000 and end not later than December 31, 2003. The recommended provision would authorize: one demonstration project in which Medicare-eligible beneficiaries of the Military Health Care System would participate in the Federal Employees Health Benefits Program; a second demonstration project would create a TRICARE Senior Supplement program in which Medicare-eligible beneficiaries of the Military Health Care System could enroll; and a demonstration that would extend the TRICARE mail order pharmacy benefit to Medicare-eligible beneficiaries of the Military Health Care System.

The Senate recedes with an amendment that would limit the FEHBP demonstration to not more than 66,000 participants, require the Secretary of Defense to implement a redesigned pharmacy benefit for Medicare-eligible DOD beneficiaries at two sites, and include the TRICARE Senior Supplement demonstration from the Senate amendment. The demonstrations and the redesigned pharmacy benefit would begin not later than January 1, 2000. The FEHBP demonstration would begin during the FEHBP open season for 2000. Implementation of the pharmacy redesign would begin not later than October 1, 1999. The TRICARE Senior Supplement would begin not later than January 1, 2000. The demonstrations would end not later than December 31, 2002. The Secretary of Defense, and in the case of the FEHBP demonstration, the Director of the Office of Personnel Management, would be required to report to the Congress not later than December 31, 2002 on the costs, effectiveness, and the feasibility of making the programs permanent. The Comptroller General would be required to make similar reports within the same time frame as the reports of the Secretary of Defense. In addition, the Comptroller General would be required to complete a comprehensive comparative analysis of the three projects and report to the Congress not later than March 31, 2003.

The conferees expect that the Secretary of Defense will strongly urge Medicare-eligible beneficiaries to participate in Medicare Part B. The conferees note participation in Medicare Part B is not required for eligibility in the FEHBP demonstration; however, those who do not elect to participate in Medicare Part B and later require Medicare benefits may be required to pay a significant penalty.

The conferees expect that health benefit plans under chapter 89 of title 5, United States Code, that participate in the FEHBP demonstration project will establish separate enrollment codes for self-only and self-and-family elections as an essential element of the requirement to maintain a separate risk pool for covered beneficiaries. Further, the conferees expect the Secretary of Defense and the Director of the Office of Management and Budget to seek the views of health plans that desire to participate in the demonstration about any aspect that the health plan believes would, in any way, prejudice the results of the project. The report required of the Secretary of Defense and the Director of the Office of Personnel Management shall include verbatim, written views by any participating health plan on the conduct of the demonstration project.

The conferees strongly believe that eligible beneficiaries must receive accurate, objective, and timely information from the Department of Defense about the opportunity to enroll in a health benefits plan offered under chapter 89 of title 5, United States Code, as well as the other projects. The conferees direct the Secretary of Defense, after consultation with the Director of the Office of Personnel Management and with the participating health plans, to ensure that an educational program is implemented that will provide each eligible beneficiary with easily understandable information concerning enrollment options, enrollment terms and limitations, and any other information reasonably considered essential to making an informed decision concerning participation in a demonstration project.

As part of the TRICARE Senior Supplement demonstration, the Secretary of Defense shall require participants to pay an enrollment fee that which may not exceed 75 percent of the total subscription charges in a year for self-only or self-and-family fee for service coverage under FEHBP. The conferees expect the Secretary of Defense to use as the basis for determining the enrollment fee the FEHBP plan that is comparable to the TRICARE Extra benefit. The conferees do not expect that the FEHBP plan selected as the base plan will be the most expensive plan, and thus prejudice the demonstration project.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

Process for waiving informed consent requirement for administration of certain drugs to members of Armed Forces for purposes of a particular military operation (sec. 731)

The Senate amendment contained a provision (sec. 713) that would require that an investigational new drug or a drug unapproved for its applied use not be administered to a member of the armed forces unless the member provides prior consent. The recommended provision would permit the Secretary of Defense to request the President waive the requirement for prior consent if the Secretary determines that obtaining consent is not feasible, is contrary to the best interests of the members involved, or is not in the best interests of national security.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees note that presidential approval, Congressional reports, and prior written notice to the member do not apply to Federal Drup Administration informed consent exceptions applicable to standard medical practice in the United States, as distinguished from informed consent exceptions that relate specifically to military functions and activities.

Health benefits for abused dependents of members of the armed forces (sec. 732)

The Senate amendment contained a provision (sec. 712) that would require the secretary concerned to provide an abused dependent of a former member of a uniformed service with medical and dental care during the period that the abused dependent is receiving transitional compensation under section 1059 of title 10, United States Code.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Provision of health care at military entrance processing stations and elsewhere outside medical treatment facilities (sec. 733)

The Senate amendment contained a provision (sec. 702) that would extend the coverage of contract physicians by the same malpractice litigation rules as other Department of Defense health care providers. The provision would also extend the authority of the Secretary of Defense to provide reasonable attorney's fees in any litigation in which government attorneys do not provide representation.

The House bill contained no similar provision.

The House recedes with an amendment that would extend the current authority until December 31, 2000, and would require the Secretary of Defense to conduct a test of alternative methods for conducting medical screenings for enlistment qualification and report the findings not later than March 1, 2000.

Professional qualifications of physicians providing military health care (sec. 734)

The House bill contained a provision (sec. 726) that would require the secretary of a military department to ensure that each military physician holds an unrestricted medical license. The House bill also contained a provision (sec. 727) that would require the Secretary of Defense to establish a mechanism to ensure that each military physician completes the continuing medical education requirements applicable to their medical speciality.

The Senate amendment contained a single provision (sec. 708) similar to the two provisions in the House bill.

The House recedes with a clarifying amendment.

Subtitle E—Other Matters

Enhanced Department of Defense organ and tissue donor program (sec. 741)

The Senate amendment contained a provision (sec. 705) that would require the Secretary of Defense, the secretaries of the military departments, and the Surgeons General to enhance the support for organ and tissue donor elections made by service members.

The House bill contained no similar provision.

The House recedes with an amendment that would require that service members are provided with appropriate information about organ and tissue donation and are afforded the opportunity to elect to be a donor subsequent to completion of initial training, but prior to their first duty assignment.

Authorization to establish a Level One Trauma Training Center (sec. 742)

The House bill contained a provision (sec. 724) that would authorize the Secretary of the Army to establish a Level One Trauma Training Center in accordance with the American College of Surgeons standards for trauma centers.

The Senate amendment contained no similar provision.

The Senate recedes.

Authority to establish center for study of post-deployment health concerns of members of the armed forces (sec. 743)

The Senate amendment contained a provision (sec. 709) that would require the Secretary of Defense to contract with an independent organization to assess the feasibility and advisability of establishing an independent entity to evaluate and monitor interagency coordination of issues related to the post-deployment health concerns of members of the armed forces and to report to the Congress on the results of the assessment not later than one year after the enactment of this act.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize the Secretary of Defense to establish a center devoted to a longitudinal study to evaluate information on the health conditions of members of the armed forces upon their return from deployment on military operations in order to rapidly identify trends in illnesses or injuries among such members.

Report on implementation of enrollment-based capitation for funding for military medical treatment facilities (sec. 744)

The House bill contained a provision (sec. 725) that would require the Secretary of Defense to report to the Congress, by March 1, 1999, on the potential impact of using an enrollment-based capitation methodology to allocate funds to military medical treatment facilities.

The Senate amendment contained no similar provision. The Senate recedes.

Joint Department of Defense and Department of Veterans Affairs reports relating to interdepartmental cooperation in the delivery of medical care (sec. 745)

The Senate amendment contained a provision (sec. 706) that would require the Secretary of Defense and the Secretary of Veterans Affairs to conduct a joint survey of their respective beneficiary populations to identify, by category of individual, the expectations of, requirements for, and behavior patterns of those populations regarding medical care. The provision would require this collaborative effort be developed jointly and administered by an independent entity. Additionally, this provision would require the Secretaries of Defense and Veterans Affairs to review all applicable statutes, regulations, policies and beneficiary attitudes that may preclude or limit cooperative health care programs, including the sharing of facilities and other resources, between the Department of Defense and the Department of Veterans Affairs.

The House bill contained no similar provision.

The House recedes with an amendment that would clarify that the joint survey need not include information that is currently available from other sources and that the secretaries report all required information to the Committee on Armed Services of the Senate and the National Security Committee of the House of Representatives.

The conferees intend that the required pharmaceutical review be oriented toward identifying ways to improve cooperative arrangements between the Department of Defense and the Department of Veterans Affairs. The conferees do not support expanding government pricing for drugs to non-government entities.

Report on research and surveillance activities regarding Lyme disease and other tick-borne diseases (sec. 746)

The Senate amendment contained a provision (sec. 710) that would authorize $3.0 million within the Defense Health Program to be used for research and surveillance activities related to Lyme disease and other tick-borne diseases.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to report to the Committee on Armed Services of the Senate and the National Security Committee of the House of Representatives on the impact of Lyme disease and other tick-borne diseases on military readiness and the efforts within the Department of Defense to prevent, identify, and treat such diseases.

LEGISLATIVE PROVISIONS NOT ADOPTED

Plan for provision of health care for military retirees and their dependents comparable to health care provided under TRICARE Prime

The House bill contained a provision (sec. 702) that would require the Secretary of Defense to submit to the Congress, by March 1, 1999, a plan for ensuring that military retirees, including Medicare-eligible retirees, and their dependents have access to health care benefits comparable to those offered through TRICARE Prime, the managed-care option of the TRICARE program.

The Senate amendment contained no similar provision.

The House recedes.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Amendments to General Contracting Authorities, Procedures, and Limitations

Limitation on use of price preference upon achievement of contract goal for small and disadvantaged businesses (sec. 801)

The Senate amendment contained a provision (sec. 803) that would condition the use of the 10 percent price preference criteria in section 2323 of title 10, United States Code, on the failure of the Department of Defense (DOD) to achieve the goal in the section during the prior fiscal year.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The amendment would clarify that the limitation on the use of the price preference applies only to the DOD and would specify procedures for implementing a suspension of the use of the price preference.

Distribution of assistance under the procurement technical assistance cooperative agreement program (sec. 802)

The Senate amendment contained a provision (sec. 804) that would amend section 2413 of title 10, United States Code, and repeal section 2415, United States Code, to recognize the change in the Department of Defense contract administration structure.

The House bill contained no similar provision.

The House recedes with an amendment that would retain section 2415 and amend sections 2413 and 2415 by striking ''region'' and inserting ''district''.

Defense commercial pricing management improvement (sec. 803)

The Senate amendment contained a provision (sec. 805) that would require the Federal Acquisition Regulation (FAR) be revised to provide guidelines that would ensure price reasonableness in sole-source commercial item purchases. The FAR would also be revised to clarify issues such as the appropriate use of different types of information for establishing such price reasonableness.

The provision would also require the Secretary of Defense to establish procedures to ensure that, to the maximum extent practicable, sole-source spare parts purchases are negotiated through corporate contracts by single contracting officers or item managers to ensure that the government receives maximum leverage for the size of its purchases and to ensure that catalog discount issues and price reasonableness determinations are not treated in an isolated or piecemeal fashion. Finally, the provision would require the Secretary of Defense to establish a system for tracking price trends in spare parts in order to isolate categories of items that require further management attention. The provision would provide the Secretary of Defense with the discretion to set up such a system in a manner that would ensure minimal burden on the acquisition system and proper management.

The House bill contained no similar provision.

The House recedes with an amendment that would clarify the information to be considered in determining price reasonableness, the role of support organizations in the Department of Defense, and the reporting requirements applicable to the price trend analyses.

The conferees intend that these regulatory changes address the types of abuses uncovered in recent audits conducted by the Department of Defense (DOD) Inspector General on sole source commercial spare parts purchases by the DOD. The conferees do not intend this provision to impede implementation of the general federal government policy stated in the Federal Acquisition Streamlining Act of 1994 and the Federal Acquisition Reform Act of 1996 of relying on the commercial sector to an increasing extent for goods and services.

Modification of senior executives covered by limitation on allowability of compensation for certain contractor personnel (sec. 804)

The Senate amendment contained a provision (sec. 813) that would revise the definition of the term ''senior executive'' for purposes of the limitation on allowability of compensation for certain contractor personnel.

The House bill contained no similar provision.

The House recedes with an amendment that would clarify that the revised definition applies to costs incurred after January 1, 1999, under covered contracts.

Separate determinations of exceptional waivers of truth in negotiation requirements for prime contracts and subcontracts (sec. 805)

The Senate amendment contained a provision (sec. 814) that would allow the heads of agencies to waive the requirements under the Truth in Negotiations Act that subcontractors provide certified cost and pricing data in cases where such requirements have been waived for prime contractors due to a determination of exceptional circumstances.

The House bill contained no similar provision.

The House recedes with a clarifying amendment concerning the organizational waiver level.

The conferees agree that the term ''exceptional circumstances'' requires more than the belief that it may be possible to determine the contract price to be fair and reasonable without the submission of certified cost and pricing data. For example, a waiver may be appropriate in circumstances where it is possible to determine price reasonableness without cost or pricing data and the contracting officer determines that it would not be possible to enter into a contract with a particular contractor in the absence of a waiver. The conferees direct the Department of Defense to work with the appropriate executive branch officials to clarify the situations in which an exceptional circumstance waiver may be granted.

Procurement of conventional ammunition (sec. 806)

The House bill contained a provision (sec. 801) that would require that ammunition or ammunition components procured by the Department of Defense (DOD) be acquired from domestic sources pursuant to section 2534 of title 10, United States Code.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would assign to the single manager for conventional ammunition in the DOD the authority to restrict the procurement of conventional ammunition to the national technology and industrial base. The amendment would also require the single manager for conventional ammunition to limit specific procurements, in accordance with section 2304(c)(3) of title 10, United States Code, in cases where it is determined that doing so is necessary to maintain a facility, producer, manufacturer, or other supplier available for furnishing an essential item of ammunition or ammunition component in cases of national emergency or to achieve industrial mobilization.

This provision supersedes existing guidance issued by the DOD as it relates to the procurement of ammunition from domestic sources. The conferees direct the Department of the Army to issue new guidance to replace the DOD guidance superseded by this provision. The conferees intend that the determination specified in the provision be conducted within the Department of the Army using procedures prescribed by the Secretary of the Army.

Para-aramid fibers and yarns (sec. 807)

The Senate amendment contained a provision (sec. 801) that would authorize the Secretary of Defense to procure articles containing para-aramid fibers and yarns manufactured in a foreign country that is a party to defense memorandum of understanding, if such country allows U.S. manufacturers of that product to compete for sales to that foreign country.

The House bill contained no similar provisions.

The House recedes with an amendment that would allow the Secretary of Defense to procure articles containing yarns and fibers manufactured in a country with whom the United States has a defense memorandum of understanding upon making a determination described in the provision.

Clarification of responsibility for submission of information on prices previously charged for property or services offered (sec. 808)

The Senate amendment contained a provision (sec. 816) that would amend the Truth in Negotiations Act to clarify requirements for contractors to provide appropriate price information required by federal contracting officers to determine price reasonableness.

The House bill contained no similar provision.

The House recedes with an amendment that would require that the Federal Acquisition Regulation (FAR) be amended to provide that compliance with the requirement to submit data shall be a condition for an offer or to be eligible to enter into a contract or subcontract, subject to such exceptions as the Federal Acquisition Regulatory Council determines appropriate. The conferees intend that any exceptions to the requirement to submit price-related information be limited to those situations that are clearly specified in the FAR pursuant to this provision.

Nothing in this section would require any contractor to submit certified cost or pricing data, to comply with the Cost Accounting Standards, or to comply with the contract cost principles, if the contractor is not otherwise required to do so. The conferees do not intend this provision to require any revision to the FAR except to the extent specifically required by subsections (c) and (d).

Amendments and study relating to procurement from firms in industrial base for production of small arms (sec. 809)

The House bill contained a provision (sec. 803) that would amend section 2473 of title 10, United States Code, to require the Secretary of Defense to procure all small arms end items, small arms repair parts, modifications to improve small arms, and repair parts consisting of small arms barrels, bolts and receivers from the small arms production industrial base.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require specified small arms purchases be made only from a firm in the small arms industrial base unless the Secretary determines, with a regard to a particular procurement, that such requirement is not necessary to preserve the small arms industrial base. The requirements under section 2473 would apply to procurement of repair parts for or modifications to improve the M16 series rifle, the MK19 grenade machine gun, the M4 series carbine, the M240 series machine gun, and the M249 squad automatic weapon. The amendment would also require the Secretary of the Army to conduct a study under the auspices of the Army Science Board to examine whether the requirements of section 2473 should be expanded in specified ways and authorizes the Secretary to do so based on the recommendations of the Army Science Board. The conferees expect the completion of the Army Science Board study, including recommendations, no later than 180 days after the date of enactment of this Act.

Subtitle B—Other Matters

Eligibility of involuntarily downgraded employee for membership in an acquisition corps (sec. 811)

The House bill contained a provision (sec. 802) that would enable civilian members of the Defense Acquisition Corps who are reduced in grade due to a base closing or downsizing to retain their membership in the Acquisition Corps for the purposes of the Defense Acquisition Workforce Improvement Act.

The Senate amendment contained a similar provision (sec. 809).

The House recedes.

Time for submission of annual report relating to Buy American Act (sec. 812)

The House bill contained a provision (sec. 804) that would reduce the time for the submission of the annual report relating to the Buy American Act required in section 827 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201) from 90 to 60 days after the end of the fiscal year.

The Senate amendment contained no similar provision.

The Senate recedes.

Procurement of travel services for official and unofficial travel under one contract (sec. 813)

The Senate amendment contained a provision (sec. 802) that would allow the procurement of travel services under one contract for both official and unofficial travel.

The House bill contained no similar provision.

The House recedes.

Department of Defense purchases through other agencies (sec. 814)

The Senate amendment contained a provision (sec. 806) that would require the Secretary of Defense to revise regulations issued pursuant to section 844 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160), which cover all purchases of goods and services by the Department of Defense under so-called ''multiple award task order and delivery order contracts'' entered into or administered by any other agency.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Supervision of defense acquisition university structure by Under Secretary of Defense for Acquisition and Technology (sec. 815)

The Senate amendment contained a provision (sec. 807) that would specify that the responsibility for the establishment of policy and requirements for educational programs of the defense acquisition university be vested in the Under Secretary of Defense for Acquisition and Technology.

The House bill contained no similar provision.

The House recedes.

Pilot programs for testing program manager performance of product support oversight responsibilities for life cycle of acquisition programs (sec. 816)

The Senate amendment contained a provision (sec. 810) that would require the Secretary of Defense to designate 10 programs for which the program manager will be made responsible for the life cycle cost issues through the life of the program. The Secretary would be required to report, no later than February 1, 1999, to the congressional defense committees on the 10 programs and to include any policy, regulatory, organizational, or legislative changes that would be required to fully implement this new approach to life cycle cost management.

The House bill contained no similar provision.

The House recedes.

The conferees direct that the Secretary of Defense include in the report to the Congress on the pilot program candidates a discussion of the appropriate point in the acquisition cycle for life cycle cost management to transition from the program manager to the logistics organizations of the services.

Scope of protection of certain information from disclosure (sec. 817)

The Senate amendment contained a provision (sec. 811) that would amend section 2371 of title 10, United States Code, to clarify that certain information submitted by outside parties in cooperative agreements for basic, applied, and advanced research are protected from disclosure under section 552 of title 5, United States Code.

The House bill contained no similar provision.

The House recedes.

Plan for rapid transition from completion of small business innovative research into defense acquisition programs (sec. 818)

The Senate amendment contained a provision (sec. 812) that would require the Secretary of Defense to develop a plan for facilitating a rapid transition for successfully completed research under the Small Business Innovative Research (SBIR) program into defense acquisition programs.

The House bill contained no similar provision.

The House recedes with an amendment that would clarify the elements of the plan and the procedures for preparing and transmitting the plan to the Congress.

Five-year authority for the Secretary of the Navy to exchange certain items (sec. 819)

The Senate amendment contained a provision (sec. 815) that would authorize the Secretary of the Navy to enter into a barter agreement during fiscal years 1999 through 2003 to exchange vehicles for repair and remanufacture of ribbon bridges for the Marine Corps.

The House bill contained no similar provision.

The House recedes.

Permanent authority for use of major test range and test facility installations by commercial entities (sec. 820)

The Senate amendment contained a provision (sec. 217) that would amend section 2681 of title 10, United States Code, to make the temporary authority to permit commercial use of test and evaluation centers permanent.

The House bill contained no similar provision.

The House recedes.

Inventory exchange authorized for certain fuel delivery contract (sec. 821)

The Senate amendment contained a provision (sec. 817) that would require the Secretary of Defense to submit to Congress no later than December 1, 1998 a report recommending alternative means for a small and disadvantaged business that delivers by barge to Defense Energy Supply Point-Anchorage under a contract with the Defense Energy Supply Center to fulfill its contractual obligations and not lose its small and disadvantaged business status when ice conditions in the Cook Inlet threaten the physical delivery of such fuel. The provision would also provide that such small and disadvantaged business could not lose its small and disadvantaged business status through February 1999 if ice conditions in the Cook Inlet prevent deliveries of bulk fuel and the Secretary of Defense determines that effects of such inability to deliver would result in an inequity to the supplier.

The House bill contained no similar provision.

The House recedes with an amendment that would eliminate the requirement for a report from the Secretary of Defense and clarify that the provision would in no case authorize a barrel-for-barrel exchanges totaling more than 15 percent of the total amount of bulk fuel under a contract. The amendment would also clarify that the authority under the section does not affect the requirement that a contractor otherwise fulfill its contractual obligations.

LEGISLATIVE PROVISIONS NOT ADOPTED

Study on increase in micro-purchase threshold

The House bill contained a provision (sec. 805) that would require the Comptroller General to conduct a study to assess the impact of the current micro-purchase program and the advisability of increasing the micro-purchase threshold to $10,000 under section 32 of the Office of Federal Procurement Policy Act.

The Senate amendment contained no similar provision.

The House recedes.

The conferees believe that a thorough analysis of any proposal to raise the micro-purchase threshold, including the impact on small business participation in contracting, must be provided to the Congress by the Department of Defense before such a change can be considered.

Repeal of requirement for Director of Acquisition Education, Training, and Career Development to be within the Office of the Under Secretary of Defense for Acquisition and Technology

The Senate amendment contained a provision (sec. 808) that would remove the requirement that the Director of Acquisition Education, Training, and Career Development be appointed within the Office of the Under Secretary of Defense for Acquisition and Technology.

The House bill contained no similar provision.

The Senate recedes.

The conferees believe that the issue of the status of the director of acquisition education, training, and career development should be deferred until the Department of Defense has clarified the future role of the Office of the Under Secretary of Acquisition and Technology in the planning and execution of higher education for acquisition professionals in the Department of Defense.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Department of Defense Officers and Organization

Reduction in number of Assistant Secretary of Defense positions (sec. 901)

The Senate amendment contained a provision (sec. 901) that would codify the reductions in the number of assistant secretaries of defense announced by the Secretary of Defense as part of the Defense Reform Initiative. Specifically, the recommended provision would reduce the number of assistant secretaries of defense from ten to nine.

The House bill contained no similar provision.

The House recedes.

Repeal of statutory requirement for position of Assistant Secretary of Defense for Command, Control, Communications and Intelligence (sec. 902)

The Senate amendment contained a provision (sec. 902) that would rename the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence (ASD–C3I) to the Assistant Secretary of Defense for Space and Information Superiority, and change the statutorily designated duties associated with this position.

The House bill contained no similar provision.

The House recedes with an amendment that would repeal section 138(b)(3) of title 10, United States Code.

The Secretary of Defense recently announced a number of organizational changes to the Office of the Secretary of Defense pursuant to the Defense Reform Initiative. Among these changes is a significant modification of the office of the ASD-C3I. As a result, the current title no longer describes the full range of responsibilities of this office, nor adequately identifies its functional priorities. The conferees endorse the new title ''Assistant Secretary of Defense for Space and Information Superiority''.

The conferees continue to support a ''single focal point for space'' in the Department of Defense, and believe that there are synergies to be gained by linking this function with the Department's information superiority activities. The conferees note that, although there is a significant degree of overlap between ''information superiority'' and ''space'', these two functional areas also have many unique aspects that deserve significant focused attention. Therefore, the conferees endorse the Secretary's decision to include the term ''space'' in the revised title of this important position.

The conferees note that the Assistant Secretary for Space and Information Superiority will be responsible for some of the most critical issues facing the Department of Defense, including space policy, information assurance, information operations, intelligence policy, command, control, communications, surveillance, reconnaissance, the ''year 2000'' problem, and electromagnetic spectrum issues. The conferees believe that one of the most significant challenges facing the Assistant Secretary will be the integration and mutual leveraging of the various elements that he will supervise.

Independent task force on transformation and Department of Defense organization (sec. 903)

The House bill contained a provision (sec. 905) that would require the Secretary of Defense to create a task force of the Defense Science Board for the purpose of determining the appropriate organization of the Department of Defense in light of the ongoing transformation in the conduct of war. The task force would be established not later than November 1, 1998 and the Secretary should transmit the findings of the task force along with recommendations and comments to the Congress by March 1, 1999.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Authority to expand the National Defense University (sec. 904)

The Senate amendment contained a provision (sec. 903) that would permit the Secretary of Defense to designate, as he considers appropriate, educational institutions of the Department of Defense as institutions of the National Defense University.

The House bill contained no similar provision.

The House recedes.

Center for Hemispheric Defense Studies (sec. 905)

The Senate amendment contained a provision (sec. 909) that would authorize funds available within the Latin American cooperation authority be used for the operation of the Center for Hemispheric Defense Studies.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Restructuring of administration of Fisher Houses (sec. 906)

The House bill contained a provision (sec. 308) that would authorize appropriations from the Fisher House Trust Funds for use in the operation and maintenance of the Fisher Houses of the Army, Navy, and Air Force.

The Senate amendment contained a provision (sec. 907) that would repeal section 2221 of title 10, United States Code, and direct the secretaries of the military departments to establish a nonappropriated fund in each department as the single source of funding to operate, maintain, and improve the Fisher Houses and Fisher Suites, and to close each Fisher House Trust Fund and transfer the amounts in the Fund to the respective nonappropriated fund.

The House recedes with a clarifying amendment.

Management reform for research, development, test and evaluation activities (sec. 907)

The Senate amendment contained a provision (sec. 906) that would require the Department of Defense to conduct a cross-service analysis and a plan for restructuring and revitalization of the Department of Defense laboratories and test and evaluation (T&E) centers. The provision would also require that the Department develop a plan and schedule for establishing a cost-based management information system for identifying and comparing costs among the services' labs and T&E centers.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Department to analyze opportunities to improve efficiency and reduce duplication by designating responsibilities by lead agencies or executive agent, by area or function, or by other streamlining initiatives. The amendment would also strike sections (2)(D) and (2)(E) of the Senate provision. The conferees agree that the Department should explore options for an alternative management structure for T&E. The conferees agree that the lessons learned in personnel demonstration projects and pilot projects should be considered in any plan to restructure or reengineer the laboratories and test centers.

Subtitle B—Department of Defense Financial Management

Improved accounting for defense contract services (sec. 911)

The House bill contained a provision (sec. 906) that would require the Department of Defense to make numerous changes to the way they request funds for advisory and assistance services. The provision would require the Comptroller of the Department of Defense to conduct an assessment of the total non-Federal effort that resulted from the performance of all contracts for such services during the previous, current and following fiscal year. The provision would also prohibit the Department from classifying more than 15 percent of its contractual services in a miscellaneous budget category but would allow the Department to report 30 percent in its fiscal year 2000 budget as miscellaneous. In addition, the provision would codify the definition of advisory and assistance services to include; management and professional support services; studies, analyses, and evaluations; and, engineering and technical services. Finally, the provision would reduce the amount of funding that was budgeted for these services by $500.0 million.

The Senate had no similar provision.

The Senate recedes with an amendment that would strike the requirement for the Comptroller of the Department of Defense to conduct an assessment of the total non-Federal effort that resulted from the performance of all contracts for such services during the previous fiscal year, and the total non-Federal effort that will result from the performance of all contracts for such services during the current fiscal year. The amendment would codify the definition of advisory and assistance services to that currently contained in the Department of Defense's directive, and would reduce the cut to these services to $240.0 million.

Report on Department of Defense financial management improvement plan (sec. 912)

The Senate amendment contained a provision (sec. 1022) that would require the Comptroller General to report to the congressional defense committees on the Department's financial management improvement plan required by section 2222 of title 10, United States Code.

The House bill contained no similar provision.

The House recedes.

Study of feasibility of performance of Department of Defense finance and accounting functions by private sector sources or other Federal sources (sec. 913)

The Senate amendment contained a provision (sec. 1023) that would require the Department of Defense to study the finance and accounting functions within the Department to assess the potential for consolidation and possible competition of these functions.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Limitation on reorganization and consolidation of operating locations of the Defense Finance and Accounting Service (sec. 914)

The Senate amendment contained a provision (sec. 1024) that would require the Secretary of Defense to study and define future workload requirements for each of the finance and accounting operating locations (OPLOCs) of the Defense Finance and Accounting Service, and determine whether excess capacity exists. The provision would also require that the study be submitted to the congressional defense authorization committees by December 15, 1998, and that no OPLOCs could be closed until six months after the submission of this study.

The House bill contained no similar provision.

The House recedes with an amendment that would change the date for the submission of the study to the Congress to January 15, 1999 and delay the closing of any OPLOCs until 90 days after the submission of the study.

Annual report on resources allocated to support and mission activities (sec. 915)

The House bill contained a provision (sec. 1031) that would require the Secretary of Defense to provide in his annual report to the Congress a description of the personnel and budetary resources dedicated to support activities as compared to mission-related activities. This provision would also require the same information for the prior five years. The provision would also require a listing of the number of military and civilian personnel assigned to headquarters activities as a percentage of military end-strength for the past 10 years.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the headquarters numbers to be provided for the past five years, and would require the Secretary to submit to the Congress the definition of ''support'' and ''mission'' activities that the Secretary will use in the developement of the report.

Subtitle C—Joint Warfighting Experimentation

Findings concerning joint warfighting experimentation (sec. 921)

The Senate amendment contained a provision (sec. 1201) that would make congressional findings that provide the historical and policy basis for the need to conduct joint warfighting experimentation.

The House bill contained no similar provision.

The House recedes with an amendment that would abbreviate the description of the basis for the need to conduct joint warfighting experimentation.

Sense of Congress concerning joint warfighting experimentation (sec. 922)

The Senate amendment contained a provision (sec. 1202) that would express a sense of the Congress on the importance of designating a commander with the mission for joint warfighting experimentation, a sense of the Congress that such commander should be provided with adequate resources and authority to effectively conduct such experimentation, and a sense of the Congress that the Congress should review the process of military transformation, as evidenced by the results of such experimentation, and if the process is determined inadequate, to consider legislation that would ensure the effective conduct of joint warfighting experimentation.

The House bill contained no similar provision.

The House recedes with an amendment that would modify the sense of the Congress related to the commander's authority by abbreviating the enumeration of such authorities.

Reports on joint warfighting experimentation (sec. 923)

The Senate amendment contained a provision (sec. 1203) that would require the commander designated to conduct joint warfighting experimentation to submit comprehensive initial and annual reports, through the Secretary of Defense to Congress on such experimentation.

The House bill contained no similar provision.

The House recedes with an amendment that would require the designated commander to report on changes in his authority to develop or acquire equipment, supplies or services that relate directly to joint warfighting experimentation.

Subtitle D—Other Matters

Further reductions in defense acquisition and support workforce (sec. 931)

The House bill contained a provision (sec. 901) that would reduce the defense acquisition workforce, as defined in section 912(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85), by a total of 70,000 over three years.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The amendment would limit the reduction to 25,000 personnel positions in fiscal year 1999 and would authorize the Secretary of Defense to waive up to 12,500 upon a certification by the Secretary that reducing a greater number of such positions would be inconsistent with the cost-effective management of the defense acquisition system to obtain best value equipment and with ensuring military readiness.

The reduction would apply to positions in the defense acquisition and support workforce and limit the reduction of core acquisition workforce positions to a level proportional with other occupational elements in the larger defense acquisition and support workforce.

Limitation on operation and support funds for the Office of the Secretary of Defense (sec. 932)

The House bill contained a provision (sec. 902) that would limit the obligation of funds for the Office of the Secretary of Defense to 90 percent of the appropriated level for that office until such time as the Secretary submits the reports that were required by section 904(b) of the National Defense Authorization Act for Fiscal Year 1997, and sections 911(b) and 911(c) of the National Defense Authorization Act for Fiscal Year 1998.

The Senate amendment contained no similar provision.

The Senate recedes.

Clarification and simplification of responsibilities of inspectors general regarding whistleblower protections (sec. 933)

The House bill contained a provision (sec. 908) that would modify certain requirements

relating to inspector general investigations of reprisal complaints.

The Senate amendment contained a provision (sec. 1053) that would modify the same requirements in a different manner, and amend certain other requirements imposed upon inspector general investigations of such complaints.

The House recedes with an amendment.

Repeal of requirement relating to assignment of tactical airlift mission to reserve components (sec. 934)

The House bill contained a provision (sec. 907) that would repeal section 1438 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510), which requires the Department of Defense to shift the tactical airlift mission to the reserves, unless the Secretary of Defense waives this requirement on annual basis.

The Senate amendment contained no similar provision.

The Senate recedes.

Consultation with Marine Corps on major decisions directly concerning Marine Corps aviation (sec. 935)

The House bill contained a provision (sec. 909) that would direct the Secretary of the Navy to require that the views of the Commandant of the Marine Corps be obtained before a milestone decision or other major decision is made by an element of the Department of the Navy outside the Marine Corps on a matter that concerns Marine Corps aviation systems acquisition or support.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would make the provision more generic.

LEGISLATIVE PROVISIONS NOT ADOPTED

Revision to defense directive relating to management headquarters and headquarters support activities

The House bill contained a provision (sec. 903) that would require the Department of Defense to implement a revised directive, to be applied uniformly throughout the Department, that accounts for management headquarters personnel by function rather than organization.

The Senate amendment contained no similar provision.

The House recedes.

Report on individuals employed in private sector who provide services under contract for the Department of Defense

The House bill contained a provision (sec. 910) that would require the Secretary of Defense to provide an annual report to the Congress that would outline the quantity, costs, and value of services that are provided to the Department of Defense by non-Federal workers.

The Senate amendment contained no similar provision.

The House recedes.

The conferees understand that significant cost would be incurred by the Department in establishing a new system to annually track the quantity and value of non-Federal contract services. Therefore, the conferees direct the Department, to the extent practicable, using only existing personnel and contracting systems, to report to the Committee on Armed Services of the Senate and the National Security Committee of the House of Representatives by April 15, 1998, the number of work year equivalents performed by individuals employed by non-Federal entities providing services to the Department, categorized by Federal supply class code, the appropriation from which the contract was funded, and the major organizational element procuring the services.

Reduction in Department of Defense headquarters staff

The Senate amendment contained a provision (sec. 904) that would codify the reductions in the Department of Defense headquarters staff announced by the Secretary of Defense as part of the Defense Reform Initiative. Specifically, the recommended provision would require the Office of the Secretary of Defense to reduce by 33 percent; defense agencies to reduce by 21 percent; Department of Defense field activities to reduce by 36 percent; the Joint Staff to reduce by 29 percent; the headquarters of the combatant commands and associated activities to reduce by seven percent; and other headquarters elements, including the headquarters of the military departments and their major commands and associated activities to reduce by 29 percent. The recommended provision would require the Secretary of Defense to submit, not later than March 1, 1999, a plan to implement the directed personnel reductions.

The House bill contained no similar provision.

The Senate recedes.

Permanent requirement for quadrennial defense review

The Senate amendment contained a provision (sec. 905) that would make permanent the requirement for a Quadrennial Defense Review and the National Defense Panel.

The House bill contained no similar provision.

The Senate recedes.

To redesignate the position of Director of Defense Research and Engineering, abolish the position of Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs, and transfer the duties of the latter position to the former position

The Senate amendment contained a provision (sec. 908) that would redesignate the position of Director of Defense Research and Engineering, abolish the position of Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense and transfer certain duties to the new organization.

The House bill contained no similar provision.

The Senate recedes.

The Nuclear Weapons Council is a statutorily mandated body consisting of Department of Defense and Department of Energy members. The Council has specific responsibilities to ensure the safety and reliability of the Nation's nuclear weapons stockpile. The Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs is the primary Department of Defense focal point for nuclear weapons matters, and reports directly to the Secretary of Defense. This position also serves as the executive director of the Nuclear Weapons Council. Unfortunately, this important position has been vacant for many months. The conferees are concerned that, as a result of this position being vacant for an extended period of time, nuclear weapons matters and issues associated with maintaining the U.S. nuclear deterrent are not receiving the attention they deserve. The conferees urge the President to submit to the Senate, for advice and consent, a nomination as soon as possible.

Military aviation accident investigations

The Senate amendment contained a provision (sec. 910) that would require the Secretary of Defense to establish a task force to review the procedures used by the Department of Defense to conduct military aviation accident investigations and to identify mechanisms for improving such investigations. The provision would also require the Secretary of Defense to prescribe uniform regulations that would provide for the release of reports on the accident investigation to the family members of those involved in the accident.

The House bill contained no similar provision.

The Senate recedes.

TITLE X—GENERAL PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Financial Matters

Transfer authority (sec. 1001)

The House bill contained a provision (sec. 1001) that would provide the authorization for reprogramming involving the transfer of authorization between the amounts authorized in Division A of the Act.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Incorporation of classified annex (sec. 1002)

The House bill contained a provision (sec. 1002) that would incorporate the classified annex prepared by the Committee on National Security into this Act.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment that would provide that the classified annex prepared by the committee of conference be incorporated into this Act.

Authorization of prior emergency supplemental appropriations for fiscal year 1998 (sec. 1003)

The Senate amendment contained a provision (sec. 1003) that would authorize the emergency supplemental appropriations enacted in the 1998 Supplemental Appropriations and Rescissions Act (Public Law 105–174). This Act provided funding for fiscal year 1998 expenses related to military operations in Southwest Asia, Bosnia, and for natural disasters.

The House bill contained no similar provision.

The House recedes.

Authorization of appropriations for Bosnia peacekeeping operations for fiscal year 1999 (sec. 1004)

The Senate amendment contained a provision (sec. 1002) that would provide emergency authorization of $1.9 billion to fund U.S. participation in Bosnia peacekeeping operations for fiscal year 1999.

The House bill contained a provision (sec. 1201) that would not authorize additional funding for U.S. participation in Bosnia peacekeeping operations, and would limit the Secretary of Defense from expending funds appropriated to the Department of Defense for fiscal year 1999 in excess of $1.9 billion. The provision would provide for an emergency exception of not more than $100.0 million for the purpose of safeguarding U.S. Forces in the event of hostilities, and would require the Secretary of Defense to submit a report to the Congress by April 1, 1999 on the need for any additional funds required for Bosnia operations in fiscal year 1999.

The conferees agree to a provision that would provide emergency authorization of $1.9 billion to fund operations in Bosnia for fiscal year 1999, but would limit funding to the amounts authorized in this section. The President may waive this limitation after submitting to the Congress a certification that the waiver is based on the national interest and will not adversely affect the readiness of U.S. Military Forces. In conjunction with the certification, the President must submit a request for supplemental appropriations to fund the increased costs and a report. The report submitted with the certification must contain the reasons for the waiver, the specific reasons the additional funds are required, and a discussion of the readiness impact of the continued deployment of the U.S. Military Forces in Bosnia

or supporting Bosnia peacekeeping operations.

Partnership for Peace information system management (sec. 1005)

The budget request included $2.0 million for the Partnership for Peace Information Management System (PIMS) (PE 1001017D8Z).

The Senate amendment contained a provision (sec. 1004) that would make $5.0 million available in defense-wide activities for the Partnership for Peace Information Management System (PIMS) in the following amounts: $3.0 million in section 301 and $2.0 million in section 201(4) of this Act.

The House bill contained no similar provision, but would recommend the budget request for operation and maintenance and would recommend an increase of $4.0 million to the budget request for PIMS research and development activities for the development of an international medical program global satellite system. Additionally, the House bill would require that no funds be made available for this activity until the Secretary of Defense submits a report to the congressional defense committees on the impact of the international medical program global satellite system on the Department of Defense (DOD) radio frequency spectrum.

The conferees agree to a provision that would make $5.0 million available in defense-wide activities for PIMS in defense-wide operation and maintenance and research and development activities. In addition, the conferees agree to authorize a $4.0 million increase for PIMS research and development activities for the development of an international medical global satellite system. The conferees agree with the recommendation of the House (H. Rept. 105–532) regarding the requirement of the Secretary of Defense to submit a report on the impact of this system on the DOD frequency spectrum prior to obligation of funds. In addition, the report of the Secretary of Defense should include a plan on how the satellite-based medical telecommunications distribution and delivery network would be integrated into PIMS, the cost of integrating this technology into PIMS, the primary focus and content of the program and the contribution to the overall mission of PIMS, and information on the need for bilateral agreements.

Lastly, the conferees direct that all applicable competitive procedures be used in the award of contracts, grants, and other agreements under this program and that the Department require significant cost-sharing from all non-federal participants.

United States contribution to NATO common-funded budgets in fiscal year 1999 (sec. 1006)

The resolution of ratification to the Protocols to the North Atlantic Treaty of 1949 on Accession of Poland, Hungary, and the Czech Republic (Treaty Document 105–36) agreed to by the Senate on April 30, 1998 included a condition that requires authorization of funds for the U.S. contribution to the common-funded budget of the North Atlantic Treaty Organization (NATO) beginning in fiscal year 1999 if the amounts exceed the totals expended in fiscal year 1998.

The Senate amendment contained a provision (sec. 1006) that would authorize funds for the U.S. contribution to NATO common-funded budgets and the use of unexpended balances from prior years.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Liquidity of working-capital funds (sec. 1007)

The Senate amendment contained a provision (sec. 341) that would ensure the liquidity of the working-capital funds (WCFs) during fiscal year 1999 and would provide a mechanism to allow the Department of Defense to recover operating losses during the year of execution. The provision would also place limitations on the amounts of advance billing within the Department.

The House bill contained no similar provision.

The House recedes with an amendment that would not specify the corrective actions the Secretary of Defense may take to eliminate cash balance shortfalls in the WCFs and adjusts the limitations on advance billings.

Termination of authority to manage working-capital funds and certain activities through the Defense Business Operating Fund (sec. 1008)

The Senate amendment contained a provision (sec. 342) that would transfer the relevant statutory authorities and reporting requirements to the Department of Defense's working-capital fund operations (section 2208 of title 10, United States Code) and would repeal the statutory authority for the Defense Business Operations Fund.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Clarification of authority to retain recovered costs of disposals in working-capital funds (sec. 1009)

The Senate amendment contained a provision (sec. 343) that would clarify the authority of the Defense Reutilization and Marketing Service to retain, from proceeds received from sales of surplus supplies, materials, or equipment, an amount equal to the costs incurred in the sale, reutilization, or disposal of such items.

The House bill contained no similar provision.

The House recedes.

Crediting of amounts recovered from third parties for loss or damage to personal property shipped or stored at government expense (sec. 1010)

The Senate amendment contained a provision (sec. 1054) that would allow funds recovered from third parties in relation to household good claims to be deposited into the current appropriations for payment of such claims.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Subtitle B—Naval Vessels and Shipyards

Revision to requirement for continued listing of two Iowa-class battleships on the Naval Vessel Register (sec. 1011)

The House bill contained a provision (sec. 1011) that would direct the Secretary of the Navy to list U.S.S. *Iowa* (BB–61) and U.S.S. *Wisconsin* (BB–64) as the two *Iowa* class battleships maintained on the Naval Vessel Register, in accordance with section 1011 of the National Defense Authorization Act for Fiscal Year 1996

The Senate amendment contained a similar provision (sec. 1011).

The Senate recedes.

Transfer of U.S.S. New Jersey (sec. 1012)

The House bill contained a provision (sec. 1012) that would direct the Navy to strike U.S.S. *New Jersey* from the Naval Vessel Register and transfer it to a not-for-profit entity that will locate the vessel in the State of New Jersey.

The Senate amendment contained no similar provision.

The Senate recedes.

Homeporting of the U.S.S. Iowa in San Francisco, California (sec. 1013)

The Senate amendment contained a provision (sec. 1016) that would express the sense of the Congress that the U.S.S. *Iowa* should be homeported in San Francisco, California.

The House bill contained no similar provision.

The House recedes.

Sense of Congress concerning the naming of an LPD–17 vessel (sec. 1014)

The Senate amendment contained a provision (sec. 1014) that would express the sense of the Congress that an LPD–17 class vessel should be named the U.S.S. *Clifton B. Cates*, in honor of the 19th Commandant of the Marine Corps.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Reports on naval surface fire-support capabilities (sec. 1015)

The Senate amendment contained a provision (sec. 1027) that would direct the Secretary of the Navy to report by March 31, 1999, to the Committee on Armed Services of the Senate and the National Security Committee of the House of Representatives on battleship readiness for meeting naval surface fire-support requirements.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Long-term charter of three vessels in support of submarine rescue, escort, and towing (sec. 1016)

The House bill contained a provision (sec. 1013) that would authorize charter of the three vessels in accordance with section 2401 of title 10, United States Code.

The Senate amendment contained a similar provision (sec. 1012) and directed the Department to utilize fully the R/V *Gosport* and other assets owned and operated by the Navy for secondary services including torpedo retrieval, sonar calibration, and submarine sea trial escort prior to out-sourcing for these services.

The Senate recedes.

The conferees agree to authorize the Navy to enter into charters through September 30, 2003 in accordance with section 2401 of title 10, United States Code, for the *Carolyn Chouest*, *Kellie Chouest*, and *Dolores Chouest* and direct the Department of the Navy to utilize fully the R/V *Gosport* and other similar vessels prior to out-sourcing for secondary services described above.

Transfer of obsolete Army tugboat (sec. 1017)

The House bill contained a provision (sec. 1014) that would permit the Secretary of the Army to substitute the tugboat *Attleboro* (LT–1977) for the tugboat *Normandy* (LT–1971) as one of two tugboats authorized to be transferred by the Secretary under section 1023 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–86).

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle C—Counter Drug Activities and Other Assistance for Civilian Law Enforcement

The budget request for drug interdiction and other counter-drug activities of the Department of Defense (DOD) totals $882.8 million. This includes the $727.6 million central transfer account and $155.2 million in the operating budgets of the military services for counter-drug operations.

However, these numbers do not accurately represent the Department's total commitment to the war on drugs. For example, these numbers do not include a proportionate share of the costs of procuring military systems that are used to support the war on drugs. They also do not capture the

personnel costs for the thousands of active duty service members who are engaged in counter-narcotics activities over the course of the fiscal year. Furthermore, the budget does not include all maintenance costs for assets used in counter-drug activities, or a proportionate share of base operation support costs for those units performing counter-drug activities. Together, these costs exceed several hundred million dollars each year.

In addition, these numbers do not reflect the value of the equipment and training that the DOD provides to other nations in support of their counter-narcotics activities pursuant to section 506 of the Foreign Assistance Act. This section provides authorization for up to $75.0 million worth of counter-narcotics support to foreign governments each year. The conferees are concerned that this authority, which was intended to be used to enhance U.S. counter-narcotics support to nations in the source zone, is simply used to offset costs which more appropriately belong in the State Department budgets. The conferees are further concerned that the continued provision of *non-excess* military equipment to foreign governments may have an adverse impact on U.S. military readiness. The conferees direct the Secretary of Defense to provide the congressional defense committees with a list of those items that are provided pursuant to Section 506, together with the Secretary's plans for replacing this equipment.

Finally, the conferees are concerned that in some cases the Department of Defense may be pressured into dedicating scarce resources within its budget recommendation to the President for the counter-narcotics missions that are the primary responsibility of the Department of State or other Federal agencies. This practice could be detrimental to other high priority military missions, including counter-terrorism and counter-proliferation, in today's resource constrained environment. The conferees believe that the Secretary of Defense and the Chairman of the Joint Chiefs are in the best position to understand all of the national security responsibilities of DOD, and to make a balanced recommendation to the President regarding the manner in which the resources of the Armed Forces should be utilized in such a way as to most effectively carry out those responsibilities.

The conferees recommend the following authorization for the Department's counter-narcotics activities:

Drug Interdiction & Counter-drug Activities, Operations and Maintenance

(In thousands of dollars; may not add due to rounding)

Fiscal Year 1999 Drug and Counter-drug Request	$882,831
Goal 1 (Dependent Demand Reduction)	12,830
Goal 2 (Support to DLEAs)	97,384
Goal 3 (DOD Personnel Demand Reduction)	72,936
Goal 4 (Drug Interdiction—TZ/SWB)	406,554
Goal 5 (Supply Reduction)	293,127
Increases:	
Caribbean/Eastern Pacific Surface Interdiction	8,000
Caper Focus	6,000
Gulf States Initiative/Regional Counter-drug Training	7,000
Multi Jurisdictional Task Force	1,000
South West Border Fence	3,000
National Guard State Plans	29,000
Reductions:	
JIATF–SOUTH	17,000
Southern Air Forces Counter-Drug Support	4,000

Drug Interdiction & Counter-drug Activities, Operations and Maintenance—Continued

Mexico GBEGO	4,000
National Guard Cargo/Mail Inspection Project	29,000

Enhanced Transit Zone Interdiction—Caribbean/Eastern Pacific Interdiction Initiative, Caper Focus

Although the Department of Defense continues to serve as the single lead Federal agency for the detection and monitoring of suspected drug-trafficking activities within the transit zones, the Department's budget in this region has declined dramatically since 1993. This decline is a result of presidential guidance in 1993 that directed a gradual shift in emphasis from the transit zone to source zone counter-drug activities. While the Administration's strategic focus moved to South America, illegal drugs continue to flow through the eastern Pacific Ocean and Caribbean Sea to U.S. markets.

The conferees encourage the Department to explore new initiatives to enhance current interdiction capabilities so that if Panamanian facilities are no longer available, a viable interdiction program remains. To assist the Department in this effort, the conferees have included a provision that would provide $14.5 million within the counter-narcotics central transfer account for the increased deployment of the Department's Cyclone Class Patrol Coastal Craft (PCs) to the Caribbean and eastern Pacific, and any maintenance or modifications of these craft (such as forward looking infra-red devices and combat craft recovery systems) necessary to enhance their interdiction capabilities. Such increased deployment will provide Commander-in-Chief, Southern Command (CINCSOUTH) with a more substantial naval presence in his theater of operations with which to increase surface interdiction efforts of suspected narco-traffickers. The conferees include an additional $8.0 million for the Department's Caribbean efforts in order to help pay for increased deployment. The conferees expect the Department to identify the remaining $6.5 million from within its interdiction budget.

The conferees direct the Secretary of Defense to provide the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives with a report outlining the extent to which the PCs, operating either with or without a mothership, were effective during fiscal year 1999 in the interdiction and deterrence of maritime drug trafficking. This report should also outline the CINCSOUTH's and the CINCSOCOM's recommendation regarding any future deployment of these craft to SOUTHCOM's Area of Responsibility (AOR), and the Secretary of Defense's recommendation as to the appropriate funding mechanism for these future deployments.

Caper Focus

The conferees are disturbed by the recent testimony of General Charles E. Wilhelm, Commander-in-Chief, Southern Command (CINCSOUTH), regarding the Department's inability ''to mount effective detection, monitoring and tracking operations in the eastern Pacific, a pipeline which feeds Mexico and ultimately the U.S.'' As a result of competing demands for maritime patrol aircraft, the Secretary of Defense postponed the final phase of Operation Caper Focus, a promising operation targeting multi-nation cargo vessels in the eastern Pacific. During the initial phases of Operation Caper Focus, Joint Interagency Task Force- East (JIATF–E) assets interdicted 27 metric tons of cocaine and gained valuable intelligence on regional trafficking methods. Despite these preliminary results, the Secretary of Defense has not made available the additional air or maritime assets necessary to execute the operation, nor has the Director of JIATF–E transferred assets from the Caribbean.

The conferees are convinced of the need to take advantage of this opportunity to seize large amounts of cocaine through the continuation of Operation Caper Focus. Therefore, the conferees include a provision that would authorize $10.5 million to support this operation. The conferees urge the Secretary of Defense to seek the views of CINCSOUTH in identifying the capabilities needed to determine how these funds should be applied. Finally, the conferees directs that the Secretary of Defense provide the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report outlining the recommendations of CINCSOUTH and an implementation plan detailing the Department's expanded operational support to Operation Caper Focus no later than January 15, 1999. The conferees include an additional $6.0 million in order to help pay for this deployment. The conferees expect the Department to provide the remaining $4.5 million from within its interdiction budget.

Gulf States Counter-drug Initiative

The conferees understand the Gulf States Counter-drug Initiative has grown beyond its original counter-drug mission and now performs important work for other high priority missions of the Department of Defense, including counter-terrorism. Therefore, the conferees support the transfer of this activity from the Department's Counter-drug account to the C3I Joint Military Intelligence Program in accordance with its increased mission, and recommend an additional $6.0 million for its counter narcotics activities. The conferees expects that the Department will fund GSCI's operations through the Joint Military Intelligence Program budget in the future. The conferees authorize a further $1.0 million for the Gulf States Counter-drug Initiative Regional Counter-drug Training Academy.

Multi-Jurisdictional Task Force

The budget request included $2.0 million for the Multi-Jurisdictional Counter-drug Task Force. The conferees understand that additional funds are needed to improve the Multi-Jurisdictional Counter-drug Task Force's training program by increasing the number of conventional courses, distance learning projects and state narcotics conventions for law enforcement officers. Therefore, the conferees recommend $3.0 million, an increase of $1.0 million for the Multi-Jurisdictional Counter-drug Task Force.

National Guard State Plans

The budget request included $29.0 million for National Guard Cargo/Mail Inspection Support and $118.6 million for National Guard General Support. The conferees note that beginning in fiscal year 1998, funds for cargo/mail inspection support were transferred from the general support account due to its high priority at the national level. While the conferees continue to endorse this program as a means to deny illegal drugs from entering the United States, the conferees believe that this program should compete with other high priority National Guard counter-narcotics operations. Therefore, the conferees recommend $147.6 million for National Guard General Support, an increase of $29.0 million, and a corresponding decrease of $29.0 million for National Guard Cargo/Mail Inspection Support.

JIATF–SOUTH

The conferees continue to be concerned with the impact that our military withdrawal from Panama will have upon U.S. drug interdiction capabilities. The Panamanian facilities provide a unique location

from which to deploy U.S. counter-narcotics assets. The loss of these facilities will have a significant impact upon the U.S. ability to maintain the current level of drug interdiction efforts. Since the United States and the Government of Panama have been unable to reach an agreement regarding the continued deployment of U.S. military personnel to Panama after the remaining facilities are turned over at the end of 1999, the conferees believe it is imprudent to significantly expand and facilitize JIATF-South as recommended in the budget request. Until such an agreement is signed, the conferees believe that JIATF-South should operate with the same resources that it received for fiscal year 1998. Therefore, the conferees recommend a reduction of $17.0 million for this program.

Southern Air Forces Counter-Drug Support

The budget request included $24.4 million for Southern Air Forces (SOUTHAF) Counter-Drug Support, including $19.0 million for the operation and maintenance of ground mobile radars (GMRs) within the U.S. Southern Command area of operations. The conferees recommend $20.4 million for SOUTHAF Counter-Drug Support, a decrease of $4.0 million.

Ground-based end game operations-Mexico

The budget request included $16.0 million for the counter-narcotics training of the Armed Forces of Mexico; a significant increase from previous years. The conferees recommend $12.0 for this program; a decrease of $4.0 million.

Support for counter-drug activities of Peru and Colombia

Section 1033 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) authorized the Secretary of Defense to provide support for the counter-drug activities of the Governments of Peru and Colombia. The conferees wish to clarify that the intent of Congress was to provide non-lethal assistance, including unarmed riverine patrol boats, to establish a riverine interdiction program in Peru and Colombia. The conferees note that other programs exist in which the Government of Peru can acquire the weaponry necessary to arm these vessels.

LEGISLATIVE PROVISIONS ADOPTED

Program authority for Department of Defense support to other agencies for counter-drug activities (sec. 1021)

The House bill contained a provision (sec. 1021) that would extend section 1004 of the National Defense Authorization Act for Fiscal Year 1991 through fiscal year 2000. The provision would also allow the Department of Defense to use counter-drug funds for any major renovation or modification of a Department of Defense facility being used for counter-narcotics purposes. Prior to using this authority for any such projects that will exceed $500,000, the Department must notify the congressional defense committees.

The Senate amendment contained a similar provision.

The Senate recedes with an amendment that would extend section 1004 of the National Defense Authorization Act for Fiscal Year 1991 through fiscal year 2002.

Department of Defense support of National Guard drug interdiction and counter-drug activities (sec. 1022)

The Senate amendment contained a provision (sec. 334) that would make certain changes to the National Guard's authority to perform counter-narcotics activities. These changes would include the authorization to make minor purchases using National Guard counter-narcotics funding. This provision would also allow the Guard to provide expanded support to youth outreach programs. Finally, the provision would authorize the use of funds appropriated for counter- narcotics activities to be used for a member of the Guard's annual training as long as these funds were reimbursed with funds that were appropriated for training.

The House bill contained no similar provision.

The House recedes with an amendment that would limit the size of purchases to $5,000 per purchase order unless approval to exceed that amount is provided in advance by the Secretary of Defense. The amendment would further require that counter-narcotics activities not degrade military readiness, or increase the cost of training. The amendment would also require that in the case of unit participation in counter-narcotic activities, the missions will support valid unit training requirements. Finally, the amendment would clarify that the pay and benefits of a member of the Guard who is serving on full time active duty in support of the counter-narcotics activities of the Guard does not receive an amount of pay and benefits during his annual training more than the amount he would be entitled to if he were not performing these counter-narcotics activities.

Patrol Coastal Craft for drug interdiction by Southern Command (sec. 1023)

The Senate amendment contained a provision (sec. 331) that would provide $18.5 million within the counter-narcotics central transfer account for the increased deployment of the Department's Patrol Coastal Craft to the Caribbean and eastern Pacific. The Senate amendment also contained a provision (sec. 335) that would express the sense of the Congress that the Secretary of Defense should revise the Global Military Force Policy to treat counter-drug operations as a military operation other than war. Furthermore, the Senate amendment contained a provision (sec. 311) that would require the U.S. Special Operations Command to use the resources that are saved within its operating budget as a result of funding the Patrol Coastal Craft within the counter-narcotics budget for training and related operations associated with its counter-proliferation and counter-terrorism missions.

The House bill contained a provision (sec. 1022) that would provide $24.4 million within the counter-narcotics central transfer account for the continued conduct of Operation Caper Focus.

The conferees include a single provision that would (1) express the sense of the Congress that the Secretary of Defense should ensure that the international drug interdiction and counter-drug activities of the Department of Defense are accorded adequate resources within the budget allocation of the Department to execute its counter-narcotics mission; (2) provide $10.5 million within the counter- narcotics central transfer account for the continued conduct of Operation Caper Focus; and (3) provide $14.5 million within the counter-narcotics central transfer account for the increased deployment of the Department's Patrol Coastal Craft to the Caribbean and eastern Pacific. The provision would also require that the $4.5 million that the Special Operations Command saved within its operating budget as a result of funding the Patrol Coastal Craft within the counter-narcotics budget be used for training and related operations associated with its counter-proliferation and counter-terrorism missions.

Subtitle D—Miscellaneous Report Requirements and Repeals

Repeal of unnecessary and obsolete reporting provisions (sec. 1031)

The Senate amendment contained a provision (sec. 1021) that would repeal certain obsolete reporting requirements imposed upon the Department of Defense.

The House bill contained no similar provision.

The House recedes with an amendment which would retain an annual report on the use of money rentals for leases of non-excess property, and which would completely repeal a provision partially repealed in the Senate amendment.

Report regarding use of tagging system to identify hydrocarbon fuels used by Department of Defense (sec. 1032)

The Senate amendment contained a provision (sec. 312) that would authorize the Department of Defense to conduct a pilot program to determine if hydrocarbon fuels used by the Department can be tagged.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to provide a report to the congressional defense committees outlining the feasibility, costs, and benefits of using fuel tags to help deter theft and facilitate the determination of the source of surface and underground pollution in locations having separate fuel storage facilities belonging to the Department and civilian companies.

Subtitle E—Armed Forces Retirement Home

Appointment of Director and Deputy Director of the Naval Home (sec. 1041)

The Senate amendment contained a provision (sec. 1075) that would disestablish the civilian positions of director and deputy director of the Naval Home and would require that the Secretary of Defense appoint a director and deputy director from among military officers recommended by the military departments.

The House bill contained no similar provision.

The House recedes.

Revision of inspection requirements relating to Armed Forces Retirement Home (sec. 1042)

The House bill contained a provision (sec. 363) that would revise the current procedures for the periodic inspection of the Armed Forces Retirement Homes by the Inspector General of each of the military departments on an alternating basis, and would require that upon completion of these inspections, the report of the inspections shall be provided to the Congress.

The Senate amendment contained a provision (sec. 1057) that would eliminate the requirement for the Department of Defense Inspector General to conduct inspections of the Armed Forces Retirement Homes, as well as review the inspections conducted by the inspectors general of the military departments. The recommended provision would require inspections of the homes every three years. Responsibility to conduct inspections would rotate among the three services on a schedule determined by the Secretary of Defense.

The Senate recedes with a clarifying amendment.

Clarification of land conveyance authority, Armed Forces Retirement Home (sec. 1043)

The House bill contained a provision (sec. 1041) that would clarify subsection (a) of section 1053 of the National Defense Authorization Act for Fiscal Year 1997 (Public law 104–201), to state clearly that the original purpose of this disposal provision was to authorize only the sale of a specific parcel of land at the Armed Forces Retirement Home, Washington, D.C. through an open bid process at not less than fair market value, with the receipts of the sale to be deposited in the Armed Forces Retirement Homes Trust Fund.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would direct the Armed Forces Retirement Home to proceed with the sale of a specific parcel of land at the Armed Forces Retirement Home, Washington, D.C. to a neighboring non-profit organization or an entity or entities related to such organization at fair market value, as determined by the Armed Forces Retirement Home Board based on an independent appraisal, to a neighboring non-profit organization or an entity or entities related to such organization.

Subtitle F—Matters Relating to Defense Property

Plan for improved demilitarization of excess and surplus defense property (sec. 1051)

The Senate amendment contained a provision (sec. 1077) that would require the Secretary of Defense to assign demilitarization codes to military equipment and ensure that this equipment is demilitarized in accordance with those codes. The provision would further require that anyone who is convicted of knowingly participating in the exportation of merchandise in violation of Federal law, be fined or imprisoned for up to five years.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to submit to Congress a plan to address the problems with the sale or other disposal of excess and surplus defense materials. The plan would include how the Department will (1) implement all appropriate demilitarization training, (2) improve oversight of demilitarization functions and the maintenance of demilitarization codes, and (3) assign accurate demilitarization codes. The plan will also include the steps the Secretary intends to take to centralize the demilitarization functions and responsibilities of the Department of Defense.

Transfer of F–4 Phantom II aircraft to foundation (sec. 1052)

The Senate amendment contained a provision (sec. 1058) that would authorize the Secretary of the Air Force to transfer one surplus F–4 phantom aircraft to a foundation by means of a conditional deed of gift.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Subtitle G—Other Department of Defense Matters

Pilot program on alternative notice of receipt of legal process for garnishment of federal pay for child support and alimony (sec. 1061)

The House bill contained a provision (sec. 1042) that would allow the Department of Defense to refrain from providing court documents to a military member, concerning child support and alimony payments, prior to proceeding with a court ordered garnishment. The Defense Finance and Accounting Service would continue to include pertinent information with the notification to the service member involved.

The Senate amendment contained a similar provision (sec. 1048), but limited the Department of Defense to a pilot program.

The House recedes with an amendment that would allow the Department to conduct a pilot program for three years and provide an annual report on the status of this program to the congressional defense committees.

Training of special operations forces with friendly foreign forces (sec. 1062)

The House bill contained a provision (sec. 1043) that would amend section 2011 of title 10, United States Code, to improve the level of reporting associated with the authority of U.S. special operations forces to train with the forces of foreign nations and require that any such training receive the prior approval of the Secretary of Defense.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would limit the scope of the provision to changes in the regulations for, and the elements of the annual report on, the training of special operations forces with friendly foreign forces.

The conferees emphasize that, while improved interoperability and relations with the friendly foreign forces may be an ancillary benefit, the training of U.S. special operations forces under the authority of this section must clearly be the primary purpose of the training. The conferees also underscore that training with ''other security forces'' of a friendly foreign country, rather than with such country's armed forces, should be a rare exception. Finally, it is expected that the Secretary will not delegate the approval authority for such training to a level below an assistant secretary of defense and that both the Assistant Secretaries for International Security Affairs and Special Operations and Low Intensity Conflict should participate in the required approval process.

Research grants competitively awarded to service academies (sec. 1063)

The Senate amendment contained a provision (sec. 1052) that would permit the service academies to compete for and receive research grants offered by a corporation, fund, foundation, educational institution, or other similar entity that is organized and operated primarily for scientific, literary, or educational purposes that are awarded competitively.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Department of Defense use of frequency spectrum (sec. 1064)

The Senate amendment contained a provision (sec. 1062) that would require the Secretary of Defense to report to the defense authorizing committees the costs to the Department of Defense (DOD) resulting from reallocations of the radio frequency spectrum authorized by DOD. The provision would also require that any entity that purchases any portion of the radio frequency spectrum previously reserved for use by any federal agency, including DOD, and that the Federal agency has relinquished for sale or lease, shall reimburse the Federal agency for the cost incurred by the Federal government to make that portion of the frequency spectrum available. The provision would further require a report in the annual budget request for each Federal department or agency that incurs costs for such frequency relocations. Finally, the provision would exempt from the reimbursement requirement those portions of the Federal radio frequency spectrum identified for reallocation in the first reallocation report submitted to the President and Congress, except for reallocations of that portion of the spectrum located in the 1710–1755 megahertz band.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Department of Defense aviation accident investigations (sec. 1065)

The Senate amendment contained a provision (sec. 1028) that would require the Secretary of Defense to provide an assessment of the role of the Office of the Secretary of Defense and the Joint Staff in the investigation of military aircraft accidents. Additionally, the provision would require the Secretary of Defense to report on the advisability of requiring an independent entity of the Department of Defense to supervise military aircraft accident investigations.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to prescribe uniform regulations establishing procedures by which the military departments shall provide periodic reports on the conduct and progress of investigations to the families of those involved in an aviation accident.

The conferees note the importance of a regular flow of accurate information to the families of those involved in an aviation accident and encourage the Secretary of Defense to include in regulations specific circumstances for providing information to the families. Additionally, the conferees encourage the Secretary of Defense to consider accepting comments from the National Transportation Safety Board in developing regulations pertaining to aviation accident investigations.

Investigation of actions relating to 174th Fighter Wing of New York Air National Guard (sec. 1066)

The House bill contained a provision (sec. 1047) that would require the Inspector General of the Department of Defense to investigate the grounding of the 174th Fighter Wing of the New York Air National Guard and the subsequent dismissal, demotion, or reassignment of 12 pilots.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Inspector General of the Department of Defense to conduct a new investigation into the facts and circumstances leading to the December 1, 1995, grounding of the 174th Fighter Wing of the New York Air National Guard and to provide the report of the investigation to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives, not later than 180 days after enactment.

Program to commemorate 50th anniversary of the Korean War (sec. 1067)

The Senate amendment contained a provision (sec. 1061) that would increase the amount authorized to be expended for the Korean War Commemorative Program from $1.0 million to $10.0 million over a seven year period.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize $1.82 million for this program in fiscal year 1999.

The conferees direct the Secretary of the Army to include within future budget requests the amount of funds necessary for the continued operation of this program.

Designation of America's national maritime museum (sec. 1068)

The Senate amendment contained a provision (sec. 1078) that would designate two maritime museums as America's National Maritime Museum. The provision also provided criteria for subsequent additions of museums to the group of museums designated as America's National Maritime Museum.

The House bill contained no similar provision.

The House recedes with an amendment that prescribes the procedures for subsequent additions of museums to the group designated as America's National Maritime Museum.

Technical and clerical amendments (sec. 1069)

The Senate amendment contained a provision (sec. 1063) that would make various technical and clerical amendments to existing law.

The House bill contained no similar provision.

The House recedes with an amendment that would make additional technical and clerical amendments to existing law.

Subtitle H—Other Matters

Act constituting presidential approval of vessel war risk insurance requested by the Secretary of Defense (sec. 1071)

The Senate amendment contained a provision (sec. 1059) that would authorize the preapproval of vessel war risk insurance under the Merchant Marine Act, 1936 (46 U.S.C. App. 1281), so that it can be immediately available in an emergency or contingency.

The House bill contained no similar provision.

The House recedes with a technical amendment and an amendment adding an effective date to the provision.

Extension and reauthorization of Defense Production Act of 1950 (sec. 1072)

The Senate amendment contained a provision (sec. 1064) that would reauthorize the Defense Production Act of 1950 (50 U.S.C. 2161 and 2166) for a period of one year.

The House bill contained no similar provision.

The House recedes.

Requirement that burial flags furnished by the Secretary of Veterans Affairs be wholly produced in the United States (sec. 1073)

The House bill contained a provision (sec. 1046) that would amend section 2301 of title 38, United States Code, to require that any flags furnished for burial purposes be wholly produced in the United States.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment allowing the Secretary of Veterans Affairs to waive the requirement upon making a determination that the requirement cannot reasonably be met or that it would not be in the national interest of the United States. The conferees direct that, in the event he intends to waive the requirement, the Secretary notify Congress concerning the factors upon which he has based his determination.

Sense of Congress concerning tax treatment of principal residence of members of armed forces while away from home on active duty (sec. 1074)

The House bill contained a provision (sec. 1049) that would express the sense of Congress that a member of the armed forces should be treated as using property as a principal residence during any period that the member (or the member's spouse) is serving on extended active duty, but only if the member used the property as a principal residence for any period during or before the period of extended active duty.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Clarification of State authority to tax compensation paid to certain employees (sec. 1075)

The House bill contained a provision (sec. 1045) that would limit state taxation of the pay of workers at Fort Campbell, Kentucky, to the state or political subdivision thereof in which the workers reside. The provision would also limit state taxation of federal employees employed at federal hydroelectric facilities located on the Columbia and Missouri Rivers to the state or political subdivision thereof in which the employees reside.

The Senate amendment contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Outlay limitations

The House bill contained a provision (sec. 1003) that would restrict the amount of fiscal year 1999 discretionary outlays available to the Department of Defense for military functions and the Department of Energy for national security programs to an amount consistent with the national defense total provided in the Balanced Budget Act of 1997.

The Senate amendment contained no similar provision.

The House recedes.

Long-term charter contracts for acquisition of auxiliary vessels for the Department of Defense

The House bill contained a provision (sec. 1015) that would authorize the Secretary of the Navy to enter into a contract for the long-term lease or charter of newly built combat logistics force, strategic sealift and auxiliary support vessels.

The Senate amendment contained no similar provision.

The House recedes.

Sense of the Congress regarding the establishment of a counter-drug center in Panama

The House bill contained a provision (sec. 1023) that would express the sense of the Congress that the Secretary of Defense, in consultation with the Secretary of State, should continue to engage in negotiations with the Government of Panama for the establishment of a multinational counter-drug center in Panama.

The Senate amendment had no similar provision.

The House recedes.

The conferees understand the important contribution that the facilities in Panama, including JIATF-South, provide. The conferees are aware of the unfortunate difficulty that the U.S. Government has encountered in its negotiations with the Government of Panama for the continued operation of these facilities as part of a multinational counter-narcotics center. The conferees encourage the Secretary of State to continue these important negotiations.

Assignment of members of armed forces to assist INS and Customs Service

The House bill contained a provision (sec. 1024) that would authorize the assignment of members of the armed services to assist the Immigration and Naturalization Service and the Customs Service.

The Senate amendment had no similar provision.

The House recedes.

Facilitation of operations at Edwards Air Force Base

The House bill contained a provision (sec. 1048) that would authorize the Secretary of the Air Force to provide assistance to the Dryden Flight Research Center of the National Aeronautics and Space Administration.

The Senate amendment contained no similar provision.

The House recedes.

Operation, maintenance, and upgrade of Air Force space launch facilities

The House bill contained a provision (sec. 1050) that would prohibit the obligation of funds appropriated for the operation, maintenance, or upgrade of the Western and Eastern Space Launch Facilities of the Air Force for any other purpose.

The Senate amendment contained no similar provision.

The House recedes.

The conferees believe that maintaining a strong, robust space launch capability, including modern and well maintained space launch facilities, is essential to preserving a strong military and scientific capability. The conferees believe that the reprogramming of any resources appropriated to ensure that space launch facilities are fully maintained in their best condition, should only be conducted if planned launches, or other programmed activities, are canceled.

Southwest border fence

The Senate amendment contained a provision (sec. 333) that would require the Secretary of Defense to perform an analysis of the effectiveness of the Southwest border fence in reducing the flow of drugs into the United States before further expansion.

The House bill contained no similar provision.

The Senate recedes.

The conferees are concerned with the continued transportation of narcotics across the Southwest border and into the United States. Over the past few years, the Department of Defense has explored several initiatives to reduce this flow of illegal drugs. One such initiative was the construction of a border fence along portions of the border. Although the conferees support such initiatives, the conferees believe that a thorough analysis should be performed to determine how the fence might be made more effective before the Department proceeds with any planned expansion. The conferees direct the Secretary of Defense to undertake such an analysis.

In the interim, the conferees recommend $3.0 million to facilitate completion of the Southwest border fence project from within the domestic law enforcement agencies support component of the Department of Defense Counter-Drug Plan.

Increase operations and maintenance for Army National Guard/reduce amounts from revised economic assumptions

The Senate amendment contained a provision (sec. 1005) that would reduce authorizations for appropriations to reflect the updated inflation estimates for fiscal year 1999 by the Office of Management and Budget. The amendment also increased funding for the Army National Guard operations and training programs, and the arms control programs of the Department of Energy.

The House bill contained no similar provision.

The Senate recedes.

The conferees agreed to adopt the revised economic assumptions. Funding for the Army National Guard and the Department of Energy arms control programs are discussed in other portions of this report.

Ship scrapping pilot program

The Senate amendment contained a provision (sec. 1017) that would direct the Secretary of the Navy to carry out a ship scrapping pilot program to gather data on the costs associated with scrapping and to demonstrate cost effective technologies and techniques that ensure worker safety and environmental protection. Under the pilot program, the Secretary would be required to give a greater weight to technical and performance-related factors than to cost and price-related factors. The Secretary of the Navy would also be required to give significant weight to technical qualifications and past performance of the contractor and major subcontractors or team members of the contractor in complying with applicable legal requirements for environmental protection and worker safety.

The House bill contained no similar provision.

The Senate recedes.

The conferees acknowledge the recommendations of the 1998 Report of the Interagency Panel on Ship Scrapping. Consistent with those recommendations, the conferees object to any congressionally mandated restrictions or prohibitions related to domestic or overseas scrapping of naval vessels.

Report on inventory and control of military equipment

The Senate amendment contained a provision (sec. 1025) that would require the Department of Defense to perform a thorough review of its inventory of military equipment and submit a report to the Congress outlining the location of this equipment, or the efforts of the Department in locating any equipment that could not be located.

The House bill contained no similar provision.

The Senate recedes.

Report on reduction of infrastructure costs at Brooks Air Force Base, Texas

The Senate amendment contained a provision (sec. 1033) that would require the Secretary of the Air Force to submit a report, not later than December 31, 1998, on the options for the reduction of infrastructure costs at Brooks Air Force Base, Texas.

The House bill contained no similar provision.

The Senate recedes.

The conferees agree to include a requirement for the Secretary of Defense to assess the options to reduce infrastructure costs at Brooks Air Force Base, Texas, in section 2814 concerning leasing and other alternative uses of non-excess military property.

Sense of the Senate regarding declassification of classified information of the Department of Defense and the Department of Energy

The Senate amendment contained a provision (sec. 1069) that would set forth the sense of the Senate that the Secretaries of Defense and Energy should request adequate funds in fiscal year 2000 for activities relating to the declassification of information required by Executive Order 12958 and the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.).

The House bill contained no similar provision.

The Senate recedes.

The conferees have addressed this issue in a separate section in Title XXXI of this Act.

Sense of the Senate regarding the August 1995 assassination attempt against President Shevardnadze of Georgia

The Senate amendment contained a provision (sec. 1081) that would express the sense of the Senate that the Russian Federation should extradite the alleged perpetrators of the August 5, 1995 assassination attempt on the life of President Shevardnadze to Georgia to stand trial, that the Russian Federation and the Russian Minister of Defense should cooperate and ensure that Russian military bases on Georgian territory are not used to facilitate the escape of perpetrators acting against the Government and committing acts in violation of the national sovereignty of Georgia, and that the U.S. Government should use all available authorities to provide assistance to ensure the safety of the President of Georgia.

The House bill contained no similar provision.

The Senate recedes. However, the conferees do agree that the Russian Federation should respect the national sovereignty of Georgia and the Russian Ministry of Defense should cooperate to ensure that its military bases located on Georgian territory are not used to facilitate acts of terrorism and violence, nor used to protect and provide escape to perpetrators of terrorism or violence against the Georgian Government or its people.

Eliminating secret Senate holds

The Senate amendment contained a provision (sec. 1083) that would state that it is a standing order of the Senate that a Senator who provides notice to leadership of his intention to object to proceeding to a motion or matter shall disclose the objection or hold in the Congressional Record not later than two session days after the date of the notice. The provision also stated that it was adopted as an exercise of the rulemaking process of the Senate and with full recognition of the constitutional right of the Senate to change its rules at any time.

The House bill contained no similar provision.

The Senate recedes.

Cooperation between the Department of the Army and the Environmental Protection Agency in meeting the Chemical Weapons Convention requirements

The Senate amendment contained a provision (sec. 1087) that would require the Department of Defense (DOD), in coordination with the Environmental Protection Agency (EPA), to submit a report to the congressional defense committees by April 1, 1999. The report would address the mutual responsibilities of DOD and EPA with respect to the Resource Conservation and Recovery Act (RCRA)(42 U.S.C. 6901 et seq.) permit process related to fulfilling U.S. international obligations under the Chemical Weapons Convention (CWC).

The House bill contained no similar provision.

The Senate recedes.

The conferees note that compliance with international obligations to destroy the U.S. chemical weapons stockpile by April 28, 2007, as required under the CWC, is a national priority. Given the international obligation of the United States under the CWC, the President must ensure that DOD and the Army receive all necessary assistance from federal agencies to facilitate the safe and effective destruction of the lethal chemical stockpile.

The EPA is a federal agency with specific oversight responsibility for states with authorized hazardous waste programs under RCRA. The conferees expect EPA to exercise its oversight responsibility in a way that supports the DOD and the Army in the execution of CWC obligations. The conferees, however, have been apprised of EPA assertions that it is not adequately funded to meet its federal RCRA permitting responsibilities associated with CWC commitments. The conferees expect that EPA shall work in concert with federal, state, and local government entities in the successful resolution of issues related to the destruction of the U.S. chemical weapons stockpile, and that the EPA shall properly budget for these efforts.

The conferees are concerned about the possibility that inadequate EPA planning and budgeting could be used as a justification for authorization of the Army funding of EPA obligations. Such a justification would be inappropriate. In addition, there remains a question about the extent to which EPA must participate in the CWC RCRA permit process, particularly in states with authorized hazardous waste programs. The conferees agree that the level of EPA participation must not exceed the requirements related to federal regulatory oversight under RCRA.

The Army received specific authorization to reimburse states for their efforts in permitting chemical demilitarization facilities in the National Defense Authorization Act for Fiscal Year 1986, but there was no provision for EPA reimbursement. There is no statutory authority for the Army to reimburse EPA for federal regulatory oversight activities related to the CWC RCRA permit process.

The conferees direct the Secretary of Defense and the Administrator of the EPA to submit a report to the congressional defense committees by April 1, 1999 that includes the following: (1) a detailed description of the federal, state, and local RCRA permitting responsibilities related to CWC obligations to destroy the U.S. chemical stockpile, with particular focus on the federal regulatory role in states with authorized hazardous waste programs; (2) a description of the state authorized hazardous waste programs in those states with existing or projected chemical weapons destruction sites; (3) the level of technical assistance provided by EPA to its regional offices and to the state and local governments in the overall RCRA permitting process, the legal basis for such assistance, and how such assistance supports the national commitment to destroy U.S. chemical weapons, particularly in states with authorized hazardous waste programs; (4) the legal rationale, if any, for the Army to fund EPA technical assistance for EPA regional offices, and for the state and local governments in the RCRA permitting process associated with chemical weapons destruction, particularly in relation to state authorized hazardous waste programs; (5) the legal rationale, if any, for the Army to fund EPA attendance of meetings with the National Chemical Agent Demilitarization Workgroup, meetings between the Office of Solid Waste and the affected EPA Regional Offices and states, and meetings between the Office of Solid Waste, the Program Manager for Chemical Demilitarization, and DOD; (6) the legal rationale, if any, for DOD or the Army to provide funds to EPA for employment of full time equivalents (FTEs) to assist in the formulation of RCRA permits, the projected geographical location of the FTEs, and the projected function of the FTEs in relation to CWC RCRA permit requirements; (7) a complete explanation of the need, if any, for the Army to fund the EPA role with respect to CWC RCRA permit requirements, a complete description of the overall EPA functions and activities that may require Army funding, an identification of the other instances in which the Army has provided funds to EPA for other RCRA permit oversight activities, and the specific authority for the proposed level of EPA participation in CWC RCRA permit process; and (8) the Army and EPA funding levels within the President's budget projected to support the RCRA permit process related to CWC for fiscal year 1999 and the out years.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

LEGISLATIVE PROVISIONS ADOPTED

Defense Advanced Research Projects Agency experimental personnel management program for technical personnel (sec. 1101)

The Senate amendment contained a provision (sec. 1105) that would authorize the Secretary of Defense special personnel management authorities to carry out a five-year experimental personnel management program in which eminent experts in science and engineering fields for research and development projects administered by the Defense Advanced Research Projects Agency could be hired and paid without regard to existing civil service laws concerning appointment and compensation. The provision would limit authority to a maximum of five years and would require the Secretary of Defense to submit an annual report to the Congress beginning in fiscal year 1999.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Maximum pay rate comparability for faculty members of the United States Air Force Institute of Technology (sec. 1102)

The Senate amendment contained a provision (sec. 1102) that would permit civilian faculty at the United States Air Force Institute of Technology to be paid at the same level as civilian faculty at other senior military schools and the service academies.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Authority for release to Coast Guard of drug test results of civil service mariners of the Military Sealift Command (sec. 1103)

The House bill contained a provision (sec. 1101) that would permit the Secretary of the Navy to release to the Coast Guard the results of a drug test of a former employee of the Department of the Navy who was employed as a civil service mariner.

The Senate amendment contained no similar provision.

The Senate recedes.

Limitations on back pay awards (sec. 1104)

The House bill contained a provision (sec. 1102) that would clarify that any award of back pay to civil service employees, resulting from a finding of an unjustified personnel action adjudged under section 5596 of title 5, United States Code, shall not exceed six years, unless a shorter limitation period applies.

The Senate amendment contained no similar provision.

The Senate recedes.

Restoration of annual leave accumulated by civilian employees at installations in the Republic of Panama to be closed pursuant to the Panama Canal Treaty of 1977 (sec. 1105)

The House bill contained a provision (sec. 1103) that would provide federal employees, working to close installations in the Republic of Panama in accordance with the Panama Canal Treaty Implementation Plan, the same automatic restoration of excess annual leave that is provided to employees at bases closed under current base realignment and closure procedures.

The Senate amendment contained no similar provision.

The Senate recedes.

Repeal of program providing preference for employment of military spouses in military child care facilities (sec. 1106)

The House bill contained a provision (sec. 1104) that would repeal section 1792d of title 10, United States Code, which provides military spouses with an additional hiring preference in the civil service that has proven unnecessary given the other general military spouse preferences provided by section 1784 of title 10, United States Code.

The Senate amendment contained a similar provision (sec. 1101).

The Senate recedes.

Observance of certain holidays at duty posts outside the United States (sec. 1107)

The House bill contained a provision (sec. 1106) that would allow civil service employees, working in foreign areas where the regular work week is other than Monday through Friday, to observe federal holidays in conjunction with a weekend.

The Senate amendment contained no similar provision.

The Senate recedes.

Random drug testing of Department of Defense employees (sec. 1108)

The House bill contained a provision (sec. 1025) that would expand the current drug testing program of the Department of Defense by requiring that all civilian employees be subject to random tests, rather than just those serving in sensitive positions as required by executive order.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would codify the executive order which requires random drug testing of those serving in sensitive positions, and authorize the Secretary of Defense to test any employee of the Department of Defense if there is a reasonable suspicion that the employee uses illegal drugs.

Department of Defense employee voluntary early retirement authority (sec. 1109)

The Senate amendment contained a provision (sec. 1104) that would modify the conditions under which voluntary early retirement would be authorized for civilian employees of the Department of Defense.

The House bill contained no similar provision.

The House recedes with an amendment that would change the effective date to October 1, 2000.

LEGISLATIVE PROVISIONS NOT ADOPTED

Elimination of retained pay as basis for determining locality-based adjustments

The House bill contained a provision (sec. 1105) that would eliminate windfall pay adjustments that have been made to some federal employees by requiring that future pay adjustments be measured against the pay rate necessary to retain the employees and eliminate the windfall.

The Senate amendment contained no similar provision.

The House recedes.

Four-year extension of voluntary separation incentive pay authority

The Senate amendment contained a provision (sec. 1103) that would extend until September 30, 2003, the civilian voluntary separation incentive pay authority established by 5597(e) of Title 5, United States Code.

The House bill contained no similar provision.

The Senate recedes.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—United States Armed Forces in Bosnia and Herzegovina

United States armed forces in Bosnia and Herzegovina (secs. 1201–1205)

The House bill contained a provision (sec. 1202) that would express the views and concerns of Congress regarding the participation of U.S. armed forces in NATO operations in Bosnia and would require the President to report to Congress on the continued participation of U.S. armed forces in NATO operations in Bosnia and the status of progress achieved in implementing the civilian tasks of the Dayton Accords on an annual basis. The provision would also require the Secretary of Defense to report to Congress by December 15, 1998 on the effects of the military operations in Bosnia on the readiness of U.S. armed forces and the ability of U.S. forces to conduct two nearly simultaneous major regional conflicts.

The Senate amendment contained three provisions regarding the continued participation of U.S. ground combat forces in NATO operations in Bosnia. One provision (sec. 1065) would express the sense of Congress that the funds sufficient to cover continued U.S. participation in the NATO operation in Bosnia should be included in the defense budget and in the Future Years Defense Program above the defense topline contained in the Balanced Budget Agreement of 1997, rather than through reprogrammings or rescissions of existing defense activities. Another provision (sec. 1066) would express concerns that U.S. armed forces should not act as civil police in Bosnia and would require the President to submit a report to Congress on the status of establishing a NATO force of gendarmes, to include information on the mission of the force, the composition of the force, and the extent to which, if any, U.S. forces will participate in the force.

Lastly, the Senate amendment included a provision (sec. 1072) that would express the sense of Congress that U.S. ground combat forces should not remain in Bosnia indefinitely, that a NATO-led follow-on force, without participation of U.S. combat forces, would be suitable to continue implementation of the Dayton Agreement if the European Security and Defense Identity is not sufficiently established, that our European allies should take steps to establish a European follow-on force, led either by the Western European Union (WEU) or NATO, and that the President should continue to consult closely with Congress on the progress in implementing the Dayton Agreement and in reducing and ultimately withdrawing U.S. ground combat forces from Bosnia. It would also require the President to report to Congress by September 30, 1998 on the impact on the security situation in Bosnia that would result from a phased reduction of U.S. military forces, and the prospects for establishing a self-sustaining peace and stable government in Bosnia. Finally, it would require the President to submit a report to Congress on the following: the performance objectives, to include the benchmarks reported in the latest semi-annual report submitted under section 7(b)(2) of the 1998 Supplemental Appropriations and Rescissions Act, and schedule for implementing the Dayton Agreement, to include objectives not specifically covered in the Dayton Agreement and support provided by U.S. forces to the military and non-military objectives. Along with the budget request for fiscal year 2000 and each time the President submits a proposal for funding continued operations of U.S. forces in Bosnia, the provision would require the President to submit a report to Congress including information on the mission of U.S. forces, the support provided by U.S. armed forces to military and non-military missions; U.S. armed forces participation in apprehending war criminals and any role in connection with civilian police functions; the role of U.S. armed forces in assisting in the resettlement of refugees and the support of U.S. armed forces in supporting international and local civilian authorities. The report would also include an assessment of the cost to the United States by fiscal year of carrying out the aforementioned missions, and a joint assessment by the Secretary of Defense and the Secretary of State on the status of planning for European military and paramilitary forces to take over the remaining military missions in Bosnia, and for the establishment and support of a forward-based U.S. rapid reaction force outside Bosnia that would be capable of responding rapidly to threats posed in Bosnia, and of providing support to a European follow-on force to ensure that it is fully capable of accomplishing the implementation of the Dayton Agreement.

The conferees agree to three provisions (secs. 1201–1204) that would combine, update, and clarify the provisions contained in the House bill and Senate amendment and to an additional provision (sec. 1205) that would contain definitions for the subtitle containing these provisions.

Subtitle B—Matters Relating to Contingency Operations

Report on involvement of Armed Forces in contingency and ongoing operations (sec. 1211)

The Senate amendment contained a provision (sec. 1030) that would require the Secretary of Defense to submit a report to the congressional defense committees outlining: 1) the effects of U.S. involvement in contingency operations on the retention and reenlistment of personnel in the armed forces; 2) the extent to which involvement in these operations has resulted in shortfalls in personnel and equipment; 3) the cost of these operations and the accounts from which the funds to pay these costs were drawn; and 4) the objectives of the operation and the set of conditions that defines the end of each operation.

The House bill contained no similar provision.

The House recedes.

Submission of report on objectives of a contingency operation with requests for funding for the operation (sec. 1212)

The Senate amendment contained a provision (sec. 1031) that would require the Secretary of Defense to include with the initial funding request for any contingency operation involving the deployment of over 500 U.S. military personnel, a report outlining the objectives of the operation, and the conditions or date that defines the end of that operation.

The House bill contained no similar provision.

The House recedes.

Subtitle C—Matters Relating to NATO and Europe

Limitation on United States share of costs of NATO expansion (sec. 1221)

The House bill contained a provision (sec. 1211) that would limit the amount spent by the United States as its share of the total cost of enlarging the North Atlantic Treaty Organization NATO) to 10 percent of the cost of expansion, or a total of $2.0 billion, whichever is less, for fiscal years 1999 through 2011.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would limit the U.S. share of the costs of enlarging NATO to include Poland, Hungary, and the Czech Republic to 25 percent of the commonly-funded costs, or $2.0 billion, whichever is less, for fiscal years 1999 through 2011.

Report on military capabilities of an expanded NATO alliance (sec. 1222)

The House bill contained a provision (sec. 1203) that would require the Secretary of Defense to provide a report to Congress by March 15, 1999 on the planned future requirements and military capabilities of an enlarged North Atlantic Treaty Organization (NATO).

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree that continued U.S. participation in NATO advances U.S. national security interests in the region, as well as around the world. Additionally, the conferees endorse the concerns expressed by the House (H. Rept. 105–532) that information prepared both by the United States and NATO military authorities on the costs of enlarging the Alliance to include Poland, Hungary, and the Czech Republic was contradictory. However, the conferees understand that the differing information offered by the Department of Defense, the Congressional Budget Office, RAND, and NATO, in the varying reports submitted on the costs of enlarging the Alliance, as well as on the capabilities of the prospective new Alliance members and the future Alliance military capabilities and requirements, was the result of the use of different criteria and assumptions.

In an effort to compile all the information contained in the various reports of the DOD and NATO on the military requirements and costs of enlarging the Alliance, the conferees agree to a provision that would require the Secretary of Defense to provide a report to Congress by March 15, 1999 that would include information on the planned future military capabilities of an Alliance that includes Poland, Hungary and the Czech Republic, along with an assessment of the tactical, operational and strategic military requirements raised by their inclusion. The report is to include information on the military capabilities of the forces of Poland, Hungary and the Czech Republic, and their ability to achieve the minimum military requirements established by NATO prior to their anticipated accession to the Alliance in 1999, as well as the improvements to common Alliance military assets and to the national capabilities of current NATO members as a result of including these new prospective members in the Alliance.

In addition, the report is to include information on required improvements to the national military capabilities of prospective new members, and any additional necessary improvements to the common Alliance military assets to carry out both Article V of the Washington Treaty of 1949 and contingency operations.

Lastly, the report should include information on any additional assistance the United States may agree to provide on a bilateral basis to assist Hungary, Poland, and the Czech Republic in meeting additional requirements related to enlarging the Alliance.

Reports on the development of the European security and defense identity (sec. 1223)

The Senate amendment contained a provision (sec. 1032) that would require the Secretary of Defense to submit a report to the congressional defense committees by December 15, 1998, and thereafter submit a report on a semiannual basis, on the progress achieved in establishing an European Security and Defense Identity (ESDI) within the North Atlantic Treaty Organization (NATO).

The House bill contained no similar provision.

The House recedes with an amendment.

Several years ago, the North Atlantic Treaty Organization (NATO) decided to build a European pillar within NATO that would enable the Western European Union (WEU), with the consent of the Alliance, to assume the political control and strategic direction of NATO assets and capabilities. The establishment of an ESDI within the Alliance is a welcome and extremely important development. With the worldwide commitments of the United States, the successful development of an ESDI is very much in our national interests, since it could enable the WEU to carry out operations without the participation of U.S. Armed Forces.

The conferees agree to a provision that would require the Secretary of Defense to submit an initial report to the congressional defense committees by December 15, 1998 on the plans developed and actions taken to establish an ESDI. Thereafter, the report shall be submitted on a semiannual basis and shall include information on the status of progress made in developing an ESDI. The submission of semiannual reports on the progress in establishing an ESDI would be terminated when the Secretary of Defense reports that an ESDI has been successfully established.

Subtitle D—Other Matters

Limitation on the assignment of United States forces for certain United Nations purposes (sec. 1231)

The House bill contained a provision (sec. 1044) that would prohibit the use of Department of Defense funds to assign any member of the armed forces to duty with the United Nations Rapidly Deployable Mission Headquarters.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree that not more than eight members of the U.S. Armed Forces may be assigned to the United Nations Rapidly Deployable Mission Headquarters during fiscal year 1999. Additionally, the conferees agree that no funds available to the Department of Defense during fiscal year 1999 may be used, either as a contribution to the United Nations to establish a United Nations standing international force, or to assign or detail U.S. Armed Forces to a United Nations Stand By Force.

Kyoto Protocol to the United Nations Framework Convention on Climate Change (sec. 1232)

The House bill contained a provision (sec. 1210) that would provide that no provision of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, or any related regulation, could restrict the procurement, training, or operation and maintenance of the U.S. Armed Forces.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

The conferees note that the Kyoto Protocol has not yet been submitted to the Senate, and as such, a full Senate debate on the ratification of the Kyoto Protocol has not taken place. It is not the intention of the conferees, through this provision, to predetermine the outcome of the Senate debate on the advice and consent to ratification of the Kyoto Protocol.

The conferees are aware that the Department of Defense has undertaken a number of activities to achieve greater efficiency in its operations. These include a broad-based effort to improve the energy efficiency of its buildings and facilities and an effort to improve the fuel efficiency of trucks and combat vehicles for the purpose of reducing the fuel logistics burden associated with the deployment of armed forces. The conferees do not intend to prohibit or discourage such efforts, provided that they are undertaken for a purpose other than the implementation of the Kyoto Protocol.

Defense burdensharing (sec. 1233)

The Senate amendment contained a provision (sec. 1084) that would amend section 1221 of the National Defense Authorization Act for Fiscal Year 1998, placing more emphasis on increasing allied burdensharing in the area of military contributions to defense and could take one or more actions: increase financial contributions to the payment of nonpersonnel costs to the U.S. Government for the stationing of U.S. military personnel in a foreign country, increase annual budgetary outlays for national defense, increase the amount of military assets that a country contributes to multinational military activities worldwide, or increase annual budgetary outlays for foreign assistance by September 30, 1999. The Secretary of Defense would be required to report to Congress by March 1, 1999, on the progress achieved in increasing allied defense burdensharing. The Secretary of Defense would also be required to provide an assessment to Congress by March 1, 1999, of forward deployed U.S. forces permanently

stationed outside the United States and the national security interests that support the forward deployment of the forces, as well as the cost associated with stationing these elements outside the United States, and potential alternatives to meet national security interests or alliance requirements.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Transfer of excess UH–1 Huey and AH–1 Cobra helicopters to foreign countries (sec. 1234)

The House bill contained a provision (sec. 1215) that would require the Secretary of Defense to make all reasonable efforts to ensure that any excess UH–1 Huey or AH–1 Cobra helicopters that are to be transferred to a foreign country for flight operations are in the same maintenance condition that such a helicopter would require for operational use by U.S. military forces.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require that any funds that are used for such maintenance be provided from funding sources outside of those available to the Department of Defense.

Transfers of naval vessels to certain foreign countries (sec. 1235)

The Senate amendment contained a provision (sec. 1013) that would transfer, on a grant, lease, or sale basis, upon notification to the Congress certain ships to foreign countries.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Repeal of the landmine moratorium (sec. 1236)

The House bill contained a provision (sec. 1205) that would repeal section 580 of the Foreign Operations Appropriations Act of 1996 (Public Law 104–107) which requires a one-year moratorium on the use of anti-personnel landmines by U.S. armed forces on February 12, 1999.

The Senate amendment contained a provision (sec. 1074) that would provide the President authority to waive, if deemed to be in the national security interests, the one-year moratorium on the use of anti-personnel landmines by U.S. armed forces as required by section 580 of the Foreign Operations Appropriations Act of 1996.

The Senate recedes.

Application of authorities under the International Emergency Economic Powers Act to communist Chinese military companies (sec. 1237)

The Senate amendment contained provisions (secs. 3601–3602) that would apply certain authorities under the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) to business entities controlled by the People's Liberation Army of the People's Republic of China, as well as require the Secretary of Defense to compile and continually update a list, to be published in the Federal Register, of the communist Chinese military companies that are operating, directly or indirectly, in the United States.

The House bill contained no similar provisions.

The House recedes with a technical amendment.

TITLE XIII—COOPERATIVE THREAT REDUCTION WITH STATES OF THE FORMER SOVIET UNION

LEGISLATIVE PROVISIONS ADOPTED

Cooperative Threat Reduction (CTR) program (secs. 1301–1309)

The budget request included $442.4 million for the Cooperative Threat Reduction (CTR) program.

The House bill contained provisions (secs. 1301–1311) that would authorize $417.4 million for the CTR program for fiscal year 1999, a $25.0 million decrease to the budget request; allocate fiscal year 1999 funding for various CTR programs and activities; prohibit the use of funds for specific activities; prohibit the use of funds for the construction of a chemical weapons destruction facility in Russia and reallocate a portion of these funds to additional strategic offensive elimination projects in Russia and Ukraine; limit the availability of CTR funds; require that future budget requests for CTR include a descriptive summary and funding breakout of activities; would limit the use of CTR funds until various reports, notifications and certifications are received by Congress; require a report on biological weapons activities in Russia; limit the use of CTR funds for biological proliferation prevention activities in Russia; and limit the use of CTR funds for strategic offensive elimination activities in Russia and Ukraine in excess of the budget request pending the receipt of a report.

The Senate amendment would authorize $440.4 million, a $2.0 million reduction to the budget request, and contained provisions (secs. 1036 and 1041) that would require the Secretary of Defense to report to the congressional defense committees on the need for and the feasibility of programs to further U.S. nonproliferation objectives regarding former Soviet experts in ballistic missiles and weapons of mass destruction; and would authorize the Secretary of Defense to provide assistance necessary to destroy, remove or obtain from a country, weapons of mass destruction or materials, equipment or technology related to the delivery or development of weapons of mass destruction.

The conferees agree to a series of provisions that would authorize $440.4 million for the CTR program, establish sublimits for CTR activities and provide the Secretary of Defense limited authority to exceed established sublimits for fiscal year 1999, pending appropriate Congressional notification.

In addition, the conferees prohibit CTR funds from being used for activities related to peacekeeping activities with Russia, the provision of housing, assistance to promote environmental restoration, to promote job retraining, or for the provision of assistance to Russia or any other state of the former Soviet Union to promote defense conversion. The conferees understand that the provision of housing for decommissioned officers in Russia remains an issue for Russia as it reduces its strategic military forces. Although the conferees reiterate their strong belief that CTR funds should not be used to provide housing, they encourage the appropriate agencies of the U.S. Government with responsibility for this issue to explore the matter of providing additional assistance as appropriate and urge the President to report to the Congress on any recommendations. The conferees will continue to review this issue in the future.

The conferees agree to limit the use of funds for chemical weapons destruction activities in Russia, pending a Presidential certification regarding Russia's chemical weapons program. In addition, the Department of Defense is required to submit as part of the Secretary's annual budget request to Congress a descriptive summary of the funds requested for the CTR program, to include the use of prior years CTR funds.

With regard to biological proliferation prevention activities in Russia, the conferees direct the Secretary of Defense to report to the congressional defense committees by March 1, 1999 on Russia's compliance with international agreements related to biological weapons and to provide an evaluation of the costs and benefits of collaborative research efforts between the United States and Russia. In addition, the conferees agree to limit the use of funds for biological weapons prevention activities in Russia until 15 days after the Secretary of Defense submits a report to the congressional defense committees regarding the use of CTR funds for cooperative research activities at biological research institutes in Russia.

The conferees also agree to require the Secretary of Defense, in consultation with the Secretary of Energy, to provide a report to the congressional defense committees no later than January 1, 1999 on their estimate of the number of individuals in the Former Soviet Union with expertise in weapons of mass destruction and the risks posed by that expertise if transferred to states potentially hostile to the United States. The report would also include a description of the activities conducted by the United States and other nations to assist in the employment of these experts in nonproliferation and nonmilitary related endeavors, and an assessment of such activities that should be reduced, maintained or expanded.

Lastly, the conferees agree to provide the Secretary of Defense authority to use funds authorized for the CTR program to provide a country of the Former Soviet Union with emergency assistance to remove or obtain from that country weapons of mass destruction or materials, equipment or technology related to the development or delivery of weapons of mass destruction. The conferees agree that no funds authorized for strategic offensive elimination activities in Russia or Ukraine shall be used for this activity. Except in certain limited situations, the Secretary of Defense shall not provide such assistance until 15 days after written notification is received by the congressional defense committees.

TITLE XIV—DOMESTIC PREPAREDNESS FOR DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION

LEGISLATIVE PROVISIONS ADOPTED

Defense against weapons of mass destruction (secs. 1401–1405)

The Department of Defense forwarded with its fiscal year 1999 budget request a number of legislative provisions to expand the ability of the Department of Defense to respond to domestic terrorist activity and the potential use by terrorists of weapons of mass destruction on U.S. territory.

The House bill contained a series of provisions (Title XIV) that would express the findings of Congress regarding the threat of terrorist use of weapons of mass destruction and the need to enhance domestic preparedness to respond to such incidents (sec. 1402), would direct the President to increase the effectiveness of the domestic emergency preparedness program and to report by January 31, 1999, the actions taken to develop an integrated program for such response (sec. 1411), would provide for an annual report on the program and recommendations for its improvement (sec. 1412); and would require the assessment of the threat and risk of terrorist employment of weapons of mass destruction against cities and other local areas (sec. 1413). The House bill would also establish an Advisory Commission to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction to provide recommendations to the President and the Congress for improvements in Federal, State, and local domestic emergency preparedness (secs. 1421–1429).

The Senate amendment contained no similar provisions.

The conferees agree that there is a need to improve domestic emergency preparedness to respond to the threat of terrorist use of weapons of mass destruction in the United

States. The conferees are also aware that nearly 40 Federal departments and agencies are involved in combating terrorism (including the Departments of Justice, Defense, Energy, Health and Human Services, and the Federal Emergency Management Agency), and are concerned that the efforts of the Federal government to enhance domestic preparedness to respond to an incident involving weapons of mass destruction are hampered by incomplete interagency coordination and by the overlapping jurisdictions and missions of the various Federal departments and agencies. As a consequence, the conferees are concerned that state and local emergency response agencies are often presented with different and/or competing requirements and program priorities from the responsible Federal agencies.

The conferees are also aware of the actions taken by the President in Presidential Decision Directive 62, pursuant to direction contained in section 1441 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201), to establish the office of the National Coordinator for Security, Infrastructure Protection and Counter-Terrorism to oversee policies and programs in these areas. However, the conferees are not aware of specific actions that have been taken to insure an integrated, interagency program for improving domestic emergency response to the potential terrorist threat. The conferees are concerned that the Congress is not being kept adequately informed of the activities of the National Coordinator and the status of efforts undertaken to implement the responsibilities of the Office, pursuant to direction contained within section 1442 of the National Defense Authorization Act for Fiscal Year 1997. The conferees direct the National Coordinator to provide the congressional defense committees with a report by March 1, 1999 on the status of activities and efforts undertaken to coordinate policy and countermeasures against the proliferation of weapons of mass destruction.

The conferees agree to provisions that would require the President (sec. 1411) to increase the effectiveness of the domestic emergency preparedness program at the Federal, State, and local levels by establishing an integrated program built upon the program established under the Defense Against Weapons of Mass Destruction Act of 1996, and to submit a report to Congress by January 31, 1999 that outlines the actions taken in this regard. The conferees also agree to a provision (sec. 1412) that would amend the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) to include an annex to the report on oversight of counterterrorism and antiterrorism activities of the Federal government, submitted by the Director of the Office of Management and Budget, that would include information on the Federal government domestic emergency response program, and any recommendations for improving Federal, state and local domestic emergency response.

Further, the conferees agree to a provision (sec. 1413) that would require the Attorney General, in consultation with the Director of the Federal Bureau of Investigation and representatives of other Federal agencies and departments, and state and local agencies, to develop and test methodologies for assessing the threat and risk of terrorist employment of weapons of mass destruction against cities and local areas. Information from such assessments could be used to help determine the training and equipment requirements necessary for an effective domestic emergency response program.

Finally, the conferees agree to a provision (sec. 1421) that would require the Secretary of Defense, in consultation with the Attorney General, the Secretary of Energy, the Secretary of Health and Human Services, and the Director of the Federal Emergency Management Agency to enter into a contract with a federally funded research and development center to establish a panel to assess the capabilities for domestic response to terrorism involving weapons of mass destruction and to report to the President and the Congress recommendations for improvements in Federal, state, and local domestic emergency preparedness for such response. The conferees emphasize the guidance in the provision that the membership of the panel be drawn from private citizens with knowledge and expertise in emergency response matters, and direct that the recommendations of the local emergency response community be sought in the selection of the members of the panel.

Elsewhere in this Act, the conferees have included a provision (sec. 511) that would provide expanded authority for use of the Reserve Components to respond to domestic emergencies involving the use of weapons of mass destruction.

TITLE XV—MATTERS RELATING TO ARMS CONTROL, EXPORT CONTROLS, AND COUNTERPROLIFERATION

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Arms Control Matters

One-year extension of limitation on retirement or dismantlement of strategic nuclear delivery systems (sec. 1501)

The Senate amendment contained a provision (sec. 1043) that would extend by one year section 1302(e) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85).

The House bill contained no similar provision.

The House recedes with a technical amendment.

Transmission of executive branch reports providing Congress with classified summaries of arms control developments (sec. 1502)

The House bill contained a provision (sec. 1032) that would direct the Director of the Arms Control and Disarmament Agency (ACDA), or the Secretary of State (if ACDA is merged into the Department of State), to submit reports to Congress on a periodic basis summarizing the status of negotiations on arms control matters, and developments in the various arms control forums, in which the United States is a participant. These forums include the Joint Compliance and Inspection Commission, the Joint Verification Commission, the Open Skies Consultative Commission, the Standing Consultative Commission, and the Joint Consultative Group.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Report on adequacy of emergency communications capabilities between the United States and Russia (sec. 1503)

The Senate amendment contained a provision (sec. 1044) that would express the sense of the Congress that a direct line of communications between U.S. and Russian commanders of strategic forces would be a useful confidence building tool, and would require the Secretary of Defense to submit a report to the Committee on Armed Services of the Senate and the House Committee on National Security on the feasibility of initiating discussions between the United States and Russia on such a direct line of communication.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to submit a report within three months of enactment of this Act on the status and adequacy of current direct communications capabilities between the governments of the United States and the Russian Federation. The report is to include recommendations for improvements, if necessary, to improve direct communications capabilities. In addition, the report would include an assessment of the feasibility and the desirability of establishing communications links between United States commanders in chief and their Russian counterparts.

Russian nonstrategic nuclear weapons (sec. 1504)

The Senate amendment contained a provision (sec. 1070) that would express concerns of the Senate that the Russian nonstrategic nuclear arsenal, estimated to include around 7,000 to 12,000 tactical nuclear weapons, may pose a great threat in the world if they are sold or are stolen, and could become strategically destabilizing. Since the end of the Cold War, the United States has unilaterally reduced its tactical nuclear stockpile by almost ninety percent, and the Senate calls on the Russian Federation to live up to its pledges in 1991 and 1992 to implement steep reductions in its tactical nuclear stockpile. The provision would require the Secretary of Defense to submit a report to the Congress by March 15, 1999 on the current Russian Federation tactical nuclear stockpile, including an assessment of the strategic implications of using tactical nuclear weapons in a strategic role, as well as an assessment of the Russian command and control of its tactical nuclear stockpile and the threat posed by the possible sale, or theft of tactical nuclear weapons, and past, current and planned efforts of the United States to work cooperatively with the Russian Federation to reduce its tactical nuclear stockpile and related fissile material.

The House bill contained no similar provision.

The House recedes with an amendment that would express the concerns of the Congress that the vast Russian Federation tactical nuclear stockpile poses a grave threat to the world, and that the Russian Federation should live up to its pledges in 1991 and 1992 to significantly reduce its tactical nuclear stockpile.

In addition, the conferees direct the Secretary of Defense to submit a report to the Congress by March 15, 1999, including the views of the Director of Central Intelligence and the commander of the United States Strategic Command, on the current Russian Federation tactical nuclear stockpile, assessing the strategic and destabilizing implications of the use of tactical nuclear weapons used in a strategic role. In addition, the report should include an analysis of Russia's command and control of its tactical nuclear stockpile, and the threat posed by the theft, sale or unauthorized use of the warheads of these weapons. Lastly, the report should include a summary of past, current, and planned U.S. efforts to assist Russia in reducing its stockpile, as well as a summary of how the United States would cope militarily if Russia threatens to employ or actually use its tactical nuclear weapons in a regional conflict involving the United States or its allies.

Subtitle B—Satellite Export Controls

Satellite export controls (secs. 1511–1516)

The House bill contained provisions (secs. 1206–1209 and 1212) regarding the export of satellites of U.S. origin and their launch on space launch vehicles owned by the People's Republic of China (PRC). The provisions would prohibit the participation of U.S. persons in the investigations of satellite launch

failures; prohibit the export of missile equipment and technology to the PRC; prohibit the export or reexport of satellites, information, equipment and technology to the PRC; and transfer the jurisdiction for licensing the export of satellites and satellite components to the Department of State.

The Senate amendment contained no similar provisions.

The conferees agree to transfer the jurisdiction for the export of satellites to the U.S. Munitions List, administered by the Department of State, effective March 15, 1999, and direct the Secretary of State, in consultation with the Secretary of Defense and the Secretary of Commerce, to report to the Congress by January 1, 1999 on steps necessary to implement the transfer in a manner that will permit timely and orderly processing of applications for export licenses, consistent with current law. The conferees understand that the transfer of these advanced technologies to the jurisdiction of the Department of State may result in the need for additional personnel to assist in the evaluation of license applications. To provide additional resources for this purpose, the conferees agree to a provision that would amend section 45 of the State Department Basic Authorities Act of 1956 to allow the Office of Defense Trade Controls of the Department of State to retain all registration fees, which are to be used for the payment of expenses incurred in acquiring additional personnel to evaluate and process license applications, as well as to improve the monitoring of compliance with the terms of the licenses.

The conferees also agree to a provision that would require the President to certify to Congress in advance of any export to the PRC of missile technology or equipment, as defined in section 74 of the Arms Export Control Act, that the export will not be detrimental to the U.S. space launch industry and that the export will not measurably improve the missile or space launch capabilities of the PRC. The conferees note that this certification is not, and is not intended to be, a prohibition on the export of U.S. satellites to be launched by the PRC, but is intended to ensure that U.S. national security would not be jeopardized by any such export.

In addition to the transfer of jurisdiction to the U.S. Munitions List, the conferees direct the President to implement a series of actions to improve the national security controls on the export licensing of satellites and their related items not later than 45 days after enactment of this Act. These actions include, among other requirements, ensuring the full reimbursement to the Department of Defense for the costs of providing launch monitoring services, to ensure that no unauthorized transfer of technology occurs, by the person or entity receiving such services with respect to a satellite launch in a foreign country. The provision also requires the Secretary of Defense to establish a program to recruit, train and maintain a staff of personnel dedicated to monitoring foreign launches of U.S. satellites. The conferees agree to provide an exception to these increased national security controls to countries that are members of NATO or are major non-NATO allies of the United States.

The President is authorized by section 902 of the Foreign Relations Authorization Act for Fiscal Years 1990 and 1991 to waive certain restrictions regarding the export of satellites to China, but must report to the Congress on the waiver of these restrictions. In addition to the report required by section 902(b), the conferees agree that a detailed justification shall accompany this report setting forth information related to the militarily-sensitive characteristics integrated within or associated with the satellite, an estimate of the number of U.S. personnel necessary in-country to monitor the proposed launch, a description of the U.S. Government's plan to monitor the proposed launch, the estimated cost to the Department of Defense to provide monitors for the launch and the amount to be reimbursed to the Department, and the national security interests for launching the satellite in a foreign country. The conferees direct the President to include information in the report regarding the impact of the export of satellites to the PRC on U.S. employment, including the creation of jobs in the United States or, in the event of a denial of an export license, the loss of jobs in the United States. Additionally, the report is to include information related to the balance of trade between the United States and the PRC and the transition of the PRC from a nonmarket economy to a market economy.

Lastly, the conferees understand that, with transfer of satellites and related items to the U.S. Munitions List, and the enhanced role of the Department of Defense in export control activities, there may be a requirement for additional personnel in the Defense Technology Security Administration (DTSA) (or any successor organization), to assist in the evaluation of license applications, as well as to monitor the foreign launches of U.S. satellites. The conferees expect the Department to include in its report to the congressional defense committees any requirements for additional personnel. Additionally, the conferees believe that the Department may have available through the On-Site Inspection Agency (OSIA) personnel who would be suitable to perform such monitoring tasks, as required by this Act, and direct the Department to report on the possibility of using OSIA personnel in the monitoring of foreign launches, as well as in the evaluation of, and compliance with, license applications.

The conferees emphasize that the agreement to transfer commercial communication satellites and their related items from the Commerce Control List to the Munitions List is not done with the intention of penalizing or harming an important U.S. industry or the competitive posture of the U.S. satellite industry. Rather, it is the intention of the conferees to affirm the importance of U.S. national security interests in considering the export of advanced technology to foreign countries, which might enhance or contribute to their military capabilities.

Subtitle C—Other Export Control Matters

Authority for export control activities of the Department of Defense (sec. 1521)

The House bill contained a provision (sec. 904) that would invest in the Under Secretary of Defense for Policy responsibility for the overall supervision of activities of the Department of Defense relating to export controls and require a report on the plans of the Secretary of Defense to implement this provision.

The Senate amendment contained no similar provision.

The conferees agree to a provision that would establish a Deputy Under Secretary of Defense for Technology Security Policy, whose principal responsibilities would include the supervision and direction of activities of the Defense Technology Security Administration, or any successor organization charged with similar responsibilities, and other activities of the Department of Defense related to export controls. Because the position does not require Senate confirmation, the conferees express their view that this position be filled by a qualified individual with knowledge of the military implications of technology exports. The Secretary of Defense would be required to report to the congressional defense committees on the plans for implementing this provision, to include any organizational changes to the Department, and a description of the role of the Chairman of the Joint Chiefs of Staff in the export control activities of the Department of Defense.

Release of export information by the Department of Commerce to other agencies for the purpose of national security assessment (sec. 1522)

The House bill contained a provision (sec. 1213) that would require the Secretary of Commerce to transmit post-export information to the Director of Central Intelligence, the Secretary of Defense, and the Secretary of Energy for the purpose of conducting national security risk assessments within five days of receiving a request for such information. The provision would also allow the Director of Central Intelligence, the Secretary of Defense, and the Secretary of Energy to delegate authority to other officials within their respective departments or agencies to request such information from the Department of Commerce.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Department of Commerce to respond within 10 days of receiving a request for such information in order to conduct national security risk assessments. The amendment would expand the officials authorized to request information that is necessary to conduct national security risk assessments, to include the Secretary of State.

Nuclear export reporting requirement (sec. 1523)

The House bill contained a provision (sec. 1216) that would require prior congressional notification of the export or retransfer of special nuclear materials or production facilities, as defined by the Atomic Energy Agency Act of 1954, to any country that is not a member of the Organization for Economic Cooperation and Development. The notification would be accompanied by a report describing the details of the proposed export, and would be submitted to the Congress at least 30 days prior to the proposed export unless the President determines that an emergency exists which requires its immediate approval.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the President to notify Congress upon the granting of a license for the export or re-export of nuclear material, technology or equipment by the Nuclear Regulatory Commission to countries determined by the President to have detonated nuclear explosive devices and that are not members of the North Atlantic Treaty Organization (NATO).

Execution of objection authority within the Department of Defense (sec. 1524)

The House bill contained a provision (sec. 1214) that would amend section 1211 of the National Defense Authorization Act for Fiscal Year 1998 to provide authority to the Secretary of Defense to delegate objection authority to a Department of Defense official at the Assistant Secretary level with regard to the export or re-export of digital computers with a composite theoretical performance level of more than 2000 millions of theoretical operations per second (MTOPS), or such other composite theoretical performance level that may be subsequently established by the President.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Subtitle D—Counterproliferation Matters

One-year extension of counterproliferation authorities for support of United Nations Special Commission on Iraq (sec. 1531)

The House bill contained a provision (sec. 1204) that would extend the authority of the Department of Defense to provide support to the United Nations Special Commission on Iraq (UNSCOM) under the Weapons of Mass Destruction Control Act of 1992 for one year.

The Senate amendment contained a similar provision (sec. 1042).

The Senate recedes with a clarifying amendment.

The conferees support the extension of this authority given efforts by Iraq to preserve a weapons of mass destruction capability and its interference with the work of the Special Commission. The conferees raise concerns that the weapons inspection process has been hampered by Iraq's flagrant violation of its obligations under the United Nations Security Council resolutions and its efforts to seek modifications to the inspections regime through the expulsion of U.S. inspectors and the suspension of the monitoring program.

The conferees endorse concerns expressed in the House report (H. Rept. 105–532) regarding continued provision of support by the Department of Defense for UNSCOM activities. The conferees agree that the United States should more vigorously undertake efforts to negotiate an agreement with the United Nations to reimburse the Department of Defense for expenses incurred in providing support to UNSCOM.

The conferees direct the Secretary of Defense, in consultation with the Secretary of State, to submit a report to the congressional defense committees by December 1, 1998 describing the efforts undertaken by the Department of Defense to seek reimbursement, the specific support activities for which reimbursement would be requested, and the results of discussions with United Nations officials on the request of the United States Government.

Sense of Congress on Nuclear Tests in South Asia (sec. 1532)

The Senate amendment contained a provision (sec. 1071) that would express the sense of the Senate with regard to condemning India and Pakistan for testing nuclear devices and calling for cessation of nuclear testing, steps to prevent the transfer of technology that could further exacerbate the arms race in South Asia, U.S. and international mediation to promote peace and stability in South Asia and to resolve the dispute over Kashmir, the reevaluation of U.S. bilateral relations with both nations, and for India and Pakistan to establish active dialogue on differences to minimize the potential for future conflict.

The House bill contained no similar provision.

The House recedes with an amendment that would update and clarify the provision as a sense of Congress.

Report on requirements for response to increased missile threat in Asia-Pacific region (sec. 1533)

The Senate amendment contained a provision (sec. 1086) that would require the Secretary of Defense to conduct a study of architecture requirements for the establishment and operation of a theater ballistic missile defense system in the Asia-Pacific region that would have the capability to protect key regional allies of the United States.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees understand the phrase ''key regional allies of the United States'' to include Japan, South Korea, and Taiwan.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

OVERVIEW

The budget request for fiscal year 1999 included $7,778,074,000 for military construction and family housing.

The House bill would authorize $8,228,074,000 for military construction and family housing.

The Senate amendment would provide $8,463,940,000 for this purpose.

The conferees recommend authorization of appropriations of $8,443,742,000 for military construction and family housing, including general reductions and termination of prior year projects.

Summary of
National Defense Authorization for FY 1999

(In Thousands of $'s)

	Authorization Request	House Authorized	Senate Authorized	Change from Request	Conference Agreement
DIVISION B					
MILITARY CONSTRUCTION					
Military Construction, Army	790,876	780,599	810,602	77,850	868,726
Military Construction, Navy	468,150	570,643	563,415	136,443	604,593
Military Construction, Air Force	454,810	550,475	633,580	160,999	615,809
Military Construction, Defense-wide	491,675	611,075	570,675	61,439	553,114
Military Construction, Army National Guard	47,675	70,338	122,881	94,728	142,403
Military Construction, Air National Guard	34,761	97,701	161,932	135,040	169,801
Military Construction, Army Reserve	71,287	71,894	116,109	30,832	102,119
Military Construction, Naval Reserve	15,271	33,721	19,371	16,350	31,621
Military Construction, Air Force Reserve	10,535	35,371	23,625	23,836	34,371
Base Realignment and Closure II, III, IV	1,730,704	1,730,704	1,725,704	(99,802)	1,630,902
NATO Infrastructure	185,000	169,000	158,000	(31,000)	154,000
Unaccompanied Housing Fund				(5,000)	(5,000)
General Reductions		0	(12,714)	0	0
Total Military Construction	4,300,744	4,721,521	4,893,180	601,715	4,902,459
FAMILY HOUSING					
Family Housing Construction, Army	103,440	124,240	125,630	31,850	135,290
Family Housing Support, Army	1,104,733	1,097,697	1,101,733	(10,036)	1,094,697
Family Housing Construction, Navy and Marine Corps	280,790	290,790	285,590	14,800	295,590
Family Housing Support, Navy and Marine Corps	915,293	915,293	912,293	(3,000)	912,293
Family Housing Construction, Air Force	226,035	241,585	306,475	54,930	280,965
Family Housing Support, Air Force	789,995	785,204	787,995	(6,791)	783,204
Family Housing Construction, Defense-wide	345	345	345	0	345

Summary of
National Defense Authorization for FY 1999

(In Thousands of $'s)

	Authorization Request	House Authorized	Senate Authorized	Change from Request	Conference Agreement
Family Housing Support, Defense-wide	36,899	36,899	36,899	0	36,899
Family Housing Construction, Navy and Marine Corps					
Homeowners Assistance Fund	12,800	7,500	12,800	(12,800)	0
DoD Family Housing Improvement Fund	7,000	7,000	7,000	(5,000)	2,000
Total Family Housing	3,477,330	3,506,553	3,576,760	63,953	3,541,283

Fiscal Year 1999 Military Construction Authorization of Appropriations

(Dollars in Thousands)

Ln No.	State Name	Service	Installation Name	Project Name	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
1	Alabama	Army	Anniston Army Depot	Ammunition Containerization Complex	3,550	3,550	3,550		3,550
2	Alabama	Army	Redstone Arsenal	Missile Software Engineering Annex Ph II	13,600	13,600	13,600		13,600
3	Alabama	Army	Redstone Arsenal	Airfield Operations Center		1,550		1,550	1,550
4	Alabama	Army	Ft Rucker	Aviation Warfighting Simulation Center			10,000	10,000	10,000
5	Alabama	Army	Ft Rucker	PM/Fire Station Complex		4,300		4,300	4,300
6	Alabama	Air Force	Maxwell AFB	Fire Training Facility	1,837	1,837	1,837		1,837
7	Alabama	Air Force	Maxwell AFB	OTS Dining Facility	4,796	4,796	4,796		4,796
8	Alabama	Air Force	Maxwell AFB	OTS Student Dormitories	12,765	12,765	12,765		12,765
9	Alabama	Army National Guard	Montgomery	USPFO Building		6,000		6,000	6,000
10	Alabama	Air National Guard	Dannelly Field	Replace Medical Training and Dining Facility			6,000		-
11	Alabama	Air Force Reserve	Maxwell AFB	Consolidated Aircraft Maintenance Fac	5,200	5,200	5,200		5,200
12	Alaska	Army	Ft Wainwright	Whole Barracks Renewal			19,500	16,000	16,000
13	Alaska	Army	Ft Wainwright	Central Vehicle Wash Facility			3,100	3,100	3,100
14	Alaska	Air Force	Eielson AFB	Consolidated Munitions Facility	4,352	4,352	4,352		4,352
15	Alaska	Air Force	Eielson AFB	Weapons and Release System Facility			6,200		-
16	Alaska	DFSC	DFSC Elmendorf AFB	Replace Hydrant Fuel System	19,500	19,500	19,500		19,500
17	Alaska	Air National Guard	Kulis ANGB	Vehicle Maintenance and Fire Station Complex		3,500	10,400	10,400	10,400
18	Arizona	Navy	Flagstaff AZ Naval Observatory	Optic Interferometer Facility	990	990	990		990
19	Arizona	Navy	Yuma MCAS	Bachelor Enlisted Quarters	11,010	11,010	11,010		11,010
20	Arizona	Air Force	Luke AFB	Control Tower		3,400		3,400	3,400
21	Arizona	Army National Guard	Phoenix	CSMS	10,640	10,640	10,640		10,640
22	Arizona	Air National Guard	Tucson	Composite Support Complex		7,500		7,500	7,500
23	Arkansas	Army	Pine Bluff Arsenal	Ammunition Demilitarization Fac Ph III	16,500	-	-	(16,500)	-
24	Arkansas	Air Force	Little Rock AFB	Upgrade Sewage Treatment Plant			1,500	1,500	1,500
25	Arkansas	Chemical Demil	Pine Bluff Arsenal	Ammunition Demilitarization Fac Ph III		16,500	10,000	16,500	16,500
26	Arkansas	Army National Guard	Benton	Readiness Center		1,988		1,988	1,988
27	California	Army	Ft Irwin	Heliport Ph III	7,000	7,000	7,000		7,000
28	California	Army	Ft Irwin	Child Development Center		5,100		5,100	5,100
29	California	Army	Ft Irwin	Education Center		2,700		2,700	2,700
30	California	Navy	Camp Pendleton MCB	Bachelor Enlisted Quarters	12,400	12,400	12,400		12,400
31	California	Navy	Camp Pendleton MCB	Bachelor Enlisted Quarters	15,840	15,840	15,840		15,840
32	California	Navy	Camp Pendleton MCB	Fitness Center		5,010		5,010	5,010
33	California	Navy	Camp Pendleton MCB	Helicopter Outlying Landing Field		7,180		7,180	7,180
34	California	Navy	China Lake Naval Air Warfare Ctr	Missile Magazines	3,240	3,240	3,240		3,240
35	California	Navy	China Lake Naval Air Warfare Ctr	Survivability Live Fire Complex		6,900		6,900	6,900
36	California	Navy	Lemoore NAS	Airframe Facility Modifications	1,510	1,510	1,510		1,510

Fiscal Year 1999 Military Construction Authorization of Appropriations

(Dollars in Thousands)

Ln No.	State Name	Service	Installation Name	Project Name	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
37	California	Navy	Lemoore NAS	Hanger Renovations	5,430	5,430	5,430		5,430
38	California	Navy	Lemoore NAS	Training Facility Additions	4,270	4,270	4,270		4,270
39	California	Navy	Lemoore NAS	Weapons Assembly Facility Imp.	9,430	9,430	9,430		9,430
40	California	Navy	Miramar CA MCAS	Bachelor Enlisted Quarters	29,570	29,570	29,570		29,570
41	California	Navy	Naval Facility San Clemente	Bachelor Enlisted Quarters	8,350	8,350	8,350		8,350
42	California	Navy	San Diego NSB	Submarine Support Facility	11,400	11,400	11,400		11,400
43	California	Air Force	Edwards AFB	Renovate Aircraft Maintenance Facility	10,361	10,361	10,361		10,361
44	California	Air Force	Vandenberg AFB	Add/Alter Missile Maint Fac	9,500	9,500	9,500		9,500
45	California	Air Force	Vandenberg AFB	Space Initial Qualification Tng Academic Fac	9,209	9,209	9,209		9,209
46	California	Air Force	Travis AFB	Control Tower		4,250	4,250	4,250	4,250
47	California	SOCOM	Naval Amphibious Base, Coronado	SOF Amphibious Operations Fac	3,600	3,600	3,600		3,600
48	California	DMSA	Beale AFB	Physiological Support Fac Add/Alt	3,500	3,500	3,500		3,500
49	California	DMSA	Camp Pendleton MCB	Medical/Dental Clinic Repl (Margarita)	3,100	3,100	3,100		3,100
50	California	DMSA	Camp Pendleton MCB	Medical/Dental Clinic Repl (San Mateo)	3,200	3,200	3,200		3,200
51	California	DMSA	Edwards AFB	Aerospace Medical Clinic Add/Alt	6,000	6,000	6,000		6,000
52	California	DMSA	San Diego Naval Hospital	Water Storage Tank	1,350	1,350	1,350		1,350
53	California	DMSA	Travis AFB	Patient Movement Items Ops & Dist Ctr	1,700	1,700	1,700		1,700
54	Colorado	Army	Fort Carson	Railyard Expansion (Ph II)		23,000		23,000	23,000
55	Colorado	Air Force	Falcon AFS	Operational Support Facility	9,601	9,601	9,601		9,601
56	Colorado	Air Force	Falcon AFS	Child Development Center			5,800		-
57	Colorado	Air Force	US Air Force Academy	Add To And Alter Prep School Bldg	4,413	4,413	4,413		4,413
58	Colorado	Army Reserve	Fort Carson	Add/Alt USAR Ctr/Org Mnt Shop/Eqmt Con	1,101	1,101	1,101		1,101
59	Connecticut	Navy	NSB New London	Waterfront Recapitalization			12,510	11,330	11,330
60	Connecticut	Army Reserve	West Hartford	Land Acquisition	1,491	1,491	1,491		1,491
61	Connecticut	Air National Guard	Orange ANG Station	Air Control Squadron Complex			11,000		-
62	Delaware	Air Force	Dover AFB	Airman Leadership School			1,600		-
63	Delaware	Army National Guard	Dagsboro	Readiness Center			3,609	3,609	3,609
64	District of Columbia	Navy	Commandant Naval District Washington	Fitness Center	790	790	790		790
65	District of Columbia	Air Force	Bolling AFB	Honor Guard Technical School	2,948	2,948	2,948		2,948
66	Florida	Army	Miami	SOUTHCOM Headquarters & Land Acq	26,700	-	-	(26,700)	-
67	Florida	Navy	Key West NAS	Child Development Center	3,730	3,730	3,730		3,730
68	Florida	Navy	NAS Whiting Field	Runway Alterations JPATS		1,400	1,400	1,400	1,400
69	Florida	Navy	NAS Jacksonville	Add/Alter Building #118		1,500		1,500	1,500
70	Florida	Navy	NAVSTA Mayport	Afloat Training Group Facility		3,163		3,163	3,163
71	Florida	Navy	NAVSTA Mayport	Wharf Electrical Improvements		3,000		3,000	3,000
72	Florida	Navy	NAVSTA Mayport	Fleet Recreation Center			3,400		-

Fiscal Year 1999 Military Construction Authorization of Appropriations

(Dollars in Thousands)

Ln No.	State Name	Service	Installation Name	Project Name	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
73	Florida	Air Force	Eglin AFB	Dormitory	7,866	7,866	7,866		7,866
74	Florida	Air Force	Eglin AFB	Santa Rosa Island Test Sites	12,571	12,571	12,571		12,571
75	Florida	Air Force	Eglin AFB Auxiliary Field 9	Control Tower	2,014	2,014	2,014		2,014
76	Florida	Air Force	Eglin AFB Auxiliary Field 9	Fire Training Facility	1,823	1,823	1,823		1,823
77	Florida	Air Force	MacDill AFB	Fire Training Facility	2,494	2,494	2,494		2,494
78	Florida	Air Force	MacDill AFB	KC-135 Simulator Facility	2,514	2,514	2,514		2,514
79	Florida	Air Force	MacDill AFB	Dining Facility		4,800		4,800	4,800
80	Florida	Air Force	Tyndall AFB	Control Tower		3,600		3,600	3,600
81	Florida	SOCOM	Eglin Aux Field 3	Assault Strip at Duke Field, Aux 3		5,100		5,100	5,100
82	Florida	SOCOM	Eglin Aux Field 9	Clear Water Aircraft Rinse	2,400	2,400	2,400		2,400
83	Florida	SOCOM	Eglin Aux Field 3	SOF General Purpose Aircraft Maint	2,210	2,210	2,210		2,210
84	Florida	SOCOM	MacDill AFB	Renovate Command & Control Facility	8,400	8,400	8,400		8,400
85	Florida	DLA	Def Fuel Support Point Jax - Anx	Replace Fuel Tanks Mayport	11,020	11,020	11,020		11,020
86	Florida	DLA	Defense Fuel Support Pt Jacksonville	Replace Fuel Tanks	11,000	11,000	11,000		11,000
87	Florida	DMSA	Eglin AFB	Central Energy Plant	9,200	9,200	9,200		9,200
88	Florida	DMSA	Pensacola NAS	Hospital Addition/Alteration/LSU	25,400	25,400	25,400		25,400
89	Florida	Army National Guard	Pensacola	Readiness Center			3,975		-
90	Florida	Air Force Reserve	Homestead ARB	Dormitory Renovation		4,600		4,600	4,600
91	Georgia	Army	Ft Benning	Whole Barracks Complex Renewal	28,600	28,600	28,600		28,600
92	Georgia	Army	Ft Stewart	General Purpose Warehouse			17,000		-
93	Georgia	Navy	Submarine Base Kings Bay	MSF Sedimentation Control System		2,550	2,550	2,550	2,550
94	Georgia	Navy	MCLB Albany	Child Development Center		2,800		2,800	2,800
95	Georgia	Air Force	Robins AFB	Depot Plant Services Facility	11,894	11,894	11,894		11,894
96	Georgia	Air Force	Robins AFB	JSTARS Dining Facility			6,000		-
97	Georgia	DMSA	Moody AFB	CMF Alteration/Dental Clinic Add	11,000	11,000	11,000		11,000
98	Georgia	DMSA	Fort Stewart	Medical/Dental Clinic Replacement	10,400	10,400	10,400		10,400
99	Georgia	Navy Reserve	NAS Atlanta	Fitness Center Addition		3,100			-
100	Georgia	Navy Reserve	NAS Atlanta	Hangar Addition		4,100	4,100	4,100	4,100
101	Georgia	Air National Guard	Robins AFB	Weapons Release Systems Shop	3,250	3,250	3,250		3,250
102	Hawaii	Army	Schofield Barracks	Whole Barracks Complex Renewal	47,500	47,500	47,500		47,500
103	Hawaii	Army	Schofield Barracks	Land Acquisition - Kahuku		20,000	20,000	23,500	23,500
104	Hawaii	Navy	Kaneohe Bay MCAS	Bachelor Enlisted Quarters	27,410	27,410	27,410		27,410
105	Hawaii	Navy	NSB Pearl Harbor	BEQ Modernization	8,060	8,060	8,060		8,060
106	Hawaii	Navy	Fleet & Industrial Supply Ctr, Pearl Harbor	Central Receiving Facility	9,730	9,730	9,730		9,730
107	Hawaii	Navy	Naval Station, Pearl Harbor	Elec Dist Sys Upgrade	18,180	18,180	18,180		18,180
108	Hawaii	Navy	Pearl Harbor Naval Shipyard	Engineering Management Building	11,400	11,400	11,400		11,400

Fiscal Year 1999 Military Construction Authorization of Appropriations

(Dollars in Thousands)

Ln No.	State Name	Service	Installation Name	Project Name	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
109	Hawaii	Navy	MCB Hawaii	Bachelor Enlisted Quarters			19,000	15,000	15,000
110	Hawaii	Navy	MCB Hawaii	Hazardous Material/Waste Consolid. Fac.			4,570		-
111	Hawaii	Navy	Pearl Harbor Navy Public Works Center	Sewer Outfall Extension	22,877	22,877	22,877		22,877
112	Hawaii	Navy	Pearl Harbor Navy Public Works Center	Steam Condensate Return System	6,090	6,090	6,090		6,090
113	Hawaii	Navy	Wahiawa NAV Comms Area Master Sta	Fire Station	1,970	1,970	1,970		1,970
114	Hawaii	Air Force	Hickman AFB	Repair Airfield Pavement	5,890	5,890	5,890		5,890
115	Hawaii	Air National Guard	Hickman AFB	Replace Base Civil Engineer Maint. Facility			5,100	5,100	5,100
116	Idaho	Air Force	Mountain Home AFB	Dormitory	8,897	8,897	8,897		8,897
117	Idaho	Air Force	Mountain Home AFB	Land Acquisition	1,000	1,000	1,000		1,000
118	Idaho	Air Force	Mountain Home AFB	Range Improvements	2,400	2,400	2,400		2,400
119	Idaho	Air Force	Mountain Home AFB	B1-B Conventional Munitions Shop		4,100	4,100	4,100	4,100
120	Idaho	Air Force	Mountain Home AFB	B1-B Munitions Storage Igloos			1,500	1,500	1,500
121	Idaho	Army National Guard	Gowen Field	Readiness Center Add/Alt	4,224	4,224	4,224		4,224
122	Idaho	Air National Guard	Boise Air Terminal	Add/Alt Base Supply Complex			3,000		-
123	Illinois	Army	Rock Island Arsenal	Electrical Distribution System	5,300	5,300	5,300		5,300
124	Illinois	Navy	Great Lakes Naval Training Center	Applied Instruction Building Modification	5,750	5,750	5,750		5,750
125	Illinois	Navy	Great Lakes Naval Training Center	Gas Turbine Training Facility	7,410	7,410	7,410		7,410
126	Illinois	Navy	Great Lakes Naval Training Center	Small Arms Range		7,120		6,790	6,790
127	Illinois	DMSA	Great Lakes Naval Station	Hospitalman "A" School Addition	7,100	7,100	7,100		7,100
128	Indiana	Army	Crane	Ammunition Containerization Complex Ph II	7,100	7,100	7,100		7,100
129	Indiana	Army	Newport AAP	Ammunition Demilitarization Fac Ph I	27,500	-		(27,500)	-
130	Indiana	Army	Newport AAP	Ammunition Demilitarization Support	2,000	-	-	(2,000)	-
131	Indiana	Navy	NSWC Crane	Airborne Electronic Warfare Center		11,110		11,110	11,110
132	Indiana	Chemical Demil	Newport AAP	Ammunition Demilitarization Fac Ph I		27,500	15,000	27,500	27,500
133	Indiana	Chemical Demil	Newport AAP	Ammunition Demilitarization Support		2,000	2,000	2,000	2,000
134	Indiana	Air National Guard	Hulman Regional Airport	Fuel Cell/Corrosion Control & Fire Station			6,000	6,000	6,000
135	Indiana	Air National Guard	Ft Wayne International Airport	Replace Dining Hall & Medical Tng Facility			6,000		-
136	Iowa	Army National Guard	Camp Dodge	Fuel Dispensing Facility	737	737	737		737
137	Iowa	Air National Guard	Des Moines	Replace Security Police Operations Facility			4,000	4,000	4,000
138	Iowa	Air National Guard	Sioux City	Add Base Paint Facility		6,500		6,500	6,500
139	Kansas	Army	Fort Leavenworth	US Disciplinary Barracks Ph II	29,000	29,000	29,000		29,000
140	Kansas	Army	Fort Riley	Fire and Combat Pistol Range		3,600			-
141	Kansas	Army	Fort Riley	Whole Barracks Complex Renewal Phase II			16,500	16,500	16,500
142	Kansas	Air Force	McConnell AFB	Add to Central Deployment Center			2,900		-
143	Kansas	Air Force	McConnell AFB	Water Storage and Pumping Facility		4,450		4,450	4,450
144	Kansas	Air National Guard	McConnell AFB	Add/Alter Avionics Shop		5,900		5,900	5,900

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Ln No.	State Name	Service	Installation Name	Project Name	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
145	Kansas	Air National Guard	Forbes Field	KC-135 Maintenance Hangar Upgrade			9,800	9,800	9,800
146	Kentucky	Army	Bluegrass Army Depot	Ammunition Containerization Complex	5,300	5,300	5,300		5,300
147	Kentucky	Army	Fort Campbell	Whole Barracks Complex Renewal	41,000	41,000	41,000		41,000
148	Kentucky	Army	Fort Campbell	Whole Barracks Complex Renewal Ph II			15,500	7,000	7,000
149	Kentucky	Army	Fort Knox	Multi-Purpose Digital Training Range Ph I		7,000		7,000	7,000
150	Kentucky	SOCOM	Fort Campbell	Aircraft Maintenance Hangar	15,000	15,000	15,000		15,000
151	Kentucky	Army National Guard	West KY Region Training Center	W.KY Tng Site Ph III/IV	5,435	5,435	5,435		5,435
152	Kentucky	Air National Guard	Standiford Field, Louisville	Rep Composite Aerial Port/ALCE Tng Fac			4,100	4,100	4,100
153	Louisiana	Army	Fort Polk	Consolidated Rail Complex		8,300	8,300	8,300	8,300
154	Louisiana	Air Force	Barksdale AFB	Physical Fitness Center			9,300	9,300	9,300
155	Louisiana	DMSA	Barksdale AFB	Clinic Addition/Alteration	3,450	3,450	3,450		3,450
156	Louisiana	Navy Reserve	NAS New Orleans	Engine Test Cell	2,200	2,200	2,200		2,200
157	Louisiana	Navy Reserve	NAS New Orleans	Bachelor Enlisted Quarters		9,520		9,520	9,520
158	Louisiana	Navy Reserve	NAS New Orleans	Galley Addition		1,730		1,730	1,730
159	Louisiana	Air Force Reserve	NAS New Orleans	Renovate Maintenance Hangar 4		5,200		5,200	5,200
160	Maine	Navy	NAS Brunswick	Bachelor Enlisted Quarters			15,220		-
161	Maryland	Army	Aberdeen Proving Ground	Ammunition Demilitarization Fac Ph I	26,500	-	-	(26,500)	-
162	Maryland	Army	Aberdeen Proving Ground	Ammunition Demilitarization Support	1,850	-	-	(1,850)	-
163	Maryland	Army	Fort Detrick	Physical Fitness Training Center	3,550	3,550	3,550		3,550
164	Maryland	Army	Fort Detrick	Whole Barracks Complex Renewal Ph I			7,100		-
165	Maryland	Army	Fort Meade	Emergency Services Center			5,300	5,300	5,300
166	Maryland	Navy	Indian Head Naval Surface Warfare Ctr	Annealing Oven Facility	6,680	6,680	6,680		6,680
167	Maryland	Navy	Indian Head Naval Surface Warfare Ctr	Continuous Processing Scale-up Facility		6,590		6,590	6,590
168	Maryland	Navy	U.S. Naval Academy	Demolish NTRF Towers			4,300	4,300	4,300
169	Maryland	Air Force	Andrews AFB	Child Development Center	4,448	4,448	4,448		4,448
170	Maryland	Chemical Demil	Aberdeen Proving Ground	Ammunition Demilitarization Fac Ph I		26,500	15,000	26,500	26,500
171	Maryland	Chemical Demil	Aberdeen Proving Ground	Ammunition Demilitarization Support		1,850	1,850	1,850	1,850
172	Maryland	NSA	Fort Meade	Perimeter Fence (West)	668	668	668		668
173	Massachusetts	Air Force	Hanscom AFB	Renovate Acquisition Management Facility			10,000	10,000	10,000
174	Massachusetts	Army National Guard	Barnes ANGB	Army Aviation Support Facility		9,274		9,274	9,274
175	Massachusetts	Army Reserve	Devens	Reserve Support Command Hqs	3,335	3,335	3,335		3,335
176	Massachusetts	Navy Reserve	NMCRC Lawrence	Reserve Center Improvement	840	840	840		840
177	Massachusetts	Air Force Reserve	Westover AFRB	Control Tower			5,000		-
178	Michigan	Army Reserve	Walker	USAR Ctr/Mnt Shop	9,439	9,439	9,439		9,439
179	Michigan	Air National Guard	Alpena County Regional Airport	Sanitary Sewer Lines	3,900	3,900	3,900		3,900
180	Michigan	Air National Guard	Alpena County Regional Airport	Replace Fire Crash/Rescue Station			5,100	5,100	5,100
181	Michigan	Air National Guard	Selfridge ANGB	Replace Control Tower & Rapcon Center	5,200	5,200	5,200		5,200

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182	Michigan	Air National Guard	Selfridge ANGB	Infrastructure Upgrade			9,800	9,800	9,800
183	Minnesota	Army National Guard	Camp Ripley	M-P Mach Gun/Snpr (Rets)	1,023	1,023	1,023		1,023
184	Minnesota	Navy Reserve	Naval Air Reserve Center Twin Cities	Headquarters Building	3,630	3,630	3,630		3,630
185	Minnesota	Air Force Reserve	Minneapolis-St. Paul IAP	Consolidated Lodging Facility		3,236		3,236	3,236
186	Mississippi	Navy	Gulfport Naval Construction Battalion Ctr	BEQ Modernization	10,670	10,670	10,670		10,670
187	Mississippi	Navy	NAS Meridian	Air Operations Facility		3,280		3,280	3,280
188	Mississippi	Air Force	Columbus AFB	Student Pilot Quarters			5,700	5,700	5,700
189	Mississippi	Air Force	Columbus AFB	Corrosion Control Facility			2,500		-
190	Mississippi	Air Force	Keesler AFB	Student Dormitories	29,770	29,770	29,770		29,770
191	Mississippi	Air Force	Keesler AFB	Training Support Facility	5,756	5,756	5,756		5,756
192	Mississippi	SOCOM	Stennis Space Center	SOF Operations Support Facility		5,500	5,500	5,500	5,500
193	Mississippi	DLA	DFSC Camp Shelby	Replace Bulk Fuel Fac	5,300	5,300	5,300		5,300
194	Mississippi	DMSA	Keesler AFB	Bioenvironmental Eng Fac Repl	700	700	700		700
195	Mississippi	Army National Guard	Brookhaven	Readiness Center/OMS			5,247	5,247	5,247
196	Mississippi	Army National Guard	Brookhaven	Regional Training Center		2,787			-
197	Missouri	Army	Fort Leonard Wood	Engineer Qualification Range	5,200	5,200	5,200		5,200
198	Missouri	Army	Fort Leonard Wood	Reception Barracks		23,000		23,000	23,000
199	Missouri	Air National Guard	Rosecrans Memorial Airport	Upgrade Aircraft Parking Apron, Ph1			9,600	9,600	9,600
200	Montana	Air Force	Malmstrom AFB	Missile Operations Shop			5,300		-
201	Montana	Air Force	Malmstrom AFB	Replace Dormitory			7,900	7,900	7,900
202	Montana	Army National Guard	Helena	Armed Forces Reserve Center			21,690	21,690	21,690
203	Nebraska	Air National Guard	Lincoln Municipal Airport	Joint Medical Training Facility		3,350	3,350	3,350	3,350
204	Nevada	Air Force	Indian Springs	UAV Logistics And Training Facility	3,965	3,965	3,965		3,965
205	Nevada	Air Force	Indian Springs	UAV Sq Ops/Aircraft Maintenance Unit	7,059	7,059	7,059		7,059
206	Nevada	Air Force	Indian Springs	UAV-Comm Maint Facility/Infra/Utilities	3,989	3,989	3,989		3,989
207	Nevada	Air Force	Nellis AFB	Dormitory	6,378	6,378	6,378		6,378
208	Nevada	Army National Guard	Carson City	Readiness Center			5,860	5,860	5,860
209	New Jersey	Army	Fort Monmouth	Software Engineering Center Addition		7,600		7,600	7,600
210	New Jersey	Army	Picatinny Arsenal	Precision Munitions Facility		8,400		8,400	8,400
211	New Jersey	Army Reserve	Fort Dix	Ammunition Supply Point		8,731	8,731	8,731	8,731
212	New Jersey	Air Force	McGuire AFB	Dining Facility	6,044	6,044	6,044		6,044
213	New Mexico	Air Force	Kirtland AFB	Fire Training Facility	1,774	1,774	1,774		1,774
214	New Mexico	Air Force	Kirtland AFB	Repair Nuclear Weapon Integration Building			6,800	6,800	6,800
215	New Mexico	Air Force	Cannon AFB	Repair Runway Keel Section 2			6,500		-
216	New Mexico	Air Force	Holloman AFB	Physical Fitness Center		11,100		11,100	11,100
217	New Mexico	DMSA	Holloman AFB	War Readiness Material Warehouse	1,300	1,300	1,300		1,300

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Ln No.	State Name	Service	Installation Name	Project Name	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
218	New Mexico	Army National Guard	Taos	Readiness Center		3,300	3,300	3,300	3,300
219	New York	Army	Fort Drum	Aerial Gunnery Range PH II		9,000		9,000	9,000
220	New York	Army	Fort Drum	Indoor Firing Range		4,650	4,650	4,650	4,650
221	New York	Army	Fort Drum	Consolidated Soldier and Family Sup. Ctr. Ph II			7,000		-
222	New York	Army	U.S. Military Academy	Cadet Physical Development Center	12,000	12,000	12,000		12,000
223	New York	DODDS	U.S. Military Academy	School Addition	2,840	2,840	2,840		2,840
224	New York	Army Reserve	Fort Wadsworth	Add/Alt USAR Ctr PH I	6,424	6,424	6,424		6,424
225	New York	Air National Guard	Hancock Field	Upgrade Parking Apron and Taxiways		9,500		9,500	9,500
226	New York	Air Force Reserve	Niagara Falls	Consolidated Maintenance Facility		3,900	3,900	3,900	3,900
227	North Carolina	Army	Fort Bragg	Deployment Staging Complex	30,000	30,000	30,000		30,000
228	North Carolina	Army	Fort Bragg	Whole Barracks Complex Renewal	47,000	47,000	47,000		47,000
229	North Carolina	Army	Fort Bragg	Barracks Upgrade Ph II		10,600		10,600	10,600
230	North Carolina	Army	Fort Bragg	Force Protection Plan		8,300	8,300	8,300	8,300
231	North Carolina	Navy	Camp Lejeune MCB	Fire Station	1,830	1,830	1,830		1,830
232	North Carolina	Navy	Camp Lejeune MCB	Infrastructure Phy Security	12,770	12,770	12,770		12,770
233	North Carolina	Navy	Camp Lejeune MCB	Bachelor Enlisted Quarter			15,700		-
234	North Carolina	Navy	Cherry Point MCAS	Aircraft Fire And Rescue Station Addition	1,620	1,620	1,620		1,620
235	North Carolina	Navy	Cherry Point MCAS	Child Development Center	4,420	4,420	4,420		4,420
236	North Carolina	Air Force	Seymour Johnson AFB	Education Center/Library		6,100	6,100	6,100	6,100
237	North Carolina	DMSA	Fort Bragg	44th Medical Brigade WRM Warehouse	6,500	6,500	6,500		6,500
238	North Carolina	DODDS	Camp Lejeune NC	Brewster Middle School	16,900	16,900	16,900		16,900
239	North Carolina	DLA	DFSC Pope AFB	Hydrant Fuel Sys	4,100	4,100	4,100		4,100
240	North Dakota	Air Force	Grand Forks AFB	Fire Training Facility	2,686	2,686	2,686		2,686
241	North Dakota	Air Force	Grand Forks AFB	Add to Physical Fitness Center			8,800	8,800	8,800
242	North Dakota	Air Force	Minot AFB	Taxiway Repair			8,500	8,500	8,500
243	North Dakota	DMSA	Grand Forks AFB	Medical/Dental Clinic Add/Alt	5,600	5,600	5,600		5,600
244	North Dakota	Army National Guard	Bismarck	AASF/Read Ctr Complex Expand	6,240	6,240	6,240		6,240
245	North Dakota	Air National Guard	Hector Field	Add/Alt Base Supply Complex		3,650	3,650	3,650	3,650
246	North Dakota	Air National Guard	Hector Field	Regional Fireman Training Facility	800	800	800		800
247	Ohio	Air Force	Wright-Patterson AFB	Acquisition Mgmt Complex PH IVA	22,000	22,000	22,000		22,000
248	Ohio	Air Force	Wright-Patterson AFB	ADAL Physical Fitness Center			4,600		-
249	Ohio	Army National Guard	Youngstown	Organizational Maintenance Shop		2,300			-
250	Ohio	Army Reserve	Gahanna	USAR Ctr Purchase	3,115	3,115	3,115		3,115
251	Ohio	Air National Guard	Springfield-Beckley Municipal Airport	Base Civil Engineering/Security Forces Complex		5,000	5,000	5,000	5,000
252	Ohio	Air Force Reserve	Wright-Patterson AFB	Alter C-141C Flight Simulation Training Fac.		1,600		1,600	1,600
253	Oklahoma	Army	McAlester	Ammunition Containerization Complex	10,800	10,800	10,800		10,800

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254	Oklahoma	Army	Fort Sill	Tactical Equipment Shop Ph I	13,800	13,800	13,800		13,800
255	Oklahoma	Army	Fort Sill	Whole Barracks Complex Renewal	20,500	20,500	20,500		20,500
256	Oklahoma	Air Force	Tinker AFB	Combat Communications Sq Ops Facility	5,085	5,085	5,085		5,085
257	Oklahoma	Air Force	Tinker AFB	Dormitory	9,100	9,100	9,100		9,100
258	Oklahoma	Air Force	Tinker AFB	Squadron Operations & Mobility Center			10,800	10,800	10,800
259	Oklahoma	Air Force	Tinker AFB	Repair Primary Runway		11,200			-
260	Oklahoma	Air Force	Vance AFB	Fire Training Facility	1,823	1,823	1,823		1,823
261	Oklahoma	Air Force	Vance AFB	Add/Alt Physical Fitness Training Center		4,400	4,400	4,400	4,400
262	Oklahoma	Air Force	Altus AFB	Control Tower			4,000	4,000	4,000
263	Oklahoma	Air Force	Altus AFB	Ramp and Airfield Lighting		5,300		5,300	5,300
264	Oklahoma	DLA	Defense Fuel Support Point - Ft Sill	Replace Fuel Storage Facility	3,500	3,500	3,500		3,500
265	Oklahoma	Army National Guard	Lexington	AASF Expansion	7,382	7,382	7,382		7,382
266	Oregon	Army	Umatilla Army Depot	Ammunition Demilitarization Fac Ph IV	50,950	-	-	(50,950)	-
267	Oregon	Chemical Demil	Umatilla Army Depot	Ammunition Demilitarization Fac Ph IV		50,950	30,950	50,950	50,950
268	Pennsylvania	Navy	NSWCSSES Philadelphia	Integrated Ship Control and Diagnostic Facility		2,410		2,410	2,410
269	Pennsylvania	Navy	NAVICP Philadelphia	Child Development Center			1,550	1,550	1,550
270	Pennsylvania	Navy	NAVICP Mechanicsburg	Child Development Center			1,600	1,600	1,600
271	Pennsylvania	DMSA	Carlisle Barracks	Health Clinic Addition	4,678	4,678	4,678		4,678
272	Pennsylvania	Army National Guard	Latrobe	Readiness Center		2,479		2,479	2,479
273	Pennsylvania	Army Reserve	Oakdale	USARC Ph II			19,512	19,512	19,512
274	Rhode Island	Navy	Newport Naval Education & Training Ctr	Boiler Plant Modifications	5,630	5,630	5,630		5,630
275	Rhode Island	Navy	Newport Naval Undersea Warfare Ctr Div	Undersea Warfare Facility	9,140	9,140	9,140		9,140
276	South Carolina	Navy	Beaufort Marine Corps Air Station	Missile Magazines	1,770	1,770	1,770		1,770
277	South Carolina	Navy	Charleston Naval Weapons Station	Ordnance Railroad Realignment	9,737	9,737	9,737		9,737
278	South Carolina	Navy	Parris Island Marine Corps Recruit Depot	Weapons Battalion Mess Hall	7,960	7,960	7,960		7,960
279	South Carolina	Navy	Parris Island Marine Corps Recruit Depot	Female Recruit Barracks		8,030	8,030	8,030	8,030
280	South Carolina	Air Force	Charleston AFB	C-17 Life Support Facility	4,701	4,701	4,701		4,701
281	South Carolina	Air Force	Charleston AFB	C-17 Sq Ops/Aircraft Maintenance Unit	7,639	7,639	7,639		7,639
282	South Carolina	Air Force	Charleston AFB	C-17 Sq Ops/Aircraft Maintenance Unit	6,769	6,769	6,769		6,769
283	South Carolina	Air Force	Charleston AFB	Dining Facility	5,221	5,221	5,221		5,221
284	South Carolina	Air Force	Shaw AFB	Education Center and Library			8,500		-
285	South Carolina	Army National Guard	Spartanburg	Readiness Center			5,260	5,260	5,260
286	South Carolina	Air National Guard	McEntire ANGB	Add/Alter Aircraft Maintenance Complex		9,000		9,000	9,000
287	South Dakota	Air Force	Ellsworth AFB	Add/Alt Squadron Operations Facility		6,500	6,500	6,500	6,500
288	South Dakota	Air National Guard	Joe Foss Field	Vehicle Maintenance and ASE Complex			5,200	5,200	5,200
289	Tennessee	Air Force	Arnold AFB	Test Facilities Cooling Tower		11,600		11,600	11,600

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290	Tennessee	Air National Guard	McGhee-Tyson Airport	Relocate Aircraft Parking Apron PH I		10,000		10,000	10,000
291	Texas	Army	Fort Hood	Railhead Facility	17,500	17,500	17,500		17,500
292	Texas	Army	Fort Sam Houston	Whole Barracks Complex Renewal	21,800	21,800	21,800		21,800
293	Texas	Army	Fort Sam Houston	Dining Facility			5,500	5,500	5,500
294	Texas	Army	Fort Bliss	Tactical Vehicle Overpass		4,100	4,100	4,100	4,100
295	Texas	Air Force	Lackland AFB	Dormitory	6,800	6,800	6,800		6,800
296	Texas	Air Force	Lackland Training Annex	Operations Facility	8,130	8,130	8,130		8,130
297	Texas	Air Force	Randolph AFB	Base Operations Facility	3,166	3,166	3,166		3,166
298	Texas	Air Force	Dyess AFB	B-1B Support Equipment Shop			1,400	1,400	1,400
299	Texas	Air Force	Dyess AFB	B-1B Munitions Maintenance Facility		3,350		3,350	3,350
300	Texas	Air Force	Brooks AFB	Medical Systems Training Facility		7,000			-
301	Texas	Air Force	Laughlin AFB	Consolidated Base Operations Facility		3,815		3,815	3,815
302	Texas	Air Force	Laughlin AFB	Control Tower		3,500		3,500	3,500
303	Texas	Air Force	Goodfellow AFB	Student Dormitory			7,300	7,300	7,300
304	Texas	Navy	NAVSTA Ingleside	Bachelor Enlisted Quarters Ph IV		12,200		12,200	12,200
305	Texas	DMSA	Fort Hood	Blood Donor Center	3,100	3,100	3,100		3,100
306	Texas	DMSA	Fort Hood	Primary Care Clinic	11,000	11,000	11,000		11,000
307	Texas	Navy Reserve	Reserve Center Galveston	Marine Corps Res Ctr, Galveston, TX	4,090	4,090	4,090		4,090
308	Utah	Army	Tooele Army Depot	Ammunition Containerization Complex	3,900	3,900	3,900		3,900
309	Utah	Air Force	Hill AFB	Add to Child Development Center			1,500		-
310	Utah	Air Force	Hill AFB	War Readiness Asset Warehouse			2,600	2,600	2,600
311	Utah	Army Reserve	Salt Lake City	USAR Center	13,200	17,790	17,306	(13,200)	-
312	Utah	Army Reserve	Salt Lake City	USAR Center/OMS Phase II				5,076	5,076
313	Utah	Air Force Reserve	Hill AFB	Munitions Handling and Storage Facility		1,900		1,900	1,900
314	Vermont	Air National Guard	Burlington International Airport	Base Supply Complex			5,500	5,500	5,500
315	Virginia	Army	Charlottesville	National Ground Intelligence Center Fac	46,200	46,200	46,200		46,200
316	Virginia	Army	Fort Eustis	Whole Barracks Complex Renewal	36,531	36,531	36,531		36,531
317	Virginia	Army	Fort Eustis	Physical Fitness Center			4,650	4,650	4,650
318	Virginia	Army	Fort Meyer	Barracks Renovation			6,200	6,200	6,200
319	Virginia	Navy	Dahlgren Naval Surface Warfare Ctr Div	Weapons Sys Dev Lab Addition	5,130	5,130	5,130		5,130
320	Virginia	Navy	Dahlgren Naval Surface Warfare Ctr Div	Warfare Defenses Technical Facility		10,550		10,550	10,550
321	Virginia	Navy	Dam Neck Tactical Train Grp Atlantic	Training Bldg Addition	2,430	2,430	2,430		2,430
322	Virginia	Navy	Norfolk Fleet & Industrial Supply Center	Fire Station	1,770	1,770	1,770		1,770
323	Virginia	Navy	Norfolk Fleet Training Center	Engineering Training Facility addition	5,700	5,700	5,700		5,700
324	Virginia	Navy	Norfolk Naval Station	Berthing Pier PH I	32,030	32,030	32,030		32,030
325	Virginia	Navy	Portsmouth Norfolk Naval Shipyard	Channel Dredging	6,180	6,180	6,180		6,180

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326	Virginia	Navy	NAS Oceana	Fitness Center		6,400		6,400	6,400
327	Virginia	DMSA	Cheatham Annex	Fleet Hosp Spt Ops Operational Warehouse	9,400	9,400	9,400		9,400
328	Virginia	DMSA	Cheatham Annex	Fleet Hosp Support Operation Admin Office	1,900	1,900	1,900		1,900
329	Virginia	DLA	Defense General Supply Center	Convert Whse To Admin Space	10,500	10,500	10,500		10,500
330	Virginia	DMSA	Portsmouth Naval Hospital	Hospital Replacement Phase X	17,954	17,954	17,954		17,954
331	Virginia	Army National Guard	Powhatan	Readiness Center	2,435	2,435	2,435		2,435
332	Virginia	Army Reserve	Fort Belvoir	USAR Ctr/Org Mnt Shop/Area Mnt Spt Act	10,314	10,314	10,314		10,314
333	Virginia	Army Reserve	Fort Eustis	Aviation Spt Facility	11,618	11,618	11,618		11,618
334	Virginia	Navy Reserve	NARC Norfolk	Hangar Renovation	1,660	1,660	1,660		1,660
335	Washington	Army	Fort Lewis	Central Vehicle Wash Facility	4,650	4,650	4,650		4,650
336	Washington	Army	Fort Lewis	Close Combat Tactical Trainer Building	7,600	7,600	7,600		7,600
337	Washington	Army	Fort Lewis	Consolidated Fuel Facility	3,950	3,950	3,950		3,950
338	Washington	Army	Fort Lewis	Tank Trail Erosion Mitigation-Yakima	2,000	2,000	2,000		2,000
339	Washington	Navy	Bremerton Strategic Weapons Fac Pac	Security Facility Upgrade	2,750	2,750	2,750		2,750
340	Washington	Navy	Bremerton Puget Sound NSY	Community Support Facility		4,300	4,300	4,300	4,300
341	Washington	Air Force	Fairchild AFB	KC-135 Sq Ops/Aircraft Maintenance Unit	7,620	7,620	7,620		7,620
342	Washington	Air Force	Fairchild AFB	Survival Academic Training Support Center			3,900	3,900	3,900
343	Washington	Air Force	Fairchild AFB	Convert Nosedock to Washrack Facility		3,700		3,700	3,700
344	Washington	Air Force	Fairchild AFB	Upgrade Fuel Cell Nosedock		2,500			-
345	Washington	Air Force	McChord AFB	C-17 Add To And Alt Aircraft Maint Shop	2,321	2,321	2,321		2,321
346	Washington	Air Force	McChord AFB	C-17 Add To And Alter Simulator Facility	1,823	1,823	1,823		1,823
347	Washington	Air Force	McChord AFB	C-17 Add/Alter Age Maintenance Facility	2,110	2,110	2,110		2,110
348	Washington	Air Force	McChord AFB	C-17 Alter Composite Shop	1,630	1,630	1,630		1,630
349	Washington	Air Force	McChord AFB	C-17 Alter Maintenance Hangars	6,427	6,427	6,427		6,427
350	Washington	Air Force	McChord AFB	C-17 Flightline Support Facility	4,029	4,029	4,029		4,029
351	Washington	Air Force	McChord AFB	C-17 Life Support Equipment Facility	4,413	4,413	4,413		4,413
352	Washington	Air Force	McChord AFB	C-17 Ramp/Hydrant Fuel System	18,025	18,025	18,025		18,025
353	Washington	Air Force	McChord AFB	C-17 Repair Base Roads	2,224	2,224	2,224		2,224
354	Washington	Air Force	McChord AFB	C-17 Shortfield Assault Strip	2,321	2,321	2,321		2,321
355	Washington	Air Force	McChord AFB	C-17 Sq Ops/Aircraft Maintenance Unit	6,524	6,524	6,524		6,524
356	Washington	DMSA	Bangor NSB	Disease Vector Ecology & Control Center	5,700	5,700	5,700		5,700
357	Washington	DMSA	Bremerton Naval Hospital	Hospital Addition/Alteration	28,000	28,000	28,000		28,000
358	Washington	DMSA	McChord AFB	Clinic/WRM Warehouse Replacement	20,000	20,000	20,000		20,000
359	Washington	Army Reserve	Seattle	USAR/OMS/MEP, Ph II			10,713	10,713	10,713
360	Washington	Air National Guard	Fairchild AFB	Composite Support Complex			9,800		-
361	Washington	Air Force Reserve	McChord AFB	Consolidated Medical Training Facility		3,400	3,400	3,400	3,400

Fiscal Year 1999 Military Construction Authorization of Appropriations

(Dollars in Thousands)

Ln No.	State Name	Service	Installation Name	Project Name	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
362	West Virginia	Army National Guard	Camp Dawson	Regional Training Institute			13,595	13,595	13,595
363	West Virginia	Army National Guard	CP Dawson (Kingwood)	Readiness Center	4,465	-	-	(4,465)	-
364	Wisconsin	Army Reserve	Fort McCoy	Crash Rescue Station	1,850	1,850	1,850		1,850
365	Wisconsin	Army Reserve	Fort McCoy	Machine Gun Range	2,032	2,032	2,032		2,032
366	Wisconsin	Air National Guard	Volk Field	Upgrade Runway And Taxiway	9,600	9,600	9,600		9,600
367	Wyoming	Air Force	F.E. Warren AFB	Alter Dormitories			3,850		-
368	Wyoming	Army National Guard	Camp Guernsey	Vehicle Maintenance Facility			13,891	13,891	13,891
369	Conus Classified	Army	Classified Locations	Classified Project	4,600	4,600	4,600		4,600
370	Belgium	Army	Belgium	Child Development Center	6,300	6,300	6,300		6,300
371	Germany	Army	Schweinfurt	Whole Barracks Complex Renewal	18,000	18,000	18,000		18,000
372	Germany	Army	Wuerzberg	Child Development Center	4,250	4,250	4,250		4,250
373	Germany	Air Force	Spangdahlem AB	Consolidated Air Control Sq Ops Fac	4,466	4,466	4,466	(4,466)	-
374	Germany	Air Force	Spangdahlem AB	Dormitory	9,501	9,501	9,501		9,501
375	Greece	Navy	Souda Bay Crete Naval Support Activity	Bachelor Enlisted Quarters	5,260	5,260	5,260		5,260
376	Guam	Navy	Naval Activities	Special Warfare Unit Facility	5,500	5,500	5,500		5,500
377	Guam	Navy	Naval Activities	Waterfront Consolidation Activities	4,810	4,810	4,810		4,810
378	Guam	DODDS	Guam Schools	Guam Elementary School	8,600	8,600	8,600		8,600
379	Guam	DODDS	Guam Schools	Guam High School	4,500	4,500	4,500		4,500
380	Italy	Navy	Naples Naval Support Activity	NII Public Works Facility	18,270	18,270	18,270		18,270
381	Italy	DMSA	Sigonella NAS	Flight Line Dispensary	5,300	5,300	5,300		5,300
382	Korea	Army	Camp Casey	Whole Barracks Complex Renewal	13,400	13,400	13,400		13,400
383	Korea	Army	Camp Casey	Fitness Center			8,000	8,000	8,000
384	Korea	Army	Camp Castle	Whole Barracks Complex Renewal	18,226	18,226	18,226		18,226
385	Korea	Army	Camp Humphreys	Whole Barracks Complex Renewal	8,500	8,500	8,500		8,500
386	Korea	Army	Camp Stanley	Whole Barracks Complex Renewal	5,800	5,800	5,800		5,800
387	Korea	Air Force	Kunsan AB	Dormitory	5,958	5,958	5,958		5,958
388	Korea	Air Force	Osan AB	Dormitory	7,496	7,496	7,496		7,496
389	Kwajalein	Army	Kwajalein Atoll	Power Plant - Roi Namur Island	12,600	12,600	12,600		12,600
390	Kwajalein	BMDO	Missile Range	Multi Purpose Missile Test Facilities	4,600	4,600	4,600	(4,600)	-
391	Portugal	DLA	Def Fuel Sup Point Lajes Field Azores	Fuel Pumphouse & Tanks	7,700	7,700	7,700		7,700
392	Puerto Rico	SOCOM	NS Puerto Rico	SOF Operations Fac	9,600	9,600	9,600		9,600
393	Puerto Rico	DODDS	Fort Buchanan	Elementary School	8,805	8,805	8,805		8,805
394	Turkey	Air Force	Incirlik AB	Central Security Control Facility	2,949	2,949	2,949		2,949
395	United Kingdom	Navy	St Mawgan Joint Maritime Comm Ctr	Education Center	2,010	2,010	2,010		2,010
396	United Kingdom	Air Force	RAF Lakenheath	Dormitories	15,838	15,838	15,838		15,838
397	United Kingdom	Air Force	RAF Mildenhall	Dormitories	10,926	10,926	10,926		10,926

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(Dollars in Thousands)

Ln No.	State Name	Service	Installation Name	Project Name	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
398	United Kingdom	Air Force	RAF Mildenhall	KC-135 Sq Ops/Aircraft Maintenance Unit	14,034	14,034	14,034		14,034
399	United Kingdom	DMSA	RAF Lakenheath	Hospital Annex Replacement	10,800	10,800	10,800		10,800
400	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Host Nation Support	20,450	20,450	20,450		20,450
401	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Planning And Design	41,819	43,342	44,845	2,000	43,819
402	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Unspecified Minor Construction	10,000	5,000	10,000	2,500	12,500
403	Worldwide Unspecified	Army	Unspecified Worldwide Locations	General Reduction		(6,000)		(6,000)	(6,000)
404	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Revised Economic Assumptions (Mid-Session)			(2,000)	(2,000)	(2,000)
405	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	Planning And Design	58,346	60,346	60,481	2,500	60,846
406	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	Unspecified Minor Construction	8,900	8,900	8,900	1,000	9,900
407	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	General Reduction		(5,000)		(5,000)	(5,000)
408	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	Revised Economic Assumptions (Mid-Session)			(1,000)	(1,000)	(1,000)
409	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	Planning And Design	35,592	37,592	44,762	2,500	38,092
410	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	Unspecified Minor Construction	7,135	7,135	7,135	1,000	8,135
411	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	General Reduction		(11,000)		(11,000)	(11,000)
412	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	Revised Economic Assumptions (Mid-Session)			(1,000)	(1,000)	(1,000)
413	Worldwide Unspecified	SOCOM	Unspecified Worldwide Locations	Unspecified Minor Construction	4,200	4,200	1,500	(2,700)	1,500
414	Worldwide Unspecified	SOCOM	Unspecified Worldwide Locations	Planning And Design	1,450	1,450	4,150	2,700	4,150
415	Worldwide Unspecified	Defense	Energy Conservation Improvement Pgm	Energy Conservation Improvement Program	46,950	46,950	46,950		46,950
416	Worldwide Unspecified	DFAS	Unspecified Minor Construction	Minor Construction	1,500	1,500	1,500		1,500
417	Worldwide Unspecified	Defense	Unspecified Worldwide Locations	Contingency Construction	9,390	4,890	9,390	(4,500)	4,890
418	Worldwide Unspecified	DTRTC	Unspecified Worldwide Locations	Minor Construction	900	900	900		900
419	Worldwide Unspecified	Defense	Unspecified Worldwide Locations	Minor Construction	3,000	3,000	3,000		3,000
420	Worldwide Unspecified	DODDS	Unspecified Worldwide Locations	Minor Construction	999	999	999		999
421	Worldwide Unspecified	Defense	Unspecified Worldwide Locations	Planning And Design	15,000	15,000	15,000		15,000
422	Worldwide Unspecified	Defense	Unspecified Worldwide Locations	General Reduction		(12,000)	-	(12,000)	(12,000)
423	Worldwide Unspecified	Defense	Unspecified Worldwide Locations	Revised Economic Assumption (Mid-Session)			(1,300)	(1,300)	(1,300)
424	Worldwide Unspecified	Defense	Unspecified Worldwide Locations	General Reduction-Chemical Demilitarization				(50,500)	(50,500)
425	Worldwide Unspecified	DMSA	Unspecified Worldwide Locations	Planning And Design	8,555	8,555	8,555		8,555
426	Worldwide Unspecified	DM & P Center	Unspecified Worldwide Locations	Planning And Design	2,200	2,200	2,200		2,200
427	Worldwide Unspecified	DTRTC	Unspecified Worldwide Locations	Planning And Design	100	100	100		100
428	Worldwide Unspecified	BMDO	Unspecified Worldwide Locations	Planning And Design	12,561	12,561	12,561	(2,561)	10,000
429	Worldwide Unspecified	DODDS	Unspecified Worldwide Locations	Planning and Design				1,000	1,000
430	Worldwide Unspecified	DMSA	Unspecified Worldwide Locations	Unspecified Minor Construction	1,900	1,900	1,900		1,900
431	Worldwide Unspecified	JCS	Unspecified Worldwide Locations	Unspecified Minor Construction	3,595	3,595	3,595		3,595
432	Worldwide Unspecified	Defense	Unaccompanied Housing Fund	Termination of Authority (FY1997 PL104-196)				(5,000)	(5,000)
433	Worldwide Unspecified	Defense	Base Realignment & Closure Acct Part II	Base Realignment & Closure Acct Part III	433,464	433,464	433,464	(4,300)	427,164

Fiscal Year 1999 Military Construction Authorization of Appropriations

(Dollars in Thousands)

Ln No.	State Name	Service	Installation Name	Project Name	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
434	Worldwide Unspecified	Defense	Base Realignment & Closure Acct Part II	Revised Economic Assumptions (Mid-Session)			(5,000)	(2,000)	
435	Worldwide Unspecified	Defense	Base Realignment & Closure Acct Part II	Base Realignment & Closure Acct Part IV	1,297,240	1,297,240	1,297,240	(28,802)	1,203,738
436	Worldwide Unspecified	Defense	Base Realignment & Closure Acct Part II	Revised Economic Assumptions (Mid-Session)				(3,000)	
437	Worldwide Unspecified	Defense	Base Realignment & Closure Acct Part II	Inflation Savings Previously Withheld				(26,000)	
438	Worldwide Unspecified	Defense	Base Realignment & Closure Acct Part II	Unreported Proceeds				(35,700)	
439	Worldwide Unspecified	Defense	NATO Security Investment Program	NATO Security Investment Program	185,000	169,000	159,000	(30,000)	154,000
440	Worldwide Unspecified	NATO	NATO Infrastructure	Revised Economic Assumptions (Mid-Session)			(1,000)	(1,000)	
441	Worldwide Unspecified	Army National Guard	Unspecified Worldwide Locations	Planning And Design	4,548	5,548	7,792	4,500	9,048
442	Worldwide Unspecified	Army National Guard	Unspecified Worldwide Locations	Unspecified Minor Construction	546	546	546	4,500	5,046
443	Worldwide Unspecified	Army National Guard	Unspecified Worldwide Locations	General Reduction		(2,000)		(2,000)	(2,000
444	Worldwide Unspecified	Army Reserve	Unspecified Worldwide Locations	Planning And Design	7,368	7,368	9,128		7,368
445	Worldwide Unspecified	Army Reserve	Unspecified Worldwide Locations	Termination Fiscal Year 1998 Authority		(12,714)			-
446	Worldwide Unspecified	Navy Reserve	Unspecified Worldwide Locations	Planning And Design	1,974	1,974	1,974	1,000	2,974
447	Worldwide Unspecified	Navy Reserve	Unspecified Worldwide Locations	Unspecified Minor Construction	877	877	877		877
448	Worldwide Unspecified	Air National Guard	Unspecified Worldwide Locations	Planning And Design	8,549	9,549	13,320		8,549
449	Worldwide Unspecified	Air National Guard	Unspecified Worldwide Locations	Unspecified Minor Construction	3,462	5,502	3,462	4,040	7,502
450	Worldwide Unspecified	Air National Guard	Unspecified Worldwide Locations	General Reduction		(4,000)		(4,000)	(4,000
451	Worldwide Unspecified	Air Force Reserve	Unspecified Worldwide Locations	Planning And Design	2,432	3,432	3,222		2,432
452	Worldwide Unspecified	Air Force Reserve	Unspecified Worldwide Locations	Unspecified Minor Construction	2,903	2,903	2,903		2,903
453	Worldwide Various	DLA	Various Locations	Conforming Storage Facilities	1,300	1,300	1,300		1,300
454				Prior Year Deauthorization			(12,714)		-
455				**Totals:**	4,300,744	4,721,521	4,893,180	601,715	4,902,459

Fiscal Year 1999 Military Construction Authorization of Appropriations

(Dollars in Thousands)

Ln No.	State Name	Service	Installation Name	Project Name	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
459	Alabama	Army	Redstone Arsenal	Family Housing Replacement Const (118 Units)	14,000	14,000	14,000		14,000
460	Alabama	Air Force	Maxwell AFB	Replace MFH Ph 1 (143 Units)	16,300	16,300	16,300		16,300
461	Alaska	Air Force	Eielson AFB	Replace MFH Ph 3 (46 Units)	12,932	12,932	12,932		12,932
462	California	Navy	Lemoore NAS	Replacement Homes (162 Units)	30,379	30,379	30,379		30,379
463	California	Air Force	Edwards AFB	Replace MFH Ph 4 (48 Units)	12,580	12,580	12,580		12,580
464	California	Air Force	Vandenberg AFB	Replace MFH Ph 6 (95 Units)	18,499	18,499	18,499		18,499
465	Delaware	Air Force	Dover AFB	Replace MFH (55 Units)	8,998	8,998	8,998		8,998
466	Florida	Air Force	MacDill AFB	Replace MFH Ph3 (48 Units)	7,609	7,609	7,609		7,609
467	Florida	Air Force	Patrick AFB	Replace MFH Ph 1 (46 Units)	9,692	9,692	9,692		9,692
468	Florida	Air Force	Tyndall AFB	Replace MFH Ph 5 (122 Units)	14,500	14,500	14,500		14,500
469	Hawaii	Army	Schofield Barracks	Family Housing Replacement Const (64 Units)	14,700	14,700	14,700		14,700
470	Hawaii	Navy	Naval Complex, Oahu	Replacement Homes (150 Units)	29,125	29,125	29,125		29,125
471	Mississippi	Air Force	Keesler AFB	Replace Family Housing (52 Units)			6,800	6,800	6,800
472	Mississippi	Air Force	Columbus AFB	Replace Family Housing (52 Units)			6,800	6,800	6,800
473	Montana	Air Force	Malmstrom AFB	Family Housing (50 Units)			12,300	10,000	10,000
474	Nebraska	Air Force	Offutt AFB	Replace Housing Maint Fac	900	900	900		900
475	Nebraska	Air Force	Offutt AFB	Replace Housing Office	870	870	870		870
476	Nebraska	Air Force	Offutt AFB	Replace MFH Ph 4 (90 Units)	12,212	12,212	12,212		12,212
477	Nevada	Air Force	Nellis AFB	Replace Family Housing Ph VII (60 Units)		10,550		5,000	5,000
478	New Mexico	Air Force	Kirtland AFB	Replace MFH Ph 5 (37 Units)	6,400	6,400	6,400		6,400
479	North Carolina	Army	Fort Bragg	Family Housing Replacement Const (170 Units)	19,800	19,800	19,800		19,800
480	Ohio	Air Force	Wright Patterson AFB	Replace MFH (40 Units)	5,600	5,600	5,600		5,600
481	Texas	Army	Fort Hood	Family Housing Replacement Const (154 Units)	21,600	21,600	21,600		21,600
482	Texas	Air Force	Dyess AFB	Construct MFH Ph 2 (64 Units)	9,415	9,415	9,415		9,415
483	Texas	Air Force	Sheppard AFB	Replace Family Housing, Ph 1 (115 Units)			12,800		-
484	Texas	Air Force	Sheppard AFB	Replace Family Housing, Ph 1 (65 Units)		7,000		7,000	7,000
485	Virginia	Army	Fort Lee	Whole Neighborhood Replacement PhII (80 Units)		13,000		13,000	13,000
486	Washington	Air Force	Fairchild AFB	Replace Hsg Off & Maint Fac	1,692	1,692	1,692		1,692
487	Washington	Air Force	Fairchild AFB	Replace MFH (14 Units)	2,300	2,300	2,300		2,300
488	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Payment To Homeowners	12,800	7,500	12,800	(12,800)	-
489	Worldwide Various	Army	Unspecified Worldwide Locations	General Reduction	(1,639)	(2,639)	(1,639)	(1,000)	(2,639)
490	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Construction Improvements	28,629	37,429	49,679	19,850	48,479
491	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Planning	6,350	6,350	7,490		6,350
492	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Interest Payments	3	3	3		3
493	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Leasing	202,155	202,155	202,155		202,155
494	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Miscellaneous Account	415	415	415		415

Fiscal Year 1999 Military Construction Authorization of Appropriations

(Dollars in Thousands)

Ln No.	State Name	Service	Installation Name	Project Name	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
495	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Maintenance Of Real Property	467,914	467,914	467,914		467,914
496	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Utilities Account	250,407	250,407	250,407		250,407
497	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Services Account	52,222	52,222	52,222		52,222
498	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Management Account	87,125	80,089	87,125	(7,036)	80,089
499	Worldwide Unspecified	Army	Unspecified Worldwide Locations	Furnishings Account	44,492	44,492	44,492		44,492
500	Worldwide Unspecified	Army	Worldwide Family Housing Operations	Revised Economic Assumptions (Mid-Session)			(3,000)	(3,000)	(3,000)
501	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	Construction Improvements	211,991	221,991	217,791	15,800	227,791
502	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	Planning	15,618	15,618	15,618		15,618
503	Worldwide Unspecified	Navy	General Reduction		(6,323)	(6,323)	(6,323)		(6,323)
504	Worldwide Unspecified	Navy	Worldwide Family Housing Investment	Revised Economic Assumptions (Mid-Session)			(1,000)	(1,000)	(1,000)
505	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	Maintenance Of Real Property	414,967	414,967	414,967		414,967
506	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	Leasing	135,079	135,079	135,079		135,079
507	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	Miscellaneous Account	293	293	293		293
508	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	Management Account	82,331	82,331	82,331		82,331
509	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	Furnishings Account	33,199	33,199	33,199		33,199
510	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	Utilities Account	184,519	184,519	184,519		184,519
511	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	Services Account	64,829	64,829	64,829		64,829
512	Worldwide Unspecified	Navy	Unspecified Worldwide Locations	Mortgage Insurance Premiums	76	76	76		76
513	Worldwide Unspecified	Navy	Worldwide Family Housing Operations	Revised Economic Assumptions (Mid-Session)			(3,000)	(3,000)	(3,000)
514	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	Planning	11,342	11,342	12,622		11,342
515	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	Construction Improvements	81,778	81,778	123,238	22,330	104,108
516	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	General Reductions	(7,584)	(9,584)	(7,584)	(2,000)	(9,584)
517	Worldwide Unspecified	Air Force	Worldwide Family Housing Investment	Revised Economic Assumptions (Mid-Session)			(1,000)	(1,000)	(1,000)
518	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	Mortgage Insurance Premiums	32	32	32		32
519	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	Maintenance Of Real Property	388,659	388,659	388,659		388,659
520	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	Miscellaneous Account	5,240	5,240	5,240		5,240
521	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	Leasing	118,071	118,071	118,071		118,071
522	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	Furnishings Account	37,218	36,427	37,218	(791)	36,427
523	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	Utilities Account	152,214	152,214	152,214		152,214
524	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	Services Account	36,066	35,849	36,066	(217)	35,849
525	Worldwide Unspecified	Air Force	Unspecified Worldwide Locations	Management Account	52,495	48,712	52,495	(3,783)	48,712
526	Worldwide Unspecified	Air Force	Worldwide Family Housing Operations	Inflation Reduction			(2,000)	(2,000)	(2,000)
527	Worldwide Unspecified	Defense	Unspecified Worldwide Locations	Family Housing Improvement Fund	7,000	7,000	7,000	(5,000)	2,000
528	Worldwide Unspecified	NSA	Unspecified Worldwide Locations	Construction Improvements	50	50	50		50
529	Worldwide Unspecified	DLA	Unspecified Worldwide Locations	Construction Improvements	295	295	295		295
530	Worldwide Unspecified	DLA	Unspecified Worldwide Locations	Management Account	244	244	244		244

Fiscal Year 1999 Military Construction Authorization of Appropriations

(Dollars in Thousands)

Ln No.	State Name	Service	Installation Name	Project Name		Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
531	Worldwide Unspecified	DIA	Unspecified Worldwide Locations	Leasing		18,847	18,847	18,847		18,847
532	Worldwide Unspecified	DLA	Unspecified Worldwide Locations	Furnishings Account		125	125	125		125
533	Worldwide Unspecified	DLA	Unspecified Worldwide Locations	Services Account		51	51	51		51
534	Worldwide Unspecified	DLA	Unspecified Worldwide Locations	Utilities Account		424	424	424		424
535	Worldwide Unspecified	DIA	Unspecified Worldwide Locations	Furnishings Account		2,153	2,153	2,153		2,153
536	Worldwide Unspecified	NSA	Unspecified Worldwide Locations	Services Account		355	355	355		355
537	Worldwide Unspecified	NSA	Unspecified Worldwide Locations	Maintenance Of Real Property		496	496	496		496
538	Worldwide Unspecified	NSA	Unspecified Worldwide Locations	Leasing		12,292	12,292	12,292		12,292
539	Worldwide Unspecified	NSA	Unspecified Worldwide Locations	Miscellaneous Account		735	735	735		735
540	Worldwide Unspecified	NSA	Unspecified Worldwide Locations	Furnishings Account		126	126	126		126
541	Worldwide Unspecified	NSA	Unspecified Worldwide Locations	Utilities Account		450	450	450		450
542	Worldwide Unspecified	NSA	Unspecified Worldwide Locations	Management Account		70	70	70		70
543	Worldwide Unspecified	DLA	Unspecified Worldwide Locations	Maintenance Of Real Property		531	531	531		531
544					Totals:	3,477,330	3,506,553	3,576,760	63,953	3,541,283

Amended Budget Estimates—FY 1999 BRAC Military Construction Projects

[In thousands of dollars]

Component/State/Project Description	BRAC round	Amount
NAVY BRAC III CONSTRUCTION, FISCAL YEAR 1999		
Nevada:		
Naval Air Station, Fallon:		
Bachelor Office Quarters Phase II (P–XX1T)	III	11,100
Subtotal Navy Nevada		11,100
Total for Navy Construction, FY 1999		11,100
ARMY BRAC IV CONSTRUCTION, FISCAL YEAR 1999		
Alaska:		
Fort Greely:		
Munitions Storage Facility (PN 47461)	IV	1,550
Subtotal Army Alaska		1,550
Colorado:		
Fitzsimons Army Medical Center:		
Warehouse Addition (PN 47653)	IV	1,550
Reserve Center (PN 50296)	IV	2,750
Subtotal Army Colorado		4,300
Indiana:		
Crane Army Ammunition Activity:		
Surveillance Test Facility (PN 50057)	IV	1,850
Subtotal Army Indiana		1,850
Maryland:		
Fort Detrick:		
Physical Fitness Center (PN 48153)	IV	3,050
Fort Meade:		
Administrative Facility DIS (PN 46307)	IV	12,000
Administrative Facility ESSD Renovation (PN 47770)	IV	2,900
SDC–W Renovation—Pershing Hall (PN 47237)	IV	6,300
Subtotal Army Maryland		24,250
New York:		
Fort Totten:		
Storage Facility (PN 46258)	IV	1,900
Subtotal Army New York		1,900
Pennsylvania:		
Letterkenny Army Depot:		
Enclave Fencing (PN 49714)	IV	1,150
Subtotal Army Pennsylvania		1,150
Virginia:		
Fort Pickett:		
Reserve Center (PN–46354)	IV	3,100
Fort Lee:		
WAC Museum (PN 50091)	IV	2,400
Subtotal Army Virginia		5,500
Various Locations:		
Program Management	IV	2,350
Subtotal Army Various		2,350
Total for Army BRAC IV Construction, FY 1999		42,850
ARMY BRAC IV FAMILY HOUSING CONSTRUCTION, FY 1999		
Alaska:		
Fort Wainwright:		
Family Housing (PN 47530)	IV	1,700
Subtotal Army Family Housing Alaska		1,700
Total Army Family Housing Construction, FY 1999		1,700
NAVY BRAC IV CONSTRUCTION, FY 1999		
California:		
Naval Air Weapons Station, Point Mugu:		
Aviation Support Facilities (260U)	IV	1,500
Maintenance and Training Facilities (261U)	IV	12,800
Subtotal Navy California		14,300
District of Columbia:		
Naval District of Washington:		
NAVSEASYSCOM Headquarters Building Relocation (009U)	IV	71,543
Subtotal Navy District of Columbia		71,543
Hawaii:		
Naval Telecommunications Center, Makalapa:		
Building Addition (411U)	IV	920
Subtotal Navy Hawaii		920
New Jersey:		
McGuire AFB:		
Defense Courier Service Building (935U)	IV	850
Subtotal Navy New Jersey		850
Tennessee:		
Naval Support Activity, Memphis:		
Building Renovation (329U)	IV	4,200
Subtotal Navy Tennessee		4,200
Texas:		
Naval Air Station, Corpus Christi:		
Sled Ramp Facility and Land Acquisition (421U)	IV	13,313
Subtotal Navy Texas		13,313

Amended Budget Estimates—FY 1999 BRAC Military Construction Projects—Continued

[In thousands of dollars]

Component/State/Project Description	BRAC round	Amount
Virginia:		
Naval Station, Norfolk:		
Building Renovations and Alterations (317U)	IV	3,970
Naval Air Station, Oceana:		
Strike Fighter Weapons School Additions (163U)	IV	4,073
Subtotal Navy Virginia		8,430
Total for Navy BRAC IV Construction, FY 1999		131,169
AIR FORCE BRAC IV CONSTRUCTION, FY 1999		
New York:		
Stewart International Airport:		
Communications Training Complex (WHAY 959635)	IV	6,000
Subtotal Air Force New York		6,000
Oklahoma:		
Tinker AFB:		
Alter Product Management (WWYK990032)	IV	2,300
Alter Engine Test Cell (WWYK993200)	IV	3,800
ADAL Fuel Air Facility (WWYK993201A)	IV	1,300
Subtotal Air Force Oklahoma		7,400
Texas:		
Kelly AFB:		
Security Fence/Gates (MBPB 993205R1)	IV	400
Vehicle OPS/Maintenance Complex (MBPB 993213R1)	IV	6,200
Fuel Operations Facility (MBPB 993214R1)	IV	1,200
Reconfigure Utility Systems (MBPB 993230)	IV	2,500
Subtotal Air Force Texas		10,300
Utah:		
Hill AFB:		
GTE Test Cell (KRSM 993009)	IV	2,100
Alter Product Management/Composites (KRSM983102)	IV	5,300
F–117 Radar Facility (KRSM 983002)	IV	1,100
Subtotal Air Force Utah		8,500
Various Locations:		
Planning and Design (BCL 99RD4)	IV	700
Subtotal Air Force Various		700
Total Air Force BRAC IV Construction, FY 1999		32,900
DEFENSE LOGISTICS AGENCY BRAC IV CONSTRUCTION, FY 1999		
Utah:		
Defense Distribution Region West Defense Depot Hill, UT:		
Deployable Medical Systems Warehouse	IV	31,000
Subtotal Defense Logistics Agency Utah		31,000
Total Defense Logistics Agency Construction, FY 1999		31,000

TITLE XXI—ARMY
FISCAL YEAR 1999

Overview

The House bill would authorize $2,010,036,000 for Army military construction and family housing programs for fiscal year 1999.

The Senate amendment would authorize $2,037,965,000 for this purpose.

The conferees recommend authorization of appropriations of $2,098,713,000 for Army military construction and family housing for fiscal year 1999.

The conferees agree to general reductions of $13,639,000 in the authorization of appropriations for the Army military construction and military family housing accounts. The reductions are to be offset by savings from favorable bids, reduced overhead costs, and cancellations due to force structure changes. The general reductions shall not cancel any military construction authorized by title XXI of this Act.

ITEMS OF SPECIAL INTEREST

Improvements of Military Family Housing, Army

The conferees recommend that, within authorized amounts for improvements to military family housing and facilities, the Secretary of the Army execute the following projects: $7,400,000 for Whole Neighborhood Revitalization (40 units) at Fort Richardson, Alaska; $8,800,000 for Whole Neighborhood Revitalization Phase II (104 units) at Fort Campbell, Kentucky; and $3,650,000 for Whole Neighborhood Revitalization (36 units) at White Sands Missile Range, New Mexico.

LEGISLATIVE PROVISIONS ADOPTED

Authorized Army construction and land acquisition projects (sec. 2101)

The House bill contained a provision (sec. 2101) that would authorize Army construction projects for fiscal year 1999. The authorized amounts are listed on an installation-by-installation basis.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

The authorized amounts are listed on a installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Family housing (sec. 2102)

The House bill included a provision (sec. 2102) that would authorize new construction and planning and design of family housing units for the Army for fiscal year 1999. The authorized amounts are listed on an installation-by-installation basis.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

The authorized amounts are listed on a installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Improvements to military family housing units (sec. 2103)

The House bill contained a provision (sec. 2103) that would authorize improvements to existing units of family housing for fiscal year 1999.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

Authorization of appropriations, Army (sec. 2104)

The House bill contained a provision (sec. 2104) that would authorize specific appropriations for each line item contained in the Army's budget for fiscal year 1999. This section would also provide an overall limit on the amount the Army may spend on military construction projects.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

Modification of authority to carry out fiscal year 1998 projects (sec. 2105)

The House bill contained a provision (sec. 2105) that would amend the table in section 2101 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105-85) to provide for an increase in the amount authorized for the construction of an aerial gunnery range at Fort Drum, New York, and a whole barracks complex renewal at Fort Sill, Oklahoma.

The Senate amendment contained a provision (sec. 2105) that would provide for an increase in the amount authorized for the construction of the whole barracks complex renewal at Fort Sill, Oklahoma, due to a change in scope.

The Senate recedes with a technical amendment.

TITLE XXII—NAVY
FISCAL YEAR 1999

Overview

The House bill would authorize $1,776,726,000 for Navy military construction

and family housing programs for fiscal year 1999.

The Senate amendment would authorize $1,762,298,000 for this purpose.

The conferees recommend authorization of appropriations of $1,812,476,000 for Navy military construction and family housing for fiscal year 1999.

The conferees agree to general reductions of $16,323,000 in the authorization of appropriations for the Navy military construction and military family housing accounts. The reductions are to be offset by savings from favorable bids, reduction in overhead costs, and cancellation of projects due to force structure changes. The general reductions shall not cancel any military construction authorized by title XXII of this Act.

ITEMS OF SPECIAL INTEREST

Improvements of military family housing, Navy

The conferees recommend that, within authorized amounts for improvements to military family housing and facilities, the Secretary of the Navy execute the following projects: $10,000,000 for family housing improvements (171 units) at Marine Corps Base, Camp Pendleton, California; and $5,800,000 for family housing improvements (80 units) at Naval Air Station, Whidbey Island, Washington.

LEGISLATIVE PROVISIONS ADOPTED

Authorized Navy construction and land acquisition projects (sec. 2201)

The House bill contained a provision (sec. 2201) that would authorize Navy construction projects for fiscal year 1999. The authorized amounts are listed on an installation-by-installation basis.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

The authorized amounts are listed on a installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Family housing (sec. 2202)

The House bill contained a provision (sec. 2202) that would authorize new construction and planning and design of family housing units for the Navy for fiscal year 1999. The authorized amounts are listed on an installation-by-installation basis.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

The authorized amounts are listed on a installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Improvements to military family housing units (sec. 2203)

The House bill contained a provision (sec. 2303) that would authorize improvements to existing units of family housing for fiscal year 1999. The authorized amounts are listed on an installation-by-installation basis.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

Authorization of appropriations, Navy (sec. 2204)

The House bill contained a provision (sec. 2204) that would authorize specific appropriations for each line item in the Navy's budget for fiscal year 1999. This section would also provide an overall limit on the amount the Navy may spend on military construction projects.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

Authorization to accept road construction project, Marine Corps Base, Camp Lejeune, North Carolina (sec. 2205)

The House bill contained a provision (sec. 2205) that would authorize the Secretary of the Navy to accept a road construction project valued at $2,000,000 from the State of North Carolina at Marine Corps Base, Camp Lejeune, North Carolina.

The Senate amendment contained no similar provision.

The Senate recedes.

TITLE XXIII—AIR FORCE

FISCAL YEAR 1999

Overview

The House bill would authorize $1,577,264,000 for Air Force military construction and family housing programs for fiscal year 1999.

The Senate amendment would authorize $1,729,050,000 for this purpose.

The conferees recommend authorization of appropriations of $1,679,978,000 for Air Force military construction and family housing for fiscal year 1999.

The conferees agree to general reductions of $24,584,000 in the authorization of appropriations for the Air Force military construction and military family housing accounts. The reductions are to be offset by savings from favorable bids, reduction in overhead costs, and cancellation of projects due to force structure changes. The general reductions shall not cancel any military construction authorized by title XXIII of this Act.

ITEMS OF SPECIAL INTEREST

Improvements of military family housing, Air Force

The conferees recommend that, within authorized amounts for improvements to military family housing and facilities, the Secretary of the Air Force execute the following projects: $5,220,000 for family housing improvements (68 units) at Moody Air Force Base, Georgia; $8,000,000 for family housing improvements (70 units) at Seymour Johnson Air Force Base, North Carolina; and $9,110,000 for family housing improvements (94 units) at Charleston Air Force Base, South Carolina.

LEGISLATIVE PROVISIONS ADOPTED

Authorized Air Force construction and land acquisition projects (sec. 2301)

The House bill contained a provision (sec. 2301) that would authorize Air Force construction projects for fiscal year 1999. The authorized amounts are listed on an installation-by-installation basis.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

The authorized amounts are listed on a installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Family housing (sec. 2302)

The House bill contained a provision (sec. 2302) that would authorize new construction and planning and design of family housing units for the Air Force for fiscal year 1999.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

The authorized amounts are listed on a installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Improvements to military family housing units (sec. 2303)

The House bill contained a provision (sec. 2303) that would authorize improvements to existing units of family housing for fiscal year 1999.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

Authorization of appropriations, Air Force (sec. 2304)

The House bill contained a provision (sec. 2304) that would authorize specific appropriations for each line item in the Air Force's budget for fiscal year 1999. This section would also provide an overall limit on the amount the Air Force may spend on military construction projects.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

TITLE XXIV—DEFENSE AGENCIES

FISCAL YEAR 1999

Overview

The House bill would authorize $648,664,000 for Defense Agencies military construction and family housing programs for fiscal year 1999. The bill would also authorize $1,730,704,000 for base closure activities.

The Senate amendment would authorize $607,919,000 for this purpose. The amendment would also authorize $1,725,704,000 for base closure activities.

The conferees recommend authorization of appropriations of $585,358,000 for Defense Agencies military construction and family housing for fiscal year 1999. The conferees also recommend authorization of appropriations of $1,630,902,000 for base closure activities.

The conferees agree to a general reduction of $13,300,000 in the authorization of appropriations for the Defense Agencies military construction account. The general reduction is to be offset by savings from favorable bids and reduction in overhead costs. The conferees further agree to a general reduction of $50,500,000 in the authorization of appropriations for the chemical demilitarization program. The reduction to the entire chemical demilitarization program is based on unobligated prior year funds and delays in obtaining the required environmental and construction permits. The general reductions shall not cancel any military construction projects authorized by title XXIV of this Act.

The conferees agree to terminate $5,000,000 in prior year authorization for the Military Unaccompanied Housing Improvement Fund. The termination is due to the absence of specific project activity under this account.

The conferees agree to a general reduction of $33,102,000 in the authorization of appropriations for the Base Closure and Realignment Accounts based on approved cost variations which accelerated six construction projects from fiscal year 1999 to fiscal year 1998. The conferees agree to an additional general reduction of $31,000,000 based on revised economic assumptions. The conferees are aware that the military departments have collected $35,700,000 more in proceeds from land sales and leases at closing or realigning bases than reported in the fiscal year 1999 budget request and recommend an adjustment in the accounts to accommodate these revenues.

LEGISLATIVE PROVISIONS ADOPTED

Authorized Defense Agencies construction and land acquisition projects (sec. 2401)

The House bill contained a provision (sec. 2401) that would authorize defense agencies

construction projects for fiscal year 1999. The authorized amounts are listed on an installation-by-installation basis.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

The authorized amounts are listed on a installation-by-installation basis. The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Improvements to military family housing units (sec. 2402)

The House bill contained a provision (sec. 2402) that would authorize the Secretary of Defense to make improvements to existing units of family housing for fiscal year 1999.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

Energy conservation projects (sec. 2403)

The House bill contained a provision (sec. 2403) that would authorize the Secretary of Defense to carry out energy conservation projects.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Authorization of appropriations, Defense Agencies (sec. 2404)

The House bill contained a provision (sec. 2404) that would authorize specific appropriations for each line item in the Defense Agencies' budget for fiscal year 1999. This section would also provide an overall limit on the amount the Defense Agencies may spend on military construction projects.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

Repeal of fiscal year 1997 authorization of appropriations for certain military housing improvement program (sec. 2405)

The conferees include a provision which would amend section 2406(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201) to reduce the funding for the Department of Defense Military Unaccompanied Housing Improvement Fund by $5,000,000. The amendment would also make certain conforming changes to section 2404 of that Act.

Modification of authority to carry out certain fiscal year 1995 projects (sec. 2406)

The House bill contained a provision (sec. 2405) that would amend the table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337), as amended, to provide for an increase in the amount authorized for military construction projects to support chemical weapons and munitions destruction at Pine Bluff Arsenal, Arkansas, and Umatilla Army Depot, Oregon.

The Senate amendment contained a similar provision.

The House recedes.

Modification of authority to carry out fiscal year 1990 project (sec. 2407)

The House bill contained a provision (sec. 2406) that would amend the table in section 2401 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 100–189) to provide for an increase in the amount authorized for the construction of a replacement hospital at Naval Hospital, Portsmouth, Virginia.

The Senate amendment contained a similar provision.

The Senate recedes with a clarifying amendment.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

FISCAL YEAR 1999

Overview

The House bill would authorize $169,000,000 for the U.S. contribution to the NATO Security Investment Program for fiscal year 1999.

The Senate amendment would authorize $158,000,000 for this purpose.

The conferees agree to authorize $154,000,000 million for the U.S. contribution to the NATO Security Investment Program.

LEGISLATIVE PROVISIONS ADOPTED

Authorized North Atlantic Treat Organization (NATO) construction and land acquisition projects (sec. 2501)

The House bill contained a provision (sec. 2501) that would authorize the Secretary of Defense to make contributions to the North Atlantic Treaty Organization Security Investment program in an amount equal to the sum of the amount specifically authorized in section 2502 of H.R. 3616 and the amount of recoupment due to the United States for construction previously financed by the United States.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Authorization of appropriations, NATO (sec. 2502)

The House bill contained a provision (sec. 2502) that would authorize appropriations of $169,000,000 as the United States contribution to the North Atlantic Treaty Organization (NATO) Security Investment Program.

The Senate would authorize $158,000,000 for this purpose.

The conferees agree to authorize $154,000,000 for the United States contribution to the NATO Security Investment Program.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

FISCAL YEAR 1999

Overview

The House bill would authorize $309,025,000 for military construction and land acquisition for fiscal year 1999 for the Guard and Reserve components.

The Senate amendment would authorize $443,622,000 for this purpose.

The conferees recommend authorization of appropriations of $480,315,000 for military construction and land acquisition for fiscal year 1999. This authorization would be distributed as follows:

Army National Guard	$142,403,000
Army Reserve	102,119,000
Naval and Marine Corps Reserve	31,621,000
Air National Guard	169,801,000
Air Force Reserve	34,371,000

The conferees agree to a general reduction of $2,000,000 in the authorization of appropriations for the Army National Guard military construction account and $4,000,000 in the authorization of appropriations for the Air National Guard military construction account. The general reductions are to be offset by savings from favorable bids, reduction in overhead costs, and cancellation of projects due to force structure changes. The general reductions shall not cancel any military construction authorized by title XXVI of this Act.

LEGISLATIVE PROVISIONS ADOPTED

Authorized Guard and Reserve construction and land acquisition projects (sec. 2601)

The House bill contained a provision (sec. 2601) that would authorize appropriations for military construction for the guard and reserve by service component for fiscal year 1999.

The Senate amendment contained a similar provision.

The conference agreement includes a similar provision.

The state list contained in this report is intended to be the binding list of the specific projects authorized at each location.

Modification of authority to carry out fiscal year 1998 project (sec. 2602)

The House bill contained a provision (sec. 2602) that would authorize the Secretary of the Army to accept financial or in-kind contributions from the State of Utah in connection with the construction of a reserve center and organizational maintenance shop in Salt Lake City, Utah. The provision would also terminate the authorization for a similar military construction project at Camp Williams, Utah authorized in section 2601 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85).

The Senate amendment contained a similar provision.

The House and Senate recede.

The conferees include a provision that amends section 2603 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85) to direct the Secretary of the Army to enter into an agreement under which the State of Utah agrees to provide financial or in-kind contributions with regard to the construction of a reserve center and organizational maintenance shop at an appropriate site in, or in the vicinity of, Salt Lake City, Utah.

LEGISLATIVE PROVISIONS NOT ADOPTED

National Guard Military Educational Facility, Fort Bragg, North Carolina

The Senate amendment contained a provision (sec. 2603) that would authorize $1,000,000 from the funds authorized for appropriations by section 2601(1)(A) for the purpose of planning and design of a military educational facility for the Army National Guard at Fort Bragg, North Carolina.

The House bill contained no similar provision.

The Senate recedes.

The conferees note that this military educational facility requires no additional funding for planning and design and urge the Secretary of the Army to make every effort to include this construction requirement in the fiscal year 2000 future years defense program.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

LEGISLATIVE PROVISIONS ADOPTED

Expiration of authorizations and amounts required to be specified by law (sec. 2701)

The House bill contained a provision (sec. 2701) that would provide that authorizations for military construction projects, repair of real property, land acquisition, family housing projects and facilities, contributions to the North Atlantic Treaty Organization Security Investment Program, and guard and reserve projects will expire on October 1, 2001, or the date of enactment of an Act authorizing funds for military construction for fiscal year 2002, whichever is later. This expiration would not apply to authorizations for which appropriated funds have been obligated before October 1, 2001, or the date of enactment of an Act authorizing funds for these projects, whichever is later.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Extension of authorizations of certain fiscal year 1996 projects (sec. 2702)

The House bill contained a provision (sec. 2702) that would provide for selected extension of certain fiscal year 1996 military construction authorizations until October 1,

1999, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 2000, whichever is later.

The Senate amendment contained a similar provision.

The House recedes with a technical amendment.

Extension of authorization of fiscal year 1995 project (sec. 2703)

The House bill contained a provision (sec. 2703) that would provide for selected extension of certain fiscal year 1995 military construction authorizations until October 1, 1999, or the date of the enactment of the Act authorizing funds for military construction for fiscal year 2000, whichever is later.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Effective date (sec. 2704)

The House bill contained a provision (sec. 2704) that would provide that Titles XXI, XXII, XXIII, XXIV, XV, and XXVI of this bill shall take effect on October 1, 1998, or the date of the enactment of this Act, whichever is later.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

LEGISLATIVE PROVISIONS NOT ADOPTED

Authorization of additional military construction and military family housing projects

The Senate amendment contained a provision (sec. 2704) that would authorize for appropriation $200,000,000 in additional military construction and military family housing projects for fiscal year 1999.

The House bill contained no similar provision.

The House recedes and the Senate recedes.

The conferees note that the disposition of the military construction projects contained in the Senate amendment is addressed by title XXI, title XXII, and title XXIII of this Act where appropriate.

TITLE XXVIII—GENERAL PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—Military Construction and Military Family Housing Changes

Architectural and engineering services and construction design (sec. 2801)

The Senate amendment contained a provision (sec. 2801) that would amend section 2807 (a) and (d) of title 10, United States Code, to clarify the authority to use design funds after a project has been authorized and to use design funds for the design portion of a design-build contract. The provision would also clarify that ''planning'' and ''study'' efforts associated with military construction projects are not authorized uses of design funds. The provision would also amend 2807(b) of title 10, United States Code, to increase the threshold for congressional notification for payment of architectural and engineering services and construction design from $300,000 to $500,000.

The House bill contained no similar provision.

The House recedes with an amendment that would strike paragraph (a) of the Senate amendment modifying section 2807(a) of title 10, United States Code, regarding covered projects.

Expansion of Army overseas family housing lease authority (sec. 2802)

The Senate amendment contained a provision (sec. 2802) that would amend section 2828(e) of title 10, United States Code, to authorize the Secretary of the Army to increase, by no more than 500 family housing units in Italy and no more than 800 family housing units in Korea, the number of leases for which the maximum amount is $25,000 per unit per year.

The House bill contained no similar provision.

The House recedes.

Definition of ancillary supporting facilities under the alternative authority for acquisition and improvement of military housing (sec. 2803)

The House bill contained a provision (sec. 2801) that would amend section 2871 of title 10, United States Code, to clarify that the development of ancillary supporting facilities in military housing projects undertaken under the authority of subchapter IV, chapter 169 of title 10, United States Code, may include the development of educational facilities to support the needs of dependents of military personnel.

The Senate amendment contained no similar provision.

The Senate recedes.

Purchase of build-to-lease family housing at Eielson Air Force Base, Alaska (sec. 2804)

The Senate amendment contained a provision (sec. 2831) that would authorize the Secretary of the Air Force to purchase a 366-unit military family housing development at Eielson Air Force Base, Alaska, constructed and leased by the Secretary under the authority provided by section 801 of the Military Construction Authorization Act for Fiscal Year 1984 (Public Law 98–115). The purchase price of the housing development would be an amount equal to the amount of the outstanding indebtedness of the developer for the project which would remain at the time of the purchase if the developer had paid down the indebtedness to the lender according to the original payment schedule for the project.

The House bill contained no similar provision.

The House recedes.

Report relating to improvement of housing for unaccompanied members (sec. 2805)

The Senate amendment contained a provision (sec. 2834) that would require the Secretary of Defense to submit a report on the costs and benefits of implementing the initiative to build single occupancy barracks rooms with shared bath, generally known as the ''one-plus-one'' barracks initiative. The provision would prohibit the Secretary from requesting additional funding for the ''one-plus-one'' barracks initiative unless he certifies that it is necessary to assure retention, in adequate numbers, of first-term enlisted members of the Armed Forces.

The House bill contained no similar provision.

The House recedes with an amendment that would broaden the scope of the report to include the plans of the military departments to improve unaccompanied military personnel housing, a cost comparison of implementing the ''one-plus-one'' initiative versus improving existing facilities, and an assessment of the authorities provided by subchapter IV of chapter 169 of title 10, United States Code. The report would include the views of the chiefs and senior enlisted members of each the military services regarding the impact of the quality of unaccompanied military housing on readiness and retention of enlisted members of the Armed Forces. The amendment would also strike the requirement for the Secretary to certify that the ''one-plus-one'' initiative assures the retention of first-term enlisted members in sufficient numbers.

Subtitle B—Real Property and Facilities Administration

Exceptions to real property transaction reporting requirements for war and certain emergency and other operations (sec. 2811)

The Senate amendment contained a provision (sec. 2812) that would amend section 2662 of title 10, United States Code, to waive the reporting requirements for certain real estate transactions. The provision would modify the reporting requirements in the event of a declaration of war, a national emergency, a natural disaster, a contingency operation, or a civil disturbance. In the event the secretary of a military department enters into a real property agreement under these conditions, the secretary would be required to submit a report on the agreement to the Committee on the Armed Services of the Senate and the National Security Committee of the House of Representatives, not later than 30 days after entering into the agreement.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Restoration of Department of Defense lands used by another federal agency (sec. 2812)

The House bill contained a provision (sec. 2811) that would amend section 2662 of title 10, United States Code, to provide the authority for the secretary of a military department to require, as a condition of a lease, permit, license, or other grant of access to lands under the control of the secretary to another federal agency, the removal of any improvements or the taking of any corrective action necessary to restore the land used by another federal agency to the condition the land was in prior to such use.

The Senate amendment contained a similar provision (sec. 2814) that would amend section 2691 of title 10, United States Code, to authorize the secretary of the military department concerned to require users of Department of Defense lands to restore lands upon expiration of their use or to reimburse the military department for performing the restoration.

The House recedes.

Outdoor recreation development on military installations for disabled veterans, military dependents with disabilities, and other persons with disabilities (sec. 2813)

The House bill contained a provision (sec. 2812) that would amend section 103 of the Sikes Act (10 U.S.C. 670c) to ensure, to the maximum extent practicable, that opportunities for outdoor recreation on military installations would be equally available without substantial modification of the natural environment, to disabled veterans, military dependents with disabilities, and other persons with disabilities.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would limit donations to items of real or personal property.

The conferees expect the Secretary of Defense to fund the requirements of this provision without increasing amounts previously planned for activities under the Sikes Act.

Report on leasing and other alternative uses of non-excess military property (sec. 2814)

The Senate amendment contained a provision (sec. 2836) that would require the Secretary of Defense to submit, not later than February 1999, a report on the Department of Defense's use of the authority provided by section 2667 of title 10, United States Code. The report would address the number and purpose of leases entered into under section 2667, the type and amount of payments received, the cost, if any, foregone as a result

of the leases, the positive and negative aspects of leasing, the efforts to promote these type leases to the private sector, any legislative proposal to enhance the Department's capability to lease to the private sector, an estimate of income that could potentially be accrued as a result of enhanced leasing capability, and a discussion on retaining any income from these leases at the installation.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense to submit a report regarding the authority of the military departments and Defense Agencies to lease to the private sector non-excess real and personal property. The report would be prepared in consultation with the secretaries of the military departments and the Director of the Office of Management and Budget. The amendment would include an assessment of the proposal by the Secretary of the Air Force to reduce infrastructure costs at Brooks Air Force Base, Texas, and the proposal of the Secretary of the Navy regarding the potential for the development of Ford Island as part of Naval Complex, Pearl Harbor, Hawaii. The Secretary of Defense shall, as he considers appropriate, also include proposed general legislative authority or authority to conduct pilot projects based on the assessment made of the proposals for Brooks Air Force Base and Ford Island. The amendment would also make certain technical and conforming changes.

Report on implementation of utility system conveyance authority (sec. 2815)

The House bill contained a provision (sec. 2813) that would require the secretary of each military department to submit to Congress, not later than March 1, 1999, a report with a description of the criteria to be used by the secretary in the selection of utility systems and related real property for conveyance pursuant to the authority provided by section 2688 of title 10, United States Code, a description of the manner in which the secretary will ensure that any such conveyance would not adversely affect the national security of the United States and a list of utility systems which are likely to be conveyed.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would delete the requirement for a report containing a list of the utility systems likely to be conveyed. The amendment would also direct the secretary of each military department to assess the advisability of including associated real property with the utility system to be conveyed.

Subtitle C—Defense Base Closure and Realignment

Applicability of property disposal laws to leases at installations to be closed or realigned under base closure laws (sec. 2821)

The Senate amendment contained a provision (sec. 2813) that would amend section 2667(f)(1) of title 10, United States Code, to clarify that the Federal Property and Administrative Services Act of 1949, does not apply to the lease of excess property at closing or realigned installations if the secretary of a military department determines that such lease would facilitate state or local economic adjustment efforts.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Elimination of waiver authority regarding prohibition against certain conveyances of property at Naval Station, Long Beach, California (sec. 2822)

The House bill contained a provision (sec. 2822) that would amend section 2826 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85) to eliminate the authority of the President to waive the prohibition against the direct or indirect conveyance, by sale, lease, or other method, of real property at the former Naval Station, Long Beach, California, under the authority provided by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510) to the China Ocean Shipping Company or any successor of that organization.

The Senate amendment contained no similar provision.

The Senate recedes.

Payment of stipulated penalties assessed under CERCLA in connection with McClellan Air Force Base, California (sec. 2823)

The House bill contained a provision (sec. 2821) that would authorize the use of funds from the base realignment and closure account for the payment of a $15,000 stipulated penalty assessed under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 in connection with the closure of McClellan Air Force Base, California.

The Senate amendment contained a similar provision (sec. 324).

The Senate recedes.

Subtitle D—Land Conveyances

Part I—Army Conveyances

Modification of land conveyance, Army Reserve Center, Youngstown, Ohio (sec. 2831)

The Senate amendment contained a provision (sec. 2830B) that would authorize the Secretary of the Army to convey, without consideration, to the City of Youngstown, Ohio, a parcel of real property, including improvements thereon, that is located at 399 Miller Street and contains the Kefurt Army Reserve Center. The property is to be used for educational purposes. The provision would also repeal section 2861 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104-106), which authorized a similar conveyance for a different purpose.

The House bill contained no similar provision.

The House recedes with an amendment that would modify section 2861(b) of the Military Construction Authorization Act for Fiscal Year 1996 to authorize the conveyance for educational purposes.

Release of interests in real property, former Kennebec Arsenal, Augusta, Maine (sec. 2832)

The Senate amendment contained a provision (sec. 2824) that would authorize the Secretary of the Army to release, without consideration, all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 40 acres located in Augusta, Maine, and formerly known as the Kennebec Arsenal. The provision would remove conditions on the conveyance of the property to permit the State of Maine and the City of Augusta to redevelop the property in support of a museum and for commercial activities.

The House bill contained no similar provision.

The House recedes.

Release waiver, or conveyance of interests in real property, former Redstone Army Arsenal property, Alabama (sec. 2833)

The House bill contained a provision (sec. 2837) that would authorize the Secretary of the Army to release, without consideration and to such extent necessary to protect the interests of the United States, the reversionary interests of the United States in a parcel of real property conveyed to the Alabama Space Science Exhibit Commission pursuant to Public Law 90-276, section 813 of the Military Construction Authorization Act, 1980 (Public Law 96-125), and section 813 of the Military Construction Authorization Act, 1984 (Public Law 98-115).

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Conveyance of utility systems, Lone Star Army Ammunition Plant, Texas (sec. 2834)

The Senate amendment contained a provision (sec. 2830C) that would authorize the conveyance, at fair market value, of all or part of the utility systems at the Lone Star Army Ammunition Plant, Texas, to the Redevelopment Authority for the Red River Army Depot in conjunction with the disposal of property at the Depot under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510).

The House bill contained no similar provision.

The House recedes with an amendment that would require the fair market value of the conveyed utility systems and any associated real property to be determined by an independent appraisal. The amendment would also make certain technical corrections.

Conveyance of water rights and related interests, Rocky Mountain Arsenal, Colorado, for purposes of acquisition of perpetual contracts for water (sec. 2835)

The Senate amendment contained a provision (sec. 2828) that would authorize the Secretary of the Army to convey, with consideration, water rights at Rocky Mountain Arsenal, Colorado to the City and County of Denver, Colorado. The provision would authorize the Secretary to replace the current unreliable water source at the Arsenal with a constant water supply, consistent with an agreement entered into by the Secretary to provide water to local communities affected by environmental contamination caused by the operation of the Arsenal. The provision would also provide for a permanent water supply for the wildlife refuge located at the Arsenal and water storage facilities.

The House bill contained no similar provision.

The House recedes.

Land conveyance, Army Reserve Center, Massena, New York (sec. 2836)

The House bill contained a provision (sec. 2831) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real property with improvements in Massena, New York, to the Village of Massena. The property is to be used for recreational, educational, or other public purposes. The cost of any surveys necessary for the conveyance would be borne by the Village.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require a reversionary interest of the United States for a five year period, beginning on the date the Secretary makes the conveyance.

Land conveyance, Army Reserve Center, Ogdensburg, New York (sec. 2837)

The House bill contained a provision (sec. 2832) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real property with improvements in Ogdensburg, New York, to the Town of Ogdensburg. The property is to be used for recreational, educational, or other public purposes. The cost of any surveys necessary for the conveyance would be borne by the Town.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require a reversionary interest of the United States for a five year period, beginning on the date the Secretary makes the conveyance.

Land conveyance, Army Reserve Center, Jamestown, Ohio (sec. 2838)

The House bill contained a provision (sec. 2833) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real property with improvements in Jamestown, Ohio, to the Greeneview Local School District. The property is to be used for educational purposes. The cost of any surveys necessary for the conveyance would be borne by the District.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require a reversionary interest of the United States for a five year period, beginning on the date the Secretary makes the conveyance. The amendment would also make certain technical corrections.

Land conveyance, Army Reserve Center, Peoria, Illinois (sec. 2839)

The Senate amendment contained a provision (sec. 2830) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real property with improvements to Peoria School District #150, Peoria, Illinois. The purpose of the conveyance would be for education, training, maintenance, and transportation facilities. The provision would contain a reversionary clause in the event that the Secretary of the Army determines that the property is not used in accordance with the condition of conveyance.

The House bill contained no similar provision.

The House recedes with an amendment that would limit the reversionary interest of the United States to a five year period, beginning on the date the Secretary makes the conveyance. The amendment would also make certain technical corrections.

Land conveyance, Army Reserve Center, Bridgton, Maine (sec. 2840)

The Senate amendment contained a provision (sec. 2822) that would authorize the Secretary of the Army to convey, without consideration, a parcel of excess real property with improvements consisting of approximately 3.65 acres to the Town of Bridgton, Maine. The purpose of the conveyance would be for public benefit to facilitate the expansion of a municipal office complex. The provision would include a reversionary clause in the event that the Secretary determines that the conveyed property is not in accordance with the condition of conveyance.

The House bill contained no similar provision.

The House recedes with an amendment that would limit the reversionary interest of the United States to a five year period beginning on the date the Secretary makes the conveyance. The amendment would also make certain technical corrections.

Land conveyance, Fort Sheridan, Illinois (sec. 2841)

The House bill contained a provision (sec. 2838) that would authorize the Secretary of the Army to convey, at fair market value, to the City of Lake Forest, Illinois, approximately 14 acres, including improvement, known as the northern Army reserve enclave. The Secretary of the Army would be authorized, subject to appropriations, to use the proceeds from the conveyance to provide for the construction of replacements facilities and for the relocation costs for reserve units and activities affected by the conveyance.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of the Army to submit a report to the congressional defense committees certifying that the relocation of reserve units and activities impacted by the conveyance is consistent with an approved master plan for the consolidation of reserve activities in the vicinity of Chicago, Illinois. The Secretary may not convey the property until 21 days after the date he submits the report.

Land conveyance, Skaneateles, New York (sec. 2842)

The Senate amendment contained a provision (sec. 2830A) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real property with improvements consisting of approximately 147 acres to the Town of Skaneateles, New York. The purpose of the conveyance would be for recreational and educational purposes. The provision would contain a reversionary clause in the event that the Secretary of the Army determines that the property is not used in accordance with the condition of conveyance.

The House bill contained no similar provision.

The House recedes with an amendment that would limit the reversionary interest of the United States to a five year period, beginning on the date the Secretary makes the conveyance. The amendment would also make certain technical corrections.

Land conveyance, Indiana Army Ammunition Plant, Charlestown, Indiana (sec. 2843)

The House bill contained a provision (sec. 2835) that would authorize the Secretary of the Army to convey a parcel of real property with improvements, consisting of approximately 4,660 acres at the Indiana Army Ammunition Plant, Charlestown, Indiana, to the Indiana Army Ammunition Plant Reuse Authority. The property is to be used for economic development purposes. As consideration for the conveyance, the Authority would pay to the United States an amount equal to the fair market value of the property at the end of the ten year period, beginning on the date the conveyance is completed. The cost of any surveys necessary for the conveyance, and any additional administrative expenses, would be borne by the Authority. This section would also amend section 2858(a) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104- 106), as amended, to authorize the Secretary of the Army to convey, without consideration, an additional parcel of real property consisting of approximately 2,000 acres at the Indiana Army Ammunition Plant, Charlestown, Indiana, to the State of Indiana. The property is to be used for recreational purposes.

The Senate amendment contained a similar provision (sec. 2821).

The Senate recedes with a technical amendment.

Land conveyance, Volunteer Army Ammunition Plant, Chattanooga, Tennessee (sec. 2844)

The House bill contained a provision (sec. 2836) that would authorize the Secretary of the Army to convey a parcel of real property with improvements, consisting of approximately 1,033 acres at the Volunteer Army Ammunition Plant, Chattanooga, Tennessee, to Hamilton County, Tennessee. The property is to be used for economic development purposes. As consideration for the conveyance, the County would pay to the United States an amount equal to the fair market value of the property at the end of the ten year period, beginning on the date the conveyance is completed. The cost of any surveys necessary for the conveyance, and any additional administrative expenses, would be borne by the County.

The Senate amendment contained a similar provision (sec. 2823).

The House recedes.

Land conveyance, Stewart Army Sub-Post, New Windsor, New York (sec. 2845)

The House bill contained a provision (sec. 2834) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real property with improvements, consisting of approximately 391 acres, to the Town of New Windsor, New York. The property is to be used for economic development purposes. The cost of any surveys necessary for the conveyance would be borne by the Town.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would specify that the purpose of the conveyance would be for economic development. The amendment would include as a condition of conveyance that the Town agree to provide connections to local waste water and sewage treatment systems for existing and future improvements to property retained by the Army Reserve and the Marine Corps. The Town would also provide waste water and sewage services at rates established by the appropriate Federal or State regulatory authority.

Part II—Navy Conveyances

Conveyance of easement, Marine Corps Base, Camp Pendleton, California (sec. 2851)

The House bill contained a provision (sec. 2841) that would authorize the Secretary of the Navy to grant an easement in perpetuity over a parcel of real property, consisting of approximately 340 acres, to the Foothill/Eastern Transportation Corridor Agency. The easement is to be used to permit the construction, operation, and maintenance of a restricted access highway. As consideration for the easement, the Agency would pay to the United States an amount equal to the fair market value of the easement. The cost of any surveys necessary for the easement would be borne by the Agency.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Land exchange, Naval Reserve Readiness Center, Portland, Maine (sec. 2852)

The House bill contained a provision (sec. 2842) that would authorize the Secretary of the Navy to convey a parcel of real property, with improvements, consisting of approximately 3.72 acres, to the Gulf of Maine Aquarium Development Corporation. As consideration for the conveyance, the Corporation would pay to the United States an amount equal to the fair market value of the property. The Secretary would use the funds paid by the Corporation for the design, construction, or acquisition of facilities suitable for use by the Naval Reserve.

The Senate amendment contained a similar provision (sec. 2825) that would authorize the Secretary of the Navy to convey a parcel of real property consisting of approximately 3.72 acres, including adjacent submerged lands, and the Naval Reserve Readiness Center, in Portland, Maine, to the Gulf of Maine Aquarium Development Corporation, Portland, Maine, for the purpose of establishing an aquarium and research facility. In exchange for the conveyance, the corporation would provide replacement facilities for the Naval Reserve, as the Secretary determines appropriate.

The House recedes with an amendment that would require the Secretary of the Navy to provide a report to the congressional defense committees on the terms and conditions of the agreement between the Secretary and the Corporation. The Secretary

may not convey the property until 21 days after the date he submits the report.

Land conveyance, Naval and Marine Corps Reserve facility, Youngstown, Ohio (sec. 2853)

The House bill contained a provision (sec. 2843) that would authorize the Secretary of the Navy to convey, without consideration, a parcel of real property with improvements in Youngstown, Ohio, to the City of Youngstown, Ohio. The purpose of the conveyance would be for educational purposes. The cost of any survey necessary for the conveyance would be borne by the city.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require a reversionary interest of the United States for a five year period, beginning on the date the Secretary makes the conveyance. The amendment would also make certain technical corrections.

Land conveyance, Naval Air Reserve Center, Minneapolis, Minnesota (sec. 2854)

The Senate amendment contained a provision (sec. 2829) that would authorize the Secretary of the Navy to convey or lease a parcel of real property, with improvements consisting of approximately 32 acres, comprising the Naval Air Reserve Center, Minneapolis, Minnesota, to the Minneapolis-St. Paul Metropolitan Airports Commission. The purpose of the conveyance would be for expansion of the Minneapolis- St. Paul International Airport. In consideration, the Commission shall provide a replacement facility, acceptable to the Secretary of the Navy, to be used as a Naval Air Reserve Center. The provision would also require the Commission to assume the relocation expenses.

The House bill contained no similar provision.

The House recedes with an amendment that would modify the alternative lease authority. The amendment would also include a notice-and-wait provision and make certain technical corrections.

Part III—Air Force Conveyances

Modification of land conveyance authority, Eglin Air Force Base, Florida (sec. 2861)

The Senate amendment contained a provision (sec. 2827) that would amend the Military Construction Authorization Act, 1979 (Public Law 95-356), as amended by the Military Construction Authorization Act, 1989 (division B of Public Law 100-456), to authorize the conveyance, at fair market value, of an additional parcel of real property consisting of approximately four acres at Eglin Air Force Base, Florida, to the Air Force Enlisted Men's Widows and Dependents Home Foundation, Inc.

The House bill contained no similar provision.

The House recedes.

Modification of land conveyance, Finley Air Force Station, North Dakota (sec. 2862)

The Senate amendment contained a provision (sec. 2830D) that would amend section 2835 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103-337) to authorize the Secretary of the Air Force to convey, without consideration, to the City of Finley, North Dakota, three parcels of real property with improvements consisting of approximately 77 acres. The purpose of the conveyance would be for economic development. The provision would contain a reversionary clause in the event that the Secretary of the Air Force determines that the property is not used in accordance to the condition of conveyance. The Secretary would be authorized to abate any hazardous substance in the improvements to be conveyed.

The House bill contained no similar provision.

The House recedes with an amendment that would limit the reversionary interest of the United States to a five year period, beginning on the date the Secretary makes the conveyance. The amendment would also strike section (c) regarding authority to conduct abatement of hazardous substances. The conferees note that the Secretary of the Air Force, under existing statute, has the authority and responsibility to abate hazardous materials.

Land conveyance, Lake Charles Air Force Station, Louisiana (sec. 2863)

The House bill contained a provision (sec. 2851) that would authorize the Secretary of the Air Force to convey, without consideration, a parcel of real property with improvements, consisting of approximately 4.38 acres, at Lake Charles Air Force Station, Louisiana, to McNeese State University. The property is to be used for educational purposes and for agricultural research. The cost of any surveys necessary for the conveyance would be borne by the University.

The Senate amendment contained a similar provision (sec. 2826). The provision would condition the conveyance upon the acceptance by the University of the property subject to such easements or rights of way as the Secretary considers appropriate. The provision would include a reversion clause in the event that the Secretary determines that the conveyed property is not used in accordance with the condition of conveyance.

The Senate recedes with an amendment that would require a reversionary interest of the United States for a five year period, beginning on the date the Secretary makes the conveyance.

Land conveyance, Air Force Housing facility, La Junta, Colorado (sec. 2864)

The House bill contained a provision (sec. 2852) that would authorize the Secretary of the Air Force to convey, without consideration, a parcel of real property with improvements, consisting of approximately 28 acres, to the City of La Junta, Colorado. The property is to be used for housing and educational purposes. The cost of any surveys necessary for the conveyance would be borne by the City.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require a reversionary interest of the United States for a five year period, beginning on the date the Secretary makes the conveyance. The amendment would also make certain technical corrections.

Subtitle E—Other Matters

Modification of authority relating to Department of Defense laboratory revitalization demonstration program (sec. 2871)

The Senate amendment contained a provision (sec. 2833) that would extend the authority relating to the Department of Defense Laboratory Revitalization Demonstration Program authorized by section 2892 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106) for a five year period, ending on September 30, 2003. The provision would require the Secretary of Defense to submit a report, not later than February 1, 2003, on the desirability of making the program permanent.

The House bill contained no similar provision.

The House recedes.

Repeal of prohibition on joint use of Gray Army Airfield, Fort Hood, Texas, with civil aviation (sec. 2872)

The House bill contained a provision (sec. 2861) that would repeal the prohibition on joint military-civilian use of Gray Army Airfield.

The Senate amendment contained a similar provision.

The Senate recedes.

Modification of demonstration project for purchase of fire, security, police, public works, and utility services from local government agencies (sec. 2873)

The House bill contained a provision (sec. 2864) that would amend section 816(b) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337), as amended, to extend the period under which a demonstration project is authorized for the purchase of fire, security, police, public works, and utility services from local government at specified locations in Monterey, California.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would amend section 816 of the National Defense Authorization Act for Fiscal Year 1995, as amended, by adding new section that would terminate the demonstration project effective September 30, 2000.

Designation of building containing Navy and Marine Corps Reserve Center, Augusta, Georgia (sec. 2874)

The House bill contained a provision (sec. 2862) that would designate the building housing the Navy and Marine Corps Reserve Center in Augusta, Georgia, as the A. James Dyess Building.

The Senate amendment contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Expansion of Arlington National Cemetery

The House bill contained a provision (sec. 2863) that would authorize the transfer of real property and exchange of jurisdiction between the Secretary of Defense and the Secretary of the Army to provide for an expansion of Arlington National Cemetery, Virginia. The property to be transferred to the administrative jurisdiction of the Secretary of the Army consists of three parcels, totaling approximately 36.5 acres, located at the Navy Annex of the Pentagon. The provision would also require the Secretary of the Army to modify the boundary of Arlington National Cemetery to include two parcels of real property, totaling approximately eight acres, situated in Fort Myer, Virginia, contiguous to the Cemetery.

The Senate amendment contained no similar provisions.

The House recedes.

The conferees note that Arlington National Cemetery may be able to accommodate ground burials through approximately the year 2025. The conferees further note that this circumstance may not permit the accommodation of veterans who served in the armed forces during the Vietnam era. The conferees direct the Secretary of the Army, in coordination with the Secretary of Defense and in consultation with the Commonwealth of Virginia, the County of Arlington, Virginia, and appropriate federal agencies, to assess the land requirements, through either acquisition, exchange, or transfer, that would permit an expansion of Arlington National Cemetery to accommodate ground burials beyond the current estimated useful life of the cemetery. The conferees direct the Secretary of the Army to assess the adequacy of the master planning process for the cemetery. The Secretary shall submit a report on the Department's findings, including any recommendations, to the Congress no later than April 1, 1999. The conferees further direct the Secretary to report periodically, as circumstances warrant, on options to enhance Arlington National Cemetery.

Increase in thresholds for reporting requirements relating to real property transactions

The Senate amendment contained a provision (sec. 2811) that would amend section 2662 of title 10, United States Code, to increase the threshold for congressional notification for real property transactions from $200,000 to $500,000. The transactions requiring notification include the purchase, lease, transfer, and disposal of real property.

The House bill contained no similar provision.

The Senate recedes.

Beach replenishment, San Diego, California

The Senate amendment contained a provision (sec. 2832) that would authorize the Secretary of the Navy to use funds remaining from the Naval Air Station North Island, California, dredging project authorized in section 2204(a)(1) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 105–85) to carry out beach replenishment in and around San Diego, California. The provision would authorize the secretary to merge any funds contributed to the cost of that project by the State of California and by local governments under the agreement under section 2205 of the Military Construction Authorization Act for Fiscal Year 1997. The provision would prohibit any obligation of funds to carry out the beach replenishment project until 30 days after the date on which the Secretary submits to the congressional defense committees a report.

The House bill contained no similar provision.

The Senate recedes.

Upon completion of the dredging project at Naval Air Station, North Island, California, authorized by section 2204(a)(1) of the Military Construction Authorization Act for Fiscal Year 1997, and any associated beach replenishment activity otherwise authorized by law, the conferees direct the Secretary of the Navy to submit a report to the congressional defense committees detailing the total cost of the dredging project, the cost of any beach replenishment activity conducted by the Secretary, and the contributions, if any, provided by the State of California and local government agencies for beach replenishment activities associated with activities conducted by the Secretary.

Development of Ford Island, Hawaii

The Senate amendment contained a provision (sec. 2835) that would require the Secretary of Defense to submit, not later than December 1, 1998, a report regarding the potential for development of Ford Island within the Pearl Harbor Naval Complex, Oahu, Hawaii. The report would consider innovative resource development measures, including but not limited to, an enhanced-use leasing program similar to that of the Department of Veterans Affairs, as well as the sale or other disposal of land in Hawaii under the control of the Navy as part of an overall program for Ford Island development. The report would include proposed legislation for carrying out the measures recommended.

The House bill contained no similar provision.

The Senate recedes.

The conferees agree to include a requirement for the Secretary of Defense to assess the proposal of the Secretary of the Navy regarding the potential for the development of Ford Island, and to submit any proposed legislation deemed appropriate, in section 2814 concerning leasing and other alternative uses of non-excess military property.

Repairs and stabilization measures at Walter Reed Army Medical Center

The Senate amendment contained a provision (sec. 2837) that would authorize $2.0 million for repairs and stabilization efforts at Walter Reed Army Medical Center.

The House bill contained no similar provision.

The Senate recedes.

The conferees urge the Department of the Army to allocate sufficient real property maintenance funding to provide for the repair and stabilization of the Forest Glen Annex.

Modification of limitations on general authority relating to base closures and realignments

The Senate amendment contained a provision (sec. 2851) that would amend section 2687 of title 10, United States Code, to further restrict the general authority of the Department of Defense regarding the closure and realignment of military installations. The provision would reduce the current ceiling for closure actions from 300 civilian personnel to 225, and reduce the current ceiling for realignments from 1,000 civilians, or 50 percent of the total civilian employment at a base to 750 or 40 percent respectively.

The House bill contained no similar provision.

The Senate recedes.

Prohibition on closure of a base within four years after a realignment of the base

The Senate amendment contained a provision (sec. 2852) that would amend chapter 159 of title 10, United States Code, to prohibit the Department of Defense from obligating or expending any funds to close a military installation that has been realigned within four years after the completion of any realignment that would reduce the number of civilian personnel employed at that installation below 225.

The House bill contained no similar provision.

The Senate recedes.

Sense of Congress on further rounds of base closures

The Senate amendment contained a provision (sec. 2853) that would express the sense of Congress that Congress should not authorize further rounds of base closure and realignment until all actions resulting from the 1995 round are completed and that the Department of Defense should submit forthwith the report required by section 2815 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337), concerning the effects of base closures on the ability of the armed forces to remobilize.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXIX—JUNIPER BUTTE RANGE WITHDRAWAL

LEGISLATIVE PROVISIONS ADOPTED

Juniper Butte Range withdrawal (secs. 2901–2919)

The Senate amendment contained title XXIX (secs. 2901–2919) that would provide for the withdrawal and reservation of approximately 12,000 acres of public lands, known as the Juniper Butte Range, Idaho, to support enhanced military training at Mountain Home Air Force Base, Idaho.

The House bill contained no similar provision.

The House recedes with an amendment that would ensure that environmental remediation of relinquished withdrawn lands conforms to existing legal requirements, strike the sense of the Senate regarding the monitoring of withdrawn lands, provide for indemnification of the United States against any liability related to mining activities, and make certain technical corrections.

The conferees direct the Department of the Air Force to develop a cooperative effort with the Bureau of Land Management, the State of Idaho, and Owyhee County, Idaho, to monitor the impact of military activities on the natural, cultural, and other resources of the lands withdrawn and reserved by this title, as well as other federal and state lands affected by military activities associated with the Juniper Butte Range. The Secretary of the Air Force shall ensure that budgetary planning includes sufficient funds to provide for the participation of the Department of the Air Force in such a federal, state, and local cooperative monitoring effort. The conferees expect that the budgetary planning of the Department of the Air Force will be consistent with the commitment made by the Secretary of the Air Force, in a letter dated June 11, 1998.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Overview

The budget request for fiscal year 1999 contained an authorization of $12,280.2 million for the Defense Nuclear Activities. The House bill would authorize $11,879.5 million. The Senate amendment would authorize $11,920.9 million. The conferees recommended an authorization of $11,950.2 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Summary of
National Defense Authorization for FY 1999

(In Thousands of $'s)

	Authorization Request	House Authorized	Senate Authorized	Change from Request	Conference Agreement
TITLE XXXI-XXXII					
ATOMIC ENERGY DEFENSE ACTIVITIES (053)					
Weapons Activities	4,500,000	4,142,100	4,374,700	(180,900)	4,319,100
Defense Environmental Restoration and Waste Management	4,259,903	4,373,553	5,302,143	1,092,140	5,352,043
Defense Nuclear Waste Disposal	190,000	190,000	190,000	0	190,000
Other Defense Actitivities	1,667,160	1,700,760	1,672,160	27,000	1,694,160
Defense Facilities Closure Projects	1,006,240	1,046,240	0	(1,006,240)	0
Defense Environmental Management Privatization	516,857	286,857	241,857	(262,000)	254,857
Formerly Utilized Site Remediation	140,000	140,000	140,000	0	140,000
Defense Nuclear Facilities Safety Board	17,500	17,500	17,500	0	17,500
Total Atomic Energy Defense Activities (053)	12,297,660	11,897,010	11,938,360	(330,000)	11,967,660

Fiscal Year 1999 Department of Energy Defense Activities

(Dollars in Thousands)

ACCOUNT TITLE	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreemment
ATOMIC ENERGY DEFENSE ACTIVITIES					
WEAPONS ACTIVITIES					
Stockpile Stewardship					
Core Stockpile Stewardship					
Operation and Maintenance	1,505,832	1,475,832	1,440,832	(30,000)	1,475,832
Construction:					
99-D-102 Rehabilitation of maintenance facility, LLNL, Livermore, CA	6,500	6,500	6,500		6,500
99-D-103 Isotope sciences facilities, LLNL Livermore, CA	4,000	4,000	4,000		4,000
99-D-104 Protection of real property (roof reconstruction-Phase II), LLNL, Livermore, CA	7,300	7,300	7,300		7,300
99-D-105 Central health physics calibration facility, LANL, Los Alamos, NM	3,900	3,900	3,900		3,900
99-D-106 Model validation & system certification test center, SNL, Albuquerque, NM	1,600	1,600	1,600		1,600
99-D-107 Joint computational engineering laboratory, JCEL, SNL, Albuquerque, NM	1,800	1,800	1,800		1,800
99-D-108 Renovate existing roadways, Nevada Test Site, NV	2,000	2,000	2,000		2,000
97-D-102 Dual-axis radiographic hydrotest (DARHT) facility, LANL, Los Alamos, NM	36,000	36,000	36,000		36,000

Fiscal Year 1999 Department of Energy Defense Activities
(Dollars in Thousands)

ACCOUNT TITLE	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreemment
96-D-102 Stockpile stewardship facilities revitalization, Phase VI, various locations	20,423	20,423	20,423		20,423
96-D-103 ATLAS, Los Alamos National Laboratory, Los Alamos, NM	6,400	6,400	6,400		6,400
96-D-104 Processing and environmental technology laboratory (PETC), SNL, Albuquerque, NM	18,920	18,920	18,920		18,920
96-D-105 Contained firing facility (CFF) addition, LLNL, Livermore, CA	6,700	6,700	6,700		6,700
Total, Construction	115,543	115,543	115,543	0	115,543
Total, Core Stockpile Stewardship	1,621,375	1,591,375	1,556,375	(30,000)	1,591,375
Inertial Fusion					
Operation and Maintenance	213,800	213,800	213,800		213,800
Construction:					
96-D-111 National ignition facility (NIF) LLNL	284,200	284,200	284,200		284,200
Total, Inertial Fusion	498,000	498,000	498,000	0	498,000
Technology Partnerships/Education					
Technology partnership	60,000	40,000	60,000	(10,000)	50,000
Education	9,000	9,000	9,000		9,000
Total, Technology Partnerships/Education	69,000	49,000	69,000	(10,000)	59,000
Total, Stockpile Stewardship	2,188,375	2,138,375	2,123,375	(40,000)	2,148,375
Stockpile Management					
Operation and Maintenance	1,935,803	2,019,303	2,040,803	78,500	2,014,303
Construction:					
99-D-122 Rapid reactivation, various locations	11,200	11,200	11,200		11,200

Fiscal Year 1999 Department of Energy Defense Activities

(Dollars in Thousands)

ACCOUNT TITLE	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreemment
99-D-123 Replace mechanical utility systems, Y-12 plant, Oak Ridge, TN	1,900	1,900	1,900		1,900
99-D-125 Replace boilers & controls, Kansas City plant, Kansas City, MO	1,000	1,000	1,000		1,000
99-D-127 Stockpile management restructuring initiative, Kansas City plant, Kansas City, MO	13,700	13,700	13,700		13,700
99-D-128 Stockpile management restructuring initiative Pantex plant, Amarillo, TX	1,108	1,108	1,108		1,108
99-D-132 SMRI nuclear materials S&S upgrades project, LANL, Los Alamos, NM	9,700	9,700	9,700		9,700
98-D-123 Stockpile management restructuring initiative, Tritium facility modernization and consolidation, Savannah River, SC	27,500	27,500	27,500		27,500
98-D-124 Stockpile management restructuring initiative, Y-12 consolidation, Oak Ridge, TN	10,700	10,700	10,700		10,700
97-D-122 Nuclear materials storage facility renovation, LANL, Los Alamos, NM	9,164	9,164	4,864	(5,400)	3,764
97-D-123 Structural upgrades, Kansas City plant, Kansas City, MO	6,400	6,400	6,400		6,400
96-D-122 Sewage treatment quality upgrade (STQU), Pantex plant, Amarillo, TX	3,700	3,700	3,700		3,700
95-D-102 Chemistry and metallurgy research building (CMR) upgrades project, LANL, Los Alamos, NM	16,000	16,000	5,000	(11,000)	5,000

Fiscal Year 1999 Department of Energy Defense Activities

(Dollars in Thousands)

ACCOUNT TITLE	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreemment
93-D-122 Life safety upgrades, Y-12 plant, Oak Ridge, TN	3,250	3,250	3,250		3,250
Total, Construction	115,322	115,322	100,022	(16,400)	98,922
Total, Stockpile Management	2,051,125	2,134,625	2,140,825	62,100	2,113,225
Program Direction	260,500	240,000	255,500	(10,500)	250,000
Stockpile stewardship & mgmt constr general red		(30,000)		(13,600)	(13,600)
Subtotal, Weapons Activities	4,500,000	4,483,000	4,519,700	(2,000)	4,498,000
Use of prior year balances	0	(340,900)	(145,000)	(178,900)	(178,900)
Project overrun reserve	0		0		
Other costs and credits	0		0		
TOTAL, WEAPONS ACTIVITIES	4,500,000	4,142,100	4,374,700	(180,900)	4,319,100
DEFENSE ENVIRONMENTAL RESTORATION & WASTE MANAGEMENT					
Site/Project Completion					
Operation and maintenance	848,090	886,090	848,090	20,000	868,090
Construction:					
99-D-402 Tank farm support services, F&H area, Savannah River Site, Aiken, SC	2,745	2,745	2,745		2,745
99-D-404 Health physics instrumentation laboratory, INEEL, ID	950	950	950		950
98-D-401 H-tank farm storm water systems upgrade, Savannah River site, Aiken, SC	3,120	3,120	3,120		3,120
98-D-453 Plutonium stabilization and handling system for PFP, Richland, WA	26,814	26,814	26,814		26,814

Fiscal Year 1999 Department of Energy Defense Activities

(Dollars in Thousands)

ACCOUNT TITLE	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreemment
98-D-700 INEL road rehabilitation, INEEL, ID	7,710	7,710	7,710		7,710
97-D-450 Actinide packaging and storage facility, Savannah River Site, Aiken, SC	79,184	79,184	79,184		79,184
97-D-470 Regulatory monitoring and bioassay lab, Savannah River Site, Aiken, SC	7,000	7,000	7,000		7,000
96-D-406 Spent nuclear fuels canister storage and stabilization facility, Richland, WA	38,680	38,680	38,680		38,680
96-D-408 Waste management upgrades, Kansas City Plant, Kansas City, MO, and Savannah River Site, Aiken, SC	4,512	4,512	4,512		4,512
96-D-464 Electrical & utility systems upgrade, Idaho Chemical Processing Plant, INEEL, Idaho Falls, ID Engineering Laboratory, ID	11,544	11,544	11,544		11,544
96-D-471 CFC HVAC/chiller retrofit, Savannah River Site, Aiken, SC	8,000	8,000	8,000		8,000
95-D-456 Security facilities consolidation, Idaho Chemical Processing Plant, INEEL, Idaho Falls, ID	485	485	485		485
92-D-140 F&H canyon exhaust upgrades Savannah River Site, Aiken, SC	3,667	3,667	3,667		3,667
86-D-103 Decontamination and waste treatment facility, LLNL, Livermore, CA	4,752	4,752	4,752		4,752
Total, Construction	199,163	199,163	199,163	0	199,163
Total, Site/Project Completion	1,047,253	1,085,253	1,047,253	20,000	1,067,253

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Fiscal Year 1999 Department of Energy Defense Activities

(Dollars in Thousands)

ACCOUNT TITLE	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreemment
Post 2006 Completion					
Operation and Maintenance	2,592,195	2,684,195	2,602,195	71,000	2,663,195
Construction:					
99-D-403 Privatization phase I infrastrucure support, Richland, WA	14,800	14,800	14,800		14,800
97-D-402 Tank farm restoration and safe operations, Richland, WA	22,723	22,723	22,723		22,723
96-D-408 Waste management upgrades, Richland, WA	171	171	171		171
94-D-407 Initial tank retrieval systems, Richland, WA	32,860	32,860	32,860		32,860
93-D-187 High-level waste removal from filled waste tanks, Savannah River Site, Aiken, SC	10,702	10,702	10,702		10,702
Total, Construction	81,256	81,256	81,256	0	81,256
Total, Post 2006 Completion	2,673,451	2,765,451	2,683,451	71,000	2,744,451
Closure Projects	0	0	1,006,240	1,038,240	1,038,240
Construction:					
Technology development	193,000	270,750	250,000	57,000	250,000
Program direction	346,199	346,199	336,199		346,199
Subtotal, Def Environmental Restoration & Waste Mgmt	4,259,903	4,467,653	5,323,143	1,186,240	5,446,143
Savannah River Pension Refund	0	0	0		0
Use of Prior Year Balances	0	(94,100)	(21,000)	(94,100)	(94,100)
Genral Reduction	0				
TOTAL, DEFENSE ENVIRONMENTAL REST. & WASTE MGMT.	4,259,903	4,373,553	5,302,143	1,092,140	5,352,043

Fiscal Year 1999 Department of Energy Defense Activities

(Dollars in Thousands)

ACCOUNT TITLE	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreemment
DEFENSE FACILITIES CLOSURE PROJECTS					
Site closure	1,006,240	1,046,240	0	(1,006,240)	0
DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION					
Privatization initiatives, various locations	516,857	286,857	241,857	(262,000)	254,857
OTHER DEFENSE ACTIVITIES					
Nonproliferation and National Security					
Verification and Control Technology					
Nonproliferation and verification R&D	210,000	210,000	210,000		210,000
Arms control	256,900	256,900	256,900		256,900
Intelligence	33,600	33,600	36,600	3,000	36,600
Total, Verification and Control Technology	500,500	500,500	503,500	3,000	503,500
Nuclear safeguards and security	53,200	53,200	53,200		53,200
Security investigations	30,000	30,000	30,000		30,000
Offset to user organizations for secruity investigations				(20,000)	(20,000)
Emergency management	23,700	21,300	23,700		23,700
Program direction	88,900	88,900	84,900		88,900
Use of prior year balances	0				
Total, Nonproliferation and National Security	696,300	693,900	695,300	(17,000)	679,300
Worker and Community Transition					
Worker and community transition	41,000	41,000	36,000	(5,000)	36,000
Program direction	4,000	4,000	4,000		4,000
Total, Worker and Community Transition	45,000	45,000	40,000	(5,000)	40,000

Fiscal Year 1999 Department of Energy Defense Activities

(Dollars in Thousands)

ACCOUNT TITLE	Request	House Authorized	Senate Authorized	Conference Change	Conference Agreemment
Fissile Materials Control and Disposition					
Operation and maintenance	111,372	111,372	111,372		111,372
Construction					
99-D-141 Pit disassembly and conversion Facility, Various locations	25,000	25,000	25,000		25,000
99-D-143 Mixed oxide fuel fabrication facility, Various locations	28,000	28,000	28,000		28,000
Total, Construction	53,000	53,000	53,000	0	53,000
Program direction	4,588	4,588	4,588		4,588
Total, Fissile Materials Control and Disposition	168,960	168,960	168,960	0	168,960
Environment, Safety & Health					
Office of environment, safety and health (defense)	69,231	89,231	64,231	15,000	84,231
Program direction	4,769	4,769	4,769		4,769
Total, Environment, Safety and Health	74,000	94,000	69,000	15,000	89,000
Office of hearings and appeals	2,400	2,400	2,400		2,400
Nuclear Energy					
Nuclear technology research and development	0	0	0		0
International nuclear safety	35,000	35,000	35,000		35,000
National security program administrative support					
Nuclear security	0	0	0		0
Chornobyl shutdown initiative	0	0	0		0
Total, Nuclear Energy	35,000	35,000	35,000	0	35,000
Independent assessment of DOE projects	0		0		0

- Modeling medical device labeling revisions
- Forecasting medical device manufacturer compliance responses and costs
- Calculating with a formal model medical device relabeling costs

1.2 Number of Labels Affected per Medical Device

The FDA-mandated labeling statement is required on all device labels, including the principal display panel of the device packaging, the outside package, container, or wrapper, and the immediate device package, container, or wrapper. The statement must also appear on promotional materials. Where applicable, package inserts and Instructions for Use pamphlets must also be revised. While some labeling also includes physician operating manuals, technician or maintenance manuals, or other lengthy labeling, the natural rubber-containing devices generally do not include these items. ERG interpreted the regulation not to require a statement on shipping cartons.

FDA surveyed its medical device reviewers for the affected product categories and solicited information on the number of labels included in product shipments. FDA's reviewers estimated for most product categories that two to three device labels would be affected. Based on these inputs, and to ensure that costs are not underestimated, ERG used an estimate of 3 levels of labeling per device in developing the cost estimates.[1]

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[1] The three levels of labeling should not be interpreted as three labels per medical device. Based on discussions with medical device manufacturers, ERG determined that most of the natural rubber-containing medical devices are not sold individually but rather in cases consisting of numerous units. ERG assumed that a representative case (third level packaging) has four boxes (second level packaging) each of which contains ten individually wrapped (primary packaging) units of the given medical device. Thus, the number of labels per case is 45 in the cost computations.

1.3 Number of Medical Devices Categories and Models Affected

FDA identified 43 medical device categories that are addressed by the regulation. FDA device reviewers also estimated the percentage of devices in each category that are covered by the regulation. Additionally, an estimated 15 percent of in vitro diagnostic kits (IVDs), which are classified in a number of medical device categories, are covered by the regulation (FDA, Division of Clinical Laboratory Devices, 1998). Table 1-1 lists the device categories, the number of listed devices per category (i.e., the number of devices manufacturers are authorized to offer for sale), and the percentage share of devices within each category that contains natural rubber components that contact humans. The regulated devices include 5 categories of tracheal tubes, 4 of condoms, and 3 of catheters.

Within each of the medical device categories, it was also necessary to estimate the number of device models that are distinctly labeled. Manufacturers separately prepare and print each set of labels and therefore their labeling costs will be a multiple of the number of labels they revise. To address this point, ERG collected sales catalogues for approximately one-half of the medical device categories covered. The catalogues provided sufficient information to support estimates of the number of distinctly labeled models. ERG estimated that on average manufacturers sold 14 models of each of the listed medical devices. In developing these estimates, ERG was cognizant both of the number of different models sold (number of sizes, variety of styles), and of the possibility that numerous similar models will be packaged with the same base set of labeling. Manufacturers often use a production line labeling machine or other method to print a distinguishing model number on different models that are otherwise shipped with identical labeling. Similarly, manufacturers often prepare Instructions for Use and other labels to be applicable for multiple device models. In such cases, a manufacturer that sells ten models of a given device might only be changing one set of labeling. For IVDs, a separate estimate was made that there is typically only 1 model per listed device. ERG's estimates of the number of models affected are displayed in Table 1-2.

LEGISLATIVE PROVISIONS ADOPTED

Subtitle A—National Security Programs Authorizations

Weapons activities (sec. 3101)

The House bill contained a provision (sec. 3101) that would authorize $4.5 billion for weapons activities and an offset of $340.9 million to account for available uncosted, unobligated prior year funds.

The Senate bill contained a similar provision (sec. 3101) that would authorize $4.5 billion for weapons activities and an offset of $145.0 million to account for available uncosted, unobligated prior year funds.

The House recedes in part and the Senate recedes in part.

The conferees recommend authorization of $4.5 billion for atomic energy defense weapons activities of the Department of Energy, a reduction of $2.0 million from the requested amount of $4.5 billion. The amount authorized is for the following activities: $2.1 billion for stockpile stewardship, a reduction of $40.0 million; $2.1 billion for stockpile management activities, an increase of $62.1 million; and $250.0 million for program direction, a reduction of $10.5 million. The conferees recommend an undistributed reduction of $13.6 million to stockpile stewardship and stockpile management construction projects. The conferees further recommend an undistributed reduction of $178.9 million to operating and management and program direction funds to be offset by available uncosted, unobligated prior year funds.

Stockpile stewardship programs

The conferees recommend $487.0 million for the Accelerated Strategic Computing Initiative (ASCI) and Stockpile Computing program, a reduction of $30.0 million. The conferees note that even at this reduced level of funding, the ASCI program will experience significant growth over fiscal year 1998 funding levels.

The conferees believe that the Department has not fully justified the rapid growth requested for this program or the pace of acquisition of added computational capacities. The conferees believe that the proposed reduction will have no significant impact on the Department's stockpile stewardship and management programs. The conferees strongly encourage the Department to slow the rate of growth in this program in future fiscal years.

The conferees support the Secretary of Energy's commitment to fund cooperative efforts with the Pittsburgh Supercomputing Center. The conferees note, however, that the utilization rate of existing DOE-owned supercomputers is very low. The conferees direct the Secretary of Energy to report to the congressional defense committees on the justification for such leases, and whether any such leased capabilities can better meet the Department's supercomputing needs in lieu of planned acquisitions proposed within the ASCI program.

Stockpile management programs

Of the funds available for stockpile management, the conferees recommend an increase of $58.5 million for weapons production plants, to be allocated as follows: $25.0 million for the Pantex Plant to support scheduled workload requirements associated with weapons dismantlement activities and for skills retention; $15.5 million for the Kansas City Plant to support advanced manufacturing efforts such as the Advanced Development Program and for skills retention; $13.0 million for the Y–12 Plant to support maintenance of core stockpile management capabilities; and $5.0 million for the Savannah River Site to support infrastructure and maintenance activities.

The Senate report (S. Rpt. 105–189) encouraged the Assistant Secretary for Defense Programs to create a stockpile stewardship and management council to advise the Assistant Secretary on programmatic and budget issues related to the Department's weapons missions. The conferees address this issue in a separate provision in this title.

Consistent with the Senate report, the conferees direct the Secretary of Energy and Secretary of Defense to prepare a long range plan identifying pit production requirements, including quantities by warhead type, schedules, costs, and siting options. The report should also identify the military requirements and assumptions underlying each option and include options that reflect various potential stockpile levels. The report should be submitted to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives in both unclassified and classified form not later than March 1, 1999.

Technology transfer and education

The conferees recommend $59.0 million for technology transfer and education activities. Of this amount, the conferees recommend $10.0 million for the American Textiles Partnership project.

Program direction

The conferees recommend a $10.5 million reduction to the budget request for program direction. The conferees believe that the reduction can be achieved through continued efficiency savings to be gained from realignment efforts described in the Institute for Defense Analysis report on the Department's management structure for weapons activities.

Construction projects

The conferees recommend a reduction of $30.0 million to stockpile stewardship and stockpile management construction projects, to be allocated as follows: a reduction of $11.0 million from the chemistry and metallurgy research facility renovation project (95–D–102) to reflect continued delays and suspended operations at that facility; a reduction of $5.4 million from the nuclear material storage facility renovation project (97–D–122) to reflect delays in final design and deferral of planned construction activities; and an undistributed reduction of $13.6 million.

The conferees compliment the Director of Los Alamos National Laboratory on the establishment of an external evaluation team to review laboratory construction projects, including laboratory management practices, management tools, organization, and training. The conferees understand that the external team will make recommendations to the Director for systematic improvements to current practices. The conferees endorse this approach.

Tritium production

The conferees do not believe the Department's fiscal year 1999 budget request of $157.0 million for tritium production to be credible. The conferees note that the requirement to deliver new tritium by the year 2005 for the light water reactor and the year 2007 for the accelerator, as identified in the Nuclear Weapons Stockpile Memorandum, has not changed. The conferees believe that the Department's unwillingness to include funding for the acquisition of a new tritium source in its proposed out year funding plan is unacceptable. Further, the conferees note that the fiscal year 1999 budget request does not appear to be sufficient to complete the Department's own dual track tritium strategy. The conferees are very concerned that the Department did not request sufficient funds to continue evaluation of both technologies being considered under the dual track approach. The conferees recommend an increase of $20.0 million for design and research associated with the accelerator production of tritium option.

The conferees direct the Secretary of Energy to submit to the congressional defense committees a plan regarding how all fiscal year 1999 tritium funds will be allocated. The plan shall be submitted not later than 45 days after enactment of this Act.

Inertial confinement fusion

The budget request included $213.8 million for the inertial confinement fusion (ICF) program. The conferees believe that work by the University of Rochester's Laboratory for Laser Energetics with the Omega laser is an essential element of the ICF program. The conferees recommend the requested amount and direct that, within the amount available, the $29.0 million be allocated for the Laboratory for Laser Energetics.

Defense environmental restoration and waste management (sec. 3102)

The House bill contained a provision (sec. 3102) that would authorize $5.8 billion for defense environmental restoration and waste management activities (also known as the Environmental Management program), including defense environmental management privatization, and an offset of $94.1 million to account for available uncosted, unobligated prior year funds, for a total reduction of $76.4 million to the budget request.

The Senate amendment contained a similar provision (sec. 3102) that would authorize $5.3 billion for defense environmental restoration and waste management activities, excluding defense environmental management privatization, and an offset of $21.0 million to account for available uncosted, unobligated prior year funds, for a total increase of $36.0 million to the budget request.

The House recedes in part and the Senate recedes in part.

The conferees recommend authorization of $5.4 billion for defense environmental management activities, excluding defense environmental management privatization, an increase of $85.9 million to the budget request. The amount authorized is for the following activities: $1.0 billion for closure projects, an increase of $32.0 million; $1.0 billion for site and project completion, an increase of $20.0 million; $2.7 billion for post-2006 completion, an increase of $71.0 million; $250.0 million for technology development, an increase of $57.0 million; $346.2 million for program direction, the amount of the budget request. The conferees recommend an undistributed reduction of $94.1 million to be offset by available uncosted, unobligated prior year funds.

Post-2006 completion

Of the amounts authorized for post-2006 completion, the conferees recommend an increase of $5.0 million to the National Spent Fuel Program to address regulatory and repository issues associated with Department of Energy owned spent nuclear fuel, an increase of $10.0 million to accelerate research and treatment of high level nuclear wastes at the Idaho National Engineering and Environmental Laboratory, an increase of $18.0 million to drain single shell tanks at the Hanford site, an increase of $30.0 million for augmentation of the Defense Waste Processing Facility operations and modification of in-tank precipitation process equipment at the Savannah River Site to address problems associated with the release of explosive benzene, and an increase of $8.0 million to assist the State of New Mexico with completion of a bypass around Santa Fe to accomodate shipments of materials to the Waste Isolation Pilot Plant. The conferees recommend full funding for the F-canyon and H-canyon materials processing facilities.

Site and project completion

Of the amounts authorized for site and project completion, the conferees recommend an increase of $20.0 million for the

heavy water processing project at the Savannah River Site. The conferees understand that this project will result in net revenues to the government over the next five years.

Technology development

The conferees are concerned that the budget request for the Office of Science and Technology is inadequate. Recent departmental testimony to the Committee on Armed Services of the Senate and findings in the ''Accelerating Cleanup—Pathways to Closure'' report have identified that the Department cannot meet its accelerated closure goals without aggressive application of new technologies. The conferees agree with the Department's assessment of the need for increased use of innovative technology at DOE facilities. The conferees encourage the Department to revise its performance measures for facility managers to include the application of new technology in site cleanup activities.

The conferees encourage DOE to continue cooperative efforts with Federal and State regulators and non-profit organizations to facilitate the rapid deployment of innovative technologies at DOE sites. This effort should include cooperative efforts to assist the implementation of more uniform technology verification and regulatory acceptance criteria to DOE-developed technologies.

The conferees direct the Secretary of Energy to submit a report to Congress on the proposed uses of the $57.0 million increase in this account.

No funds authorized to be appropriated pursuant to this section are available to support, or enter into cooperative efforts in support of, the Russian Nuclear Cities Initiative, or any other foreign assistance program. The conferees continue to support cooperative programs with international partners that facilitate environmental cleanup or waste management activities at Department of Energy sites.

Off-site disposal of low level waste

The conferees are concerned that the Department has only one commercial low-level waste disposal option available. Although this facility has a satisfactory operating record and has proven to be a cost effective option for waste disposal, it remains the Department's sole large-scale commercial disposal option. The conferees encourage the Department to move forward with a national procurement, as announced by the Secretary of Energy, to initiate open competition for the Department's off-site waste disposal contracts.

Other defense activities (sec. 3103)

The budget request included $1.667 billion for Other Defense Activities for the Department of Energy (DOE) for fiscal year 1999, which included an offset to user organizations of $20.0 million.

The House bill contained a provision (sec. 3103) that would authorize a $33.6 million increase to the budget request.

The Senate amendment contained a provision (sec. 3103) that would authorize a $5.0 million increase to the budget request.

The conferees recommend authorization of $1.716 billion for other defense activities, an increase of $27.0 million to the budget request, for the following activities: $679.3 million for nonproliferation and national security activities, of which $503.5 million is for verification and control technology activities; $168.9 million for fissile materials control and disposition; $89.0 million for environment, safety and health activities; $35.0 million for international nuclear safety activities; and $681.5 million for naval reactors. The amount authorized is offset by $20.0 million to account for user organizations, and is further offset by $2.0 million in uncosted and unobligated prior year funds.

Nonproliferation and verification and control technology

The conferees agree to a $3.0 million increase to the budget request for intelligence activities. The conferees also express their continued support for the broad participation of the Department of Energy national laboratories, including the Pacific Northwest Laboratory, Idaho National Laboratory, the Savannah River Site and industry in the research and development of forensic analytical technologies to detect and respond to radiological and nuclear threats and international nuclear smuggling events. Additionally, the conferees direct that the Department ensure that all research and development activities in the area of chemical and biological detection and defense be coordinated with the Department of Defense.

Russian reactor core conversion program

The conferees endorse the recommendation contained in the Senate report (S. Rept. 105–189) that the Department of Energy keep the congressional defense committees informed on the status of the Reactor Shutdown Agreement between the United States and the Russian Federation.

Nuclear smuggling and counterterrorism

The conferees direct the Department of Energy to report to the congressional defense committees not later than 30 days after the date of enactment of this Act on the use of funds made available in the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) to plan and conduct exercises to prepare Federal, state, and local entities to respond to domestic terrorist use of nuclear materials and devices. Additionally, the conferees direct the Department of Energy to report to the congressional defense committees not later than November 1, 1998 on the status of the investigations of the sale of high performance computers to Russia and China, and steps taken by the Department of Energy and other federal agencies and department of the U.S. Government to recover such high performance computers.

Emergency management

The conferees agree to authorize the budget request of $23.7 million for emergency management activities to strengthen and expand the Department's support for domestic crisis and consequence management in combatting weapons of mass destruction terrorism and nuclear smuggling and nuclear material trafficking as well as to provide comprehensive, integrated emergency planning, preparedness, response, and management throughout the Department of Energy. The conferees agree that no funds authorized for the Department are to be used to provide support to state and local authorities for activities unrelated to providing appropriate emergency responses to natural and man-made disasters involving radiological hazards and threats.

Fissile materials control and disposition

The conferees recommend the budget request of $168.9 million for fissile materials control and disposition. The conferees are pleased with the approach being pursued by the Department in the fissile materials disposition program. The conferees authorize full funding for title I design for new materials disposition facilities. The conferees direct the Secretary to continue planning and design of such facilities.

The conferees agree that $25.0 million, as requested in the budget for the fissile materials control and disposition program, for cooperative efforts with the Russian Federation is adequate for this activity. With the exception of achieving agreement on a joint testing program, the conferees believe there has has been insufficient progress achieved in negotiating the bilateral agreement with the Russian Federation. The conferees encourage the Department to continue its efforts to achieve an agreement with the Russian Federation on this program. In the interim, the conferees direct the Department to report periodically to the congressional defense committees on the status of efforts to achieve agreement on this program, as well as on the estimated cost and how the Russian Federation proposes to finance the program.

Security investigations

The conferees understand that the costs of conducting security investigations is borne principally by individual departmental program elements. The conferees further understand that the amount requested by the Department in the security investigations account includes funds that are also included in individual Departmental program element budgets and are, therefore, double counted. In order to reflect the true costs of such activities, the conferees decreased the amount authorized by section 3103(a)(1)(C) by $20.0 million to reflect those funds that are included in program element budgets.

Worker and community transition

The conferees recommend a reduction of $5.0 million to the worker and community transition budget request.

Environment, safety and health—defense

The conferees recommend an increase of $15.0 million to the budget request for defense environment, safety and health for health studies.

Naval reactors

The conferees recommend an increase of $16.0 million to the budget request for the Office of Naval Reactors to expedite decommissioning and decontamination activities at surplus prototype plant facilities.

Defense nuclear waste disposal (sec. 3104)

The House bill contained a provision (sec. 3104) that would authorize $190.0 million for the Department of Energy fiscal year 1998 defense contribution to the defense nuclear waste fund.

The Senate amendment contained an identical provision (sec. 3104).

The conference agreement includes this provision.

Defense environmental management privatization (sec. 3105)

The Senate amendment contained a provision (sec. 3105) that would provide $273.9 million for defense environmental management privatization projects to be allocated as follows: $113.5 million for the tank waste remediation system project, phase I (Richland); $20.0 million for spent nuclear fuel dry storage (Idaho); $87.3 million for advanced mixed waste treatment (Idaho); $19.6 million for remote handled transuranic waste transportation (Carlsbad); and $33.5 million for environmental management/waste management disposal (Oak Ridge). The Senate amendment further authorized the use of $32.0 million in unobligated, uncosted, and undistributed prior year defense environmental management privatization funds.

The House bill contained a similar provision (section 3102) that addressed all defense environmental management funds, including $286.8 million for defense environmental management privatization projects.

The House recedes with an amendment that would provide $286.9 million for defense environmental management privatization projects to be allocated as follows: $100.0 million for the tank waste remediation system project, phase I (Richland); $30.0 million for spent nuclear fuel dry storage (Idaho); $87.3 million for advanced mixed waste treatment (Idaho); $19.6 million for remote handled

transuranic waste transportation (Carlsbad); and $50.0 million for environmental management/waste management disposal (Oak Ridge). The conferees agree to offset this amount through the use of $32.0 million in unobligated, uncosted, and undistributed prior year defense environmental management privatization funds. The conferees direct that the offset be achieved through the use of: $15.0 million in fiscal year 1997 unobligated, uncosted balances to reflect the cancellation of the broad spectrum low activity mixed waste treatment privatization project (Oak Ridge); $10.0 million in fiscal year 1997 unobligated, uncosted balances to reflect cancellation of the waste water treatment plant privatization project (Rocky Flats); and $7.0 million in fiscal year 1998 unobligated, uncosted and undistributed balances.

The conferees note that the Senate report endorsed the transfer of responsibility for the Hanford Tank Waste Remediation System (TWRS) project to the Assistant Secretary of Energy for Environmental Management. The conferees address this issue in a separate section of this title.

SUBTITLE B—RECURRING GENERAL PROVISIONS

Reprogramming (sec. 3121)

The House bill contained a provision (sec. 3121) that would prohibit the reprogramming of funds in excess of 110 percent of the amount authorized for the program, or in excess of $1.0 million above the amount authorized for the program, until the Secretary of Energy submits a report to the congressional defense committees and a period of 30 calendar days has elapsed after the date on which the report is received.

The Senate amendment contained an identical provision (sec. 3121).

The conference agreement includes this provision.

Limits on general plant projects (sec. 3122)

The House bill contained a provision (sec. 3122) that would authorize the Secretary of Energy to carry out any construction project authorized under general plant projects if the total estimated cost does not exceed $5.0 million. The provision would require the Secretary to submit a report to the congressional defense committees if the cost of the project is revised to exceed $5.0 million. Such a report would include the reasons for the cost variation.

The Senate amendment contained an identical provision (sec. 3122).

The conference agreement includes this provision.

Limits on construction projects (sec. 3123)

The House bill contained a provision (sec. 3123) that would permit any construction project to be initiated and continued only if the estimated cost for the project does not exceed 125 percent of the higher of: (1) the amount authorized for the project or (2) the most recent total estimated cost presented to the Congress as justification for such project. The Secretary of Energy may not exceed such limits until 30 legislative days after the Secretary submits to the congressional defense committees a detailed report setting forth the reasons for the increase. This provision would also specify that the 125 percent limitation would not apply to projects estimated to cost under $5.0 million.

The Senate amendment contained an identical provision (sec. 3123).

The conference agreement includes this provision.

Fund transfer authority (sec. 3124)

The House bill contained a provision (sec. 3124) that would permit funds authorized by this Act to be transferred to other agencies of the government for performance of work for which the funds were authorized and appropriated. The provision would permit the merger of such transferred funds with the authorizations of the agency to which they are transferred. The provision would also limit, to not more than five percent of the account, the amount of such funds that may be transferred between authorization accounts in the Department of Energy that were authorized pursuant to this Act.

The Senate amendment contained an identical provision (sec. 3124).

The conference agreement includes this provision.

Authority for conceptual and construction design (sec. 3125)

The House bill contained a provision (sec. 3125) that would limit the Secretary of Energy's authority to request construction funding until the Secretary has completed a conceptual design. This limitation would apply to construction projects with a total estimated cost greater than $5.0 million. If the estimated cost to prepare the construction design exceeds $600,000, the provision would require the Secretary to obtain a specific authorization to obligate such funds. If the estimated cost to prepare the conceptual design exceeds $3.0 million, the provision would require the Secretary to request funds for the conceptual design before requesting funds for construction. The provision would further require the Secretary to submit to Congress a report on each conceptual design completed under this provision. The provision would also provide an exception to these requirements in the case of an emergency.

The Senate amendment contained an identical provision (sec. 3125).

The conference agreement includes this provision.

Authority for emergency planning, design, and construction activities (sec. 3126)

The House bill contained a provision (sec. 3126) that would permit the Secretary of Energy to perform planning and design with any funds available to the Department of Energy pursuant to this title, including those funds authorized for advance planning and construction design, whenever the Secretary determines that the design must proceed expeditiously to protect the public health and safety, to meet the needs of national defense, or to protect property.

The Senate amendment contained an identical provision (sec. 3126).

The conference agreement includes this provision.

Funds available for all national security programs of the Department of Energy (sec. 3127)

The House bill contained a provision (sec. 3127) that would authorize, subject to section 3121 of this Act, amounts appropriated for management and support activities and for general plant projects to be made available for use in connection with all national security programs of the Department of Energy.

The Senate amendment contained an identical provision (sec. 3127).

The conference agreement includes this provision.

Availability of funds (sec. 3128)

The House bill contained a provision (sec. 3128) that would authorize amounts appropriated for operating expenses or for plant and capital equipment for the Department of Energy to remain available until expended. Program Direction funds would remain available until the end of fiscal year 2000.

The Senate amendment contained a similar provision (sec. 3128) that would authorize Program Direction funds to remain available until the end of fiscal year 2001.

The House recedes.

Transfers of defense environmental management funds (sec. 3129)

The House bill contained a provision (sec. 3129) that would provide the manager of each field office of the Department of Energy with limited authority to transfer up to $5.0 million in fiscal year 1999 defense environmental management funds from one program or project under the jurisdiction of the office to another such program or project, once in a fiscal year. The provision would extend the authority granted by section 3139 of the National Defense Authorization Act for Fiscal Year 1997 by allowing transfers of funds among programs and projects in the Site and Project Completion, Post-2006 Completion, and Science and Technology accounts.

The Senate amendment contained a similar provision (sec. 3129) that would allow transfers of funds between programs and projects in the Site Closure Project, and Project Completion, and Post-2006 Completion accounts.

The Senate recedes with an amendment that would allow transfers of funds between programs and projects in the Site and Project Completion and Post-2006 Completion accounts.

Subtitle C—Program Authorizations, Restrictions, and Limitations

Permanent extension of funding prohibition relating to international cooperative stockpile stewardship (sec. 3131)

The House bill contained a provision (sec. 3132) that would amend section 3133(a) of the National Defense Authorization Act for Fiscal Year 1998 (P.L. 105–85) to establish a permanent prohibition on expenditures of funds for cooperative stockpile stewardship efforts with any nation except for France or the United Kingdom, or, as specifically authorized with nations of the former Soviet Union.

The Senate amendment contained a similar provision (sec. 3131) that would prohibit use of fiscal year 1999 or prior year funds to conduct such international cooperative stockpile stewardship activities.

The Senate recedes.

Support of ballistic missile defense activities of the Department of Defense (sec. 3132)

The House bill contained a provision (sec. 3133) that would require the Secretary of Energy to make available, from funds authorized for Department of Energy atomic energy weapons activities, no less than $60.0 million for missile defense technology development in cooperation with the Ballistic Missile Defense Organization (BMDO) for the purpose of developing, demonstrating, and testing hit-to-kill interceptor vehicles for theater missile defense systems.

The Senate amendment contained a provision (sec. 3132) that would prohibit the use of any funds authorized by title XXXI to support ballistic missile defense research, development, demonstration, testing, and evaluation. The prohibition would include studies and assessments. The provision would also prohibit use of Laboratory Directed Research and Development and laboratory overhead funds for such purposes.

The Senate recedes with an amendment that would make available $30.0 million for technology development, concept demonstration, and integrated testing to improve reliability and reduce risk in hit-to-kill interceptors; science and engineering teams to address technical problems identified by the Director of BMDO which are critical to the acquisition of a theater missile defense capability; and other research, development and demonstration activities that support the mission of BMDO. The provision would require that any such activities conform to the joint memorandum of understanding between the Secretaries of Energy and Defense required by section 3131 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85). The provision would allow the covered activities to be funded

through direct contributions or waiver of a Federal administrative charge, overhead costs, or other indirect costs of the Department of Energy or its contractors.

Nonproliferation activities (sec. 3133)

The Senate amendment contained a provision (sec. 3139) that would make $30.0 million available for the Initiatives for Proliferation Prevention (IPP) program and $30.0 million available to implement the initiative known as the ''Nuclear Cities Initiative'' (NCI) program pursuant to the March 1998 agreement between the United States and the Russian Federation.

The House bill contained no similar provision.

The House recedes with an amendment that would make up to $20.0 million available for the IPP program. Additionally, the provision would require the Secretary of Energy to submit a report to the congressional defense committees on the Nuclear Cities Initiative program and wait a period of 20 legislative days after the date on which the report is received prior to the obligation and expenditure of any funds.

The amendment would also require the report of the Secretary on the NCI program to include among other items, the objectives of the NCI program and the process and method by which the program will be implemented (to include the status of bilateral agreements), a timeline of the program and milestones to be achieved, and the funding requirements through the completion of the program. In addition, the report should include any information on the participation of other federal agencies and departments in the NCI program, as well as the participation of U.S. industry.

Licensing of certain mixed oxide fuel fabrication and irradiation facilities (sec. 3134)

The Senate amendment contained a provision (sec. 3133) that would require any person constructing or operating a new or operating an existing facility to fabricate mixed oxide (MOX) fuel for use in a commercial nuclear reactor to be subject to licensing by the Nuclear Regulatory Commission (NRC). The provision would also require the occupational safety and health of employees working at such facilities to be subject to regulation by the Department of Labor. The provision would exempt the Department of Energy MOX-related demonstration, testing, and research activities from such licensing requirements.

The House bill contained no similar provision.

The House recedes with a technical amendment.

The conferees do not endorse the wholesale external regulation of Department of Energy defense nuclear facilities and remain skeptical of the potential benefits associated with implementing new regulatory regimes at other new or existing DOE defense nuclear facilities.

Continuation of processing, treatment, and disposition of legacy nuclear materials (sec. 3135)

The Senate amendment contained a provision (sec. 3134) that would require the Secretary of Energy to maintain a high state of readiness at the F-canyon and H-canyon facilities at the Savannah River Site.

The House bill contained no similar provision.

The House recedes.

The conferees note that this action was recommended by the Defense Nuclear Facilities Safety Board and is consistent with direction provided by previous authorization acts.

Authority for Department of Energy federally funded research and development centers to participate in merit-based technology research and development programs (sec. 3136)

The Senate amendment contained a provision (sec. 3135) that would amend the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337) to grant Department of Energy (DOE) sponsored federally funded research and development centers (FFRDCs) the same ability to compete for contracts as Department of Defense (DOD) sponsored FFRDCs.

The House bill contained no similar provision.

The House recedes with an amendment that would limit the authority to those activities conducted under contract with, or on behalf, of the Department of Defense.

The conferees do not support the concept of DOE FFRDCs competing directly or indirectly with the private sector. In implementing this authority, the conferees expect DOE FFRDCs to comply fully with all DOD and DOE policy guidance and regulations governing FFRDCs. The conferees expect DOE FFRDCs to focus on their core competencies, expertise, or unique facilities.

Activities of Department of Energy facilities (sec. 3137)

The Senate amendment contained a provision (sec. 3140) that would establish a uniform Federal administrative charge of three percent on all contract research activities carried out for non-Department of Energy (DOE) entities at DOE contractor operated facilities. The provision would eliminate the Secretary of Energy's current authority to waive the Federal administrative charge, except that the Secretary would be authorized to continue existing waivers, if the Secretary so determines, and would be authorized to waive charges for small businesses, institutions of higher education, non-profit entities, and state and local governments. The provision would authorize the Secretary to enter into a five-year pilot program at selected facilities to develop reduced overhead charges designed to recover all costs generated by external entities who may not utilize the full range of services at a DOE facility for which overhead costs may be charged. The provision would encourage the Secretary to establish a new small business technology partnership program to make DOE expertise and capabilities more accessible to small businesses, and would encourage the Secretary to pursue partnerships and interactions with universities and private businesses.

The House bill contained no similar provision.

The House recedes with an amendment that would allow the Secretary to waive the Federal administrative charge at all DOE facilities. The conferees did not include the small business technology partnership or partnerships and interactions provisions.

The conferees encourage the Secretary to continue the establishment of cooperative partnerships and interactions with universities and private industry at contractor-operated facilities where such interaction will help the Department better carry out its national security missions. The conferees further encourage the Secretary to create small business technology partnership programs at contractor-operated facilities where such interaction will help the Department better carry out its national security missions. The Secretary is encouraged to designate small funding pools at DOE sites to carry out such programs. The Secretary should include annually with the President's budget request a report on the effectiveness and applicability of any such programs to the missions of the Department of Energy.

Hanford overhead and service center costs (sec. 3138)

The House bill contained a provision (sec. 3135) that would prohibit the use of certain fiscal year 1999 funds at the Hanford Site until the Secretary of Energy certifies to Congress that the Department does not intend to pay overhead costs of more than 33 percent of total contract overhead costs at that Site. The provision would prohibit the obligation of $12.0 million for reactor decontamination and decommissioning and $18.0 million for drainage of single-shell waste tanks at the Hanford Site until the Secretary completes the certification. The provision would further require that any savings that result from compliance with this section be retained for use at the Hanford Site to ensure full compliance with the Hanford Federal Facility Agreement and Consent Order and the recommendations of the Defense Nuclear Facilities Safety Board. In addition, the provision conveyed the sense of the Congress that overhead costs for contractors performing cleanup work at DOE facilities is out of control, that some increased overhead costs are a result of unnecessary regulation, and that the Department should take action to minimize any such unnecessary regulation.

The Senate amendment contained a related provision (sec. 3148) that would require the General Accounting Office (GAO) to conduct a review of Department of Energy (DOE) overhead costs, including the methods used to calculate direct and indirect overhead costs at DOE cleanup sites and the methods used to allocate and report such overhead costs. The GAO would be required to submit a report to Congress not later than January 31, 1999, to include the findings of the review and any resulting recommendations for standardizing the methods used to allocate and report overhead costs at DOE cleanup sites.

The Senate recedes with an amendment that would require the Secretary to establish a target for fiscal year 1999 contract overhead costs at the Hanford Site and utilize any savings that result from lower overhead costs to perform additional cleanup activities at the Site and to comply with the Hanford Tri-party Agreement. The Senate amendment would further require the Defense Contract Audit Agency (DCAA) to conduct an assessment of overhead, service center, and other related costs assessed by the Project Hanford Management Contractor at the Hanford Site. The DCAA assessment would be submitted to Congress not later than March 1, 1999.

Hanford waste tank cleanup program reforms (sec. 3139)

The House bill contained a provision (sec. 3136) that would direct the Secretary of Energy to establish an Office of River Protection at the Department of Energy's Hanford Site. The office would be headed by a senior official of the Department of Energy who would be responsible for managing all aspects of Hanford tank farm operations, including the Tank Waste Remediation System project. The provision would create a five-member advisory committee to provide advice to the new office. The provision would require the Secretary to submit within 90 days of the date of enactment of this Act an integrated management plan for all aspects of the tank farm operations, including the roles and responsibilities and reporting relationships of the Office of River Protection. The plan would address whether the office should be physically and administratively separate from the DOE Richland Operations Office. The provision would further require the Secretary, two years after the creation of the office, to report on any progress and

management improvements that result from this provision. The Office of River Protection would terminate in five years, unless the Secretary determines that the office should continue.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the office to report directly to the Assistant Secretary for Environmental Management, but be physically located at the Hanford Site in Richland, Washington. The amendment also would eliminate the creation of the five-member advisory committee. The conferees believe the existing advisory structure at the site is adequate.

Hanford Health Information Network (sec. 3140)

The Senate amendment contained a provision (sec. 3138) that would authorize the Secretary of Energy to utilize $2.5 million within existing Hanford Site funding for the Hanford Health Information Network.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize the use of $1.5 million within existing Hanford Site funding for the Hanford Health Information Network.

Hazardous Materials Management and Emergency Response training program (sec. 3141)

The House bill contained a provision (sec. 3155) that would authorize the Hazardous Materials Management and Emergency Response (HAMMER) training facility in Richland, Washington to accept payments in kind in exchange for services.

The Senate amendment contained a similar provision (sec. 3137).

The Senate recedes.

Support for public education in the vicinity of Los Alamos National Laboratory, New Mexico (sec. 3142)

The Senate amendment contained a provision (sec. 3136) that would authorize the Department of Energy (DOE) to make a $5.0 million payment to a not-for-profit education foundation in the area around the Los Alamos National Laboratory to enrich educational activities of the local school system. The provision would require the foundation to place DOE contributions in an endowment fund, the corpus of which would remain in trust and the annual revenue used to support the local school system.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

This provision would extend the authority granted to the Secretary of Energy by section 3167 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85). The conferees expect the Secretary of Energy to make no more than five total annual payments to this fund for a total contribution not to exceed $25.0 million. The conferees note that the Secretary was authorized to make the first of such payments in fiscal year 1998. The conferees expect, that upon making the fifth payment or meeting the $25.0 million cap, all DOE assistance to the local school system will end.

Relocation of National Atomic Museum, Albuquerque, New Mexico (sec. 3143)

The Senate amendment contained a provision (sec. 3140A) that would require the Secretary of Energy to submit a plan on the design, construction and relocation of the National Atomic Museum located in Albuquerque, New Mexico.

The House bill contained no similar provision.

The House recedes with an amendment that would direct the Secretary of Energy to submit a plan to relocate the museum. This provision does not authorize the Secretary to proceed with a conceptual design of a new National Atomic Museum or to obligate any funds to implement any plan.

Tritium production (sec. 3144)

The House bill contained a provision (sec. 3154) that would modify the Atomic Energy Act of 1954 (42 U.S.C. 2077(e)) to prohibit the use of tritium produced in commercial nuclear reactors for nuclear explosive purposes.

The Senate amendment contained a related provision (sec. 3150) that would require the Secretary of Energy to select a tritium production technology after completion of an interagency review regarding the proliferation ramifications of using a commercial light water reactor to produce tritium for nuclear explosive purposes, but not later than December 31, 1998. The provision would direct the Secretary of Energy to make the decision notwithstanding any provision of the Atomic Energy Act of 1954 (42 U.S.C. 2011, et. seq.), but consistent with the laws, regulations and procedures of the Department of Energy.

The conferees agree to include a provision that would prohibit use of any funds available during fiscal year 1999, including prior year funds, to implement any tritium technology decision made pursuant to section 3135 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85). This prohibition includes any construction or related activities. Nothing in this provision shall be interpreted to preclude the Secretary of Energy from continuing planned research and design activities on both technology options currently under consideration.

The conferees strongly support the Department of Energy's efforts to restore on a timely basis tritium production to maintain the viability of the U.S. nuclear deterrent. The conferees note that tritium is not a special nuclear material as defined by the Atomic Energy Act of 1954, and thus, unlike plutonium and highly enriched uranium, is not capable of sustaining a nuclear chain reaction. It is, however, a radioactive material that is vital to the performance of U.S. nuclear warheads.

The conferees endorse the United States' long-standing policy requiring the separation of civilian and military uses of nuclear energy. Concerns have been raised that the use of a commercial light water reactor to produce tritium might establish a precedent for other nations to use government-owned civilian reactors to produce materials for nuclear weapons programs. The conferees note that the Interagency Review of Nonproliferation Implications of Alternative Tritium Technologies transmitted to Congress by the Department of Energy in July 1998, as required by the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85), concluded that the nonproliferation risks associated with the commercial light water reactor option are ''manageable.'' Implicit in this conclusion, is a recognition that the commercial reactor option could pose nuclear proliferation risks that might harm U.S. national security interests.

The conferees expect the Secretary of Energy to consider whether, or to what extent, the selection of a light water reactor would violate U.S. policy and might encourage other nations to divert nuclear materials from government-owned civilian reactors into nuclear weapons programs. In addition, the conferees expect the Secretary to assess any nuclear proliferation risk that any such outcome could pose for the United States.

The conferees direct the Secretary of Energy to select a tritium technology option consistent with the requirements of section 3135 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85). The decision criteria shall include the ability to meet the national defense requirements of the United States, nuclear proliferation implications, and cost.

In addition, the conferees direct the Secretary to submit to the Committee on Armed Services of the Senate and the National Security Committee of the House of Representatives, a comprehensive plan to implement the technology option selected. The plan should be submitted with the President's fiscal year 2000 budget and include a proposed implementation schedule, annual funding requirements for the life of the project, any legislation needed to implement the technology selected, and an assessment of the viability of purchasing tritium, if necessary for national security purposes, on an interim basis.

Subtitle D—Other Matters

Study and plan relating to worker and community transition assistance (sec. 3151)

The House bill contained a provision (sec. 3151) that would repeal the requirements of section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484). Section 3161 required the implementation of a worker and community transition program to restructure the Department of Energy (DOE) private contractor workforce at the end of the Cold War. This section would also prohibit the expenditure of funds for the DOE Worker and Community Transition program after September 30, 1999.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary to develop a plan describing how the Office of Worker and Community Transition would be terminated and how the authority of that office would transferred to Department of Energy program offices. The Secretary shall submit the plan to the Congressional defense committees not later than July 1, 1999. The amendment would also require the General Accounting Office to conduct a study on the effects of DOE workforce restructuring plans from fiscal years 1995 through 1998.

Extension of authority for appointment of certain scientific, engineering, and technical personnel (sec. 3152)

The Senate amendment contained a provision (sec. 3144) that would extend for one year the authority granted to the Secretary of Energy by the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337) to appoint certain scientific, engineering, and technical personnel in areas of nuclear safety and environmental clean up.

The House bill contained no similar provision.

The House recedes.

Requirement for plan to modify employment system used by Department of Energy in defense environmental management programs (sec. 3153)

The House bill contained a provision (sec. 3152) that would prohibit the use of more than 75 percent of Defense Environmental Restoration and Waste Management program direction funds for fiscal year 1999 until the Secretary of Energy submits a plan for improvement of the Department of Energy federal employment system. The plan would address strategies to recruit and hire individuals for the Environmental Management program who are highly skilled and who have experience as project and construction managers. The plan would further identify any provisions of Federal law that must be altered to allow its implementation.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary to submit

the plan to Congress not later than February 1, 1999, and would remove the prohibition on use of program direction funds.

Department of Energy nuclear materials couriers (sec. 3154)

The Senate amendment contained several provisions (secs. 3161–3172) that would allow nuclear materials couriers at the Department of Energy (DOE) to retire with full federal benefits after 20 years of service.

The House bill contained no similar provision.

The House recedes with an amendment that would apply eligibility for early retirement benefits only to those couriers who retire after fiscal year 1998.

Increase in maximum rate of pay for scientific, engineering, and technical personnel responsible for safety at defense nuclear facilities (sec. 3155)

The Senate amendment contained a provision (sec. 3142) that would raise the pay level for the excepted service authority provided in the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337) from Level IV to III of the Executive Schedule.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees expect this enhanced authority to assist the Department of Energy in attracting and retaining senior scientific, engineering, and technical personnel who possess the skills to perform critical nuclear health and safety activities at the Department's defense nuclear facilities. The conferees note that, in recent years, the Level IV pay cap has limited the Department's ability to attract and retain the highest qualified scientific and technical talent.

Extension of authority of Department of Energy to pay voluntary separation incentive payments (sec. 3156)

The Senate amendment contained a provision (sec. 3145) that would extend for one year authority granted to the Secretary of Energy by the Treasury, Postal Service, and General Government Appropriations Act, 1997 (Public Law 104–208) to pay voluntary separation incentive payments to certain Federal employees.

The House bill contained no similar provision.

The House recedes.

The conferees expect this authority to be used to continue reductions in federal staffing levels in an effort to decrease costs and increase program efficiencies. The conferees do not intend this authority to be used for broad, untargeted staff reductions. The conferees expect the Secretary of Energy to utilize this authority, in conjunction with other authorities, to eliminate selectively those job classifications and positions that are no longer needed to carry out the missions of the Department of Energy. The conferees expect the authority to allow the Department to save money over the long term and reorient the DOE federal workforce to focus on the Department's most pressing problems.

Repeal of fiscal year 1998 statement of policy on stockpile stewardship program (sec. 3157)

The Senate amendment contained a provision (sec. 3141) that would repeal section 3156 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85).

The House bill contained no similar provision.

The House recedes.

Section 3156 of the National Defense Authorization Act for Fiscal Year 1998 addressed findings and current policies regarding the stockpile stewardship program of the Department of Energy. This repeal action does not represent a change in policy and is taken without prejudice. The conferees note that the findings and policy statements expressed in section 3156 are consistent with the activities of the stockpile stewardship program focused on ensuring that the United States possesses a safe, secure, effective, and reliable nuclear stockpile consistent with our national security requirements and treaty commitments. The conferees do not believe that such policy statements need to be set forth in law.

Report on stockpile stewardship criteria (sec. 3158)

The House bill contained a provision (sec. 3153) that would require the Secretary of Energy to submit a report to the Committee on Armed Services of Senate and the National Security Committee of the House of Representatives by March 1, 1999, on DOE efforts to develop a clear set of criteria pertaining to the technical performance of science based stockpile stewardship program tools and their relationship to key nuclear weapons technologies. The provision would require the Secretary to identify the performance criteria that, if met, would offer sufficient certainty that the U.S. stockpile is safe and reliable.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the report to be submitted not later than March 1, 2000, and be coordinated with the Secretary of Defense.

Panel to assess the reliability, safety, and security of the United States nuclear stockpile (sec. 3159)

The Senate amendment contained a provision (sec. 1073) that would establish a six member commission to assess the reliability, safety, and security of the U.S. nuclear deterrent. The commission would review the safety, security, and reliability of the U.S. nuclear deterrent and the annual nuclear warhead certification process carried out by the Department of Energy weapons laboratory directors, the Commander in Chief of the United States Strategic Command, and the Secretary of Defense. Commission members would be appointed as follows: two members each by the Majority Leader of the Senate and Speaker of the House of Representatives and one member each by the Minority Leaders of the Senate and House of Representatives. The chairman of the commission would be designated by the Majority Leader of the Senate. The cost of the commission would be borne equally by the Departments of Energy and Defense. The commission would terminate three years after the date of the appointment of the chairman.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Defense, in consultation with the Secretary of Energy, to contract with a Federally Funded Research and Development Center (FFRDC) to establish a panel to assess the reliability, safety, and security of the U.S. nuclear stockpile. The panel would examine the annual nuclear warhead certification documents, the processes and assumptions upon which the certification is based, and the stockpile stewardship and management criteria to be established by the Secretary of Energy pursuant to section 3158 of this Act.

The conferees believe that in order to ensure an independent assessment, no employees of the FFRDC should be appointed as panel members.

International cooperative information exchange (sec. 3160)

The House bill contained a provision (sec. 3156) that would express the sense of Congress that the President should instruct the Secretary of Energy to consult with the Secretary of Defense, the Administrator of the Environmental Protection Agency, and other appropriate officials, and submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives an assessment of whether the United States should consider favorably the ''Advanced Technology Research Project'' proposal which recommends establishment of an international project to facilitate the exchange of information on advanced nuclear waste technologies. The assessment should include a discussion of whether the proposal could be funded privately and administered by an international nongovernmental organization. The Secretary would also be required to identify any legislation required to carry out any such a project.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would express the sense of the Congress that the Secretary of Energy, in consultation with the Secretary of Defense, the Administrator of the Environmental Protection Agency, and the Director of the Agency for International Development, should prepare a report on those programs that currently facilitate sharing of information on international nuclear waste problems, and any recommendations to expand or consolidate such activities under a single international cooperative program.

Protection against inadvertent release of restricted data and formerly restricted data (sec. 3161)

The Senate amendment contained a provision (sec. 3146) that would amend section 3155 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) by requiring all federal agencies, including the National Archives and Records Administration, to conduct a visual inspection of all records over 25 years old to ascertain that such records contain no information classified as restricted data or formerly restricted data. The provision would require that any records found to contain such classified information be set aside pending completion of a review by the Department of Energy.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of Energy and the Archivist of the United States, after consultation with members of the National Security Council, and, in consultation with the Secretary of Defense and the heads of appropriate federal agencies, to develop a plan to prevent records containing restricted data or formerly restricted data from being inadvertently released under Executive Order 12958. The plan would include the following elements: (1) actions that will be taken to ensure that only records series that are highly unlikely to contain restricted data or formerly restricted data are released without a page-by-page review; (2) the criteria by which documents will be determined to be highly unlikely to contain restricted data or formerly restricted data; (3) steps to be taken to ensure proper training, evaluation, and supervision of declassification personnel to recognize restricted data and formerly restricted data; (4) the extent to which automated declassification technologies will be used to protect restricted data and formerly restricted data; (5) procedures for periodic Department of Energy review and evaluation of agency compliance with the plan; (6) procedures for resolving disagreements among agencies regarding declassification procedures and decisions; (7) identification of funding, personnel, and other resources required to carry out the plan; and (8) a timetable to implement the plan. Summaries of

the periodic review of agency compliance would be provided to the President's National Security Advisor and to the Committee on Armed Services of the Senate and the National Security Committee of the House or Representatives. The amendment would halt the use of bulk declassification of any document covered by this provision until 60 days after the plan is submitted to the Committee on Armed Services of the Senate and the National Security Committee of the House of Representatives, and the Assistant to the President for National Security Affairs.

The conferees support current efforts to reduce the volume of information retained as classified. The conferees are, however, concerned that Executive Order 12958 does not ensure adequate protection of information classified as restricted data or formerly restricted data. This provision is intended to ensure greater review and scrutiny of those federal records that may contain information classified as restricted data or formerly restricted data prior to the bulk declassification and subsequent release of such records. The conferees do not intend this provision to slow down much needed efforts to reduce the amount of classified material maintained in federal archives.

The conferees believe that the President must ensure that each Executive Branch agency with custodial responsibility for the records described in the provision has available sufficient funds to carry out the requirements of this provision.

Sense of Congress regarding treatment of Formerly Utilized Sites Remedial Action Program under a non-defense discretionary budget function (sec. 3162)

The Senate amendment contained a provision (sec. 3143) that would express the sense of the Senate that the Office of Management and Budget should transfer funding for the Formerly Utilized Sites Remedial Action Program into a non-defense discretionary portion of the Federal budget in future years.

The House bill contained no similar provision.

The House recedes with an amendment that would modify the provision to be a sense of Congress.

Reports relating to tritium production (sec. 3163)

The House bill contained a provision (sec. 3134) that would delay the date by which the Secretary of Energy must select a primary technology for the production of tritium from December 31, 1998 to December 31, 1999. The Secretary would be prohibited from selecting a primary technology until the date that is the later of 30 days following completion of the test at the Watts Bar nuclear plant and the date that the Secretary submits to the congressional defense committees a report on the results of that test. The report would provide information regarding the amount of tritium produced, data on the leakage of tritium from the test, and any other technical findings resulting from the test.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Energy to submit a report on the results of the test currently being carried out at the Watts Bar nuclear plant. The report would include data on the performance of the tritium test rods, the performance of the reactor, any leakage of tritium from the test rods, the amount of tritium produced, and any other technical findings resulting from the test. The Secretary would be required to submit to the congressional defense committees a preliminary report on the test program not later than 60 days after the test rods are removed from the Watts Bar reactor.

The amendment would also direct the Secretary of Defense, in consultation with the Secretary of Energy, to establish a task force of the Defense Science Board to examine the risks associated with each tritium production technology, the nuclear weapons proliferation implications of each technology, the ability of each technology to meet the national security requirements of the United States, and any other factors that the Secretaries of Defense and Energy consider appropriate. The Secretaries of Energy and Defense would be required to provide the task force report to the congressional defense committees not later than June 30, 1999.

LEGISLATIVE PROVISIONS NOT ADOPTED

Prohibition on Federal loan guarantees for defense environmental management privatization projects

The House bill contained a provision (sec. 3131) that would prohibit the use of Federal government loan guarantees for Department of Energy defense environmental management privatization projects.

The Senate amendment contained no similar provision.

The House recedes.

The conferees remain deeply concerned that the use of Federal loan guarantees are inconsistent with the concept of privatization in Department of Energy (DOE) environmental remediation projects. The conferees note that the Federal Credit Reform Act of 1990 requires that a large portion of the costs of Federal loan guarantees be appropriated in the fiscal year in which the project is initiated. This requirement would draw into question the cost effectiveness and desirability of any DOE privatization project that would rely upon such instruments.

The conferees note, however, that a recent General Accounting Office report on the DOE privatization program recommended a wide variety of contracting and project financing tools be made available to DOE to carry out privatized cleanup projects. Nevertheless, the conferees cannot envision many instances where Federal loan guarantees would prove beneficial to the Federal government.

The conferees intend to scrutinize any proposed use of Federal loan guarantees in DOE privatization projects to ensure that the concept of privatization is not violated. The conferees do not intend to authorize funding in future years for those projects that include a Federal loan guarantee, if utilizing a loan guarantee either removes the consequences of failure for the contractor or increases the cost of the privatization project.

The conferees direct that any use of Federal loan guarantees for privatization projects be made only in those circumstances where the Secretary of Energy certifies that (1) the loan guarantee is necessary for the contractor to obtain a private sector loan, and (2) the percentage of the loan amount covered by the loan guarantee does not harm the incentive for success.

Sense of the Senate regarding memoranda of understanding with the State of Oregon relating to Hanford

The Senate amendment contained a provision (sec. 3147) that would set forth the sense of the Senate that the Department of Energy (DOE) and the State of Washington should seek to implement existing memoranda of understanding regarding cleanup activities at the Hanford Site in ways that permit continued information sharing and participation by the State of Oregon in those decisions at the Site that affect the public health or safety of the citizens of Oregon.

The House bill contained no similar provision.

The Senate recedes.

The conferees encourage the State of Washington and the Department of Energy to continue those cooperative efforts with the State of Oregon that speed the pace of cleanup at the site and ensure appropriate participation by all external stakeholders, including the State of Oregon. The conferees note that the State of Oregon has executed memoranda of understanding with the State of Washington and with the Department of Energy. The conferees further note that the State of Oregon holds two seats on the Hanford Site Specific Advisory Board (SSAB), a group of regulators, stakeholders, and tribes that reviews clean up progress at the site and makes recommendations to DOE. The conferees believe that Oregon's participation in the Hanford SSAB and the increased access to information provided via memoranda of understanding with DOE and the State of Washington, provide Oregon with appropriate participation in Hanford cleanup programs.

Sense of Congress on funding requirements for the nonproliferation science and technology activities of the Department of Energy

The Senate amendment contained a provision (sec. 3149) that would express the sense of Congress that the budget for nonproliferation science and technology activities for fiscal years 2000 through fiscal year 2008 should be increased each year over the preceding year by at least one percent above the rate of inflation.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

LEGISLATIVE PROVISIONS ADOPTED

Defense Nuclear Facilities Safety Board (sec. 3201)

The House bill contained a provision (sec. 3201) that would authorize $17.5 million for the Defense Nuclear Facilities Safety Board (DNFSB) for fiscal year 1999.

The Senate amendment contained an identical provision (sec. 3201).

The conference agreement includes this provision.

The conferees anticipate that the report required by section 3202 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) regarding which Department of Energy (DOE) facilities should remain under the jurisdiction of the DNFSB will be submitted on time.

The conferees are concerned that the implementation of an additional external regulation approach could draw scarce resources away from high priority, compliance driven cleanup actions and critical national security activities. The conferees believe no decisions should be made or actions taken until the findings of the DNFSB and the comments of the Secretary of Energy and the Chairman of the Nuclear Regulatory Commission have been provided to the Congress as required by section 3202 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) and the on-going external regulation pilot programs are completed and evaluated.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

LEGISLATIVE PROVISIONS ADOPTED

Definitions (sec. 3301)

The House bill contained a provision (sec. 3301) that would define the National Defense Stockpile and the National Defense Stockpile Transaction Fund.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Authorized uses of stockpile funds (sec. 3302)

The House bill contained a provision (sec. 3302) that would authorize the obligation of

$82.6 million for the operation of the National Defense Stockpile.

The Senate amendment contained a similar provision.

The Senate recedes.

Authority to dispose of certain materials in the national defense stockpile (sec. 3303)

The Senate amendment contained a provision (sec. 3303) that would authorize the disposal of certain materials from the National Defense Stockpile and require that sufficient materials are sold to generate receipts to the United States in the amount of $103.0 million by the end of fiscal year 1999 and $377.0 million by the end of fiscal year 2003.

The House bill had no similar provision.

The House recedes with an amendment that would modify the quantity of materials authorized for disposal in order to generate receipts of $105.0 million by the end of fiscal year 1999 and $590.0 million by the end of fiscal year 2005.

The conferees expect that any sales of tungsten ores and concentrates contained in the National Defense Stockpile shall be made at a price that is not less than the market value at the time of the proposed sale (taking into account any specific location and as-is sale adjustments), and that the Department of Defense will fully consider the views of the Market Impact Committee concerning any projected domestic economic effect by the sale of these materials. The conferees also expect that the Market Impact Committee, in developing recommendations for the sale of tungsten ores and concentrates, will consult with representatives of producers, processors, and consumers of these materials.

Use of stockpile funds for certain environmental remediation, restoration, waste management, and compliance activities (sec. 3304)

The Senate amendment contained a provision (sec. 3304) that would authorize the use of funds from the National Defense Stockpile Transaction Fund to be used for environmental remediation, restoration, waste management, or compliance activities that are required under a federal law or are undertaken by the Federal Government under an administrative decision or negotiated agreement.

The House bill contained no similar provision.

The House recedes.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

LEGISLATIVE PROVISIONS ADOPTED

Definitions (sec. 3401)

The House bill contained a provision (sec. 3401) that would provide definitions for naval petroleum reserves, Naval Petroleum Reserve Number 2, Naval Petroleum Reserve Number 3, Oil Shale Reserve Number 2, antitrust laws, general land laws, and petroleum.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would include definitions for each of these terms, except general land laws.

Authorization of appropriations (sec. 3402)

The House bill contained a provision (sec. 3402) that would authorize $22.5 million for the operations of the naval petroleum and oil shale reserves.

The Senate amendment contained a similar provision.

The Senate recedes.

Disposal of Naval Petroleum Reserve Numbered 2 (sec. 3403)

The House bill contained a provision (sec. 3404) that would require the Secretary of Energy to dispose of that portion of the Naval Petroleum Reserve Numbered 2 located within the town lots in Ford City, California, by competitive sale or lease consistent with commercial practices, by transfer to another Federal agency or a public or private entity, or by any other means. The provision would further require the Secretary of Energy to transfer to the Secretary of Interior, administrative jurisdiction and control over the remaining lands within Naval Petroleum Reserve Numbered 2 after the Secretary of Energy makes a determination to abandon oil and gas operations.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would permit, rather than require, the disposal of this property.

Disposal of Naval Petroleum Reserve Numbered 3 (sec. 3404)

The House bill contained a provision (sec. 3405) that would authorize the disposal of Naval Petroleum Reserve Numbered 3 by sale, lease, transfer, or other means.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would authorize the disposal of this property by sale, lease, or transfer to another federal agency.

Disposal of Oil Shale Reserve Numbered 2 (sec. 3405)

The House bill contained a provision (sec. 3406) that would require the Secretary of Energy to transfer to the Secretary of Interior administrative jurisdiction and control over all public lands included in Oil Shale Reserve Numbered 2 by September 30, 1999.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would authorize, rather than require, the transfer of this property.

Administration (sec. 3406)

The House bill contained a provision (sec. 3407) that would establish administrative requirements for the disposal of property within the Naval Petroleum and Oil Shale Reserves, as would otherwise be authorized in H.R. 3616.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

LEGISLATIVE PROVISIONS NOT ADOPTED

Price requirement on price of certain petroleum during fiscal year 1999

The House bill contained a provision (sec. 3403) that would require that the sale of any of the U.S. share of petroleum produced from Naval Petroleum Reserve Numbered 2, or Naval Petroleum Reserve Numbered 3, shall be made at a price not less than 90 percent of the current sales price of comparable petroleum.

The Senate amendment contained no similar provision.

The House recedes.

Treatment of State of California claim regarding Naval Petroleum Reserve numbered 1

The House bill contained a provision (sec. 3408) that would eliminate the requirement for an appropriation before funds resulting from the sale of the Naval Petroleum Reserve Numbered 1 at Elk Hills can be distributed to the State of California in accordance with the Settlement Agreement entered into between the State of California and the Department of Energy.

The Senate amendment had no similar provision.

The House recedes.

TITLE XXXV—PANAMA CANAL COMMISSION

LEGISLATIVE PROVISIONS ADOPTED

Short title; references to Panama Canal Act of 1979 (sec. 3501)

The House bill contained a provision (sec. 3501) that would provide a short title to the amendments to the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) contained in this Act, and state that, unless otherwise noted, such amendments relate to the Panama Canal Act.

The Senate amendment contained an identical provision (sec. 3501).

The conference agreement includes this provision.

Authorization of expenditures (sec. 3502)

The House bill contained a provision (sec. 3502) that would authorize the Panama Canal Commission to make expenditures from its revolving fund, subject to certain ceilings, for fiscal year 1999.

The Senate amendment contained an identical provision (sec. 3502).

The conference agreement includes this provision, and an increase of $10,000 in the ceiling for the representation and reception expenses of the Administrator of the Panama Canal Commission.

Purchase of vehicles (sec. 3503)

The House bill contained a provision (sec. 3503) that would authorize the Panama Canal Commission to purchase vehicles built in the United States.

The Senate amendment contained a similar provision (sec. 3503) that excluded the requirement for the vehicles to be built in the United States.

The House recedes.

The conferees note that the Commission has previously purchased only vehicles built in the United States and encourage the continuation of that practice.

Expenditures only in accordance with treaties (sec. 3504)

The House bill contained a provision (sec. 3504) that would ensure amounts authorized for expenditure by the Panama Canal Commission for fiscal year 1999 be spent only in accordance with the terms of the Panama Canal Treaties of 1977 and U.S. laws implementing those treaties.

The Senate amendment contained an identical provision (sec. 3504).

The conference agreement includes this provision.

Donations to the Commission (sec. 3505)

The House bill contained a provision (sec. 3505) that would authorize the Panama Canal Commission to seek and to accept donations from private and public entities for the purpose of funding its promotional activities subject to guidelines to be established by the Commission.

The Senate amendment contained an identical provision (sec. 3505).

The conference agreement includes this provision.

Agreements for United States to provide post-transfer administrative services for certain employee benefits (sec. 3506)

The Senate amendment contained a provision (sec. 3506) that would allow the Secretary of State to enter into agreements to provide administrative services for certain Panama Canal-related employee benefits after December 31, 1999.

The House bill contained no similar provision.

The House recedes.

Sunset of United States overseas benefits just before transfer (sec. 3507)

The House bill contained a provision (sec. 3506) that would sunset certain benefits to certain U.S. citizens employed by the Panama Canal Commission to clarify the conditions of employment intended to be continued by the Government of Panama after the transfer of the Canal on December 31, 1999.

The Senate amendment contained an identical provision (sec. 3507).

The conference agreement includes this provision.

Central Examining Office (sec. 3508)

The House bill contained a provision (sec. 3507) that would repeal an obsolete provision of law relating to the Central Examining Office.

The Senate amendment contained an identical provision (sec. 3508).

The conference agreement includes this provision with a technical amendment.

Liability for vessel accidents (sec. 3509)

The House bill contained a provision (sec. 3508) that would provide the Panama Canal Commission with a degree of immunity against claims for damages occurring while vessels transiting the Canal are under the direction of pilots employed by the Commission. The provision is intended to lower the costs of Canal operations by instituting a liability regime that would prevent claims against the Commission for $1.0 million or less in damages.

The Senate amendment contained an identical provision (sec. 3509).

The conference agreement includes a provision that would allow the Panama Canal Commission to prescribe regulations that limit its exposure to liability to those damages that exceed a specified threshold amount, provided that such threshold amount does not exceed $1.0 million, by requiring claimants to look to their insurers for compensation for damages below the threshold amount.

The conferees believe that a regulatory approach will allow greater flexibility for the Commission to implement any changes through procedures and on a timetable that will allow for consideration of maritime industry concerns. The adopted provision would also allow the Commission to set the insurance requirement, and thereby its immunity against claims, at a lower threshold if a level less than $1.0 million is determined, through consultation with interested parties, to be in the best interests of the Panama Canal and world shipping.

In light of expectations that the Panama Canal Authority, the successor agency to the Commission, will implement such a liability-limiting regime after it assumes stewardship of Canal operations, this provision is pursuant to the U.S. treaty commitment to facilitate transition to Panamanian control. The conferees expect that if damages during Canal transits increase significantly under any new liability regime, that the Commission, or its successor Panamanian entity, will consider a revised liability regime that minimizes costs for world commerce as well as for Canal operations.

Panama Canal Board of Contract Appeals (sec. 3510)

The House bill contained a provision (sec. 3509) that would authorize the Panama Canal Commission to establish the salaries of members of the Panama Canal Board of Contract Appeals.

The Senate amendment contained a similar provision (sec. 3511).

The House recedes.

Restatement of requirement that Secretary of Defense designee on Panama Canal Commission supervisory board be a current officer of the Department of Defense (sec. 3511)

The Senate amendment contained a provision (sec. 3513) that would ensure the Secretary of Defense's designee on the Panama Canal Commission Supervisory Board be an officer of the Department of Defense (DOD), rather than an individual who was a DOD officer at the time of his designation and subsequently left his position in the Department.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Technical amendments (sec. 3512)

The House bill contained a provision (sec. 3510) that would make certain technical and conforming amendments to the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.).

The Senate amendment contained a similar provision (sec. 3512).

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Placement of United States citizens in positions with the United States Government

The Senate amendment contained a provision (sec. 3510) that would provide placement priority for involuntarily separated employees of the Panama Canal Commission who are U.S. citizens and were hired after the Panama Canal Treaty of 1977 that is on par with priority for other federal employees who are involuntarily separated.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXXVI—MARITIME ADMINISTRATION

LEGISLATIVE PROVISIONS ADOPTED

Authorization of appropriations for fiscal year 1999 (sec. 3601)

The House bill contained a provision (sec. 3601) that would authorize $90.6 million for fiscal year 1999, as included in the budget request, for the United States Maritime Administration.

The Senate amendment contained no similar provision.

The Senate recedes.

Authority to convey National Defense Reserve Fleet vessel (sec. 3602)

The House bill contained a provision (sec. 3602) that would authorize the Secretary of Transportation to convey a National Defense Reserve Fleet surplus vessel, M/V Bayamon, to the Trade Fair Ship Company.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require that the Secretary dispose of the vessel using competitive procedures.

Authority to convey certain National Defense Reserve Fleet vessels (sec. 3603)

The House bill contained a provision (sec. 3603) that would authorize the Secretary of Transportation to sell, at fair market value, two surplus TAO class vessels that were partially built and then transferred to the National Defense Reserve Fleet.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require that the Secretary dispose of the vessels using competitive procedures.

Clearinghouse for maritime information (sec. 3604)

The House bill contained a provision (sec. 3604) that would authorize the establishment of a clearinghouse for maritime information by providing an online trade information database at a state maritime academy. The provision would require the $75,000 funding needed for this effort be derived from funds authorized for operations of the Maritime Administration.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would make the provision of funds for a clearinghouse for maritime information discretionary.

Conveyance of NDRF vessel ex-USS Lorain County (sec. 3605)

The House bill contained a provision (sec. 3605) that would authorize the Secretary of Transportation to convey, at no cost to the government, a surplus National Defense Reserve Fleet ship, ex-USS Lorain County, to a not-for-profit organization for use as a memorial to Ohio veterans.

The Senate amendment contained a similar provision (sec. 1015).

The Senate recedes.

TITLE XXXVII—INCREASED MONITORING OF PRODUCTS MADE WITH FORCED LABOR

LEGISLATIVE PROVISIONS ADOPTED

Increased monitoring of products made with forced labor (secs. 3701–3703)

The Senate amendment contained provisions (secs. 3701–3704) related to the monitoring of products derived from forced labor.

The House bill contained no similar provisions.

The House recedes with an amendment that would eliminate a provision containing findings, which emphasized products derived from forced labor from the People's Republic of China, strike direct references to indentured labor, including child labor (secs. 3701–3703), and eliminate a specific reference to mining products (sec. 3702).

The conferees note that forced labor includes convict labor, forced labor, and indentured labor, as such terms are used in section 307 of the Tariff Act of 1930 (19 U.S.C. 1301 et seq.). Accordingly, the conferees understand that indentured labor, to include child labor, is a category of labor included in the definition of forced labor as established in the Tariff Act of 1930, which thereby prohibits the importation of products made through the use of indentured or child labor. The conferees further recognize the importance of strong and enforceable laws relating to products derived from child labor, and emphasize that such laws should be enforced to the maximum extent practicable by the U.S. Customs Service.

TITLE XXXVIII—FAIR TRADE IN AUTOMOTIVE PARTS

LEGISLATIVE PROVISIONS ADOPTED

Fair trade in automotive parts (secs. 3801–3805)

The Senate amendment contained provisions (sec. 3801–3805) that would deal with trade in automotive parts. Section 3801 would provide that the title could be cited as the ''Fair Trade in Automotive Parts Act of 1998.'' Section 3802 would define certain terms. Section 3803 would direct the Secretary of Commerce to re-establish an initiative to increase the sale of U.S.-made auto parts to Japanese markets, and prescribe the functions of the Secretary in this regard. Section 3804 would direct the Secretary to establish a special advisory committee from the automotive parts industry. Section 3805 would provide that the authority under the Act shall expire on December 31, 2003.

The House bill contained no similar provision.

The House recedes with technical amendments.

TITLE XXXIX—RADIO FREE ASIA

LEGISLATIVE PROVISIONS ADOPTED

Short title (sec. 3901)

The Senate amendment contained a provision (sec. 3901) that would provide that the provisions in this title related to international broadcasting activities to China may be cited as the Radio Free Asia Act of 1998.

The House bill contained no similar provision.

The House recedes.

Authorization of appropriations for increased funding for Radio Free Asia and Voice of America broadcasting to China (sec. 3902)

The Senate amendment contained a provision (sec. 3903) that would authorize $30.0 million for fiscal year 1998 and $22.0 million

for fiscal year 1999 for the purpose of funding Radio Free Asia broadcasting to the People's Republic of China and Tibet, $5.0 million for fiscal year 1998 and $3.0 million for fiscal year 1999 for Voice of America broadcasting to China and Tibet, and an additional $10.0 million for fiscal year 1998 and $2.0 million for fiscal year 1999 for radio construction in support of such broadcasting. The provision would reserve $100,000 of the funds authorized for Voice of America broadcasting for broadcasts in the Hmong language.

The House bill contained no similar provision.

The House recedes with an amendment that would delete the authorizations for fiscal year 1998, eliminate the requirement that certain broadcasts be in the Hmong language, and specify that the additional authorizations for fiscal year 1999 are with respect to appropriations for the U.S. Information Agency.

Reporting requirement (sec. 3903)

The Senate amendment contained a provision (sec. 3904) that would require the Broadcasting Board of Governors to submit a report on their efforts to increase Radio Free Asia and Voice of America broadcasts to China and Tibet, as well as an analysis of the control by the Government of the People's Republic of China of the media in China, to the Committees on Foreign Relations and Appropriations of the Senate and the Committees on International Relations and Appropriations of the House of Representatives.

The House bill contained no similar provision.

The House recedes with a technical amendment.

LEGISLATIVE PROVISIONS NOT ADOPTED

Findings

The Senate amendment contained a provision (sec. 3902) that would make certain findings with respect to freedom of information in the People's Republic of China.

The House bill contained no similar provision.

The Senate recedes.

From the Committee on National Security, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

FLOYD SPENCE,
BOB STUMP,
DUNCAN HUNTER,
JOHN R. KASICH,
HERBERT H. BATEMAN,
JAMES V. HANSEN,
CURT WELDON,
JOEL HEFLEY,
JIM SAXTON,
STEVE BUYER,
TILLIE K. FOWLER,
JOHN M. MCHUGH,
J.C. WATTS, Jr.,
WILLIAM M. THORNBERRY,
SAXBY CHAMBLISS,
WALTER B. JONES,
MICHAEL PAPPAS,
BOB RILEY,
IKE SKELTON,
NORMAN SISISKY,
JOHN M. SPRATT, Jr.,
SOLOMON P. ORTIZ,
OWEN PICKETT,
LANE EVANS,
GENE TAYLOR,
NEIL ABERCROMBIE,
MARTIN T. MEEHAN,
JANE HARMAN,
PAUL MCHALE,
PATRICK J. KENNEDY,
THOMAS H. ALLEN,
VIC SNYDER,
JAMES H. MALONEY,

As additional conferees from the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of rule XLVIII:

PORTER J. GOSS,
JERRY LEWIS,
NORM DICKS,

As additional conferees from the Committee on Banking and Financial Services, for consideration of section 1064 of the Senate amendment:

JIM LEACH,
MICHAEL N. CASTLE,
JOHN J. LAFALCE,

As additional conferees from the Committee on Commerce for consideration of sections 601, 3136, 3151, 3154, 3201, 3401, 3403, 3404, 3405, 3406, and 3407 of the House bill, and sections 321, 601, 1062, 3133, 3140, 3142, 3144, 3201, and title XXXVIII of the Senate amendment, and modifications committed to conference:

THOMAS J. BLILEY, Jr.,
DAN SCHAEFER,
JOHN D. DINGELL,

Provided that Mr. Oxley is appointed in lieu of Mr. Dan Schaefer for consideration of section 321 of the Senate amendment.

MICHAEL G. OXLEY,

Provided that Mr. Bilirakis is appointed in lieu of Mr. Dan Schaefer for consideration of section 601 of the House bill, and section 601 of the Senate amendment.

MIKE BILIRAKIS,

Provided that Mr. Tauzin is appointed in lieu of Mr. Dan Schaefer for consideration of section 1062 and Title XXXVIII of the Senate amendment.

BILLY TAUZIN

As additional conferees from the Committee on Education and the Workforce, for consideration of sections 361, 364, 551, and 3151 of the House bill, and sections 522, 643, and 1055 of the Senate amendment, and modifications committed to conference:

TOM PETRI,
FRANK RIGGS,
TIM ROEMER,

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 368, 729, 1025, 1042, and 1101-1106 of the House bill, and sections 346, 623, 707, 805, 806, 813, 814, 815, 816, 1101-1105, 3142, 3144, 3145, 3162-3172 and 3510 of the Senate amendment, and modifications committed to conference:

DAN BURTON,
JOHN L. MICA,

Provided that Mr. Horn is appointed in lieu of Mr. Mica for consideration of section 368 of the House bill and sections 346, 623, 707, 805, 806, 813, 814, 815, and 816 of the Senate amendment.

STEPHEN HORN,

As additional conferees from the Committee on International Relations, for consideration of sections 233, 1021, 1043, 1044, 1201, 1204, 1205, 1210, 1211, 1213, 1216, and Title XIII of the House bill, and sections 326, 332, 1013, 1041, 1042, 1074, 1084, 3506, 3601, 3602, and 3901–3904 of the Senate amendment, and modifications committed to conference:

BENJAMIN A. GILMAN,
DOUG BEREUTER,
LEE H. HAMILTON,

As additional conferees from the Committee on International Relations, for consideration of sections 1207, 1208, 1209, and 1212 of the House bill, and modifications committed to conference:

BENJAMIN A. GILMAN,
DOUG BEREUTER,
CHRISTOPHER H. SMITH,
DAN BURTON,
DANA ROHRABACHER,
LEE H. HAMILTON,
TOM LANTOS,

As additional conferees from the Committee on the Judiciary for consideration of sections 1045 and 2812 of the House bill and section 1077 of the Senate amendment, and modifications committed to conference:

HENRY J. HYDE,
ED BRYANT,

As additional conferees from the Committee on Resources, for consideration of sections 601, 2812, and 3404–3407 of the House bill, and sections 601, 2828, and Title XXIX of the Senate amendment and modifications committed to conference:

DON YOUNG,
BILLY TAUZIN,

As additional conferees from the Committee on Science, for consideration of sections 3135 and 3140 of the Senate amendment, and modifications committed to conference:

F. JAMES SENSENBRENNER, Jr.,
KEN CALVERT,
GEORGE E. BROWN, Jr.,

As additional conferees from the Committee on Transportation and Infrastructure, for consideration of sections 552, 601, 1411, and 1413 of the House bill, and sections 323, 601, 604, and 1080 of the Senate amendment, and modifications committed to conference:

BUD SHUSTER,
SHERWOOD BOEHLERT,
BOB CLEMENT,

As additional conferees from the Committee on Veterans' Affairs for consideration of sections 556 and 1046 of the House bill, and sections 618, 619, 644, and 1082 of the Senate amendment, and modifications committed to conference:

CHRISTOPHER H. SMITH,
MIKE BILIRAKIS,
CIRO D. RODRIGUEZ,

As additional conferees from the Committee on Ways and Means, for consideration of Titles XXXVII and XXXVIII of the Senate amendment, and modifications committed to conference:

PHILIP M. CRANE,
BILL THOMAS,
ROBERT T. MATSUI,

Managers on the Part of the House.

STROM THURMOND,
JOHN WARNER,
JOHN MCCAIN,
DAN COATS,
BOB SMITH,
DIRK KEMPTHORNE,
JIM INHOFE,
RICK SANTORUM,
OLYMPIA J. SNOWE,
PAT ROBERTS,
CARL LEVIN,
EDWARD M. KENNEDY,
JEFF BINGAMAN,
JOHN GLENN,
ROBERT C. BYRD,
CHUCK ROBB,
JOSEPH I. LIEBERMAN,
MAX CLELAND,

Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FALEOMAVAEGA (at the request of Mr. GEPHARDT) for Friday, September 18, through Tuesday, September 22, on account of official business in the District.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Ms. NORTON) to revise and extend her remarks and include extraneous material:)

Ms. NORTON, today, for 5 minutes.

EXTENSION OF REMARKS

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

(The following Members (at the request of Ms. NORTON) and to include extraneous material:)

Mr. KIND.

Ms. PELOSI.

Ms. VELÁZQUEZ.

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

Mrs. CUBIN.

Mr. PITTS.

Ms. ROS-LEHTINEN.

SENATE BILLS REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2317. An act to improve the National Wildlife Refuge System, and for other purposes; to the Committee on Resources.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following date present to the President, for his approval, a joint resolution of the House of the following title:

On September 21, 1998:

H.J. Res. 128. Making continuing appropriations for the fiscal year 1999, and for other purposes.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 10 o'clock and 10 minutes a.m.), under its previous order, the House adjourned until tomorrow, Wednesday, September 23, 1998, at 2 p.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALSH: Committee of Conference. Conference report on H.R. 4112. A bill making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes (Rept. 105–734). Ordered to be printed.

Mr. ARCHER: Committee on Ways and Means. H.R. 4558. A bill to make technical amendments to clarify the provision of benefits for noncitizens, and to improve the provision of unemployment insurance, child support, and supplemental security income benefits; with an amendment (Rept. 105–735, Pt. 1). Ordered to be printed.

Mr. SPENCE: Conference report on H.R. 3616. A bill to authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1999, and for other purposes (Rept. 105–736). Ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker.

H.R. 4558. Referral to the Committee on Commerce extended for a period ending not later than September 23, 1998.

PUBLIC BILLS AND RESOLUTIONS

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

Mr. SOLOMON introduced A bill (H.R. 4606) to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of Kyrgyzstan; which was referred to the Committee on Ways and Means.

ADDITIONAL SPONSORS

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

H.R. 979: Mr. TANNER.

H.R. 2327: Mr. BACHUS, Mr. MORAN of Kansas, and Mr. EHRLICH.

H.R. 2499: Mr. DEUTSCH and Mr. LATHAM.

H.R. 2524: Mr. FROST.

H.R. 2817: Mr. BURTON of Indiana and Mr. BOUCHER.

H.R. 2828: Ms. MILLENDER-MCDONALD and Mr. COSTELLO.

H.R. 3783: Mrs. WILSON and Mr. SNOWBARGER.

H.R. 3879: Mr. BRYANT.

H.R. 3992: Mr. DOOLITTLE.

H.R. 4034: Mr. HORN.

H.R. 4242: Mr. MOLLOHAN.

H.R. 4563: Mr. DIAZ-BALART, Mr. FROST, Mr. HASTINGS of Florida, Mr. NETHERCUTT, Ms. NORTON, and Mr. SESSIONS.

H.R. 4590: Mr. KIND of Wisconsin.

H. Res. 531: Mr. BOB SCHAFFER.

H. Res. 533: Mr. GILMAN and Mr. SOLOMON.

United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, SECOND SESSION

Vol. 144 WASHINGTON, TUESDAY, SEPTEMBER 22, 1998 No. 127

Senate

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, help us to see things from Your perspective and envision what can happen through Your power. We need You to help us combat the growing tide of cynicism in our society. Secular humanism is catching. It leads to horizontal thinking. We evaluate things on the basis of what we can do on our own strength. Sometimes our capacity to hope is debilitated by life's frustrations, disappointments over people, and our inability to control life. Cynicism becomes addictive. It begins with negativism, grows in a critical attitude, and becomes a settled personality trait.

Father, help us to be realistic about people and situations, but always expectant of what You can do. Give us Your joy as the only lasting antidote to cynicism. We trust You with our problems, difficult relationships, and disturbing anxieties. We commit the present crisis in our Nation to You and ask for Your wise guidance. Now, with Your help, we want to share contagious joy and not spread the virus of cynicism. In the Name of our Lord and Savior. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator LOTT, is recognized.

Mr. LOTT. Thank you, Mr. President.

SCHEDULE

Mr. LOTT. Mr. President, this morning the Senate will immediately resume consideration of S. 1301, the Consumer Bankruptcy Protection Act, with Senator REED being recognized to offer an amendment under a 1-hour time agreement. Following that debate, Senator KENNEDY will be recognized to offer an amendment regarding minimum wage under a 2-hour time agreement.

At 12:30 p.m. the Senate will recess until 2:15 to allow the two party conferences to meet. When the Senate reconvenes at 2:15 there will be 5 minutes for closing remarks on the Kennedy amendment prior to a vote on or in relation to the amendment. Following that vote, there will be up to four additional votes occurring in stacked sequence with minimal debate time between each vote. Those votes, in their respective order, will include the two Feingold amendments regarding attorney's fees and filing fees, the Reed amendment regarding underwriting standards, and the cloture vote on the child custody bill previously scheduled at 4:30.

I am still hopeful that we can come to some agreement on amendments and time so that we can go to the child custody bill without further cloture votes. But failing that, we will go forward with that vote at 4:30.

Further votes could occur into the evening as the Senate attempts to complete action on the bankruptcy bill. If we do not get to final passage tonight, then we expect that to be probably the first vote on Wednesday.

As a reminder to Senators, second-degree amendments to the child custody bill must be filed by 3:30 p.m.

I thank my colleagues for their attention.

MEASURE PLACED ON CALENDAR—S.J. RES. 56

Mr. LOTT. Mr. President, I understand there is a joint resolution at the desk due for its second reading.

The PRESIDING OFFICER (Mr. HUTCHINSON). The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 56) expressing the sense of Congress in support of the existing Federal legal process for determining the safety and efficacy of drugs, including marijuana and other Schedule I drugs, for medicinal use.

Mr. LOTT. Mr. President, I object to further consideration of the resolution at this time.

The PRESIDING OFFICER. The resolution will be placed on the calendar.

Mr. LOTT. Thank you, Mr. President. I yield the floor.

CONSUMER BANKRUPTCY REFORM ACT OF 1998

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 1301, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1301) to amend title 11, United States Code, to provide for consumer bankruptcy protection, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Lott (for Grassley/Hatch) amendment No. 3559, in the nature of a substitute.

Feingold/Specter amendment No. 3602 (to amendment No. 3559), to ensure payment of trustees' costs under chapter 7 of title 11, United States Code, of abuse motions, without encouraging conflicts of interest between attorneys and clients.

Feingold/Specter amendment No. 3565 (to amendment No. 3559), to provide for a waiver of filing fees in certain bankruptcy cases.

The PRESIDING OFFICER. Under the previous order, the Senator from Rhode Island is recognized to offer an amendment regarding underwriting standards, on which there will be 1 hour of debate equally divided.

The Senator from Rhode Island.

Mr. REED. Thank you, Mr. President.

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

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

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Mr. REED. Yes.

Mr. WARNER. Might I inquire as to how long the Senator might wish to speak?

Mr. REED. I assume I will speak anywhere from 10 to 15 minutes.

Mr. WARNER. I wonder if the managers of the bill would simply grant me the opportunity to introduce a bill, which will take less than 2 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. REED. Mr. President, I assume that if the Senator introduces a bill we would still have the full time to debate my amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. REED. Thank you. I have no objection.

THE PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. I thank the Chair. I thank my distinguished colleagues.

(The remarks of Mr. WARNER pertaining to the introduction of S. 2506 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 3610 TO AMENDMENT NO. 3559

(Purpose: To make amendments with respect to court considerations with respect to dismissal or conversion)

Mr. REED. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Rhode Island (Mr. REED) numbered 3610 to amendment No. 3559.

Mr. REED. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 5, line 10, insert ''(i)'' after ''(A)''.

On page 5, line 15, strike ''or'' and insert ''and''.

On page 5, between lines 15 and 16, insert the following:

''(ii) when any party in interest moves for dismissal or conversion, whether the party in interest dealt in good faith with the debtor; or''.

Mr. REED. Mr. President, my amendment to S. 1301 is designed to encourage responsible lending by the credit card industry just as the underlying motivation of the bill is to require responsible borrowing by the general population of the United States.

Under the present legislation before us, a credit card company, or a creditor, may go into a bankruptcy court and request that the judge move a petition from chapter 7 to chapter 13 if the individual has the ability to pay at least 20 percent and is not acting in bad faith. My amendment will certainly look at the other side of the transaction and require that the creditor also act in good faith.

As I have indicated before, section 707 of this legislation will, for the first time, give the power to creditors to request that a court convert a chapter 7 petition into a chapter 13 case. This is discretionary with the judge. It is not mandatory. But implicit in that, I believe, is already the standard of good faith that the judge will require through his or her analysis of the request of the change from chapter 7 to chapter 13. But I believe it is appropriate—indeed, necessary—to have an explicit standard of good faith on behalf of the creditor, as well as on behalf of the debtor.

The bankruptcy judge, in considering this request, will first have to determine that the individual debtor has the ability to pay at least 20 percent of the claims against the debt, and, in addition, the judge will have to consider whether the debtor filed for chapter 7 in bad faith.

Once again, my amendment would propose a complementary analysis of the creditor, whether that creditor has been offering credit in good faith.

This is not only fair but is something that is necessary to maintain the balance and the appropriateness of this change to a longstanding rule in bankruptcy court which allowed the debtor to go in and file in chapter 7.

Now, we understand the differences between these two provisions of the bankruptcy code. Chapter 7 allows the debtor to discharge all of their debts. Chapter 13 requires them to repay a portion of the debts based upon their ability to repay.

The proponents of this legislation have suggested that by using this means test, by saying that if a debtor can pay at least 20 percent and requiring them, or at least giving the judge the option to put them into a provision of chapter 13 where they must repay a portion, this procedure will reduce the abuse of the bankruptcy system, the abuse that is cited in terms of people coming in with that but still declaring under chapter 7 they cannot pay and having all of their debts discharged.

We know that part of the impetus behind this legislation is the increase in bankruptcy filings throughout the United States. The proponents of this legislation have pointed out that in 1997 alone there were a record 1.3 million bankruptcy filings, and over the past 10 years the bankruptcy filings have increased year after year after year. Unfortunately, these assertions are correct.

In my State of Rhode Island, there has been a 500-percent increase in bankruptcy filings between 1984 and 1996. And so I think everyone is concerned and, indeed, everyone is interested in working out an arrangement which will prevent the abuse of the bankruptcy system, and that is a part of the underlying legislation.

Just focusing alone, however, on the increase in bankruptcy filings misses the full story because it is just one side of the story. On the other side, there has been an explosion in the extension of credit by the credit industry of the United States. Many times their standards for underwriting have diminished substantially. Many times they are issuing credit—in fact, fostering credit upon people at exorbitant interest rates. This, too, must be factored into our analysis of the bankruptcy problem in the United States today. Between 1986 and 1996, total bankruptcy filings did increase by 122 percent, but outstanding revolving consumer credit increased by almost twice as much—238 percent.

So when you look at both sides of the story, the analysis would lead me to believe, very strongly, that this is not solely the problem of individual debtors gaming the system and taking advantage of this system. This is also the problem of the credit card industry, and the credit industry in general, that is fostering and pushing credit on some people who they know are incapable of keeping up with their debts. And so when we look at these changes, we have to look at both sides of the question.

Now, this whole trend in the explosion of credit is reflected graphically in the analysis of household debt and income data. Back in 1974, total household debt was 24 percent of aggregate household income. Today, that same ratio is 104 percent. That is graphic evidence of not only the increased access to credit but the unusually robust and forceful presentation of credit and availability of credit throughout the United States.

We all know this in daily life. You just have to go to your mailbox every day and get a credit card solicitation. You just have to sit in your home from early morning to late at night 7 days a week and answer the telephone and hear a solicitation from a credit card company saying they want to give you credit. It is annoying, it is constant, and it reflects this incredible urge on the part of the industry to push credit as much as they can.

Last year, for example, the credit card companies sent out over 2 billion credit card solicitations. By my calculation, that is roughly 10 for every American man, woman and child. A recent Wall Street Journal article about a California family demonstrated just the ubiquitous and constant effort to get people to sign up for these credit cards. In 1997 alone, this one family was offered almost $5 million in credit through mail solicitations. The wife, who was not working and without independent income, was offered more than $2.5 million in credit. Her husband, who was president of a nonprofit organization, earning a good salary, on the other hand, was offered only $592,000 in credit, suggesting that the industry is not so much interested in how much you make but really how much you potentially might spend. In that regard, the daughter in the household was offered another $1.4 million in credit—in 1 year.

What does this say? This says that the industry is not looking carefully at

where it is sending its solicitations. It is not looking at those people who can pay, and, in fact, in many cases it is burdening people already in debt with further debt, and now what they would like to do, when these individuals come before the bankruptcy court, is they would like to say, well, listen, you people who can't discharge your debts fully, you have to pay up. I think, again, that the appropriate balance, if we are to pursue this ability to move from chapter 13 to chapter 7, is to at least look at the good faith of the credit card industry.

In view of these facts, Mr. President, it becomes clear that the increase in bankruptcy filings is not simply a result of more borrowers borrowing more money. It is also a factor of these credit card companies soliciting poorer and poorer credit risks, and doing it quite deliberately, quite knowingly.

Data from the National Bankruptcy Review Commission supports this assertion. Indeed, this data suggests that the proportional incidence of bankruptcy filings has actually decreased slightly in the last 20 years. We have seen the numbers go up, up, up. But if you look at the ratio, if you look at the proportional incidence, given the outstanding credit, there has been a slight decrease. In 1977, there were 0.74 bankruptcies for every million dollars of consumer credit. In 1997, there are 0.73 bankruptcies for every million dollars in consumer credit.

So when you, again, look at the situation, it is not simply a group of Americans who have suddenly decided that they no longer want to honor their obligations, that they want to abandon the tradition of responsible credit behavior that their fathers and mothers had; these statistics suggest that not much has changed except in the absolute numbers, and that has been driven by this constant extension of credit by the companies, in many cases to people who they know are very unlikely to be able to keep up with the debts at the time.

The approach in the underlying bill overlooks, I think, this other side of the equation. They focus solely on the borrower. They take the ''blame the debtor'' approach. I do not think that is entirely correct. My amendment seeks to address that approach by striking a balance, by allowing—in fact requiring—the judge to look at the good faith of the individual company that is extending this credit. Most, indeed, the vast majority, of reputable creditors day in and day out take pains to ensure that they are doing the proper underwriting, that they are targeting people who have the ability to pay and they are not abusing their ability to market their products. But there are those operators who are not so scrupulous. These unscrupulous operators should not easily have the ability to force an individual from one chapter in the bankruptcy code to another.

At the heart of what my amendment is suggesting is that we explicitly do what I believe is implicit within the existing legislation—that the judge makes a finding that the creditor, in fact, operated in good faith. Under the present language, he or she is required to make a judgment that the debtor has not acted in bad faith in their application for chapter 7. I think that the same approach, complimentary approach should be applied to creditors.

My amendment adds this good-faith standard, and it is not the only place you will find a good-faith standard or its related bad-faith standard within this legislation and within the bankruptcy code. For example, section 202 of the bill protects the debtor's ability to discharge certain debts if in the language of the bill ''the debtor makes a good-faith effort to negotiate a reasonable alternative repayment schedule.''

The point is clear that throughout this legislation we have imposed good-faith standards at various junctures to give the bankruptcy judge guidance in assessing various petitions for various claims, so that this amendment is consistent with that good-faith theme throughout the legislation.

My legislation does not prescribe specific factors to be considered on the good-faith standard. Instead, it gives the bankruptcy judge the discretion to make that judgment. Again, that is consistent with this legislation and also with the general practice in the bankruptcy code. Judges, bankruptcy judges particularly, are quite familiar with making these analyses of good-faith judgment, either on the part of the creditor or the part of the debtor. In fact, if you look through the bankruptcy code, there are about 79 annotations related to the court's interpretation of ''good faith.'' So it is a constant of the bankruptcy law and it is something that is not a novel injection into this particular legislation. I think, in fact I am convinced, that the judges can handle this analysis of ''good faith'' very clearly and very well.

But one might ask, what are we talking about in terms of good faith? For example, if a judge had found that there was intimidation in the extension of credit, that is certainly not good faith, and I do not think any creditor should be able to claim this privilege under the bankruptcy code if it can be shown they intimidated the creditor. If they are taking advantage of creditors, if their marketing pattern is to market to vulnerable people in our population—seniors or low-income Americans who may not have the ability to get good counseling on their debts—all these things together which suggest bad faith, or the lack of good faith, if they are consistent, demonstrable, then that judge should not allow the ability for that claimant to demand that debtor be moved from one section of the bankruptcy code to another.

All of these things together, I think, suggest very strongly that we have to look out for the exception, in terms of the creditor population, those unscrupulous creditors. There are examples already in the legislation where we have taken steps to guard against unscrupulous operations in the extension of credit. For example, the committee report comments that in section 202 they use ''substantially justified'' language to describe or to allow the award of attorney's fees in terms of allegations that a debt was obtained fraudulently. That is an attempt, as the committee report says, because they are ''concerned that some unscrupulous creditors have alleged false misrepresentations with no proof of doing so.'' Indeed, there are protections already in the bill. I think, in this particular section, 707(b), there should be further protection for the good faith standard that would protect that.

I have mentioned also that there is a concern to have some sense of what might be operating out there presently that would fall under this ambit of bad faith, or lack of good faith. There is a practice that is evolving in the industry of offering, particularly to low-income populations, these loan checks, where essentially they will send a check unsolicited to the home and all you have to do is sign it to get the money. But once you do that, you now have a debt with a substantial interest rate in many cases. That is the type of behavior I think a judge reasonably can look at and say, ''Is this good faith?''

For all these reasons and many, many more, the standard of good faith should be obvious to the bankruptcy judge. And I believe the way we have designed this overall legislation and this particular amendment is that we give that individual not only the incentive but also the mission to look closely at the company applying for this transfer of the debtor from one chapter to another.

I am pleased to say that this particular amendment has been endorsed by the Consumer Federation of America and that it represents an attempt to balance the standard within this particular legislation. I hope all my colleagues will support this amendment. It seems to me to do several things that are essential.

First of all, it recognizes that the problem we face is not solely, exclusively as a result of the behavior of debtors; that, in fact, it is the result of the behavior of lenders who are lending more and who are doing it without the kind of tight underwriting standards that are necessary. In that context, to give them the opportunity to move a debtor from a chapter 7 to a chapter 13 without looking at their behavior, I think, is inappropriate. It is particularly inappropriate when the judge must consider the behavior of the debtor in filing a chapter 7 petition.

This amendment, I believe, is a very important one. It will restore the balance in this particular section, section 707 of the underlying legislation, and it will, I think, provide not only a way to safeguard against abuse of the bankruptcy system by debtors, but also

strike a balance so creditors understand they have the responsibility to act responsibly also.

I urge support of this amendment.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. GRASSLEY. Mr. President, I yield myself such time as I might consume.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, this amendment by the Senator from Rhode Island is very much a modification of an amendment he proposed which would require bankruptcy judges to consider whether a creditor had used sound underwriting practices and standards when considering whether to dismiss or convert a chapter 7 to chapter 13. The modified amendment now requires judges to consider whether a creditor acted in good faith when considering whether to convert or to dismiss that case.

It is my understanding from discussions that have gone on between Senator REED's staff and my staff, and from what Senator REED has said, now, as he has introduced his amendment, that the good faith standard in the modified amendment also includes many of the underwriting considerations in the original amendment. So, accordingly, many of the objections to the original amendment still apply to this modified amendment presented by the Senator from Rhode Island.

At the outset, as with other amendments which relate to lending practices, I urge my colleagues to vote ''aye'' on a motion I will make to table this amendment because the Banking Committee should have a chance to consider this issue. But, since this amendment affects the means-testing provisions of S. 1301, I would like to describe how this amendment will be difficult to apply in practice, should it be adopted.

Under the bill as written now, judges are directed to consider repayment ability, and given the power to dismiss or convert chapter 7 cases if a debtor could repay some portion of his or her debt. This is the very foundation of this legislation. This is what makes this bill, this year, different than any bankruptcy legislation we have had in the 100-year history—and this is the 100th year that the first national bankruptcy code was passed, on an ongoing basis.

This amendment also requires judges to consider whether a creditor acted in good faith, including a creditor's lending practices. I don't think anyone knows how this amendment will work in the real world. There are questions raised by this amendment but not answered by the amendment:

How would a judge even find out what the creditor's underwriting practices are?

What is ''good faith'' in the context of section 707(b)?

Procedurally, who would have the burden of producing evidence about underwriting practices in good faith?

And if a creditor had properly extended credit to the debtor whose chapter 7 case is pending, but had recklessly offered credit to other people, is a judge supposed to factor that in as well?

What if there are two pending motions asking for dismissal or conversion—one motion by a creditor who has sloppy underwriting practices or who acted in bad faith, and another motion by a creditor with tight underwriting standards who acted in good faith? In this case, should a judge deny both motions?

Mr. President, what these questions show is that the amendment offered by the Senator from Rhode Island should be rejected because it is not good bankruptcy policy. There are too many unanswered questions and, of course, the underlying question regarding which underwriting practices are sloppy and which underwriting practices are not sloppy needs to be addressed not by the Judiciary Committee, not on the floor of the Senate, but in the laboratory of jurisdiction of that subject where legislation is perfected, and that happens to be the Senate Banking Committee.

There are already penalties for creditors who refuse to act in good faith. We made sure they were in this bill. They are a very important part of making this a well-balanced piece of legislation.

We talk so much about personal responsibility and making it tougher to get into bankruptcy that maybe people viewing this debate have sensed over the last week that all we are going after is the debtor, but that sometimes creditors don't act in good faith. This bill is balanced because it has penalties against creditors. For instance, if a creditor refuses to negotiate in good faith, then that creditor can't object to the discharge of his or her debt. This is already in the bill.

Again, I urge my colleagues to vote ''no'' on the Reed amendment and eventually get this bill to final passage, because this is a very needed bill. We have 2 weeks to work out some differences between the House and Senate. The other body's bankruptcy bill is considerably different from ours. And I don't say that in a denigrating way; it just is different. The process of negotiating for provisions somewhere between the House and Senate provisions—also we have to consider the White House, because we want a bill that the President can sign—takes 2 weeks to get done, and we need to get this bill passed.

I hope the Senator from Rhode Island is aware that the 20-percent figure was raised to 30 percent in the managers' amendment. I need to clarify that point because that 30-percent figure is also something that the White House was involved in working out as well, because the White House had raised some concerns about our 20-percent figure.

There also was some willingness on the part of the White House to consider some points of view we had about the 30-percent figure, and they even modified their original position, to some extent, to satisfy me.

I think it is odd that the Senator from Rhode Island is critical of lenders extending too much credit. When the credit union bill was on the floor, there was an amendment to strike the Community Reinvestment Act. The Community Reinvestment Act, of course, requires banks to extend credit to low-income people.

I don't think that any of us can argue with the social responsibility of a bank to be fair to all people and all sectors, with the understanding that they have a responsibility to the stockholders of that bank and other people who are saving, but, within the concept of good financial prudence, to lend accordingly to all sectors of a city, all types of people who have the ability to repay.

We had this community reinvestment amendment offered, and we had many Members talk about the need to make sure that credit is widely available to low-income people. What in the heck do you think credit cards are about? They are about giving people who maybe would not have that opportunity elsewhere an opportunity to borrow—again, within the concept of personal responsibility for debt.

Now, through this amendment, we hear that we should, in effect, deny a creditor the ability to collect on a debt if the creditor extended credit to low-income people. On the one hand, a month ago we had a bill before us that we were trying to modify to make it reasonable, and the other side, which was opposed to that, said we are hurting low-income people with that amendment. And now with this amendment they are saying that low-income people are people taken advantage of.

It seems to me that you can't have it both ways. I believe that borrowing and I believe that lending decisions are best made by individual Americans and not second-guessed by bankruptcy judges or political leaders in Washington, DC.

I yield the floor.

Mr. REED addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Thank you, Mr. President. I yield myself such time as I may consume.

Let me respond to the Senator from Iowa. First of all, he raised interesting arguments about the amendment I did not propose, which would be a more detailed review of the underwriting practices of credit card companies and those that extend credit. For the reasons he illustrated, I did not suggest

that amendment, because requiring a bankruptcy judge to look at the myriad of different underwriting standards of companies throughout the United States would not be appropriate.

What is appropriate, I believe, is to require that they look at the good faith of the person who extends the credit and is now requesting that the debtor be transferred from chapter 7 to chapter 13. It seems to me to be perfectly consistent with the notion that the judge would also look at the good faith of the debtor—whether that debtor, in fact, was trying to use chapter 7 as a dodge. That is already in the legislation.

He also raised some very interesting questions about how this will apply in practice, but I think the answer—a compelling answer, in my view—is that this is exactly what a bankruptcy judge is authorized and empowered to do on a daily basis—make judgments about the good faith of the debtor and, I suggest, also the good faith of the creditor. He or she can make these judgments. That is why they are there. They have the facts. This is a standard that is persistent throughout the bankruptcy code.

There are numerous places in which the judge is called upon to make good-faith determinations. It does not require the kind of searching, detailed analysis of all the credit policies of a particular credit card company or a bank that extends credit, but what it requires is a commonsense view of whether or not the individual who has extended the credit has abused their market power or has, in fact, somehow distorted the relationship which we think is appropriate between a borrower and a lender.

The Senator from Iowa also makes reference to the CRA Act in terms of suggesting that my demonstration of the explosion of credit is in some way inconsistent with suggesting that the Community Reinvestment Act play as positive a role.

I do not think we witnessed a 238-percent increase in consumer community lending over the last several years as we have witnessed an explosion of the extension of credit by credit card companies. I do not think that we have seen the kind of robust lending into distressed communities that many in this Chamber would think would be appropriate.

So to make that analogy by pointing out that credit card companies are increasingly lax about their extension of credit is somehow inconsistent with supporting very thorough and very limited lending under the CRA, I do not think carries weight.

What we have is a situation in which the credit card companies—and we know this. Again, you do not have to go ahead and commission a survey to find out and discover this fact; you just have to sit home some Saturday when at 9:30 in the morning the phone rings, and you think it is your cousin or your brother calling up, and it is a credit card company. You politely hang up the phone. At 10:30 you get another call, thinking again it is a family member, and it is another credit card company. You go out to your mailbox at 11 a.m. Guess what? There are two solicitations, a platinum card and a gold card; and at 2 o'clock, thinking it is a member of the staff, it is another credit card company. You know this because you go back to your States, as I do, and you learn this from your constituents.

This industry is really promoting credit. Is it beneficial? Sure it is. Access to credit is something that moves this economy forward. But when this credit extension is not done in a wise way, when in fact there is tangible evidence that there has been, in fact, bad faith—and that is a fairly strong standard to meet—then I think that the judge should be able to say or should be required to say you cannot move a debtor from chapter 7 to chapter 13.

I am also pleased to note that the increase in the standard is to 30 percent of the ability to pay. I think that is an improvement in the legislation, just like I think this would be an improvement in the legislation.

Let me conclude by saying I, frankly, believe that the way this legislation is already structured, with the judge in a position, not required to but having discretion—and the language is ''may'' move a debtor from chapter 7 to chapter 13—there is implicitly already a good-faith standard that I think any bankruptcy judge worth his or her salt in seeing a company that was abusive, that is filing constant petitions to move someone from chapter 7 to chapter 13, that have a known record for shoddy behavior in the community, I would think that individual would take that into consideration and should take that into consideration.

That is why I do not believe my amendment is a unique or extreme departure from what already should be the standard. I would hope that we could adopt this amendment. I think it will go a long way to ensure that there is a balanced test, that you look at the debtor, you determine whether that individual can pay a certain amount—30 percent—and you look to see if that debtor has been deploying bad faith to apply to chapter 7, but at the same time look over, not at any rigorous searching review of underwriting standards, but look at that very, very obvious standard of good faith, look at that creditor. That is what this amendment is supposed to do.

I yield the floor.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I have had a chance now for a second time to hear the explanation of the amendment from the Senator from Rhode Island. I think he is a person who always acts in good faith on his amendments and other legislative activity. He is a very active member of the Aging Committee, which I chair, and I have had a chance to observe him there as being a very serious Senator. So I do not raise any questions with the motives of the Senator because I think he even sees a need for bankruptcy legislation.

But I still have to point out that I think the amendment, even if the intent is good, is just unworkable. I do not know whether we could have an amendment written to accomplish his goals that could be perfected enough to be workable—I should not draw that conclusion; that is a possibility—but I do believe that the language we have before us would fall into that category, because the modified amendment still requires bankruptcy judges to review underwriting standards. That is what the Senator from Rhode Island said earlier on the floor.

So I do not think that we know how this amendment will work. I do not know how you can make even a commonsense determination of whether lending practices are in good faith unless the judge begins to second-guess many credit-granting decisions.

As I have said, if the Senator from Rhode Island believes that there are too many credit card solicitations, then I think I should refer him to a letter that I read into the RECORD last week, which I am going to insert in the RECORD at this point as well, a letter from the junior Senator from North Carolina, Mr. FAIRCLOTH, who chairs the subcommittee of banking where I made an argument, from a procedural standpoint, that this amendment should be considered there, and that he has offered to hold hearings on this subject matter, and maybe even the goal that the Senator from Rhode Island seeks can be accomplished, but, more importantly, accomplished in a studied approach.

So I ask unanimous consent that this letter be printed in the RECORD as justification on a procedure not to add this amendment to this bill but to have the Banking Committee consider this.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Washington, DC, September 16, 1998.

Hon. CHARLES GRASSLEY,
Chairman, Subcommittee on Administrative Oversight and the Courts, Senate Committee on the Judiciary, Washington, DC.

DEAR CHUCK: It is my understanding that a number of amendments relating to credit cards will be offered to S. 1301. Most, if not all, of these amendments will relate to matters in the jurisdiction of the Banking Committee. I Chair the Financial Institutions Subcommittee of the Banking Committee.

I share the concerns that many have regarding multiple credit card solicitations and solicitations to minors. In fact earlier this year, my Subcommittee held a hearing on bankruptcy issues, with representatives of the credit card industry testifying. I have requested and received GAO reports on such practices as high loan to value loans and the sending of ''live'' loan checks.

As for many of the proposed amendments relating, however, none have been passed by

the Committee. In fact, none have been considered by the Committee. Further, none of the proponents of the amendments have requested hearings on any of their legislative proposals.

During consideration of the bankruptcy bill, please know that I would be more than willing to hold a hearing or hearings on any these proposals in my Subcommittee where they rightfully should be considered under regular order.

Sincerely,

LAUCH FAIRCLOTH,
Chairman, Subcommittee on Financial Institutions.

Mr. GRASSLEY. I yield the floor.

Mr. REED addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. I do not know if this is the final word, but the Senator is doing a remarkably good job moving this legislation forward. I agree with him, it is quite important because of this increase in the number of bankruptcy filings. There has been a huge growth in my home State of Rhode Island, a 500-percent increase in just a few years. If we are going to do it, let's do it in a fair and balanced way.

I also go back to the underlying legislation that we are trying to amend. It says essentially that a creditor may file a request to move the debtor from chapter 7 to chapter 13, and the judge will make a determination. It is not mandatory. As I read it, even if that judge determines that the debtor has 30 percent, the sufficient amount of money to repay, and that the debtor may have, in fact, been questionable in filing a chapter 7 petition, the judge is still not required to grant the request and move the petitioner from chapter 7 to chapter 13.

So as I said before, I think, implicitly, we already have this good-faith standard, because that is what the judge is going to apply. He or she is going to look at the behavior of both parties and determine if this is appropriate—if the individual should have all his debts discharged or whether there should be some partial repayment.

What I would like to do is make it clear that this good-faith standard does exist, and it does not require this searching analysis of the underwriting practices of any company. It just requires a judge looking at the facts before him or her and making a judgment, as they do every day, as to what is fair, who has acted with clean hands coming to the bar of justice.

I also say, in conclusion, that this amendment has the strong support of the Consumers Union and the Consumers Federation of America. This legislation is designed to ensure there is responsible borrowing, that the American public is responsible, and that they recognize their debts and their obligations.

I believe and I think there is underlying support of the Consumers Union and the Consumer Federation of America, that the credit industry should also be responsible and understand their obligations. This is just a small way of making explicit what I think is already within the law—to recognize that responsibility.

I yield the floor.

Mr. GRASSLEY. Mr. President, I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The distinguished Senator from Minnesota is recognized.

Mr. GRAMS. I thank my colleague from Iowa for yielding the floor to me. First, I ask unanimous consent that I be made an original cosponsor of the consumer bankruptcy reform bill.

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

Mr. GRAMS. Mr. President, as a cosponsor, I rise today in strong support of the Consumer Bankruptcy Reform Bill. The bill contains sorely needed provisions to help curb the dramatic rise of personal bankruptcies in this country.

It is incredible that while most sectors of the economy are experiencing an economic boom—with the notable exception of some of the hardest-working farmers in the country—personal bankruptcy filings have reached record highs. My constituents tell me that declaring bankruptcy has become so routine as to be considered just another personal finance option. No longer is it an avenue of last resort. It has become a matter of convenience, sometimes to avoid the personal responsibilities of living within one's means and repaying one's debts. I believe this shift in attitude is due in large part to a system which readily lends itself to abuse and exploitation.

The passage of the Consumer Bankruptcy Reform bill is critical because it directly confronts the abuses within our bankruptcy system. One of the main features of the bill would allow bankruptcy judges to dismiss or reassign cases if the system is being ''abused.'' Under the bill, one of the factors which shows abuse in a chapter 7 filing is if the debtor has current income sufficient to pay at least 20% of unsecured claims against him. A motion alleging abuse of the system could be filed by the judge, the trustee, or any party in interest.

We must return to the real purpose of bankruptcy laws—to establish uniform rules in facilitating debt collection. Unfortunately today, the laws are increasingly recognized as a tool for escaping debt responsibility. They are becoming a substitute for personal responsibility.

In addition, I am disappointed that some of my colleagues seek to offer a nongermane amendment to to the underlying bankruptcy legislation that would increase the minimum wage.

As my colleagues may recall, it was only two years ago that Congress enacted legislation that increased the federal minimum wage in two phases, from $4.25 to $4.75 on October 1, 1996, and from $4.75 to $5.15 on September 1, 1997. Now, as part of the Small Business Regulatory Fairness Act of 1996, this provision represented a 20 percent increase in the federal minimum wage.

Now, I voted for this legislation because it included a number of long overdue tax measures designed to help small businesses grow and create more jobs in our economy. These changes, in my judgement, would be far more helpful to wage earners than would the minimum wage increases.

Two years after enactment of this legislation, I am not convinced that the economic effect of that federal minimum wage increase is fully understood. For this reason, I am particularly concerned that an additional increase in the federal minimum wage at this time could actually have an adverse impact upon our economy.

Mr. President, the proponents of an additional increase in the minimum wage argue that Congress should do more to help Americans increase their take-home pay. I agree. However, I believe this can be done far better through tax cuts and reduced government regulation. By doing so, we will save the private sector billions of dollars which could be used for investment that brings better jobs and higher wages.

Mr. President, basic economics tells us that raising real wages above what the market will bear will cause unemployment. The higher real wages rise above the market rate the greater the level of unemployment and overall downward pressure on all wages. The solution, therefore, is to allow wage rates to adjust to market conditions. Otherwise we will have persistent, widespread unemployment that hurts the low-income workers the hardest.

Raising the cost of doing business by raising the minimum wage is probably going to mean even fewer of those jobs. Some statistics say as many as 600,000 of those jobs will be lost, killing work opportunities for young people and those families who depend on a needed second income.

Besides artificially inflating salaries, hiking the minimum wage ignores the real concerns of many working Americans. Yes, they want better jobs that pay better salaries, but they have told me repeatedly that what matters most is not how much you earn but how much of your own paycheck you are allowed to keep after the greedy Federal Government has deducted its taxes.

Families today are taxed at the highest levels since World War II, with 38 percent of a typical family's budget going to pay taxes on the federal, state, and local level. In nominal dollars, a two-income family is paying more just in taxes today than their paychecks totaled in 1977. That's nearly 50 percent more than they are spending for food, shelter, and clothing combined.

Compared to the proposed minimum wage increase, tax relief and economic growth is a better solution for helping low-income families. It will increase incentives to work, save and invest. It

will allow families to maximize their income and improve their standard of living. Tax relief will allow families who today are forced to scrimp just to cover their monthly bills and their tax bills to have more money to spend on their children's education, health care expenses, food and clothing, or insurance.

In 1981, President Reagan initiated massive tax reduction which resulted in an economic miracle we are still benefiting from today. Over eight years, real economic growth averaged 3.2 percent and real median family income grew by $4,000, 20 million new jobs were created, unemployment sank to record lows, all classes of people did better.

According to the National Taxpayers Union, if Congress could roll federal domestic spending back to 1969 levels, a family of four would keep $9,000 a year more of its own money than it does today.

Recent estimates by the CBO show that the government will enjoy a nearly $1.6 trillion budget surplus over the next ten years. This potential surplus is generated by working Americans and should be returned to the taxpayers. Tax relief particularly, lower payroll income tax rates will immediately increase Americans' take-home pay and allow them to keep a little more of their own money.

In sum, Mr. President, the real answer to increasing the take-home pay of American families is not promoting political grandstanding efforts like this which would only destroy jobs, but to support more meaningful tax relief and sustainable economic growth. I urge my colleagues to support the bankruptcy legislation and resist any effort to distort the intent of this most important bill.

Mr. GRASSLEY. Mr. President, I yield 5 minutes to the Senator from Pennsylvania.

Mr. SPECTER. I thank the distinguished Senator from Iowa.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

NONPARTISAN IMPEACHMENT INQUIRY

Mr. SPECTER. Mr. President, I have sought recognition to express the view that Congress should make our inquiry into possible impeachment of President Clinton as bipartisan as possible, nonpartisan, fair, and judicious. There is an abundance of evidence that the American people deplore excessive partisanship in general and oppose any kind of partisanship where we are dealing with a matter which is judicial or quasi-judicial.

I recall an admonition from my father years ago. When in a partnership situation he said, ''Arlen, don't make it 50/50; give 60 percent. It will look like 50 percent to your partner. If you give 50 percent, it will look like 40 percent.'' That bit of advice which my father gave me as to a partnership arrangement, I think, is applicable to relationships or arrangements of many kinds.

I think it is very important that there be a real effort on the part of Republicans, because we Republicans are in control, to not press for every bit of advantage. I believe that the proceedings in the House were off to a good start when there was a vote of 363–33 to release the Starr report, with about two-thirds of the Democrats voting in favor of a release of the report. It seems to me where we have a proceeding like impeachment, which is really judicial, that it ought to be bipartisan or nonpartisan.

With respect to the playing of the tapes of President Clinton, it has been my preference that the approach be somewhat different from that which was undertaken by the House of Representatives. The playing of those tapes, I think, would have been subject to no criticism at all had the House moved ahead with an impeachment inquiry, either in a preliminary stage or after the signing in a more formalistic sense to have impeachment hearings. Then it would have been in the regular course of business in regular order to see the tape of the President so that the Members of the House could make an evaluation of the evidence as to what to do next.

Then where those hearings would be public, with the availability of the President's tape, his deposition before the grand jury would have come into the public domain in a matter of due course, and then as a regular proceeding with the hearings of the House of Representatives so that the House would have obviated the controversy and the concern of whether there was an inappropriate release of the President's tapes. Once the hearings start, even in a preliminary sense, the House Members have an obligation to see what the evidence is.

Similarly, with the release of other evidence, such as the testimony of Ms. Monica Lewinsky yesterday, that testimony is appropriate in regular course, but there is bound to be some concern raised when it is released en masse and not as a part of a regular proceeding by the House of Representatives.

From my days as district attorney of Philadelphia, which was a quasi-judicial position, a district attorney—a public prosecutor—is part advocate and part judge. The expression is made as to the district attorney being a quasi-judicial official. I found it very important in the cases which I tried personally and in the administration of the office to exercise great care to be fair with the defense, both in terms of proceedings generally and in the presentation of evidence at trial.

The juries in a criminal case, like public opinion generally, have a sense as to fairness, and it builds up, I found, the credibility of the prosecutor not to be looking for every slight advantage in the course of either investigation or trial. The impeachment proceedings, it seems to me, are really totally judicial in nature. The articles of impeachment have been analogized to a bill of indictment, but I think they are not really a bill of indictment in a criminal proceeding; or it may be argued that a bill of indictment before a grand jury is judicial in nature.

However, I hope that when we in the Congress vote in this body, when responsibilities come to the Senate, or in the other body, the House of Representatives, that there will be an approach which is bipartisan and nonpartisan. We are proceeding in a matter of the utmost, utmost gravity, the potential for impeachment of the President of the United States, and I think the American people will demand and are entitled to that kind of bipartisanship.

I yield the floor.

Mr. GRASSLEY. Mr. President, I yield the remainder of the time that I have on my side.

Mr. REED. Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. Under the previous order, the Senator from Massachusetts is recognized to offer a second-degree amendment relative to the minimum wage, on which there shall be 2 hours of debate equally divided.

AMENDMENT NO. 3540

(Purpose: To amend the Fair Labor Standards Act of 1938 to increase the Federal minimum wage)

Mr. KENNEDY. Mr. President, I call up amendment No. 3540.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts (Mr. KENNEDY) proposes an amendment numbered 3540.

Mr. KENNEDY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . FAIR MINIMUM WAGE.

(a) SHORT TITLE.—This section may be cited as the ''Fair Minimum Wage Act of 1998''.

(b) MINIMUM WAGE INCREASE.—

(1) WAGE.—Paragraph (1) of section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

''(1) except as otherwise provided in this section, not less than—

''(A) $5.65 an hour during the year beginning on January 1, 1999; and

''(B) $6.15 an hour during the year beginning on January 1, 2000.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect on January 1, 1999.

Mr. KENNEDY. Mr. President, I understand that there is a time allocation, 1 hour for those who support this amendment, and 1 hour in opposition. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. I thank the Chair.

Mr. President, I yield myself 12 minutes.

Mr. President, I will briefly review the bidding about where we are with regard to the minimum wage.

Since the end of World War II, the minimum wage has increased seven different times. President Eisenhower signed a bill for an increase of the minimum wage. President Kennedy did as well, as did President Johnson. President Nixon supported an increase in the minimum wage. President Carter supported an increase in the minimum wage. President Bush supported an increase, and President Clinton has supported it as well.

In the postwar period, if we look at where the economy went in the immediate 20 years after World War II, the economy grew across the board. The percent of increase for those at the lower income level rose just as well as those at the upper level. There was very, very little disparity. If you look at the difference quintiles, from the period of the postwar—1945 really up to about 1970—there was virtual growth together.

During this period of time, we found that Republicans and Democrats alike supported the increase in the minimum wage on a very basic and fundamental principle; that is, if Americans are going to work, they ought to be able to have a livable wage—they should not be in poverty. Men and women who want to work 40 hours a week 52 weeks a year and play by the rules ought to have a livable wage. That concept has been supported by Republicans and Democrats alike.

All we are asking today is whether we are going to continue that basic, fundamental vote of fairness and justice in our country. That is the issue. It is as plain and simple as that.

There are reasonable questions that we have to ask ourselves. The first is, What is going to be the impact on the state of our economy?

We have the greatest economic growth and price stability in the history of the Nation. We have seen untold fortunes made during the period of the last 6 years, but not for those at the lower end of the economic ladder, not for those who are the minimum-wage workers. Their actual purchasing power has been reduced. It is surprising, most Americans think, that everyone has not moved up together. Many have moved up the economic ladder, but not those at the lower part of the economic ladder.

All we are trying to do is to say to those hard-working Americans at a time when we have record unemployment, the lowest inflation that we have had at any time (except one of the seven times where we raised the minimum wage in the postwar period)—the lowest rate of inflation—that, given our economic situation, we can make sure and we can afford for those working Americans a livable wage for themselves and for the members of their family. That is the very simple issue.

It is fair to look at what has happened with the last increases in the minimum wage to see what the impact has been of those increases on the rate of unemployment and the rate of inflation.

We find, as I have demonstrated and put in the RECORD repeatedly, and will not take the time unless challenged on those issues here today, that effectively we have seen virtually no adverse impact in terms of our economy since the last two increases—absolutely none. The economy is stronger, and stronger than ever. We saw in 1997 more than 1,200,000 jobs created in the small business industry.

We have heard from the restaurant association that since the last increase in the minimum wage their employment has grown by 240,000 jobs. They have not been disadvantaged. If you are looking at a growth industry, according to the Labor Department, it is in the restaurant industry.

Mr. President, you can see what I have just stated reflected on this chart. This chart reflects clearly the fact that in constant dollars the minimum wage now is at one of its lower levels. Over the period from the mid 1950s, all the way through the mid-1980s, a 30-year period where we have Republican and Democratic Presidents alike, we have minimum wage and purchasing power that would be even above what this proposal is that is offered today: 50 cents next year, 50 cents the following year. Even if we have those two increases, we will still be below the 30-year average under Republicans and Democrats.

That is all. We are not trying to say we are going to the highest level that we have ever had, even though we have the best economy. All we are saying is let us put them in the realm of the 30-year period for these working families in America.

A great deal is said around here about the importance of work. These are working families trying to provide for their children.

Who are these workers?

These workers are child care workers and attendants. Beatrice Stanford of Wilmington, DE, is a low-wage grandmother who has worked at the YMCA Child Care Center for 4 years, earns $5.75 an hour, and is the sole supporter for her teenage son and daughter and two grandchildren. Beatrice's children have worked from time to time, but she now calls that her biggest mistake. Her daughter fell behind in school because of all the hours she was putting in at work. She needed summer school, but she couldn't afford the $300 for the course. Instead, she had to do a correspondence course that cost $164. She made up the course but lost a year. Beatrice finds it a struggle just to pay the rent. She can't afford a car, so she takes a bus to work and catches a ride to the supermarket.

These are child care workers—the faces of those who are working for the minimum wage. Beatrice Stanford, a grandmother trying to provide for her children and not being able to make ends meet.

Mr. President, there are other workers like Renda DeJohnette who provides home health care in Los Angeles. Child care workers, home health care workers, teachers' aides—these are all the people who make up the minimum wage.

Renda DeJohnette provides home health care. Renda works in a county program to help senior citizens and the disabled to remain in their homes and avoid institutionalization. Renda is a single mother with two teenage children. She earns $5.75 an hour washing clothes, preparing meals, cleaning houses and finds it hard to make ends meet. A low minimum wage increase would allow her to put food on the table and pay all of her bills.

The list goes on.

There is Marcus Reynolds of Lynn, MA. To understand the minimum wage from both sides of the paycheck, for 20 years he earned the minimum wage cleaning offices, making beds in hotels, stocking shelves, and lifting heavy packages in stores.

Often he worked two jobs, sometimes three. He says, ''No matter how many jobs I worked, how little time I slept, the minimum wage was not enough to make ends meet. Even when I was basically just working and sleeping, providing for food and rent and transportation was more than a challenge. It was often a struggle.'' Now he owns a very small sandwich shop. He pays his entry-level workers $6 an hour. He says, ''I can't afford to pay them less.'' He respects them as workers and as people, and as he puts it, ''What kind of family value is it to pay someone supporting a family a wage that is below poverty?''

Mr. President, these are the people we are talking about. We are talking about teacher's aides who are working with our children. We are talking about child care helpers. We see the turnover that is taking place in the Head Start Program, and we are all concerned about that because we know the importance of consistency of care in terms of looking after our children.

One of the principal reasons for this turnover is that we are paying the child care assistants in these kinds of settings the minimum wage, and they just cannot make ends meet. We are talking about those health workers who are working with our parents to try to keep them at home, to help and assist them so they are not institutionalized. They are the helpers and assistants in the nursing homes looking after our parents. They are the people who take care of the buildings which house America's corporations, working long, hard hours at night.

When we asked minimum wage workers what the impact was when they saw an increase in the minimum wage last time, the answer that so many of them gave was amazing: ''You know, Senator, what the impact is going to be

when we raise the minimum wage. We are only going to have to work two jobs instead of three.'' Only two jobs instead of three. ''We might get a chance to see our children more often. We might be able to go to teachers' meetings. We might be able to spend some time with our child helping with some homework.''

That is the difference in terms of any kind of increase in the minimum wage. That is what we are talking about. That is what we are talking about at a time when we have the strongest economy in the history of this country and at a time when we have hard-working Americans who are prepared to do the work.

How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The 12 minutes requested by the Senator have expired.

Mr. KENNEDY. Mr. President, I yield myself 3 more minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. KENNEDY. Mr. President, this chart here says it: ''The minimum wage is not a livable wage.'' We are talking about a livable wage here in the United States of America. These are the average figures for a family. The monthly minimum wage budget includes what is necessary for a family of three. Food on the table, $348; housing, $582; transportation, $145; and what remains is $131. That does not include child care, where the national average in terms of one child would be $333 or health care where the average is $49 or clothing where the average is $63, which comes to $445. You have to squeeze three items, $445, into the remaining of $131.

The question is, how many times is a parent going to serve peanut butter to a child in order to save the $10, $15 or $20 so they can look after health care needs? How many times are they not going to pay their utilities in order to be able to look after a child? This is what we are talking about—hard-working Americans who deserve a living wage. This issue is the same as the last 70 years when we have debated it in the Senate. But we have come together in decency and fairness at important times for working Americans.

Finally, Mr. President, just last year we had an increase in our own minimum wage. Members of this body got $3,100. That is $1.50 an hour. That is the increase every Member of this Senate received—$1.50 an hour in 1 year. We are looking at child care workers, health care workers, teacher's aides getting 50 cents next year and 50 cents the following year. If it was fair enough for the Members of the Senate, it ought to be fair enough for those hard-working Americans who are trying to provide for their families. That is the issue—fundamental fairness to working Americans. Hopefully, we will be successful.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I have very much enjoyed listening to my colleague once again on this very important issue, which seems to come back on an annual basis. The ink is barely dry on the announcement for last year's increase in the minimum wage and the Senator from Massachusetts is back asking for another serious, mandatory wage hike.

The distinguished Senator from Massachusetts, and those who support this concept, believes that an increase in the minimum wage is the quick, painless way to help the disadvantaged in our society. They believe that a minimum wage hike is absolutely costless, and they believe that it has no adverse impact whatsoever. I can only wonder, then, why they have not offered an amendment raising the minimum wage to $15 an hour or $20 or $25 or $30, because if it has no impact and it really is going to benefit people, why not do that. In fact, if raising Senators' salaries $1.50 an hour over the last year is right, why not give everybody whatever the amount of money the Senators make—$100,000, $130,000, or whatever it is—to even things up and make everybody equal in our society? I am sure the Senator is not arguing that so I do not mean to raise that type of ridiculous argument.

Frankly, if raising the minimum wage was all it took to raise people out of poverty—or to make life better for the working poor—I would vote for it.

But, I believe the proponents of this amendment and of the underlying concept have greatly oversimplified the issue. And, I believe they know they have oversimplified it.

EMPLOYMENT IMPACT

I will admit to my colleagues that the most elusive aspect of the economic debate on the minimum wage is an estimate of its impact on employment. Study after study has been done to quantify the employment effects of an increase in the wage floor. And, economists have disagreed about the severity of the employment impact.

There is, however, overwhelming consensus that there is indeed an adverse effect on employment. Three-quarters of the 22,000 members of the American Economic Association agree that minimum wage hikes have a disemployment effect that stifles employment opportunities for low-skilled workers.

In 1981, the Minimum Wage Study Commission, which was formed under the Carter administration, concluded that for every 10 percent increase in the minimum wage, the disemployment effect was between 100,000 to 300,000 jobs.

Disemployment means jobs not only eliminated, but also jobs that are never created in the first place. For example, if a retail store planned to hire five additional workers and, as a result of the higher labor costs, only hired two, the disemployment effect is three jobs.

For the sake of argument, let's take the more conservative boundary of this range of impact. The Kennedy-Wellstone amendment proposes a 19.4 percent increase in the minimum wage over two years.

That means that, using the most conservative multiplier, nearly 200,000 entry level jobs would be lost.

Now, Mr. President, let's line up 10 applicants for entry-level jobs. Which two of them are most likely to lose out at this higher minimum wage level? The suburban teenager working to pay the insurance on his car? The spouse working to put a little extra money into the household budget? The senior citizen who is supplementing his retirement income and trying to stay active? Are they the people who would lose out?

Or, would it be the new immigrant still learning a new language? Perhaps the young woman just out of a drug rehabilitation program, or a young man recently paroled from prison. Perhaps those who will miss out are high school drop outs.

Michgan State University economist David Neumark suggests that the employment effects of a higher minimum wage are actually most acute on certain subgroups. In his paper ''The Effects of Minimum Wages on Teenage Employment, Enrollment, and Idleness,'' Neumark finds that higher minimum wages act as an incentive for teenagers to seek employment and that those with more experience and greater skills crowd out those with fewer skills. Those who are displaced find themselves ''idle,'' i.e., neither enrolled in school nor employed.

I certainly do not consider this a positive effect of the minimum wage increase. But, it gets worse.

The probability that a black or Hispanic teenager will be displaced is five times greater than for the general population of teenagers.

But, perhaps the perverse impact of minimum wage increases is summed up best by two of President Clinton's own appointees to the Federal Reserve Board, William Baumol and Alan Blinder: ''The primary consequence of the minimum wage law is not an increase in the income of the least skilled workers, but a restriction on their employment opportunities.'' [Baumol and Blinder, cited in Glassman, Washington Post, 4/9/96]

This is pretty serious stuff. The ones who really get hurt are the ones who need the help the most.

The long and the short of it is simply that you cannot mandate an increase in the price of entry level or unskilled labor—which is exactly what the statutory minimum wage is—without reducing the demand for that labor.

The term ''labor costs'' is complicated. It includes lots of things: wages, insurance, FICA taxes, unemployment taxes, training, uniforms or other expenses. But, for now, let's just say it's wages and FICA taxes.

Some may be tempted to say that another dollar an hour is no big deal for an employer. Well, let's take a hypothetical employer in my home state of Utah. Let's see how big of a deal it is.

Is it only $1 for the ABC Company in Salt Lake City, UT? ''Hey, it's only $1, what's the big deal?'' they say. Assume you are a business owner with 25 part-time employees who work 30 hours a week. How much would a minimum wage hike cost you? You fill in the blanks.

First year, 50 cents times 25 employees times 30 hours per week times 52 weeks per year equals $19,500 in the first year.

The second year, $1 times 25 employees time 30 hours per week times 52 weeks per year equals $39,000 in the second year. Add in the additional FICA and other taxes—I'll bet you forgot about those—that is $5,265, just use 9 percent, if you will, to keep it easy.

And the grand total is $63,765. Think about that. This is the average small business. The average small business owner takes home less than $25,000 per year. So where is the money going to come from? Where is the money going to come from?

If you stop and think about it, under the Kennedy-Wellstone amendment, the 2-year increase in labor costs would be more than $63,000. Actually the figure is $63,765. That is 2½ times what a typical small business owner takes home.

The median take-home for small business owners, as I have said, is $25,000. That's based on the National Federation of Independent Businesses, the representative of the small business people in this country, and that is using CPS data.

Exactly what would you do, Mr. President, if you were this small business owner faced with a dollar per hour mandatory increase in your labor costs?

The answer should be obvious. As one small business owner noted:

> Unfortunately, many entry-level jobs are being phased out as employment costs grow faster than productivity. In that situation, employers are pressured to replace marginal employees with self-service or automation or to eliminate the service altogether. . . .

I should mention that the small business owner I just cited is former Senator George McGovern.

His eyes were opened once he left the distinguished U.S. Senate and went into a small business himself and found out it is pretty tough to be in business. There are a lot of demands on you. That was Senator George McGovern, who I believe voted for every minimum wage increase the whole time he was in the U.S. Senate. I give him credit for being willing to call it the way it is.

Harriet F. Cane, owner of the Sweet Life restaurant in Marietta, Georgia, after the last minimum wage increase reports that she went from 16 employees to 9. She voiced her frustration in the Wall Street Journal:

> Money for minimum wage increases has to come from somewhere. . . . If you pass another increase in the minimum wage, you can tell the teenagers and working mothers I employ why they no longer have jobs. Then try asking for their votes.

And, I also share Senator McGovern's concerns about one other aspect of the minimum wage. He goes on to ask:

> When these jobs disappear, where will young people and those with minimal skills get a start in learning the ''invisible curriculum'' we all learn on the jobs?

Senator McGovern is right. Entry level jobs are only the first run of the ladder. How many of us are today doing the same job we did as teenagers? Quite obviously none of us in Congress. And, I would venture very few outside of Congress.

Ed Rensi started in 1965 in Columbus, Ohio, at 85 cents an hour. Today, he's the president and CEO of McDonald's. [Shlaes, WSJ, 8/15/95] Just think about that.

James Glassman, writing in the Washington Post, quotes this finding by David Macpherson, professor of economics at Florida State University: ''A year after having been observed working at the minimum wage of $4.25, the average wage for these workers was $6.08 an hour.'' [Glassman, Washington Post; 4/9/96] That is a $1.83 increase—43 percent.

Amity Shales, writing in the Wall Street Journal, cites a 1992 study in the Industrial Relations and Labor Review that stated that 63 percent of minimum wage workers earn higher wages within 12 months and that the increases average 20 percent. [Shlaes, WSJ, 8/15/95]

So, let me get the proponents' argument straight: Someone who has a minimum wage job is going to be better off with a 19.4 percent increase under the Kennedy-Wellstone amendment—if he or she doesn't lose his job or have his hours reduced—than under current law where there is a greater probability of keeping the job and getting a 20 percent or greater raise in their wages?

I find this logic terribly twisted.

It is a great myth that everyone currently earning the minimum wage gets 'stuck'' in a minimum wage job. The fact is that people cycle through these jobs regularly. They get raises; they get more education; they learn a new skill; they prove themselves reliable; they move on and up.

And, I'll say one more thing about jobs at the bottom. I am proud that I worked my way through school. I even worked as a janitor. Some of my colleagues might poo-poo that experience. Well, I am proud of it. Not only was I a darn good janitor, but I met good, decent people doing it as well, and I have to tell you I made 65 cents an hour.

I like to think maybe I have progressed in life and that little bit of training I got as a janitor helped me to appreciate what working is. It helped me to put myself through school. It helped me to have the dignity that comes from working, the discipline that I learned from having to meet hours, meet work schedules, and meet work expectations. All of that was pretty darned important.

One thing I learned was that there is no such thing as a menial job—only people who do not understand the importance of any job performed well. And maybe that's one thing wrong with our society today—but that's a subject for another day.

WINNERS AND LOSERS

First jobs are for learning as well as earning. If we continue to raise the bar for entry, how many adults will we have who have never worked? How many teenagers and young adults who need a chance are not going to get one?

According to the conservative estimate, at least two out of every 10. My colleagues on the other side may not think that is too high a price to pay in order to benefit the other eight. But, considering the evidence that hiking the minimum wage is a lousy way to help the working poor, I can't agree—I cannot agree, to make it even more clear.

It is true that some workers will reap the benefit of the increase. Some workers will get a $40 a week raise. But, by mandating wage increases, two out of 10 entry-level job seekers won't have a job at all—very likely those who need a chance the most.

Senator KENNEDY has gone to great lengths to disassociate this minimum wage increase from organized labor's legislative wish list. He has tried to convince us that this is a women's issue and a children's issue. He has tried to tell us that we should enact this 19.4 percent increase in order to lift the poor and working poor out of poverty.

The distinguished Senator from Massachusetts is attempting to give this perennially bad idea a Cinderella-like transformation. I must point out to my friend and colleague that there is no way this pumpkin is going to turn into a handsome coach.

Let's look at the demographics of who will be helped and who will be hurt by the loss of job opportunities.

There are twice as many minimum wage earners in families earning more than $25,000 per year—that is 51 percent of them—than in families earning less than $12,500 per year. That is 25 percent of them. And, one of five lives in a family earning $50,000 or more. [Deavers; Employment Policy Foundation, 3/5/98 briefing, p. 21]

Nearly 43 percent of all minimum wage earners are teenagers and young adults living at home; 16.5 percent are spouses of other earners; 22.5 percent are not heads of household. Only about 20 percent are heads of household supporting dependents.

In Utah, the distribution is even more lopsided.

Who really benefits from the minimum wage hike in Utah? The average family income of Utah employees who will benefit from President Clinton's proposed minimum wage hike is $37,816. According to the U.S. Census Bureau data, fully 89 percent of Utah employees whose wages will be increased by President Clinton's proposed minimum wage hike either live with their parents or another relative, live alone, or

have a working spouse. Just 11 percent of them are sole earners in families with children, and each of these sole earners has access to supplemental income through the earned income tax credit.

As you can see, Mr. President, only 11 percent are single parent with kids or single earner in couple with kids. Stop and think about it.

That is important to look at. Our State is maybe a little bit better than the national average where it is 22 percent. That 11 percent is doubled to 22 percent. But it still means that 78 percent of the people are those who need that entry-level job, that first job, that opportunity of starting on the ladder climbing higher.

Of course, we should be concerned that certain families are struggling with minimum wage incomes. There should be no insinuation that those of us who oppose this amendment do not care about these struggling families.

MINIMUM WAGES CAN'T FIGHT POVERTY

But, we need to understand the limits of a minimum wage increase to reach these families with any tangible benefits.

The minimum wage increase cannot be targeted only to certain workers. We cannot say that Mrs. Jones who is trying to raise two kids on the minimum wage gets the increase, but Mrs. Brown who is working to supplement her husband's earnings does not.

The reality is that those who are not poor are more likely to get raises and those whose skills do not justify the higher wage will be out of jobs.

Study after study has concluded that raising the minimum wage is an ineffective means of helping those who are disadvantaged.

David Neumark of Michigan State and William Wascher of the Federal Reserve Board concluded that:

> On balance, we find no compelling evidence supporting the view that minimum wages help in the fight against poverty. Rather, because not only the wage gains but the disemployment effects of minimum wage increases are concentrated among low-income families, the various trade-offs created by minimum wage increases more closely resemble income redistribution among low-income families than income redistribution from high- to low-income families. Given these findings, it is difficult to make a distributional or equity argument for minimum wages. [Neumark & Wascher, ''Do Minimum Wages Fight Poverty?'' NBER Paper, August 1997].

Peter Brandon, of the Institute for Research on Poverty at the University of Wisconsin has found that ''welfare mothers in states that raised their minimum wage remained on public assistance 44 percent longer than their peers in states where the minimum wage remained unchanged.'' [Brandon, cited in Understanding the Minimum Wage, 1995]

A conference paper prepared by Robert V. Burkhauser (Syracuse University), Kenneth A. Crouch (University of Connecticut), and David C. Wittenburg (The Lewin Group) reports the results of a simulation model on the effects of the 1990–1991 minimum wage increase. After holding the employment variable constant (which was not the actual effect), ''only 19.3 percent of the increase in the wage bill caused by that minimum wage increase went to poor families. This is less than the 22 percent of workers whose wages were increased by the minimum wage increase who live in poor families.'' [Burkhauser, Crouch, Wittenburg, ''The Behavioral and Redistributional Consequences of Minimum Wage Hikes: Evidence from the 1990s;'' AEI Conference, May 4, 1998, p. 5]

Yes, Mr. President, raising the minimum wage sounds like an easy way to help those who are working but still struggling to find their way out of poverty. It is no wonder that, lacking the facts, the American people would support this.

But, upon examination, using minimum wage increases to alleviate poverty is like trying to shoot a fly off an elephant—and we are not even aiming at the fly but at the entire elephant. The amendment proposed by Senator KENNEDY and Senator WELLSTONE is not directed to workers who are poor, but rather at the entire universe of minimum wage workers. And, even former Secretary of Labor Robert Reich has acknowledged that most minimum wage workers are not poor.

CONCLUSION

The idea that there is no adverse impact from a mandatory increase in the cost of hiring workers is delusional.

But, what is worse, is that this adverse impact is for nothing. And, those very individuals who need entry level jobs the most are the ones most likely to be displaced by the increased competition for those jobs.

This proposal, like the emperor who has no clothes, is specious—it is still specious, and I haven't even touched on inflationary or geographic inequities. I would need another hour to do that.

It is disappointing that some of my colleagues on the other side of the aisle remain so enamored with this discredited dinosaur of a labor policy. Even the Democratic Leadership Council, citing findings of the Progressive Policy Institute, has repudiated minimum wage hikes, correctly claiming that they are counterproductive.

Hiking the minimum wage is not the only way to assist working Americans and those struggling to make ends meet. Let's work on some of those ideas. Personally, I would like to raise people's paychecks by cutting their taxes. That is probably a far better way of doing it than doing it this way. That would increase their paychecks without the risk they might lose their jobs, which is a big risk that will happen with this giant albatross.

I think we can work together on education. We passed the A+ Education bill earlier this year with bipartisan support. Education—or the lack of it—is the single biggest factor in determining an individual's earning capacity.

Let's tackle illiteracy and other root causes of low-skills and low-earnings potential. But, for Heaven's sake, let's recognize the minimum wage as the mirage it really is.

I urge my colleagues to defeat the Kennedy-Wellstone amendment. It deserves to be defeated, and it is time we start approaching these problems in a better way, in a way that really will help people, especially those who are at the lowest level of poverty in this country. I yield the floor.

The PRESIDING OFFICER (Mr. ASHCROFT). Who yields time?

Mr. KENNEDY. Mr. President, I yield 7 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Mr. President, I rise in strong support of Senator KENNEDY's and Senator WELLSTONE's proposal to raise the minimum wage. There, in my view, is a very compelling reason why we must do this and we must do it today. That reason, simply stated, is that if you are a full-time worker, a head of household, a single head of household and a family of three, you will make $10,700 a year. That is $2,900 below the poverty level. Today, the minimum wage law in the United States guarantees to so many people only one thing: that they will still be in poverty. We can do much better than that, and we should do much better than that.

There have been discussions about the employment effects of raising the minimum wage. Studies have been presented; statistics have been presented. Let's look clearly at what has happened in the last two episodes in which we raised the minimum wage.

Back in October of 1996, the minimum wage was increased to $4.75. And what happened to unemployment? It fell; it was in a cyclical pattern, but it fell. Again, in September of 1997, we raised the minimum wage to $5.15, and once again unemployment fell.

This legislation is not a job killer. This legislation does not deny opportunities to work for anyone. What it does is it gives people more money in their paycheck, gives them more opportunities to provide for their families, gives them a bigger share in this country's economy. That is why we need to do it.

There are others who argue, ''Well, those are just general statistics.'' The real problem with the minimum wage increase is it affects some discrete subgroups like teenagers. If you look at the record of teen unemployment, age 16 to 19, once again the same pattern emerges. The minimum wage was raised in October of 1996—it is a cyclical process—and unemployment declined. Again, in September of 1997, with some cyclical variation, a declining curve, unemployment in this category also falls. So the arguments against the minimum wage because it kills employment just do not hold water based upon the most recent experiences.

Then there is the argument that small businesses will invariably and automatically react to an increase by cutting back on their employment. There has been a recent study by two researchers from the Jerome Levy Economic Institute at Bard College. And 90 percent of the small businesses they surveyed indicated that the 1996 minimum wage increase did not change their hiring decisions. Their hiring decisions were based upon the demands in their marketplace for their products, driven by a very strong economy. Moreover, 75 percent of these individuals surveyed said that a further increase to $6 would also not influence their decisions about hiring.

So small business is not reacting to this proposed minimum wage increase by saying, ''We are going to cut off employment.'' What this does is give hard-working Americans a chance to put more money in their paycheck to provide more opportunities for their families.

We have also heard arguments on the floor today that, ''Well, the minimum wage is benefiting not just the poorest people, just teenagers who work, but maybe spouses who work and their husbands or wives are employed in more lucrative jobs.''

First of all, the reality of the minimum wage is that 74 percent of the wage earners are over 20, so the vast majority are not teenagers. And 40 percent are the family's sole breadwinner. They have people who depend upon them, depend upon them bringing in a living wage. And 63 percent are women; and 50 percent of the minimum wage earners are in the lowest 40 percent of earners in the United States. This does, in fact, provide a very positive impact on the opportunities for low-income Americans.

There is another argument here, too, that I think we have to present. Last Congress, many of us joined together to pass significant welfare reform, in fact, directing people off welfare into the workforce; and it is an irony, at best, moving people from welfare into poverty-level wages—indeed, below poverty-level wages. To make this experiment in welfare reform truly workable, we have to ensure that when people leave welfare they get adequate pay. And the minimum wage increase will help do that.

Also, it seems to me illogical that in every other sphere of economic endeavor raising someone's pay is seen as a good thing, not a bad thing, that most of our activities in the workplace are designed to get increases in pay. In fact, very few people would think, ''I'm not going to ask for an increase in pay. It might curtail my opportunities to work.'' Because the reality, as demonstrated by my colleague, just to survive, to put food on the table, clothe children, to provide minimal care to their families, requires an increase in the minimum wage.

I think there is another argument that has to be stressed. We are coming into some rocky economic times in the United States because of the turmoil throughout the world. Demand for American goods overseas is faltering. How do we keep our economy going? One way to do that is to give the American people more purchasing power. Increasing the minimum wage does that for the very lowest income Americans, those people who go into the Kmarts, go into the Wal-Marts, to buy products. In fact, they are typically the types of individual households that, because of the demands on them, are constantly buying products for their children, buying goods and services. This will also help, I think, in a broader economic sense.

So for all these reasons—basic justice and fairness, to keep our economy moving, to recognize that there are so many good reasons to do this—it does not affect employment dramatically but what it does affect is the ability of working families, people who work very hard to provide for their families and maybe provide a little extra. That, to me, is why we are all here.

I strongly support the efforts of Senator KENNEDY, the efforts of Senator WELLSTONE, and their strong commitment to ensure that the benefits of this economy are shared not by just those who are affluent but are shared by the broadest segments of American society, particularly by those who struggle each and every day under circumstances, frankly, that few of us have had to endure, to be good citizens, to work hard, and to get something a little bit more for their families.

I hope, in that spirit, and recognition of those facts, that we strongly support this amendment.

I yield back my time.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I yield 12 minutes to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. I thank the President and the Senator from Utah.

I rise today to share my thoughts about another proposed increase in the minimum wage. Having been a small business owner for 27 years, I want to be sure that my concerns regarding the full economic impact that that Federal one-size-fits-all mandate can have on rural States like Wyoming are made known. This complex economic issue demands careful consideration.

I want to say right up front, I favor an increase for all wages. But that increase should be sparked by a strong free market economy, not by a Federal mandate that would be detrimental to small businesses and to the existence of hundreds of minimum-wage-paying jobs in Wyoming that are already few in number.

I travel throughout Wyoming almost every weekend. I regularly hold town meetings and attend ice cream socials as a way of listening to my constituents' concerns. I want to point out, Wyoming residents are thick-skinned individuals and they are not shy about sharing opinions—they show up and they share.

I was not surprised to hear from them that another increase in the minimum wage could close small businesses and eliminate jobs—two things that are already tough to come by in Wyoming.

As a former shoestore owner, I have always felt that the minimum wage represented a starting wage—better referred to as an entry-level wage. I hear people trying to equate it with a ''living wage.'' It is a minimum wage. It is an entry-level wage.

An entry-level wage in Wyoming changes quickly as the individual worker gains experience and improves his or her skills in the workplace. Almost two out of three workers who start at the entry-level wage earn a higher wage within 6 months—more skill, more money. Every job works that way. There are just different entry-level rates—more skill, more money. Kids with no skills have to gain experience in the workplace if they are to understand why hard work is a fundamental step to life's success.

Moreover, college students seeking part-time jobs to help supplement their education are going to find it even more difficult to obtain work when the number of these available jobs is cut.

Are the economic realities that impact these kids being considered by this amendment? I will gladly welcome any explanation based on Wyoming's labor market.

Only 480,000 people live in Wyoming, fewer than any other State in this country. That is not bad; we have plenty of elbowroom. Wyoming still remains a State of high altitude and low multitude dominated by miles and miles of miles and miles. We can still call the wrong number and know who we are talking to. But my State's labor market has produced a set of statistics that worry us. Wyoming ranks 50th in new economic growth, 50th in the creation of new jobs, and 50th in technical industries. That is not a change. We lack the population needed to lure high-turnover jobs. We lack critical mass where there is enough population for businesses to feed on each other.

While other States are celebrating budget surpluses, Wyoming politicians argue over every available penny, knowing that a $200 million shortfall is expected within the next 5 years. To put that in perspective, a 1 cent statewide sales tax only raised $50 million a year for the State. Having served in the State and the legislature for 10 years, I have dealt with this reality firsthand.

Folks need to understand why another increase in the minimum wage impacts States like Wyoming differently than Connecticut or Massachusetts. The Nation's economy may be strong, but my State hasn't shared

that fortune. It takes a long time for rural States with sparse populations to benefit from these trends. I am not going to buy into the notion that another minimum wage hike is necessary just because the Nation's economy is doing well. There is more to it than that.

Despite Wyoming's economic portfolio, the absence of intrusive State taxes ensures that family incomes go a long way. It would go even further if I could say the same for Federal taxes—however, we will save that debate for another time. Wyoming residents pay no State income tax, a five-cents-on-the-dollar sales tax, bare-bones ''sin'' taxes and fuel taxes, and some of the lowest property taxes in the country. In fact, a Wyoming family of four making $50,000 per year pays about $2,500 total in State and local taxes—including sales tax. In Connecticut, that same family of four pays $10,000. That is an incredible difference. Connecticut folks pay four times as much in local and State taxes. Labor Secretary Herman stated in a letter to Chairman JEFFORDS of the Senate Labor Committee describing how another minimum wage increase would make an ''enormous difference in the lives of workers and their families'' and that it would ''mean an additional $2,000 a year
* * *'' I guess if I had to pay over $10,000 each year just in State income tax, a Federal minimum wage hike might not sound too bad. However, those folks should be screaming for lower taxes—not higher wages! Those East Coast families have to make up to four times as much to cover State and local taxes.

Wyoming's low taxes give the dollar plenty of mileage, despite lower wages. Even where the availability of housing is scarce, it's still affordable. My youngest daughter now attends the University of Wyoming in Laramie where rental property is tough to come by. Still, a person can rent a single-family home there for less than $400 per moth. A one-bedroom apartment in a modest Washington neighborhood often exceeds $1,000 per month. That is a monumental difference. Similar to taxes, East Coast workers need to make up to 2½ times as much to cover housing. I made a few phone calls to some local ''fast food'' restaurants and I learned that each of them started their employees above the minimum wage. I was quoted wages starting from $5.25 per hour at the Burger King in Falls Church to $6.00 per hour at an Alexandria McDonald's. The labor market and cost of living determine these pay rates, not Federal minimum wage laws. But in Wyoming, where these same factors are much different, the wages are dictated entirely from Washington where folks pay 4 times as much for State and local taxes and 2½ times as much for housing. To no surprise, the Burger King in Casper, the McDonald's in Cheyenne, the Taco Bell in Laramie and the McDonald's in Sheridan all start their employees at this entry-level wage. Remember, those who show some interest don't stay at that entry-level wage long. Remember, those who show some interest don't stay at the entry-wage level. Another mandated, one-size-fits-all minimum wage hike may sound like a good deal for Wyoming's entry-level employees, but it isn't Each time the minimum wage is increased, these jobs that put money in the pockets of kids—and sometimes senior citizens, too—become extinct.

That is not just Wyoming. This chart shows that although the growth and the overall economy did accelerate, it agrees with the other charts. It accelerated in 1996 and 1997. The job growth at eating and drinking places fell sharply after the wage hikes. In 1995, job growth in the whole economy was 2 percent; eating establishments, 3.9. In 1996, after the wage increase goes into effect, the economy grows by 2.8 percent, and the kids working in restaurants only have a growth of 2.2 percent.

After outpacing overall employment growth each year in the 1990s, job growth at eating and drinking places fell sharply in 1996 and 1997. This chart shows the total employment and the eating and drinking employment. So both of them show the same trends.

Another chart shows what the new job opportunities at eating places were in 1994 and 1995 versus 1996 and 1997. The rate of growth allowed for 532,800 jobs in 1994 and 1995. Then the minimum wage kicked into effect. The growth was only 281,600 jobs; we lost over 250,000 jobs in that market alone. That is a quarter of a million kids who didn't get a job.

Despite Wyoming's sparse population, the number of jobs are even fewer. The complaint I hear from my constituents is not about low paying wages, but the lack of jobs. Folks in my State are tired of seeing their kids leave Wyoming to attend college elsewhere simply because there are not enough part-time and full-time entry-level jobs to help them get a little experience and pay for their education while they go to college. Since the bulk of jobs in Wyoming are provided by small businesses, another increase in the minimum wage will only increase that disparity. Another minimum wage increase would hike all wages. I'm in favor of all wages being increased, but not at the cost of critical jobs. If the entry-level wages have to go up, the workers earning slightly more than the minimum wage would have to earn more too. This isn't just a debate about entry-level wages. Not only would small businesses have to pay its employees a higher wage, but the price of products that the business purchases at wholesale costs and sells at retail prices will undoubtedly have to go up—causing customers to purchase less as a result. Lower sales means less jobs. Downsizing would result. If that fails, the business folds—often quickly by Wyoming's standards. This is basic macroeconomics and a simple explanation on why Federal mandates can hurt the very people they are intended to help. Unfortunately, people don't work at the Federal level. They work at the local level—even for those who work for the Federal Government.

Not only have I heard the argument that our economy won't be hurt by another increase since it is already so strong, but the argument is also portrayed to sound as if another increase is long overdue. Over the past 10 years, the Federal Government has walked all over States like Wyoming by subjecting them to national, one-size-fits-all mandates, all kinds. In 1989, the Congress and President Bush negotiated an agreement that provided for three increases in the minimum wage over a 12 month period. By April 1, 1991, the minimum wage rose from $3.35 per hour since 1981 to $4.25 per hour.

Congress didn't stop there, however. On May 22, 1996, the House passed a tax bill to assist small businesses, entitled the Small Business Job Protection Act of 1996. On May 23, the very next day, the House passed another bill that increased the minimum wage from $4.25 an hour to $5.15 an hour over two years. These two bills were combined into one package and sent to the Senate where it passed. I was still a small business owner in Wyoming at that time, but I was still appalled by the action Congress and this President took under the guise of ''small business protection.''

That takes us to today. Now the Senate is talking about another increase in the minimum wage—$1 over the next two years. I am a member of the Senate Labor Committee that has jurisdiction over this matter. The committee has not had one, single hearing discussing the impacts of another minimum wage increase. The committee has not considered any legislation that would increase the minimum wage. Rather than discuss the impacts that the pending legislation would have on States like Wyoming, the committee process was shunned. Instead, we're now debating this issue as a matter of election year theatrics. Politics does not constitute sound policy and this attempt to increase the minimum wage again simply confirms that notion.

I am not interested in playing games with the minimum wage. This is a complex, economic issue that must be carefully considered. If the minimum wage goes up, then so does the poverty level. But wages are already going up because of full employment. A quick downturn in the economy would escalate unemployment. This would be a lose-lose situation. Phony wage hikes drive prices up—so we trick the worker into thinking he or she is getting more—but the bills still can't be paid at the end of the month. Government dabbling in a free economy is phony economics.

Congress has a duty to weed out political schemes from impacting our Nation's market and labor force. States like Wyoming deserve better than that and I'm not going to sit idly by and allow my constituents' concerns to be silenced.

This matter should receive a fair hearing and additional consideration by the respective committees and must not be excluded. This is the last-minute election year pitch; nothing more. I strongly oppose this attempt to pass a minimum wage increase, and I ask my colleagues to do the same.

Mr. President, I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I yield 10 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Mr. President, I am pleased to be on the floor with my colleague, Senator KENNEDY, in support of this amendment.

Let me say to my colleagues on the other side—perhaps we can have some discussion and debate about this—that I find it very interesting what is going on here. If I am wrong, I am sure my colleagues will try to prove me wrong. I don't actually think they can prove me wrong. Here is what is going on.

The reason that the vast majority of the people in our country have made it crystal clear that they are for an increase in the minimum wage, that they think to go from $5.15 cents and hour to $6.15 over a 2-year period is imminently reasonable is because they think this is a family-value issue. This occurred the last time we went through this debate and this time as well. Most people in Minnesota and most people in the United States of America believe that it is our responsibility as Senators and as Democrats and Republicans to create a climate whereby they can do their best by their kids, because when they do their best by their kids, they do their best by our country. One of the ways they can do best by their kids is to have a decent job and a decent wage so they can support their families. That is what this debate is all about.

Mr. President, we have these arguments trotted out here. I do not like where they come from. We have the same old song. I understand that for a variety of different reasons some of my colleagues are opposed to raising the minimum wage. I understand this may be a difficult vote. So we have to figure out other arguments to make. I don't think it looks good.

I am going to sort of break from the traditional boundaries of debate and say this: I don't think it looks good.

In this past year we gave ourselves a cost of living raise of $1.50 an hour on top of giving ourselves, several years ago, a $30,000 increase. We in the Senate went from $100,000 to $130,000-plus.

At the time, I had colleagues come up to me and say, ''We need to do it. We have two places. We have children. They are in college. It is tough. It is very difficult to make ends meet.'' So we voted ourselves a $30,000 increase, and then, on top of that, we vote ourselves a $1.50-an-hour cost of living increase. Yet, we say it is just outrageous to increase the minimum wage for people who are working full-time, playing by the rules of the game, 52 weeks a year, 40 hours a week, and are making poverty wages. People who work full-time ought not to be poor in America. They ought to be able to make a decent wage and support their children. $100,000 to $130,000 for us is fine, but to raise the minimum wage $1 over 2 years is not fine.

That is a tough argument to make for people in the country, because most people in the country believe that it is our job to make sure that when people play by the rules of the game and work hard that they earn a decent living. Most people in this country believe that those people ought to have that chance. Thus, the arguments come out.

And so we heard that we are going to lose all these jobs, but that didn't happen. Here are the figures from the Bureau of Labor Statistics. I am not bringing out any particular conservative group or liberal group. I am just going by BLS data. When we went from $4.25 to $4.75 over this first year, 394,000 new jobs were added to the economy. Then when we went from $4.75 to $5.15, 517,000 new jobs were added to the economy.

When I am finished I look forward to my colleagues refuting this; to just explain away the data. Sometimes we don't know what we don't want to know. But these are the facts from the Bureau of Labor Statistics. Where is the evidence that this increase in the minimum wage that helped so many people in our country—10 million-plus people, 140,000 people in Minnesota, helped people do better by themselves and better by their kids—where is the evidence that it led to a decrease in jobs?

In the State of Wyoming, since the Federal minimum wage was increased, unemployment in Wyoming dropped by 8 percent. Where is the evidence that the increases in the minimum wage lead to a sharp drop in the number of jobs in the State of Wyoming? It is just the opposite. According to BLS, 15 percent of the workforce in Wyoming will benefit from our increase—30,000 workers.

So I don't understand this whole argument about how it will lead to a decrease in jobs. For reasons I can't understand, I think it is just sort of ''blind ideology'' that my colleagues don't want to support this. We are glad to have a big increase for ourselves. Then I say, ''OK. What could be the reasons?''

Here are the arguments that are brought out to the floor. One is we will see all of these jobs disappear. But precisely the opposite is happening.

Until I hear to the contrary, I don't quite understand that argument.

My colleague from Wyoming, who I enjoyed hearing, said we didn't have any hearings. The chairman of the Committee on Labor and Human Resources, my good friend, said we would be pleased to have hearings.

So we don't have hearings. Hearings are denied and then that is used as an argument why we shouldn't take action.

Then I hear my good friend from Utah make the argument that these jobs are not just about earnings. They are about learning, and that we should recognize the dignity of work. I agree. But do you want to know something? The best way that we can recognize the dignity of the work is to make sure there is some value to the work and make sure that these men and women who are taking care of our children, taking care of our parents, providing us with food, cleaning buildings, and you name it, are provided with a decent wage.

A lot of people, no matter how hard they work, are poor because wages are too low. To talk to them about the dignity of their work and how this is great for learning just misses the point, if we won't talk about earnings.

I don't know what reality we are dealing with here. We are dealing with the phenomenon of many working poor families in our country with the head of household working full-time, and those families are still poor.

I am hearing colleagues talk about how we are opposed to raising the minimum wage because somehow we think it will undercut the dignity people have. Or we are opposed to raising the minimum wage because we really think this is as much about learning as it is earning. I just do not understand these arguments.

Mr. President, we know that this especially helps women because they are disproportionately among the low-wage workers. We know that this disproportionately helps adults. We dealt with the mythology that this is all about teenagers. Then we get into the argument: But there are a percentage of these workers who are younger people, high school age, college age.

Again, I don't know what reality my colleagues are focused on here. But do you know, they work for compelling reasons as well. In case anybody hasn't noticed, higher education is an expensive proposition.

Many high school students and college students are working—I meet many college students who are working 2 and 3 minimum wage jobs. That is why it takes them 6 or 7 years to graduate. They are not doing it just on some lark. They are doing it because this is key to their being able to finance their education or help their parents finance their education. Or, if they are older—since many of the students are older and going back to school—it is even more critical.

I heard my colleague from Utah refer to a study that showed when you have a higher minimum wage, welfare mothers stay on welfare a longer period of time. That does not make any sense to me. I would love to know what there is to that story. Because, frankly, if you

are going to talk about the importance of going from welfare to workfare, presumably one of the key things you want to make sure of is that the jobs are there that pay a decent wage so those mothers and children will be better off. For some reason, States with higher minimum wage—or I guess the argument is supposed to be that by raising the minimum wage we have discouraged these parents from moving from welfare to work? It just makes no sense. I would love to know a little bit more about that finding.

So, my conclusion—and I say this with some indignation—we just have all the sympathy in the world when we have oil companies coming out here asking for special breaks, but we have very little sympathy when it comes to these working poor families.

I yield the floor.

The PRESIDING OFFICER. The Senator's 10 minutes have expired. Who yields time? The Senator from Utah is recognized.

Mr. HATCH. Mr. President I yield 10 minutes to the distinguished Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I have listened to my good friend from Minnesota, and certainly understand his concerns. But I think the picture he gives of the situation is somewhat different than what I perceive. I have faithfully supported minimum wage increases over the years, but there comes a time when we try to push things too fast and we could well destroy the very goals we are trying to reach.

One of my major goals as chairman of the Labor Committee is to get people into the workforce and keep them there. That is why I worked so hard with my colleagues on both sides of the aisle to enact legislation that will improve and streamline our adult education job-training programs. That is why I am working so hard on developing legislation that will improve our postsecondary, adult and vocational education. That is why I have, with my friend from Massachusetts, introduced legislation to help the disabled find jobs and get off the federal rolls while maintaining their health benefits. And that is why, although I have supported past minimum wage increases, I am concerned that if we raise the minimum wage too soon after the last increase, we may cause more harm than good.

Here in Congress, we continually grapple with the issue of how to assist low-skilled workers—particularly workers who have to support a family—without destroying the very jobs they rely on to support themselves and their families. It is hard for people with families and low skills to get by. We have seen and heard a lot of evidence about this. But it is also hard for small businesses to get by. Business failures are commonplace and margins are thin. When we raise the minimum wage, we make it more difficult for these businesses to justify hiring inexperienced, unskilled, and untrained workers.

For the past 60 years, we have relied upon the minimum wage to set a floor beneath wages. Every time we have increased it, we have given businesses five years or so to adjust from the last increase to the next enactment. The only exception was once during the 1970s when the real minimum wage declined even as the nominal wage was increasing. Those of us will remember, this was during a time of incredible inflation.

However, before the last increase even took effect, the senior Senator from Massachusetts had launched a new campaign for another increase in the minimum wage. The net effect of these increases would be a 45 percent rise in the minimum wage over a four and a half-year period. I am concerned that saddling small business with this steep increase over a relatively short period of time will have some negative repercussions both on the business owners as well as workers who count on their minimum wage jobs, and perhaps on those individuals who are seeking their very first job.

Although increases in the minimum wage have been important, they are not the only tool we have used to assist low-income workers who are supporting families. In addition, we have developed targeted government supports for the working poor, such as the Earned Income Tax Credit (EITC).

Over the years, the EITC has been expanded to target and supplement the wages of low income families without threatening any job loss. This year, the EITC will enable a minimum wage worker who is either a single parent or the single wage earning parent of dependent children to receive 3,756 additional dollars, bringing that family's income to $14,468. In addition, the EITC is set up so that these families do not have to wait for a lump-sum tax refund; instead the workers can receive the tax credit in their weekly paychecks.

A recent report released by the Center on Budget and Policies Priorities found that the EITC now moves more than two million children out of poverty. The report concluded that, ''the EITC is the most effective safety net program for children in working poor families.'' I strongly support the EITC because it is making a difference in the lives of working families. I also support the EITC because it provides an incentive to work, the incentive is specifically targeted to help workers from low income families, and it does so without threatening jobs, as a minimum wage increase will.

Further, I am concerned that when we raise the minimum wage we are not targeting low income workers. Statistics show that more than half of the minimum wage workers live in families with yearly incomes over $25,000. In addition, statistics reveal that the majority of minimum wage earners are young, single and childless. I understand that in my home state of Vermont, only a small percentage of minimum wage workers are supporting their families on their wages. The fact that an increase in the minimum wage does not specifically target low income families becomes particularly significant when we consider the dramatic impact that a back-to-back increase will have on small businesses as compared to the actual number of low-income working families who will be helped by the increase.

I believe that we should give the last minimum wage increase some time to be absorbed into the economy before we move to increase it again. I also think that we should continue to focus our efforts on assisting the working poor by working to improve and expand targeted approaches such as the EITC.

Finally, I believe that before we open up the Fair Labor Standards Act to raise the minimum wage, we should take some additional steps to update the FLSA to better assist our working families.

This update is sorely needed because, while the makeup of the American workforce has changed dramatically over the past 60 years, few provisions of the Fair Labor Standards Act have been updated to reflect those changes. The needs of today's workforce are different than the needs of the workforce of the 1930s. Increasingly, employees are requesting that their employers offer more flexible work schedules and compensation packages. Unfortunately, the FLSA and its underlying regulations preclude employers from accommodating such requests. In other words, even though our workers are requesting more flexible working arrangements so that they can juggle work and family obligations—the arrangements that would be most helpful to these workers are actually prohibited under current law. And our attempts to change that were frustrated earlier in this past session.

The Family Friendly Workplace Act would assist these working families by amending the FLSA to allow employees the ability to choose comp. time—the opportunity to choose paid time off instead of cash compensation for overtime work. It would also allow employees to work a flexible biweekly schedule—to schedule their hours over a two-week period so that they can work additional hours during one week in order to take that time off during the second week. These same options have been available to Federal, State, and local employees for some time and they have been extremely popular with these public sector employees.

Why my colleagues on the other side of the aisle refuse to acknowledge this and allow us to bring the FSLA up to the present-day needs of this Nation I do not know.

During the first session of the 105th Congress, we engaged in contentious and partisan debate over the Family Friendly Workplace Act. While we were

able to pass the bill out of the Labor Committee, our Democratic colleagues prevented us from moving forward on the floor of the Senate.

To be quite truthful, I still have a hard time fathoming why this issue has been so contentious. After all, we are talking about amending the law so that hourly employees in the private sector will be able to partake in some of the same scheduling options that salaried and public-sector employees currently enjoy. The public support for this bill has been overwhelming, and I am frustrated that we have been unable to move it forward.

The point I am trying to make here today, Mr. President, is that while the minimum wage is important—and obviously it is—another increase at this time will not necessarily benefit our workforce. However, there are things that we can do today that will benefit working families. It is my hope that my colleagues on the other side of the aisle will recognize this point and will begin working with me to help our workers meet the needs of their families by amending the FLSA to allow for more flexible work schedules. I hope my colleagues will lift their prohibition and allow us to consider this very important piece of legislation.

Mr. President, I yield the floor.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I yield myself 8 minutes.

Mr. President, I urge my colleagues to vote in favor—I believe there is going to be a motion to table—I urge my colleagues to vote in favor of the motion to table the Kennedy amendment which will increase the minimum wage by 19 percent. Just 2 years ago we raised it 21 percent.

I heard some of the proponents of the amendment say, ''We need to increase minimum wage because if we don't, these people will not be able to make a decent living.'' Frankly, I concur; if somebody needs to live on $5.15 an hour, that probably is not a very good living. But if you follow that philosophy through, then let's increase the minimum wage to $10 an hour or maybe $20 an hour. It just doesn't make sense.

What are we doing if we increase minimum wage? Right now, the minimum wage is $5.15 an hour. There are 2.2 million people who make that amount. The proposal is to increase it to $6.15 an hour. According to CBO, there are 11.7 million workers who make less than $6.15 an hour. If we do that, we are saying it is against the law for them to work for less than $6.15 an hour—the Federal Government, in its wisdom, has decided that it is against the law for anybody in America to work for less than $6.15 an hour. I think that is a mistake. We are saying it is better for them not to have a job: ''If that job doesn't pay $6.15 an hour, we would rather have them be unemployed.'' The Federal Government makes it against the law.

Do I want them to make $6.15 an hour? You bet. Do I want them to make more than $6.15 an hour? You bet. But I would hate to pass a law saying it is against the law for them to work for less than that. That is exactly what we are doing. Maybe this $6.15 an hour works in Massachusetts, but it may not work in rural Montana or in rural New Mexico.

I am bothered by the fact that we are telling people if whatever job they have—and maybe it is a beginning job; a lot of minimum wage jobs are beginning jobs; maybe they are working part time in a restaurant, maybe they are pumping gas or sacking groceries or something—but basically the Federal Government is saying, ''We would rather have you be unemployed; if your job doesn't pay this much, we would rather have you unemployed.'' Then they are entitled to receive Government payments, welfare benefits, so on.

To me, that just doesn't make sense. To go back on this poverty line and say, ''If you don't make this money, it just is not worth it,'' is hogwash. That is really devaluing the whole process of people starting to climb the economic ladder. We are saying if the job doesn't pay so much, we would rather you be unemployed.

Sometimes that first job, even though it doesn't pay very much, is one of the most important jobs an individual can get, because they learn what it means to get a job, to be at work, to be on time. They learn maybe that that job doesn't pay enough, so they need to get a better job. Maybe they need to improve their skills or maybe they need to continue their education.

To say we would rather have you be unemployed—whom does that really hurt? It hurts low-income people. It hurts minorities disproportionately. It basically leaves a lot of people with idle time who, frankly, would be better off making $5 an hour and having a job and learning some skills so they can get a better job in the future. Instead, we will be raising the ladder and saying, ''No, we would rather have you be unemployed.''

There they are, a 16-, 17-, 18-year-old person unemployed, maybe getting in trouble, maybe still wanting to have some money or something, so they get involved in doing other things. Sometimes those other things are illegal.

Mr. President, you can't repeal the law of supply and demand. If you raise minimum wage, you are going to cost jobs, you are going to put people out of work, and, yes, the Congressional Budget Office says maybe it is 100,000, maybe it is 500,000.

My daughter worked, and she was going to college. She was working in a restaurant as a waitress making $5 and something, I think—a little less than $6 an hour. At least she did when she started. I don't want the Federal Government to say, ''We don't want her to have that job.'' I don't want to price her out of getting that job. Unfortunately, she drives a car. I want her to help pay for that car. I want her to put gas in that car.

Again, I think learning skills in whatever job level a person is able to start at—the higher the better, that is great. But if it is a minimum wage job, if it is a low-income-type job, if they are able to learn skills from that point, great. Let's not price it out of the ball park. Let's not put those people out on the unemployment lines. Let's not deprive a minority youngster who is 15 years old, or 16 years old, or 17 years old, in Chicago the chance to start climbing the economic ladder.

Raising the minimum wage—I understand maybe the proponents' goal, and I share the goal of trying to raise people's incomes, but I want to do it through a free market, not do it through a Government mandate that is going to put hundreds of thousands of people out of work.

Unfortunately, I think that is the net result of this amendment. If not, let's raise the minimum wage a lot more. I would like for everybody to make $10 an hour. If the economic arguments are valid behind raising this—if we raised it 21 percent 2 years ago, if we are going to raise it another 19 or 20 percent—if there is no negative economic impact, let's make it $10 or $20 an hour. Let's make sure everybody is going to be wealthy. Let's make sure nobody is on the poverty line.

Frankly, that won't work. That just flat won't work. Most importantly, let's not deprive young people of the chance to climb the economic ladder. The hundreds of thousands, millions of these people who are making this level wage are people like my daughter. Let's give them a chance as well to start climbing the economic ladder. Let's not price it out.

Mr. President, I urge my colleagues to vote in favor of the motion to table the Kennedy amendment at the proper time. I compliment my colleague from Utah and also my colleague from Vermont for their statements.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I reserve the remainder of our time.

Mr. DURBIN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield 7 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Thank you, Mr. President. I thank the Senator from Massachusetts for leading this debate, an important debate.

The first job that I ever had where I was paid an hourly wage was the result of two lies. I walked into a delicatessen at age 14 in the home State of the Presiding Officer, in St. Louis, MO, a place called Union Station. I bought a half dozen bagels for my mother. The man leaned over the counter and said, ''Are you looking for a job, boy?''

I said, ''Yes.''

He said, ''How old are you?''

And then the first lie came out. I was 14 and I said, ''I'm 16.''

''OK.''

I said, ''How much does the job pay?''

Then the second lie came out. He said, ''The minimum wage, 60 cents an hour.''

With that exchange, we entered into a contract: An underage worker making less than the minimum wage got his first job besides delivering papers. I have had a lot of jobs ever since. I have met a lot of people along the way who have struggled at low-wage jobs and tried to make a living.

And this debate is really about them.

I guess there is a sense of frustration by some on the floor that these people in low-income categories will not be quiet. They keep speaking up and saying, ''We can't make it. We're not making it. We need more help. We're trying to keep our families together. We're trying to provide the basics for our kids, and $5.15 an hour just won't do it.''

A lot of people would wish that the so-called invisible hand of the market would be all that we rely on, but, fortunately, we do not. Fortunately, since the days of Franklin Delano Roosevelt, we have said this country will have a minimum wage, because we believe there is dignity in work and there is dignity attached to work that pays a decent wage.

Unfortunately, we politicians, who draw regular salaries, have fallen down on the job of keeping up with inflation. Take a look at this chart about what has happened to the real minimum wage while we have gone through all this political gasification on the floor of the House and the Senate.

Starting in 1955, it was the equivalent of $4.50 an hour; it was not that, but in 1997 dollars it would have been $4.50 an hour. We saw the minimum wage, the real wage, the earning power of the minimum wage reach a high of $7.38 and then plummet between 1970 and 1988 to a low of $4.34.

If Senator KENNEDY is not successful with his effort today, you are going to see that line plummet again. What it means is the real earning power of people in low-income jobs will continue to descend; and as it continues to descend, it will be more difficult for them to provide clothing for their kids, any kind of health insurance, to pay rent on a decent place to live, to provide some of the amenities of life that all of us just take for granted.

I have listened to the arguments, and they are so weary and time worn that ''if you raise the minimum wage, we will increase unemployment.'' The spokesmen and spokeswomen for the business community have been giving us that song for as long as this debate has been on the floor of Congress. They cannot seem to divert their eyes away from their hymnal in singing this long enough to look at the facts. And the facts say just the opposite.

Look at what the impact on unemployment has been by our most recent increase in the minimum wage. When it was increased to $4.75, unemployment started going down. When it was increased to $5.15, it went down further. So the argument that raising the minimum wage forces employers to lay people off may happen in an isolated case or two, but in looking at the overall economy, you have to say there is no correlation here. The minimum wage has gone up and unemployment has gone down.

''Oh,'' they say, ''wait a minute. You're not talking about the most vulnerable people. These are the first ones they are going to lay off, that teenager,'' like myself at age 14 or 16, or whatever, ''trying to go to work and make a minimum wage. Surely, they will be the first casualties.'' The facts do not support that. The facts say just the opposite.

Look at this. Unemployment continues to go down as the minimum wage goes up among teenagers age 16 to 19. They say, ''Well, there are special classes of teenagers.'' We all know the problems with minority teenagers. They are a special class. ''Surely, they'll be the first ones to suffer if we raise the minimum wage.'' Again, not the case. Minimum wage goes up; unemployment goes down.

There is really nothing to these arguments against an increase in the minimum wage. Frankly, we have heard so many of them—people who will not acknowledge that the last time we increased the minimum wage we saw an increase in employment in America.

The Senator from Oklahoma stood up and said, ''Be careful. If you raise this minimum wage, we're going to lose jobs.'' Since September 1996, the last time we raised the minimum wage, 61,000 new jobs have been created in the State of Oklahoma. There are 154,000 Oklahomans who would receive a raise of $1 an hour if this Kennedy amendment passed.

In my home State of Illinois, 179,000 new jobs have been created since we last increased the minimum wage. There are 374,000 Illinois workers and their families who are waiting for that, hoping that we will listen again to the need to raise this basic minimum wage.

Who are the people who will benefit? The teenagers and the minorities? Yes. But if you want to describe who they are, you have to look at the bigger picture. Sixty percent of them are women; 74 percent are adults, 20 years of age or older. Some want to refer to this as a kid wage. Seventy-four percent of the people who would benefit by this amendment are over 20 years of age, 8.9 million workers in the United States.

Work is an ennobling experience. It has been in my life, the lives of my parents and the lives of my children. I am glad that I did it. And I learned a lot in the experience. I always wanted to feel that I was getting paid fairly for hard work. Sure, I would work hard at my job to do a good job, but I would like to think when the paycheck came in I was getting a decent wage.

Fortunately, in my life, there were very few times that I ever struggled to make ends meet with my family. My wife and I weathered those years. But for some people this is a weekly experience—waiting for that paycheck to come in and wondering if they are going to make it.

Who are these people we are talking about? These are the people we entrust our parents to in nursing homes. These are the people who are changing the sheets on their beds, cleaning up after them. These are the people who we entrust our children to in day-care centers and our grandchildren—I might add since I am now in that vaunted category—grandparents worried about grandchildren. These day-care workers are making a minimum wage, and we give them the most precious cargo we can deliver in bringing in our children. These are the people who made the bed in your hotel room, who took the dirty dishes off your table, who took in your cleaning. These are the people who every day get up and go to work. They know that work is ennobling. They are asking for fairness.

I ask for 1 additional minute.

The PRESIDING OFFICER. The time has expired.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Two more minutes.

Mr. DURBIN. I say to those who are opposing this minimum wage, that it is a sad day when we have reached the point when the U.S. Congress is so unresponsive to the reality of workers in America, so insensitive to what is really going on among workers in businesses across the United States.

When the record is written about this Congress, and what it has achieved, I am afraid it will be reminiscent of General MacArthur's speech to a joint session of Congress over 40 years ago. He said, ''Old soldiers never die, they just fade away.''

Well, maybe—maybe—it is time for this Congress to fade away—this Congress, which has been unwilling to address the most basic issues in this country; unwilling to pass campaign finance reform; unwilling to pass a tobacco bill to protect our children who continue to be lured by those companies; unwilling to show initiative to protect Social Security when Americans say that is their No. 1 priority; unwilling to do anything about education, like the crumbling schools initiative of my colleague Senator CAROL MOSELEY-BRAUN; unwilling to address a Patients' Bills of Rights when every American family knows how vulnerable we are when it comes to health insurance and the way doctors and hospitals are treated; and unwilling to address the most basic issue, the most basic issue of fairness, that the people who get up and go to work every day in America deserve a decent living wage.

It will be a tragedy if this turns out to be just another partisan roll call

swept aside and ignored because hundreds of thousands in my State and millions across America look to this Congress to be sensitive and to lead. Unfortunately, today, the debate suggests that we will not. And this Congress will fade away with an ignominious record when it comes to the people who are going to work every day and keeping America moving.

I yield the floor.

The PRESIDING OFFICER (Mr. SESSIONS). Who yields time?

Mr. HATCH. I yield 3 minutes to the distinguished Senator from Iowa.

The PRESIDING OFFICER. The Senator from Utah yields 3 minutes to the Senator from Iowa.

Mr. GRASSLEY. Mr. President, I want to talk about the procedure of this minimum wage bill on a very, very important bankruptcy reform bill we have. The substance may be very important, but the procedure is what we want to consider as we ask our colleagues to vote on this amendment.

We are on the first major change in bankruptcy legislation in 20 years—very needed change. So what is the minimum wage bill doing on this bill? This bill was voted out of committee 16–2. The author of this minimum wage amendment was one of those two people who voted against it. Obviously, by putting minimum wage on this, it is a poison pill to defeat this legislation. This is an anchor that is going to take this bill to the bottom of the ocean if this amendment is adopted. We must not let this amendment be adopted if we want a strong bankruptcy bill, any bankruptcy bill, out of this Congress.

We have about 2 weeks left to get this bill worked up, with wide differences between the House bill and the Senate bill. If we adopt this amendment on minimum wage, I am sure the majority leader will take this bill down.

I am asking my colleagues not to vote for this amendment because of the merits or demerits of minimum wage, but because this is a poison pill that will destroy the bankruptcy reform legislation that has so much going for it. When a bill comes out of the Judiciary Committee 16–2, it has a lot of bipartisan support, and you know it will go. This is one way that one opponent of this bankruptcy bill can stop it.

Now, as important as a minimum wage increase might be to help some families in America, this bankruptcy bill is also very important to help lower-income families in America because there is not a single family in America—low-income or high-income—that is not paying part of the costs of bankruptcy; $40 billion costs to the economy every year, $400 for a family of four. So every family that the Senator from Massachusetts is trying to help through an increase in minimum wage, he is hurting by stopping the reform of bankruptcy. We must reform bankruptcy. This is a hidden tax on the poor of America.

By passing this legislation, reducing the tax, we will help the very same families that the Senator from Massachusetts wants to help.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HATCH. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, we have how much time?

The PRESIDING OFFICER. Seventeen minutes.

Mr. KENNEDY. Mr. President, I yield 5 minutes to my friend from Iowa.

Mr. HARKIN. I thank the Senator from Massachusetts for yielding this time.

PRIVILEGE OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent privilege be granted to Yvonne Byrne of my staff for the duration of the debate on this bill.

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

Mr. HARKIN. Mr. President, first, let me commend my friend and colleague, Senator KENNEDY, for his long-time commitment and leadership on this issue, among many others, but especially on this issue. So many people are now working in America and earning at least a raise from the minimum wage of what we had a few years ago of $5.15 because of the hard work and effort and leadership of Senator KENNEDY.

As Senator KENNEDY knows, this is an issue of basic fairness about whether those Americans who work hard, who have helped our Nation grow to a period of very significant economic prosperity, should, indeed, receive some of the benefits of this prosperity.

I was in Iowa on Friday. I visited the Tri-State Food Bank in Sioux City, IA. Now, the unemployment rate in Sioux City and the surrounding areas is about 2 percent—literally almost no unemployment. The economy is growing; people are working. It is some of the best times people in that area have ever had from what they tell me and from what all the indicators are. Yet, the director of the Tri-State Food Bank Mr. Ron Swanson informed me that they are getting more demand for food from the food bank than they have ever had before. Now they are concerned about the winter and whether or not they will have the food necessary. I said, with all these people working, why is it that people are coming to the food bank?

Earlier, I visited the food bank in Des Moines and Karen Ford told me the same thing. That in this time of economic prosperity and growth and low unemployment, the demand for the commodities and the food from the food banks is higher than ever.

As I was told in Sioux City on Friday, you have a lot of people who have come off of welfare in the so-called Welfare-to-Work Program. They are making minimum wage, they are feeding their families, clothing their kids, sending their kids to school, paying rent, they are getting food stamps. But their food stamps are running out before the end of the month so they have to go to the food bank to get USDA commodities of rice, USDA canned pears and canned peaches, USDA flour, plus the donations that churches, schools and the businesses in that area donate to the food bank.

Now, these are not people that are shirking. These are not people that are just out on the streets. These are people that go to work every day trying to provide for their families. Yet they have to go to the food bank before the end of the month because the food stamps run out. These are people making the minimum wage—$5.15 an hour.

It is not right in this country when in this time of economic prosperity when millionaires are created every day and we have billionaires like we have never seen before, that people who work and go to work every day can't even get enough food to last until the end of the month.

That is what this is about. That is what this whole debate and this vote is about. For the life of me, I can't understand why anyone would vote against raising the minimum wage just the modest amount that Senator KENNEDY is proposing.

I had my staff calculate up for me what the minimum wage would be if it had increased at the same rate that CEO salaries, chief executive office salaries, had gone up on average since 1960. If the minimum wage had increased at the same rate as CEO average salaries since 1960, the minimum wage today—are you ready for this—would be $41 an hour. Now, that tells you about the spread. That tells you what is happening in our society. Fewer and fewer people making more and more money, getting all the wealth, more and more people shoved to the bottom who make the minimum wage, who get food stamps, and then have to go to the food bank to get food to last them until the end of the month. It is not right. It is not right in this country that those conditions have to exist.

They tell us, well, if you raise the minimum wage there will be unemployment, people will be out of work. How many times do we have to hear this nonsense? We know it is not true. We have the facts, we have the data. It is absolutely not true. For example, in Iowa about 5 years ago, Iowa raised their minimum wage more than the national minimum wage. What we heard at that time from the Republicans in Iowa was, oh my gosh, it will cost us all these jobs, people will leave Iowa. They will go to other States where there is a lower minimum wage.

In 1989, Iowa raised their minimum wage. By 1996, the Iowa minimum wage was forty cents more than the Federal minimum wage. Guess what happened? Nobody left. People worked. Jobs didn't leave. Businesses didn't leave. In fact, we had one of the greatest periods of job growth and business growth in the State of Iowa when we had a higher

minimum wage than the Federal minimum wage.

Now the Federal minimum wage has caught up to Iowa. I think that points out the fallacy of the argument that if you raise the minimum wage, businesses are going to go out of business and they will leave. We proved in Iowa that is not so because we had a higher minimum wage than the Federal.

This is the time for us to stand up and be counted for what is fair and right in our society. I thank Senator KENNEDY.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, we have had a good debate and discussion on this issue during the course of the morning. The opposition to an increase in the minimum wage raised a number of issues, which we anticipated and responded to.

First of all, they say that there is going to be an increasing problem in terms of unemployment. We have demonstrated that we have the lowest unemployment since World War II.

They argue that it is going to add to the problems of inflation. We have demonstrated that we have the lowest rates of inflation, and we have demonstrated a very substantial growth in terms of small business interests.

I want to point out, since our friends, Senator HATCH and Senator ENZI, talked about the restaurant industry, that they have been prime opponents of any increase for the hardest working Americans, those at the lowest end of the economic ladder. I point out that in this industry in 1996, the average restaurant CEO grew in income by 8.6 percent. Their average bonus increased 13 percent. Their average value of stock options exploded by over 100 percent. Their average total compensation grew by 6 percent.

These are some of the highest paid CEOs in this country who are making that high salary on the basis of low-wage workers. I might also add that of the 100 top CEOs in the restaurant industry, there is not one single woman—not one single woman.

Mr. President, before we take all of the arguments by my friend from Utah where we have seen since 1996 a growth and an increase of 59,000 jobs—that was after the increase of the minimum wage in 1996 in October, and September 1997—one of the lowest unemployment rates in this country, I have a list of the statements that have been made by my friend from Oklahoma that he gave in the last debate: I don't think that they should do it in my State because they are going to put people out of work.

That was said in 1996. Senator HATCH virtually said the same thing in 1996. The facts demonstrate to the contrary.

Finally, Mr. President, I want to point this out. We have seen here what you can't get away from: that is, the decline in the purchasing power for low-income Americans. That is a fact. It is lower now than it has been for a period of 30 years.

Republicans signed onto this program. President Eisenhower, President Nixon, President Bush—all Republicans—supported an increase in the minimum wage. Yet we hear from our Republican leadership that we can't possibly do it because it is going to destroy America.

Mr. President, it is important to understand why this issue is so important to the religious community. We have 170 organizations, the principal leaders in the religious community, supporting an increase in the minimum wage because they understand it, whether it is the American Friends, Catholic Charities, the Episcopal Church, the Evangelical Church, the Lutheran Church, the American Council of Churches, U.S. Catholic Bishops, United States Church of Christ—they understand it. It is a moral issue for them—believing in the dignity of the individual. They ought to be able to have a decent living, that they are working in America to provide for their children. That is what the issue is.

You can give us all the charts you want made up by the restaurant industry to distort what is really being debated on the floor of the U.S. Senate.

This is an issue involving women—sixty percent of the recipients are women.

It is an issue involving children—the neediest and the poorest children in this country who are the sons and daughters of those minimum-wage workers.

This is a civil rights issue—it is paying people the entry wage, a livable wage for those individuals who come from different backgrounds and tradition, and also the minorities in our country.

This is basically the moral issue of our time—and when we have been at our best, we have responded to it, Republicans and Democrats alike. It is a fundamental issue that has been stated by my colleagues—Senators WELLSTONE, HARKIN, DURBIN, and others who have spoken on it.

To sum up, it is whether the United States of America, with the most extraordinary economic prosperity in the history of our Nation, is going to say that our fellow citizens who work hard and who have children ought to have a livable wage. That is what the issue is about. The Republican leadership is saying no to those working families.

We hope that we are going to have some support from the other side of the aisle because we believe that there are those who understand the importance of this issue to working families. There is no issue before this U.S. Senate that involves fairness and decency and equity like an increase in the minimum wage. This is it. Now is the time.

I reserve the remainder of my time.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I always enjoy listening to Members of Congress talk about how the minimum wage is going to benefit this society as we raise the minimum wage. Some of us have worked for the minimum wage in our lifetimes. We know what it is like to work for the minimum wage. We also know what it is like to lose your job because you raise the minimum wage too much, and small business people who do not make all that much money have to either reduce employment or get out of it. That is what happens.

The Senator from Minnesota, the Senator from Illinois, and the Senator from Massachusetts I think are looking at the wrong numbers. They should be looking at employment—not unemployment. They should be comparing it to what might have occurred without the mandatory minimum wage increases. There is no question that we have a good economy right now. A rising tide lifts all boats, thank goodness.

I notice that my colleagues are not discussing the plunging youth employment rates following the minimum wage increases in 1978 or 1989. The 1996 legislation that raised the minimum wage included a package of tax cuts. To some extent, of course, that helped mitigate the impact. You would think that by increasing the minimum wage we were going to have an increase in jobs. Really, I don't know any responsible economist who makes that argument. The fact remains, however, that unskilled workers are not helped, they are often hurt, by increases in the minimum wage, particularly in areas where the market wage for entry-level workers is lower.

You are looking at one of the main sponsors of the child care development block grant. I wonder how many children are not being cared for because we keep increasing the minimum wage and freezing people out of child care.

Yes, there are a lot of issues involved here. Wouldn't it be better to cut Americans taxes? We could give everyone more money in their paychecks without jeopardizing jobs and at the same time without hurting small businesses or without triggering price increases for consumers.

I think instead of having minimum wages we ought to have minimum taxes. But where do we get the help from the other side on that? We don't get much of it. If you cut taxes, you actually give people an increase in wages, because they actually take more money home.

Frankly, that is what we ought to be interested in doing to help these people along the way. It would help small business people, where most of the jobs are created. Better than 50 percent of all jobs are created by small business people, who would be the most severely impacted and who are the most severely impacted by increases in the minimum wage, other than those who never get a chance to enter into the workforce as a result of increases in the minimum wage.

Let's be honest about it. This is not the simple little economic interest, as

some on the other side have been saying. There is a lot involved here. We ought to be reducing taxes, not increasing minimum wages.

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Massachusetts has 4 minutes.

Mr. KENNEDY. I yield 3 minutes.

Mr. WELLSTONE. Mr. President, I have not heard my colleague from Utah respond to this. I haven't heard one colleague on the other side of the aisle respond to the data or to the facts. I have heard them try to hide behind the argument that raising the minimum wage was going to lead to a loss of jobs. Since increasing the minimum wage in the prior year, the Bureau of Labor Statistics reported 517,000 new jobs. Sometimes we do not want to know what we do not want to know. I have not heard any refutation of that at all.

So my question is, Why in the world would we not value work and give dignity to work by raising the minimum wage, which is so important to women in the workplace, so important to children, so important to families?

Then my colleague from Utah moves on to another argument concerning child care. In all due respect, that is what is so sad about this debate. If we really wanted to do our best by families and value families, we would be raising the minimum wage, we would be investing in affordable child care—which this Republican-led Senate will not do. We would have universal health care coverage, which this Republican-led Senate will not do. In child care, I hope the tradeoff is not to say that we are not going to be able to provide good child care for children unless we continue to devalue the work of men and women in child care. Many of them barely make minimum wage or barely above it. That is why we have a 40-percent turnover every year. This is not acceptable.

We can raise the minimum wage, which is important for women, important for these working families, important for children, important for young people who are trying to work their way through school. We can invest in the health and skills and intellect and character by investing in affordable child care. We can invest in health care. This Republican-led Senate has done none of these things.

In all due respect, in all due respect, the reason that 75 or 80 percent of the people in the country believe we should raise the minimum wage is because they have some sense of fairness and justice. We raised our salaries by $30,000 just a few years ago. We gave ourselves a cost-of-living increase that amounts to a $1.50 increase per hour, we make $130,000-plus and say we need to make that. And yet, we will not raise the minimum wage from $5.15 to $6.15 over a 2-year period so people who work hard will not be poor in America and their children will not be poor? This is really outrageous.

I hope we get a majority vote.

Mr. KENNEDY. Mr. President, I believe I have some time?

The PRESIDING OFFICER. The Senator from Massachusetts has 1 minute 20 seconds.

Mr. KENNEDY. Mr. President, just again to underline the excellent point my friend from Iowa made, according to the U.S. Conference of Mayors study, in 1997 requests for emergency food aid increased 86 percent in the cities served—these are cities with Republican and Democratic mayors. Mr. President, 67 percent of the cities cited low-paying jobs as one of the main causes of hunger. Low-paying jobs are the most frequently cited causes of hunger. Nearly half of those relying on emergency food aid do so because their earnings are too low. In 1997, in Jeffersonville, IN, one-fourth of the families receiving emergency shelter were earning less than $6 an hour.

This is about fairness to teachers' aides, to child care workers. It is a basic and fundamental issue with regard to health care workers as well. We are either going to respect our fellow citizens and give them this modest increase in the minimum wage, or we are not going to meet our responsibilities.

Mr. President, has the time expired?

The PRESIDING OFFICER. The time remaining is 10 seconds.

Mr. HARKIN. If the Senator will yield me the 10 seconds—I have 10 seconds, Mr. President—there is a lot of talk in this town these days about morality and immorality. This has to do with morality. This has to do with what is moral in this society and to stick up for people who are low-income and are going hungry.

RECESS

The PRESIDING OFFICER. Debate on this issue has expired. The hour of 12:30 having arrived, the Senate will be in recess until 2:15 p.m.

Thereupon, at 12:31 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. COATS).

Mr. SARBANES. Mr. President, I rise in strong support of Senator KENNEDY's amendment to raise the Federal minimum wage. I am proud to be an original co-sponsor of the legislation—upon which this amendment is based—to raise the minimum wage 50 cents a year over the next two years bringing it to $6.15 per hour by the year 2000.

For more than half a century, Congress has acted to guarantee minimum standards of decency for working Americans. The object of a Federal minimum wage is to make work pay well enough to keep families out of poverty and off Government assistance. Any individual who works hard and plays by the rules should be assured a living standard for his or her family that can keep them out of poverty.

If nothing is done before the year 2000, the real value of the minimum wage will be just $4.82 in 1997 dollars—about what it was before Congress last acted to increase the minimum wage in 1996. The increase being proposed today would bring the purchasing power of the minimum wage to $5.76. Now, no one asserts that raising the minimum wage will correct every economic injustice, but it will certainly make a significant difference to those on the low end of the economic scale. We have the opportunity to enact what is in my view a modest increase to help curb the erosion of the value of the minimum wage in terms of real dollars, and it is an opportunity which we should not let pass us by.

Currently, full-time minimum wage worker earns just $10,712 —$2,600 below the poverty level for a family of three. A dollar increase in the minimum wage would provide a minimum wage worker with an additional $2,080 in income per year, helping to bring that family of three closer to the most basic standard of living. This extra income will help a family pay their bills and quite possibly even allow them to afford something above and beyond the bare essentials.

According to the Department of Labor, 74 percent of workers who will benefit from an increase in the minimum wage are adults, 50 percent work full time, 60 percent are women and 40 percent are the sole breadwinners in their families. Mr. President, these are not the part-time workers and suburban teenagers many opponents of the minimum wage increase would have you believe.

After 30 years of spiralling deficits we are on the verge of balancing the budget for the first time in 30 years - 4 years ahead of schedule. Today, the budget is virtually balanced, unemployment is at a 25-year low, and inflation is at a 30-year low. However, despite this period of economic prosperity, the disparity between the very rich in this country and the very poor continues to grow. According to the Economic Policy Institute, projections for 1997 indicate that the share of the wealth held by the top 1 percent of households grew by almost 2 percent since 1989. Over that same period, the share of the wealth held by families in the middle fifth of the population fell by half a percent. In light of these estimates, consider that the Department of Labor predicts that 57 percent of the gains from an increase in the minimum wage will go to families in the bottom 40 percent of the income scale.

It is both reasonable and responsible for Congress to enact measures which provide a standard that allows decent, hard-working Americans a floor upon which they can stand. We did it back in 1996 when we approved, by a bipartisan vote of 74–24, a 90 cent increase in the minimum wage bringing it to its current level of $5.15 per hour, and it is appropriate to do it here again. With the economy strong, we have a responsibility to reinforce this basic economic floor for millions of American workers

to prevent them from sliding further into the basement.

This is, and always has been, an issue of equity and fairness for working men and women in this country and I strongly encourage my colleagues to support this amendment and vote against the motion to table.

Mrs. MURRAY. Mr. President, I rise today in strong support of the Kennedy amendment and as a cosponsor of the minimum wage increase.

I cannot sit idle as I hear of those struggling to live on today's minimum wage. I thought, like many of you, that the minimum wage earner was my daughter or one of her friends: a teenager flipping burgers or taking food orders to earn some extra cash for new clothes or a movie.

That is the misperception though. The sad fact is that 71 percent of those workers who benefited from the last increase were adults over the age of 20. This increase will benefit those that need it most—working families at the bottom. A full-time, year-round minimum wage worker in 1997 earned only $10,712, $2,000 less than the $12,803 needed to raise a family of three out of poverty. Some 40 percent of minimum wage workers are the sole income-earners in their families.

I am immensely troubled with the fact that 58 percent of those struggling with a minimum wage are women. These millions of women, many of them single mothers, would benefit directly from this increase.

These single moms are trying. Trying to raise two kids on a below-poverty income. And how does Congress reward these single parents? By attacking Medicaid that would have paid for her son's asthma medicine. By cutting her child care support that allows her work. By taking away funding for nutrition programs that pay for her kids to eat at school or day care. By eliminating her Head Start Program that gives her kids a chance at starting school ready to learn. By refusing to add one dollar to her hourly wage—a wage that pays for heat, clothing and food.

Aren't these the individuals and families we are trying to keep employed and off of federal support? Instead, this Congress has targeted the low-income family through cut after cut and a resistance to move them above the poverty line.

This amendment does not eliminate jobs, it barely keeps people working, who otherwise would be completely reliant on public support. Today's minimum wage is 18 percent below the 1979 level. Each year we wait means a loss of $2,000 to that single mother. To that low-income family, that would have meant more than seven months of groceries, four months of rent, a full year of health care costs, or nine months of utility bills.

I did not reach my decision to support the minimum wage easily. I have listened carefully to the concerns of small-business owners from across my state, who have highlighted the implications of this increase. I don't want to see prices for the American consumer rise or jobs eliminated. But I don't think an increase to the minimum wage will end employment in small business, either.

Now is the time to adjust that inequality and demonstrate a true commitment to our working families. A slight increase in this wage provides those who work hard and play by the rules an increased opportunity and a chance to succeed. If any of my colleagues oppose the minimum wage, I urge them to try living on $10,712 this year and then reconsider their vote.

Ms. MIKULSKI. Mr. President, I rise today to voice my strong support for raising the minimum wage. In 1996, Congress helped millions of working Americans by increasing the minimum wage by 90 cents over two years. Passing that historic measure was a good first step. Now, it is time for us to take another one.

I am proud to be cosponsoring the Fair Minimum Wage Act of 1998, a bill that will help even more Americans take that next step. This much-needed legislation would raise the hourly minimum wage to $6.15 over the next two years. The first part of this bill would take effect on January 1, 1999, and would raise the minimum wage from $5.15 to $5.65 per hour. Then, on January 1, 2000, the minimum wage would be raised to $6.15 per hour.

I support this minimum wage increase for many of the same reasons I supported the last one. In 1995, I said that an increase in the minimum wage would help working Americans improve their standard of living. I said that it would help them move one step closer to self-sufficiency. And I said that it would give them the opportunity to practice self-help.

It has done all these things, and it has helped business and trade at the same time. The results in my state alone tell the story. Since we increased the minimum wage in 1996, employment in Maryland is up and unemployment is down. We've added 54,500 new jobs since September 1996, and the unemployment rate dropped to 4.7%. I'd say that's progress.

I believe we can expand upon the progress we've already made by increasing the minimum wage again. A minimum wage increase would give a raise to more than 129,000 Marylanders and their families. It would enable Marylanders to improve their standard of living. It would move them closer to self-sufficiency. And it would allow them to practice self-help.

An increase in the minimum wage equals an increase in the standard of living for working Americans. This is especially important to me. Since I first came to Congress, my economic mission has always been a pretty simple one: to help those who are in the middle class stay there or do better and to give those who are not in the middle class the chance to get there. I support this bill because it gets at the heart of my mission. I know that to some people, a $1.00 increase in the minimum wage over the course of two years may not seem like much at all. But even a small increase like this one will mean a whole lot to many others.

An increase in the minimum wage will also help many Americans move one step closer to economic self-sufficiency. We all know by now that minimum wage workers aren't just high school kids working part-time jobs after school and on the weekends. In fact, two-thirds of minimum wage earners are adults, and nearly 60% are mothers, many with young kids to support.

We don't have to tell working moms who are struggling to make ends meet what an extra $1.00 an hour means. An extra $1.00 an hour means more groceries in the refrigerator. An extra $1.00 an hour means that the mortgage or the rent gets paid. An extra $1.00 an hour means a full tank of gas in the car. And, most importantly, an extra $1.00 an hour can mean more time to spend with their families. That single dollar goes a long way for those moms.

Finally, an increase in the minimum wage will give people the opportunity to practice self-help. For too long now, Americans, including those working moms, have been working longer and harder only to see their paychecks get smaller and smaller. This cycle has got to stop. Those Americans who are working for minimum wage are not asking for handouts. They're asking for fair pay for hard work.

Right now, even after the previous minimum wage increase, a mother who works full-time—that's 40 hours per week and 52 weeks a year—earns only about $10,700 a year. That is $2,600 below the poverty level for a family of three. I don't think that someone who shows up everyday and works hard should be condemned to a life in poverty. A fair day's work should mean a fair day's pay.

Does that $10,700 salary reward a working mom's hard work? No. Does that salary give her an incentive to stay off welfare? No. Does that salary give her the time to walk her kids to school, help them with their homework, or even read to them at night? Absolutely not. In fact, that $10,700 salary barely allows her to clothe them, put a roof over their heads, or put food on the table. No mom should have to make the choice between paying the heating bill or buying her child new school shoes. Forcing working moms to make choices like that is wrong.

That same mom who works full-time, plays by the rules, and does everything else we ask of her ought to be able to get ahead. I don't think that's asking too much. Hard-working minimum wage workers are just like everyone else—they want to climb up the American economic ladder. Too often, however, that ladder looks too tall to climb. Too often, the rungs on that ladder are too far apart from each other.

Too often they are just a little bit out of reach. As representatives of those workers, we can help them climb that ladder. We can and should give them that little push they need to grasp the next rung. This bill gives them that little boost, and that is why it has my full support.

Ms. MOSELEY-BRAUN. Mr. President, I wish to take a moment to speak about a few of the compelling reasons that the Senate should pass the amendment to increase the minimum wage by $1.00 per hour by the year 2000.

I am a cosponsor of this legislation because I believe that by raising the minimum wage now, we can accomplish a number of critical objectives. We can improve the quality of life for millions of Americans, expand the market for all of the goods and services that the workers of our nation produce, increase the amount of taxable income in the country, reduce expenditures for public assistance, close the ever-increasing gap between working people and wealthy individuals, and—certainly not least—honor the American tradition of rewarding hard work and perseverance.

The current minimum wage is not a living wage for the millions of Americans who try to support themselves and their families on $5.15 an hour. Today, 6.2 million Americans earn the minimum wage. In my state alone, 5.7 percent of the workforce—making up roughly 296,000 people—earns that salary. This means that an Illinoisan, working 40 hours a week, 52 weeks a year, earns only $10,712 per year. That's about $2,600 below the poverty line for a family of three and over $5,700 below the poverty line for a family of four. And make no mistake about it—this is an issue that directly affects families. As much as opponents of this amendment would like us to believe that the minimum wage primarily affects teenagers working at their first jobs, the actual fact is that three-fourths of those earning the minimum wage are adults, many trying to support families. And with respect to the fact that one-fourth of those who will be assisted by this legislation are teenagers, we should bear in mind that many teenage minimum-wage workers contribute the money they earn (or at least a portion of it) to their families' total income.

A $1.00 increase in the minimum wage would provide a full-time worker earning the minimum wage with a little over $2,000 a year in additional income. That money could pay for more than seven months of groceries, more than four months of rent or mortgage bills, over a full year of health care, or more than nine months of utility bills for a family living on the minimum wage. That $2,000 would make a world of difference to such a family.

Moreover, a family that can pay for rent, groceries, or health care is putting money back into the economy. That family is buying goods and services produced by other workers. It is also earning taxable income and reducing the amount government has to spend on public assistance. An increase in the minimum wage helps people to contribute to, rather than burden, the nation's economy. And it wouldn't just be minimum wage workers who would be able to make a greater contribution to the economy. Currently, there are almost six million Americans who earn between $5.16 and $6.14 per hour who would also receive a pay raise if this amendment were to become law. All 12 million Americans who stand to benefit from this legislation—not just the 6.2 million earning the minimum wage—must be taken into account when we consider the fact that adopting this amendment would increase the pool of consumers and increase taxable earnings.

I wish to take this opportunity to dispel a myth that many opponents of increasing the minimum wage have put forward over the years: that paying a living wage means losing jobs. Around the time that we debated raising the minimum wage from $4.25 to $5.15 per hour, a group of respected economists, including three Nobel Prize winners, concluded that such an increase would have positive effects on the labor market, workers, and the economy. In 1996 we went ahead and raised the minimum wage to $5.15 per hour and what happened? Bureau of Labor Statistics data show that employment increased. Four million new jobs have been created since that time. Unemployment has hovered around its lowest rate in a generation. This will not surprise anyone familiar with the scholarly literature on this issue. The Economic Policy Institute studied the effect of the last minimum wage increase on the economy and found that it had no negative impact on jobs or inflation. A recent study by economists at Berkeley and Princeton Universities showed that the type of moderate increases in the minimum wage that we are debating today do not cost jobs. It should be noted that their research included the increase we enacted two years ago.

Some have argued that small businesses would be hurt by Senator KENNEDY's amendment. The reality is that many such businesses will suffer if we do not raise the minimum wage. Small businesses which right now pay a living wage to their employees are at a competitive disadvantage with those that try to cut costs by slashing wages. This creates a race to the bottom with the most profits going to companies paying the lowest wages. Adopting this amendment will ensure that all businesses will be able to afford to pay a decent wage to their workers.

I would like to make a point regarding how this amendment would affect single working women. Twenty percent of those earning the minimum wage are female heads of households. These are women who are taking responsibility for themselves and their children. They are doing precisely what we have told them we expect them to do: get a job and go to work every day. We have told them that AFDC is a thing of the past, that they cannot rely on the government to take care of their families. I am not seeking to re-open the welfare reform debate. But I do want to know how we can send these women that very clear message and then fail to provide a minimum wage that allows them to support their families at a level above the poverty line? The fact that a single mother working full-time cannot bring her family out of poverty represents a clear policy failure on our part. With this legislation, we have the opportunity to take a step towards addressing it.

Right now, our economy is strong. The unemployment rate is low and new jobs are being created in record numbers. This economic strength, however, has not translated into increased wages for many of those on the lower rungs of the economic ladder. In fact, the income disparity between the richest and the poorest is increasing. Consider, for example, what has happened in my state. Over the last 20 years, the income disparity between the richest and poorest Illinoisans has increased by over 46 percent. During that time, the average income of the poorest twenty percent of families in Illinois fell by $1,460 to $10,000. At the same time, the average income of the richest twenty percent increased by over $25,000. An increase in the minimum wage will help close that gap.

I conclude by reminding my colleagues that at the heart of the American Dream lies the belief that hard work is the foundation of success. Fortunately, for most people in this country, that remains a valid notion. But it is not for those who earn the minimum wage. We must guarantee that those attempting to provide for themselves and their families by earning the minimum wage receive a living wage. Here in Washington, we talk a great deal about family values and the American Dream. There's nothing wrong with that as long as we stand up for those ideals ourselves when given the opportunity. This amendment represents just such an opportunity and I strongly urge my colleagues to vote for it.

Mr. FEINGOLD. Mr. President, I rise today to urge my colleagues to support efforts to increase the federal minimum wage by passing the Fair Minimum Wage Act of 1998. This important legislation will provide American laborers with a 50 cent increase to the minimum wage on January 1, 1999, and a second increase on January 1, 2000. This modest increase, which would raise the minimum wage to $6.15 per hour, will help 12 million lower income Americans.

Our country's economy is growing. It's economic vitality and the success of welfare reform have resulted in better news and a better life for working people. Or have they?

The truth is, even though the economy is on an up-swing, wages are stagnant and people are still living in poverty. In fact, over half a million people

live in poverty in our own state of Wisconsin.

Despite successes in the welfare to work initiative, last year, a US Conference of Mayors study indicated that eighty-six percent of cities reported an increased demand for emergency food assistance. Thirty-eight percent of those people seeking food at soup kitchens and shelters were employed. This is an increase of fifteen percent since 1994. It is evident that, in many cases, minimum wage workers can not afford to feed themselves or their families.

Mr. President, no hard working American should have to worry about affording groceries, shoes for their kids, or medicines. The people whom the bill will help are not people who spend their money frivolously, these are the families who scrimp and save to provide their children with the necessities of life: shelter, food, clothes and an education.

In a recent study, The State of Working Wisconsin—1998, by the Center on Wisconsin Strategy, we find some troubling news regarding wages. Today, the Wisconsin median hourly wage is still 8.4% below its 1979 level. Since 1979, Wisconsin's median wage declined 50% faster than the 5.3 percent national decline over the same period. These numbers are, sadly, not Wisconsin specific. This is the situation all over the country.

I urge my colleagues to bring some respect and dignity to the federal minimum wage. America's labor force deserves a chance to be successful and we need to give them the tools. I urge them to support the Fair Minimum Wage Act of 1998. Its a vote in support of every full time worker hoping to make ends meet.

Mrs. BOXER. Mr. President, the minimum wage is about fairness. The minimum wage should be a fair wage that rewards people for an honest day's work.

This is the right time to provide fairness by increasing the minimum wage. Our budget is balanced and the economy remains fundamentally strong. We've created new jobs at an historically high pace of 250,000 per month. The inflation rate has averaged just 2.5 percent since 1993—the lowest rate since the Kennedy Administration—and the unemployment rate has fallen from over 7 percent in 1992 to 4.5 percent for the past two months.

However, as the economy rolls along, it is leaving behind working families. The benefits of this strong economy are not being enjoyed by lower wage workers.

In fact, according to a U.S. Conference of Mayors study, 38 percent of people seeking emergency food aid in 1996 held jobs—up from 23 percent in 1994. Low-paying jobs are the most-frequently cited cause of hunger today according to this survey.

People who are willing to work should not have to turn to a soup kitchen in order to feed their families. There is no better time than now to address the problem of fair wages in this country.

A full time minimum wage worker now earns just $10,712 per year—$2,600 below the poverty level for a family of three. To have the same purchasing power it had in 1968, the minimum wage today would have to be $7.33 an hour instead of $5.15.

Even where the current minimum wage is a little higher in my state—$5.75. The purchasing power of the wage is over $2.00 an hour lower than the purchasing power of the minimum wage in 1968. After adjusting for inflation, today's $5.75 minimum buys 26 percent less than it did in 1968.

Nationwide, 4.8 million families depend on the minimum wage for their sole source of income. Of the workers that would benefit from an increase, 60 percent are women—over 7 million women, and 57 percent are families in the bottom 40 percent of the income scale.

In my state alone, almost 10 percent of the workforce would benefit from an increase in the minimum wage—nearly 1.2 million Californians and their families.

Opponents of a minimum wage increase argue that minimum wage increases result in massive job losses. I believe—and the data prove—they are wrong.

The National Restaurant Association claims a study found that over 146,000 restaurant jobs were lost as a result of the 1996–97 minimum wage increases. In fact, the Bureau of Labor Statistics say that as of April 1998, 187,000 new restaurant jobs were created since the minimum wage increases in 1996.

The retail industry has many minimum wage jobs in California. Since September 1996, 97,000 retail jobs have been added in California.

The job numbers tell the story. We have increased the minimum wage to its current level of $5.15 per hour, yet the number of unemployed Americans has dropped consistently over the past six years. Since 1992, 3 million less Americans are jobless. In fact, according to the Bureau of Labor Statistics, 16.3 million jobs have been created since January 1993.

Clearly this is an issue of fairness. Everyone in this country deserves an honest, fair wage for a hard day's work. No one who is willing to work should have to take their children to a soup kitchen at night in order to feed them.

Senator KENNEDY's amendment would increase the minimum wage in two increments of 50 cents each—to $5.65 on January 1st, 1999 and to $6.15 on January 1st, 2000. After the first increase, a minimum wage earner would make about $11,700 annually. And after the second increase, a minimum wage worker would earn about $12,700 each year—still $600 below the poverty level.

Unemployment is at historically low levels. Job creation has boomed in the past six years. There is no better time to address this problem. The time for a modest increase in the minimum wage is now.

CONSUMER BANKRUPTCY REFORM ACT OF 1998

The Senate continued with the consideration of the bill.

AMENDMENT NO. 3540

The PRESIDING OFFICER. Under the previous order, the hour of 2:15 p.m. having arrived, there will now be 5 minutes for debate, equally divided, prior to a vote relative to the Kennedy amendment.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself 2 minutes 15 seconds.

At long last, the Senate is about to vote on raising the minimum wage. The Nation has enjoyed extraordinary prosperity in recent years. Unemployment and inflation are at their lowest levels in a generation. Interest rates are low, and the economy is strong and growing. But 12 million hard-working Americans are left out and left behind. They are minimum wage workers, and for them, the current prosperity is someone else's boom. Working 40 hours a week, 52 weeks of the year, minimum wage workers earn just $10,700 a year, $2,900 below the poverty level for a family of three.

A full day's work should mean a fair day's pay. But for these 12 million Americans, it does not. These hard-pressed Americans can barely make ends meet every month. Too often they are forced to choose between paying the light bill or the phone bill or the heating bill. An unexpected illness or family crisis is enough to push them over the edge.

Their plight is shocking and unacceptable. If this country values work as we say we do, we must be willing to pay these workers a decent wage. The wealthiest nation on Earth can afford to do better for these hard-working citizens, and today we have the opportunity to do so. We can raise the minimum wage.

Giving workers another 50 cents an hour may not sound like much, but it can make all the difference for these hard-working Americans. It can help buy groceries or pay the rent or defray the costs of job training courses at the local community college.

The minimum wage is a women's issue. It is a children's issue. It is a civil rights issue. It is a labor issue. It is a family issue. Above all, it is a fairness issue and a dignity issue. Raising the minimum wage is a matter of fundamental fairness and simple justice.

In a few moments, the Senate will have the opportunity to do more than pay lip service to these basic principles. If we believe in these ideals, we will vote to raise the minimum wage. No one who works for a living should have to live in poverty.

The PRESIDING OFFICER. Who yields time?

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, we know that only about 22 percent of the American people who are on minimum wage are people who have households to support. Almost every job on minimum wage is given to somebody who literally needs a job, would not otherwise have that opportunity and probably would have his or her job chances diminished if the minimum wage is increased. We found that to be the case year after year after year.

You cannot mandate increased labor costs without adverse impacts. What are those impacts?

Decreased employment opportunities, particularly for teenagers, and others, who are in the worst condition, with few skills and employment barriers. In large part, these reductions will be fewer jobs created, the elimination of certain services, such as bagging groceries or having them loaded in your car, or having services performed less frequently.

Higher prices for goods and services. The minimum wage is an ineffective antipoverty policy. Why? Because three-quarters of those earning the minimum wage are not heads of households or do not live in poor families—three-quarters of them. Most of these jobs are taken by people who are not from the poorest of the poor. Since the minimum wage increase cannot be targeted only to those who need it, the likelihood is that those with more experience, maturity, or skills will get or retain entry-level jobs and those who need a first-chance job the most are going to lose out.

Also, higher minimum wages stifle entry-level training opportunities. Workers have typically ''paid for'' their training and introductory work experience by working at entry-level wages. Mandating a higher minimum wage makes entry-level opportunities less available and our workforce less prepared for greater skills and opportunities down the line.

It is a myth that workers get ''stuck'' at minimum wages. Within a year, the average minimum wage earners get a 20 percent increase or even higher wage increase based on his or her greater skill level and experience.

Higher wages act as an incentive for some youth to leave school to take jobs.

So what is worse is that this adverse impact is for nothing. Those very individuals who need entry-level jobs the most are the ones most likely to be displaced by the increased competition for them. Frankly, hiking the minimum wage is not the only way to assist working Americans and those struggling to make ends meet. Let's work on some of these ideas.

Personally, I would like to raise people's paychecks by cutting their taxes. That would increase their paychecks without the risk that they might lose their jobs. And I think we can work together on education. We passed the A+ education bill. Let's tackle illiteracy, and let's do it this way rather than through this really untried procedure.

The PRESIDING OFFICER. The Chair announces all time has been used on the opponents' side, but the Senator from Massachusetts has 18 seconds remaining.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. If the Senator would like to use the remainder of his time, I will use leader time to conclude debate and move to table the amendment.

Mr. KENNEDY. I yield back and ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. All time is yielded back.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LOTT. Mr. President, I intend to move to table the amendment and ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. The majority leader has that right and may move to table, if he so wishes, after the statement.

Mr. LOTT. Mr. President, before I do that, I want to yield myself such time as I may consume out of leader time. I will be very brief.

Mr. President, when I became majority leader 2 and a half years ago, this issue was pending before the Senate and it had caused a lot of problems and some difficulties in trying to decide how to deal with it. After a period of weeks and months, we came to the conclusion that we did need a minimum wage increase at that point, but with a lot of small business tax provisions being included. And they helped to mitigate the effect on small business men and women and the jobs they create in particular.

But we had a minimum wage increase the year before last. We had a minimum wage increase last year. This increase, in my opinion, would be bad for the economy, bad for business, and bad for job creation.

I would like to just cite you two examples to think about. I have a son, first of all, who is a small businessman. And he employs people at the entry level, people who do not have high school educations—unwed mothers, people who are desperate to get a start, to get a job. And he gives them that opportunity. A lot of them go on to wind up being supervisors and owners of their own companies and create jobs. They live the American dream.

But I had occasion to hear comments from one lady—I believe she was from Marietta, GA—named Harriet Cane. She owns a Sweet Life Restaurant, which she describes as a very small dessert and luncheon cafe. It seats 45 people. As a result of the last increase in the minimum wage, she reduced her staff from 16 to 10, by attrition primarily, raised prices modestly, and had to increase her own hours on the job to 16 a day. And here is her exact quote:

> I will tell you this, that if the next increase does go through, what will happen to my store. Bottom line: my doors will close. I've talked with my CPA. We've tried to be creative. We've tried to find a way to handle the increase in payroll that it would represent. As a little shop, I have no option. I just want the world and the communities to understand that this is a reality and not just rhetoric.

Also, a very impressive statement was given on that occasion when I heard Harriet Cane by a gentleman from Texas named Jose Cuevas. Jose Cuevas came with no prepared statement, but he spoke from the heart. He and his wife, he said, have lived the American dream. He is a Hispanic restaurant owner in south Texas who is approximately 44 years old. And he and his wife, at the ages of 22 and 20, saved money and worked really hard so they could buy their first store. This is what he had to say:

> It became a dream. We now have four locations. We have $2.6 million worth of sales. We have seen a lot of people come through our door, and a lot of good people. They have all left something. They have all gone on to better things. I think of how this minimum wage will affect other people's dreams of owning their own companies, their own restaurants. I was fortunate enough that I and my wife worked side by side with two other employees until we earned a little bit more and could hire extra people. But at $6 or even $5.50 an hour, it will make it almost impossible. Our last raise in the minimum wage cost us $60,000 in labor costs.

In conclusion he said,

> So I urge you to continue to fight the battle for us, because I believe it's true and right. America is built on small business owners, just like all of us that go out every day, work hard, and create jobs so that others could live the American dream like we have.

Mr. President, I think this is the wrong action at the wrong time. The people who will be hurt the most are the people that well-intentioned Senators really want to help, because they will wind up not getting an increase in the minimum wage, they will wind up with no job.

I urge the Senate to vote to table this amendment. I now move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment No. 3540 offered by the Senator from Massachusetts. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The result was announced—yeas 55, nays 44, as follows:

[Rollcall Vote No. 278 Leg.]

YEAS—55

Abraham	Bennett	Burns
Allard	Bond	Campbell
Ashcroft	Brownback	Chafee

Coats
Cochran
Collins
Coverdell
Craig
DeWine
Domenici
Enzi
Faircloth
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Jeffords
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—44

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Bryan
Bumpers
Byrd
Cleland
Conrad
D'Amato
Daschle
Dodd
Dorgan
Durbin
Feingold
Feinstein
Ford
Harkin
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Specter
Torricelli
Wellstone
Wyden

NOT VOTING—1

Glenn

The motion to lay on the table the amendment (No. 3540) was agreed to.

Mr. NICKLES. Mr. President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3602

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes equally divided on amendment No. 3602 to amendment No. 3559.

The Senate will come to order.

The Senator from Wisconsin is recognized for 5 minutes.

Mr. FEINGOLD. Thank you, Mr. President.

Have the yeas and nays been ordered on these two amendments, Mr. President?

The PRESIDING OFFICER. They have not been ordered on the pending amendment.

Mr. FEINGOLD. Mr. President, I ask for the yeas and nays on both of my amendments.

The PRESIDING OFFICER. Is there objection to the request of ordering the yeas and nays on the next two amendments offered by the Senator from Wisconsin?

Without objection, it is so ordered.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, the original version of S. 1301 would have made a debtor's attorney responsible for the panel trustee's costs and fees if the attorney lost a 707(b) motion brought by the trustee—not if the filing was made in bad faith, not if the filing was frivolous, but simply if he or she lost the motion.

Fortunately, an amendment was accepted at the Judiciary Committee markup which would make the debtor's attorney liable only if he or she was ''not substantially justified'' in filing the petition. Even this standard, however, is untenable.

The opponents of the Feingold-Specter amendment argue that debtors attorneys are notoriously bad actors who abuse the bankruptcy system. No credible evidence, however—beyond an unsubstantiated story here and an unsubstantiated story there—has been offered to support the proposition that debtors attorneys are more likely to act in bad faith than any other type of attorney.

Why then would we allow this bill to contain a provision which applies a stricter standard of conduct to consumer debtors' attorneys than to any other type of attorney—a provision which is, as pridefully noted by the opponents of my amendment, designed to punish debtors' attorneys?

I have heard from bankruptcy judges in my home State of Wisconsin and they strongly object to the premise that debtors' attorneys are by any measure less admirable or honest than other types of attorneys. Moreover, they believe that this provision of the bill is fundamentally wrong and endangers debtors' access to the system.

The conduct of consumer debtors' attorneys should meet the standards set for all attorneys in Federal Civil Rule of Procedure 11, which is incorporated in Federal Rule of Bankruptcy Procedures 9011.

Every other fee-shifting provision in Federal law which holds the attorney liable require affirmative wrongdoing by the attorney. With or without my amendment—indeed, with or without this bill—if a debtor's attorney brings a ''frivolous'' or ''improper'' Chapter 7 filing—the court can order sanctions against that attorney.

Let me be clear—under current law, debtors' attorneys can already be fined if they act in bad faith. There is simply no legitimate basis for a different and more punitive standard that only applies to debtors' attorneys in bankruptcy proceedings.

Should not the purpose of this bill be to rid the bankruptcy system of abuse, not to punish a particular type of attorney? The basic premise of this bill—the fundamental tool it uses to weed out abuse—is the 707(b) motion. That is, the motion which is filed by the panel trustee when she feels that the debtor is abusing the system.

To supposedly encourage a trustee to file such a motion, this bill would award her costs and fees only when the debtor's attorney's actions were not substantially justified. Under the Feingold-Specter amendment, the trustee would be rewarded for her efforts whenever she wins a 707(b) motion.

Let me ask you—if you were a panel trustee charged with the duty of protecting the integrity of the bankruptcy system and your primary tool for doing so was the 707(b) motion, would you be more likely to file such a motion when you got paid whenever you won such a motion or only when the debtor's attorney was demonstrated to have been not substantially justified?

Before you answer, let me ask you one more question. What if, before you could get paid—as under the current bill—you, a panel trustee—not the court or an independent third party—also had to incur the additional time and cost of bringing and arguing another motion to prove that the debtor's attorney was not substantially justified?

The answer to these questions is clear. If you were a panel trustee you would have a stronger incentive to bring a 707(b) motion—that is, a stronger incentive to rid the bankruptcy system of abuse—under the Feingold-Specter amendment than you would under the current language of the bill.

So, the Feingold-Specter amendment seeks to maintain the incentive for trustees while preserving a debtor's access to justice and representation. It does so by making the trustee's fees and costs an administrative expense under Section 503(b) if the trustee is successful in her 707(b) motion to convert the case into Chapter 13. If the court dismisses the Chapter 7 filing, the debtor would be required to pay the trustee's cost and fees.

Your vote on the Feingold-Specter amendment comes down to this—if you want to muddle the system with needless additional hearings and to strike a mean-spirited, unfounded blow against debtors attorneys, vote against our amendment; if on the other hand, you want to rid the bankruptcy system of abuse in the most equitable and efficient manner, then vote for our amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time? The Senator from Iowa controls 5 minutes in opposition to the amendment. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield myself such time as I might consume at this point.

The bill that is before us, and it is reported by the Judiciary Committee, penalizes lawyer misconduct. I think these penalties are very fair. They are very narrowly focused. Of course, penalties are very necessary. Many lawyers who specialize in bankruptcy view bankruptcy as an opportunity to make big money for themselves. This profit motive causes bankruptcy lawyers to promote bankruptcy as the only option, even when a financially troubled client might obviously have the ability to repay some debt.

This profit motive creates a real conflict of interest where bankruptcy lawyers push people into bankruptcy who do not belong there, and they do it because they get paid up front. I think that any reasonable person would say that lawyers who file bankruptcy cases which are not substantially justified ought to be required to help defray the costs of their frivolous cases. That is all my bill does. Senator FEINGOLD's amendment would gut this reasonable effort to control the bankruptcy bar, which is seriously out of control.

The Consumer Bankruptcy Reform Act contains reasonable lawyer misconduct penalties which will cause lawyers to think twice before they, willy-nilly, cart somebody into chapter 7 and pocket a nice profit in the process. Some bankruptcy lawyers, in their rush to turn a profit, operate what are known as bankruptcy mills—nothing more than a processing center that happens to be for bankruptcy. There is little or no investigation done as to whether an individual actually needs bankruptcy protection or whether or not a person is able, at least partially, to repay their debts.

Recently, one of these bankruptcy attorneys from Texas was sanctioned by a bankruptcy court. The practices of the bankruptcy mills are so deceptive and so sleazy that last year the Federal Trade Commission went so far as to issue a consumer alert, warning consumers of misleading ads that promise debt consolidation. So I think there is a widespread recognition that bankruptcy lawyers are preying on unsophisticated consumers.

Yesterday I spoke about the bankruptcy lawyer who had written a book. I had this chart up. I spoke about this bankruptcy lawyer who had written this book entitled, ''Discharging Marital Obligations in Bankruptcy.'' This author, a bankruptcy lawyer, actually said that he is going to counsel you on how to avoid your obligations to pay defense costs, alimony, and child support. So it is all about how high-income people can get out of paying child support and alimony.

I think it is outrageous that bankruptcy lawyers are helping deadbeats cheat divorced spouses out of alimony and children out of child support, so that is why we want to vote this amendment down. I think my colleague, Senator KYL, wanted time.

I yield the remainder of my time to Senator KYL.

The PRESIDING OFFICER. There is currently 1 minute 20 seconds remaining.

Mr. KYL. Mr. President, I thank the Senator from Iowa.

The key point here is to simply hold the attorney responsible for the costs of a hearing. That is all we are talking about. It is either going to be the attorney or it is going to be the people who are owed money in a bankruptcy, or even the debtor, to be responsible for the costs of that hearing in the event the attorney has made a wrong filing here, a filing that was not substantially justified. So, if the attorney can establish that what he did was substantially justified in putting his client into chapter 13 bankruptcy as opposed to chapter 7, then he has no responsibility here and would have no liability for the costs of the hearing. But if it turns out that he was not substantially justified in doing that, then this would permit the court to assess the cost of bringing the motion and having the hearing against that lawyer. That is all we are talking about here.

In view of the fact that the National Bankruptcy Commission has been very concerned about these bankruptcy mills, this is a legitimate concern and a way to avoid this kind of mistake from occurring. It puts the responsibility where the responsibility ought to lie. I support the position of the Senator from Iowa in urging opposition to the Feingold amendment.

Mr. GRASSLEY. Mr. President, I move to table the Feingold amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table Feingold amendment No. 3602. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The result was announced—yeas 57, nays 42, as follows:

[Rollcall Vote No. 279 Leg.]

YEAS—57

Abraham	Domenici	Lugar
Allard	Enzi	Mack
Ashcroft	Faircloth	McCain
Bennett	Frist	McConnell
Bond	Gorton	Murkowski
Breaux	Gramm	Nickles
Brownback	Grams	Reid
Bryan	Grassley	Roberts
Burns	Gregg	Roth
Byrd	Hagel	Santorum
Campbell	Hatch	Sessions
Chafee	Helms	Smith (NH)
Coats	Hutchinson	Smith (OR)
Cochran	Hutchison	Snowe
Collins	Inhofe	Stevens
Coverdell	Jeffords	Thomas
Craig	Kempthorne	Thompson
D'Amato	Kyl	Thurmond
DeWine	Lott	Warner

NAYS—42

Akaka	Ford	Lieberman
Baucus	Graham	Mikulski
Biden	Harkin	Moseley-Braun
Bingaman	Hollings	Moynihan
Boxer	Inouye	Murray
Bumpers	Johnson	Reed
Cleland	Kennedy	Robb
Conrad	Kerrey	Rockefeller
Daschle	Kerry	Sarbanes
Dodd	Kohl	Shelby
Dorgan	Landrieu	Specter
Durbin	Lautenberg	Torricelli
Feingold	Leahy	Wellstone
Feinstein	Levin	Wyden

NOT VOTING—1

Glenn

The motion to lay on the table the amendment (No. 3602) was agreed to.

Mr. GRAMM. Mr. President, I move to reconsider the vote.

Mr. GRASSLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3565

The PRESIDING OFFICER. Under the previous order, there will now be 5 minutes equally divided on Feingold amendment numbered 3565.

The Senator from Wisconsin.

Mr. FEINGOLD. Ironically, bankruptcy is the only Federal civil proceeding in which a poor person cannot file in forma pauperis.

What this means, in any other Federal civil proceeding you can file a case without paying filing fees if the court determines you are unable to afford the fee; but in bankruptcy, you either pay the filing fee or are denied access to the system. That is right, the bankruptcy system—which is by definition designed to assist those who have fallen on hard times—is unavailable to the poorest of the poor.

This prohibition against debtors filing in forma pauperis is a clear obstacle to their efforts to gain access to justice. The current fee is $175; $175 is roughly the weekly take-home pay of an employee working a 40-hour week at the minimum wage.

I think it is unrealistic and unreasonable to expect an indigent in this case to raise such a fee simply to enter the system.

The PRESIDING OFFICER. The Senator has 1 minute 30 seconds remaining.

Mr. FEINGOLD. Given the fact that I have such high regard on behalf of the leader of this bill on our side, Senator DURBIN, I yield the remaining time to Senator DURBIN who will further speak in favor of the amendment.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I thank the Senator from Wisconsin. I rise in support of this amendment. When you have people who are so dirt poor that they can't come up with the $175 filing fee, we usually say in civil actions that we are going to waive the fee in court. For some reason, that waiver is not in the law in bankruptcy. It certainly should be. People wouldn't be coming to the bankruptcy court were they not in dire straits.

I support the Senator from Wisconsin because this has been tried successfully. It does not result in a mad dash to the courthouse by people who otherwise would not file for bankruptcy.

Now, the milk of human kindness curdled a few moments ago on the Senate floor when it came to bankruptcy lawyers, and the poor folks didn't do too well a few minutes ago when it came to minimum wage. Please stop and think about this for a minute. The poorest of the poor, coming to bankruptcy court trying to turn their lives around, want the same kind of treatment people get in all other civil suits. That is not unreasonable.

Mr. GRASSLEY. I yield all the time on this side to the Senator from Alabama.

Mr. SESSIONS. Mr. President, this Feingold amendment is directly contrary to the purpose of the bill that Senator GRASSLEY has worked so hard for. It requires no fee for filing under chapter 7, where the debtor wipes out all his debts. However, the amendment does require a fee under chapter 13, where the debtor pays back a portion of his debt. Therefore, it would encourage filings under chapter 7, when we

believe more people should file under chapter 13.

This Congress has considered this issue before and rejected it. The National Bankruptcy Commission just completed a long study of bankruptcy and did not call for the elimination of this fee. The United States Supreme Court in 1973 squarely held that it is constitutional. The bankruptcy system should discourage frivolous filings.

Furthermore, this amendment provides no standard for the judge to decide who in bankruptcy ought to pay and who ought not to pay. And, in addition to that, it would clog the courts with multiple hearings regarding who should pay the $160 filing fee. In addition, bankruptcy law currently allows filing fees to be paid in four installments. When a person files bankruptcy, they are able to stop paying all of their debt. Debtors are able to pay the filing fee because all other obligations have been tolled under the automatic stay.

This amendment will result in additional court hearings that distract the bankruptcy court from its primary purpose. This practice will be encourage filings under chapter 7 when filing under chapter 13 would be more appropriate. People who can pay a portion of their debt ought to be accountable for that amount.

I believe that this amendment will cost millions. In fact, based on the number of filings last year, we could be talking about $100 million in costs.

Thank you, Mr. President.

Mr. GRASSLEY. Mr. President, we yield back our time.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The question is on agreeing to amendment No. 3565.

Mr. GRASSLEY. Mr. President, I move to table the Feingold amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Iowa to lay on the table the amendment of the Senator from Wisconsin. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The result was announced—yeas 47, nays 52, as follows:

[Rollcall Vote No. 280 Leg.]

YEAS—47

Abraham	DeWine	Hutchinson
Allard	Enzi	Hutchison
Ashcroft	Faircloth	Inhofe
Bennett	Frist	Kempthorne
Bond	Gorton	Kyl
Brownback	Gramm	Lott
Burns	Grams	Lugar
Campbell	Grassley	Mack
Coats	Gregg	McCain
Cochran	Hagel	McConnell
Coverdell	Hatch	Murkowski
Craig	Helms	Nickles
Roberts	Shelby	Thompson
Roth	Smith (NH)	Thurmond
Santorum	Stevens	Warner
Sessions	Thomas	

NAYS—52

Akaka	Durbin	Lieberman
Baucus	Feingold	Mikulski
Biden	Feinstein	Moseley-Braun
Bingaman	Ford	Moynihan
Boxer	Graham	Murray
Breaux	Harkin	Reed
Bryan	Hollings	Reid
Bumpers	Inouye	Robb
Byrd	Jeffords	Rockefeller
Chafee	Johnson	Sarbanes
Cleland	Kennedy	Smith (OR)
Collins	Kerrey	Snowe
Conrad	Kerry	Specter
D'Amato	Kohl	Torricelli
Daschle	Landrieu	Wellstone
Dodd	Lautenberg	Wyden
Domenici	Leahy	
Dorgan	Levin	

NOT VOTING—1

Glenn

The motion to lay on the table the amendment (No. 3565) was rejected.

Mr. FEINGOLD. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. BREAUX. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FEINGOLD. I ask unanimous consent that the yeas and nays be vitiated on the underlying amendment.

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

The question now occurs on agreeing to amendment No. 3565.

The amendment (No. 3565) was agreed to.

AMENDMENT NO. 3610

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes for debate, equally divided, on the Reed amendment. The Senator from Rhode Island is recognized for 5 minutes.

Mr. REED. Mr. President, I yield myself such time as I may consume.

Mr. President, the underlying legislation that we are considering today will allow a creditor to request a bankruptcy judge to move a petition in bankruptcy from chapter 7 to chapter 13. As we all realize, in chapter 7, a debtor may fully discharge his debts, and in chapter 13, there is an obligation to partially pay one's debts.

The focus of this legislation is on the debtor. There are two conditions which the creditor must show: The creditor must show either the individual debtor has at least enough assets to pay 30 percent of the debts or that the debtor has acted in bad faith in applying for chapter 7 liquidation.

I believe this focus exclusively on the debtor misses half of the equation. The other important half of the equation is the behavior of the creditor. My amendment explicitly requires the bankruptcy judge to consider the behavior of the creditor, whether that creditor acted in good faith in the extension of credit.

We all know there has been a significant increase in bankruptcy filings, but what we frequently overlook is the fact that there has been an extraordinary increase in credit extension. In 1986 through 1996, that 10-year period, filings increased by 122 percent, but revolving consumer credit increased 238 percent in that same period. As a result, we have had a situation where much of this credit extension has been done with very poor underwriting standards, a situation in which the companies themselves might very well anticipate that the debtor could not handle the debt.

Those companies that act recklessly and unscrupulously should not have the option to request that a debtor be thrown into chapter 13 from chapter 7. As a result, I believe it is incumbent upon the bankruptcy judge to look explicitly at the issue of the good faith of the creditor.

This is not just a question of the volume of credit that has been extended; this is the proliferation of solicitations. Each year, 2 billion credit solicitations are made in this country, many of them without any concern of the ability of the debtor ultimately to pay. We don't need a test to establish this fact. We just have to sit home on a Saturday and at about 10 o'clock, you get the first call from a credit card company. Then at 10:30, you get the second call. At 11, the mail comes and you get two or three solicitations, and it goes all the way through the evening.

What I want to see, and what the amendment requires, is if there is a consideration to move a debtor from chapter 7 to chapter 13, the judge should be able to apply a good-faith standard when reviewing the activities of the creditor. This establishes balance, this establishes a strong presumption that both sides must be looked at in terms of this rather unique and novel approach to the bankruptcy code. It is well within the expertise of the banking judge to make this determination.

I simply conclude by saying that this amendment has the strong support of the Consumer Federation of America and Consumers Union. This is an opportunity to vote with consumers with regard to this legislation.

I now retain the remainder of my time but also ask at this time for the yeas and nays.

The PRESIDING OFFICER (Mr. GORTON). Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I oppose the amendment. Under the provision, in any 707(b) case brought by a creditor, the court would consider whether the creditor had used good faith in the extension of credit. This determination necessarily would involve looking at underwriting decisions.

The bankruptcy court shall not be asked to interfere in the complicated process of making credit underwriting decisions. This is particularly true when current underwriting practices are quite successful, with an average of 95 to 97 percent of consumer credit extended today repaid on time.

Mr. President, this amendment permits new uncontrolled and virtually unlimited inquiries into creditor conduct. It encourages complicated and involved discovery and burdensome court proceedings. It introduces unwarranted defenses to strong enforcement of the needs-based provisions of S. 1301, this bill.

The amendment permits a debtor to avoid repaying all his creditors by attacking the good faith of any creditor who brings a motion to enforce the needs-based provisions. And the amendment has no standard for what is good faith. So this is a killer amendment.

Moreover, S. 1301 already contains numerous provisions to make sure creditors are acting appropriately. As I have noted in my previous remarks, this is a well balanced bill that is a combination of months and months of deliberations and cooperation between Senators GRASSLEY and DURBIN and other members of the Senate Judiciary Committee. They, along with other members of the Judiciary Committee, have done a fine job in ensuring that this bill is a fair bill. This balanced and broadly supported legislation not only curbs abuses of the bankruptcy system but also provides unprecedented consumer protections.

Let me begin by saying being a creditor and winding up in bankruptcy court to collect unpaid bills is not a desirable situation for any creditor. Creditors who deal with debtors in bankruptcy, even in the best of circumstances, are likely to recover only pennies on every dollar they are owed.

In any event, S. 1301 already contains nine provisions with rather severe penalties to creditors for improper behavior. We have given due consideration to these concerns.

First, if a creditor brings a motion to dismiss a chapter 7 case and fails, the debtor gets attorney's fees and costs if the creditor was not substantially justified or if the creditor filed the motion in an effort to coerce the debtor.

Second, if a creditor unreasonably refuses a debtor's offer to work out a repayment schedule, the creditor is barred from asserting any claim of nondischargeability or any claim of denial of discharge.

Third, if a creditor willfully violates the automatic stay, the creditor pays the debtor's attorney's fees, actual damages, and punitive damages, if appropriate. We have really gone a long way here.

Fourth, if a creditor fails to comply with the requirements for a reaffirmation agreement, the court can order heavy sanctions and penalties.

Fifth, the legislation will make it much harder for creditors to get determinations of nondischargeability. Only false representations by a debtor that are considered ''material'' will be actionable. If a creditor makes an unsuccessful claim of nondischargeability or denial of discharge, the creditor is liable for the debtor's attorney's fees, costs, and punitive damages, if the creditor's claim is not substantially justified. The reverse is not true. If the creditor wins the nondischargeability proceeding, the debtor does not have to pay the creditor's attorney's fees. So it isn't reversible.

Sixth, if a creditor willfully violates the postdischarge injunction, the creditor is liable for minimum damages of $5,000 and attorney's fees and costs, with the possibility of treble damages.

Seventh, if a creditor fails to comply with Truth in Lending Act requirements for certain mortgage loans, the creditor's claim will not be recognized or paid in bankruptcy. For instance, if a creditor does not provide for certain disclosures, or fails to meet the requirements of the act, even if it is a technical violation, the creditor's claim will be denied in bankruptcy. In other words, the debt, both principal and interest, will be completely forgiven. These new penalties are in addition to those penalties already present in the Truth in Lending Act itself.

Eighth, if a creditor willfully fails to credit payments to a bankruptcy plan, the creditor is liable for minimum damages of $5,000 and attorney's fees and costs, with the possibility of treble damages.

And ninth, if a creditor's proof of claim is disallowed or reduced by 21 percent or more, the debtor gets attorney's fees and costs, and so forth.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HATCH. As you can see—I hope we can vote down this amendment—a lot of hard work has been put into this.

Mr. President, I move to table and ask for the yeas and nays.

The PRESIDING OFFICER. There is time remaining.

Mr. REED. How much time is remaining?

The PRESIDING OFFICER. Two minutes 6 seconds.

Mr. REED. Thank you.

I applaud all the consumer protections that the Senator from Utah has listed, but I would like to add one more. I would like to add, along with the Consumers Union and the Consumer Federation of America, the protection of looking at the good-faith operation of a creditor who is demanding that a debtor be placed from chapter 7 into chapter 13.

With respect to the standard, my standard is as equally well defined as the bad-faith standard that exists today within the legislation, because good faith and bad faith are something that the banking judge should be able to determine, and it does not require an elaborate searching through of underwriting policies and looking through documentation and going around the country.

What it does require is that that trier of fact, that bankruptcy judge, determine whether or not the creditor has abused the relationship, either by intimidation or deceit. All these things would rise to the level of a lack of good faith. I suggest very strongly the bankruptcy judge can do that, and should do that in this context.

Mr. President, I yield the remainder of my time to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. How much time is remaining?

The PRESIDING OFFICER. Fifty-two seconds.

Mr. DURBIN. I rise to support this amendment because I think it makes a good bill even better. We are trying to stop the abuses in bankruptcy. We say if you want to file for bankruptcy and you do not have good cause, we are going to throw you out of court. We might penalize you, and we are going to do the same thing to your attorney. So from the debtor side—the person who owes the money—it is a pretty tough standard.

What the Senator from Rhode Island says is, let's have a standard as well for the collection agencies and the creditors who are not treating people fairly. I think we want to eliminate all abuses in the bankruptcy court, not just by the debtors and their attorneys, but by the creditors, too. What the Senator from Rhode Island suggests is fairness and balance. It gives the court the ability to look at strong-arm tactics used by collection agencies and creditors to the detriment of debtors who are trying to get out of debt.

VISIT TO THE SENATE BY MEMBERS OF THE GOVERNMENT OF THE REPUBLIC OF SINGAPORE

Mr. LOTT. Mr. President, during this vote, I would like to urge Members of the Senate to go to the back of the Chamber and visit with our special guests we have here—the Prime Minister of the Republic of Singapore, Goh Chok Tong, the Foreign Minister, and their Ambassador to the United States. We welcome them to the United States and to the Senate Chamber.

[Applause.]

CONSUMER BANKRUPTCY REFORM ACT OF 1998

The Senate continued with the consideration of the bill.

AMENDMENT NO. 3610

The PRESIDING OFFICER. All time has expired.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Utah to table the Reed amendment No. 3610. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The result was announced—yeas 63, nays 36, as follows:

[Rollcall Vote No. 281 Leg.]

YEAS—63

Abraham	Frist	Mack
Allard	Gorton	McCain
Ashcroft	Graham	McConnell
Bennett	Gramm	Murkowski
Biden	Grams	Nickles
Bond	Grassley	Reid
Breaux	Gregg	Robb
Brownback	Hagel	Roberts
Burns	Hatch	Roth
Campbell	Helms	Santorum
Chafee	Hutchinson	Sessions
Coats	Hutchison	Shelby
Cochran	Inhofe	Smith (NH)
Collins	Johnson	Smith (OR)
Coverdell	Kempthorne	Snowe
Craig	Kohl	Specter
D'Amato	Kyl	Stevens
DeWine	Landrieu	Thomas
Domenici	Lieberman	Thompson
Enzi	Lott	Thurmond
Faircloth	Lugar	Warner

NAYS—36

Akaka	Durbin	Leahy
Baucus	Feingold	Levin
Bingaman	Feinstein	Mikulski
Boxer	Ford	Moseley-Braun
Bryan	Harkin	Moynihan
Bumpers	Hollings	Murray
Byrd	Inouye	Reed
Cleland	Jeffords	Rockefeller
Conrad	Kennedy	Sarbanes
Daschle	Kerrey	Torricelli
Dodd	Kerry	Wellstone
Dorgan	Lautenberg	Wyden

NOT VOTING—1

Glenn

The motion to lay on the table the amendment (No. 3610) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. ABRAHAM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

CHILD CUSTODY PROTECTION ACT

UNANIMOUS CONSENT REQUEST—S. 1645

Mr. HATCH. Mr. President, I ask unanimous consent that the only amendments in order to S. 1645, the child custody bill, other than the substitute, be the previously filed amendments which are at the desk and limited to the following:

Senator FEINSTEIN: to exempt adult family members of a minor from prosecution;

Senator BOXER: to allow consent of a parent after a minor's abortion;

Senator KENNEDY: to require deference to State authorities;

Senator KENNEDY: to provide an exception for State laws that have been enjoined or held unconstitutional or that State enforcement authorities have declined to enforce;

Senator HARKIN: to provide an exception in the case of rape or incest;

Senator LEAHY: to provide a complete substitute, which makes the offense the use of force or threats of force to transport a minor;

And a relevant amendment by Senator ABRAHAM.

I further ask unanimous consent that there be no other amendments in order, including second degrees; that following the disposition of the above-listed amendments, the bill be read a third time and the Senate proceed to vote on passage of the bill, with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. TORRICELLI. Reserving the right to object.

Mr. LEAHY. Mr. President, I am advised there is an objection, so I, therefore, object.

The PRESIDING OFFICER. Objection is heard.

Ms. COLLINS. Mr. President, I rise today to engage my colleague from Michigan, the sponsor of the Child Custody Protection Act, in a colloquy to clarify the legislation's intent with regard to existing State parental notification laws.

The State of Maine has a carefully constructed adult consent requirement. In my state, a minor under 18 may obtain an abortion with the informed consent of either one parent, a guardian or an adult family member. Absent that consent, she may obtain an abortion if she receives counseling from a physician, psychiatrist, ordained member of the clergy, nurse, physician's assistant or qualified counselor. She may also obtain an abortion without parental or adult family member consent by securing a court order.

Will the legislation we are considering today in any way override or supersede Maine State law?

Mr. ABRAHAM. I want to thank my colleague from Maine for this opportunity to answer important questions on the Child Custody Protection Act. The intent of this legislation is to protect state-passed parental involvement laws. Residents of the states have supported and passed parental involvement laws and they deserve to have their will protected. The Child Custody Protection Act would have no effect on Maine's parental consent law as it applies to minors who reside in Maine. It would in no way override or supersede that law with respect to Maine minors, families, or others. The only effect of legislation would be to restrict a non-parent, non-guardian from transporting a minor from another state where the minor resides to Maine in order for the out-of-state minor to obtain an abortion in Maine and avoid the minor's home state parental involvement law.

Ms. COLLINS. Opponents of this bill contend that health care providers in states like Maine that do not have a law requiring parental involvement could still be liable for conspiracy or as accomplices under this legislation. The liability would presumably apply when they perform or participate in performing an abortion on a minor brought into Maine in violation of the proposed statute. Is this analysis correct? Are there any circumstances under which Maine's health care providers performing or participating in the performance of what, under Maine state law, would be legal abortion on a minor, could be held liable under your bill? Would these providers have any new legal responsibilities as a consequence of the enactment of this legislation?

Mr. ABRAHAM. This is an important point to clarify. The violation of this act is not the performance of an abortion. The violation of this act is the transportation of a minor across state lines to obtain an abortion without involving that minor's parent as required by the law of her home state. The abortion provider would only be in violation of this act if the provider actually conspired to transport or assisted in transporting the minor across state lines to obtain an abortion without the parental involvement that the minor's home state required. Providers who had not engaged in any such activities related to the transport of a minor would not incur any criminal liability or face any new legal responsibilities under this legislation.

Mr. DEWINE. Mr. President, I rise today to offer my strong support for the Child Custody Protection Act of 1998, which would make it a crime to transport a child across state lines to circumvent a state law requiring parental involvement or a judicial waiver for a minor to obtain an abortion.

Twenty-two states have laws saying a parent or guardian has to be notified or their consent given if a child is trying to get an abortion. What's happening now—far too often—is that people who aren't parents or guardians are taking the children across state lines, secretly, to get abortions in another state where parental notification isn't required.

It is my hope that this bill will achieve two important goals—to protect the health of children and to protect the rights of parents. In fact, Mr. President, I believe that empowering parents is the single biggest investment we can make in ensuring the health of our children.

Parents have the right and duty to be involved in the moral and medical decisions that affect their children's welfare.

When it comes to parental notification on abortion, the American people have reached a clear consensus. By a huge majority—80 percent—they favor parental notification. And 74 percent favor not just parental notification, but parental consent. This is a clear expression of the national wisdom. This legislation is an effort to make that kind of informed decision possible.

Earlier this year, we worked on another bill, one that is now law. In that bill, the Administration and the Congress mandated that the flight of a parent to another state to avoid paying child support is a Federal crime. I worked with Senator KOHL to champion the Deadbeat Parents Punishment Act in order to protect the interests of America's children. We have to pursue zealously those who would harm our children, either by omission or by commission.

Mr. President, the very same principle is embodied in the Child Custody Protection Act. There are those living among us who would place our children in harm's way by transporting them across state lines to achieve dangerous goals, both physically and emotionally. One such goal is abortion. The right of citizens to pass and enforce laws regarding the rights of parents is completely violated by the ability of others to transport children to another state to obtain an abortion. As a nation, we must use all the resources available to us in order to protect our children, and our families, from this conduct.

That is our purpose here today. I thank Senator ABRAHAM for his strong leadership in bringing this legislation forward.

I am sorry that my colleagues on the other side of the aisle have rejected our unanimous consent agreement. It was a fair agreement that provided unlimited debate on germane amendments to this bill. Unfortunately, the vote that we will take shortly to invoke cloture to end debate on the bill, may really be a vote to kill the bill if it fails. Let's be frank those voting to continue debate are really voting against the health of our children and the rights of parents. I would implore my colleagues on the other side to vote for cloture—for our kids.

Mr. HELMS. Mr. President, Mark Twain was right on target with his comment that everybody was talking about the weather but nobody was doing anything about it.

Well, in our time almost everybody is indeed talking about family values but, thank goodness, many voices are being lifted in a concerted effort to do whatever is necessary to reverse a dangerous trend in America.

It's a trend that has been leading America down the slippery slope to self destruction.

The remedy? The preservation and restoration of the moral and spiritual principles and priorities laid down by our Founding Fathers a couple of centuries ago.

Given the time, I could identify hundreds of souls across this land who are hard at work in this massive restoration project—Bill and Elaine Bennett, for example. And in this Senate there are many who speak out with some regularity on the subject.

I am proud of them, and in today's special frame of reference, I am specially proud of the distinguished Senator from Michigan, SPENCE ABRAHAM, and all the cosponsors of S. 1645, The Child Custody Protection Act which is the pending business.

Mr. President, like, I pray, the majority of Americans, I was outraged by news reports that a 13-year old Pennsylvania girl was taken by a non-relative to another state to have an abortion without her parents' knowledge. Not knowing the whereabouts of a child, is surely a parent's worst nightmare. But, Mr. President, how much more frightening would it be for parents, if federal law permitted a stranger to perform an abortion on their child. Abortion is a medical procedure, potentially, which may cause psychological and physical complications. But this frightening scenario happened, and it will continue to happen if Congress does not pass the ''Child Custody Protection Act''. This pending legislation ensures that state laws requiring parental notification before an abortion can be performed on a minor will not be circumvented by crossing a state line. In other words, the parents in Pennsylvania will have their rights protected, so that, in turn, they can protect their 13-year old daughters from this traumatic experience.

Of course, if we were talking today about a medical procedure, other than abortion, there would be no need to defend a parent's right to be informed. But, this major money-making industry is worrying its pocketbook will be affected if parents are able to discourage their daughters from having an abortion. Abortion advocates are once more pulling out their deceitful tricks and desperately trying to defeat this bill.

Even Senators who disagree on the legality of abortion should feel comfortable with this legislation, because the vast majority of Americans agree that parental notification laws need to be protected. A recent poll conducted by Baselice & Assoc. shows that 78% of Americans strongly believe that it should be unlawful to take a minor across state lines to obtain an abortion without her parents' knowledge.

It comes down to this: Congress has an obligation to protect parental rights. Congress needs to protect states, like Pennsylvania, that have decided that parents have a right to be notified about their daughters' intent to destroy an unborn child—a decision, by the way, that even the Supreme Court has deemed constitutional in Planned Parenthood vs. Casey.

The parents in Pennsylvania are courageous, and they have not minced their words. They state unequivocally that they will not be pushed aside when it comes to being involved with their daughters' well-being. It is up to those of us in Congress to stand by the parents in Pennsylvania and the other states which have passed laws protecting parental authority.

To be precise, twenty-two other states have passed laws similar to Pennsylvania's—North Carolina being one of them. The parents of North Carolina have exercised their rights as voters and have also said that no abortion shall be performed on their daughter without their knowledge.

The question Congress needs to ask itself is this: Whose rights are we going to protect, those of abortionists—or parents? Are we going to tolerate that abortionists, who desire nothing more than to make a pretty penny off of young girls who are in a vulnerable state of mind, have more rights than the parents who love and care for their daughters more than anyone else in the world. Congress needs to be unmistakably clear that the job of deciding what is best for a teenager belongs to parents, not abortionists.

Simply put, America cannot afford to allow parental authority to be undermined. With the breakdown of so many families, it is absolutely critical that nothing further be done to weaken the relationship between parents and their children. While there are numerous contributory factors to society's ills today—the disintegration of the American family is, in my judgement, the primary culprit.

By passing the ''Child Custody Protection Act,'' we are saying that the custody of children both rightfully and fundamentally belongs to responsible parents.

I pray that the Senate will follow the overwhelming decision of the House of Representatives and protect a parent's right to decide what is best for their daughter.

Mr. KOHL. Mr. President, I rise today to urge my colleagues to vote against the cloture motion on S. 1645, the Child Custody Protection Act. I do so as a supporter of the bill and as one who supported cloture on the motion to proceed to S. 1645.

Let me be very clear. I support a family's involvement in a minor's very grave decision to have an abortion. I also support the rights of States to protect minors in their borders by passing constitutional consent measures. In my State of Wisconsin, there is a law that requires minors seeking an abortion to get the permission of a parent, a grandparent, an adult sibling, or a judge in cases where family support is unlikely.

The reports of adults driving unrelated minors across state lines to avoid state consent laws are very disturbing. It is bad enough that a minor would make such a large decision and have such a serious procedure without the support of a family member. It is worse that the procedure might be performed far from home and away from the child's family doctor. It is because of these concerns that I supported S. 1645.

However, S. 1645 as written is very narrow, and currently would cover only those few states that have strict parental consent laws. It would not cover Wisconsin where the law allows other family members to grant the required consent. In voting in Judiciary Committee to send S. 1645 to the floor, I had assumed that we would be able to

address this shortcoming, as well as other technical difficulties with the bill.

Unfortunately, the Majority decided to file cloture immediately on the bill before any perfecting amendments could be offered. Under the strict rules of cloture, virtually no amendments to S. 1645 would be in order. Of most concern to me, it would have be out of order to consider an amendment protecting from criminal prosection a grandparent who drove a minor across state lines for an abortion. I supported such an amendment in Committee and think it is a necessary, wise, and humane addition to this legislation.

I am sorry that final consideration of this important measure will be pushed aside by partisan procedural wrangling. Consent laws may be one aspect of the highly charged abortion debate on which a majority of the Congress and a majority of the American people can agree. Sadly, we won't have a chance to find out as the rush to the campaign shoves consensus and sound policy off the agenda.

Mr. LEVIN. Mr. President, I am opposed to S. 1645, the so-called Child Custody Protection Act. This legislation would prohibit and set penalties for transporting an individual under the age of 18 across a state line to obtain an abortion even though the abortion is legal in the state that individual is taken to. It would subject close relatives such as grandmothers, aunts, and siblings to criminal prosecution for an action totally legal where taken. In fact, an amendment that would have excluded grandmothers and other close adult relatives from federal prosecution was defeated in Committee by proponents of this bill. Invoking cloture at this time would preclude this amendment on the Senate floor.

When faced with difficult choices regarding abortion and reproductive health, young women should be encouraged to seek counsel from their parents or other trusted adults. In many cases, even in states without mandatory parental consent laws, young women involve one or both parents. However, if a young woman feels that she cannot involve her parents for whatever reason, such as her fear it would put her in danger of abuse or if the pregnancy is the result of incest, she should not be discouraged from seeking the counsel of a trusted adult. I support adult involvement in this very difficult decision, but we must recognize that in some cases it is not always possible for the adult to be a parent. This bill would make it a federal misdemeanor for a grandmother to take her granddaughter to another state for an abortion even if the mother is dead and the father is in jail for incest.

Without question, we should encourage parents, educators and counselors to help prevent teenage pregnancy within their state and communities. Teenagers need to be informed of the responsibility that comes with sexuality and parenthood. But making it more difficult for young women to turn to a trusted adult, be it an older sister, aunt, or grandmother, is clearly not the way to do this.

This legislation also raises some unusual federalism questions that concern me. Under this bill, state laws would follow the people who live in those states when they travel to other states. The legislation would require the federal government to prosecute people for an activity that is lawful in the states in which the activity takes place (if that activity is not lawful in the state in which they reside). The Federal government does not impose this same restriction on crossing state lines in any other case that I can think of such as to gamble or buy liquor, cigarettes or guns. For the first time since slavery this legislation would make it criminal to go to a state to act in a way that is legal in that state. This is a terrible precedent.

This legislation would impose federal penalties in states that have opted not to implement parental involvement requirements. I believe such decisions should be made by the citizens of each state, not by the residents of a neighboring state.

People who act legally in Michigan should not be prosecuted because acts are illegal in another state and Michigan citizens should not be prosecuted for acts which are legal in the state in which they are performed.

Mr. JOHNSON. Mr. President, I rise today to reiterate my support for S. 1645, the Child Custody Protection Act. I have long supported the right of states to enact and enforce parental notification laws with respect to a minor's access to abortion services, and I believe steps should be taken to prevent individuals from circumventing such laws. However, I voted against cloture on this bill today because such a vote would have had the effect of denying my Senate colleagues on both sides of the aisle an opportunity to offer amendments. While I do not necessarily support all of the amendments which might have been offered, I cannot in good conscience vote to circumvent what should be an open and fair debate on this important issue. The White House has threatened to veto this bill in its current form and I believe a vote for cloture today would have sealed the fate of this bill without consideration of compromise language toward the shared goal of preventing abortions.

Every parent has the right to be involved in their minor's decision to terminate a pregnancy. The Child Custody Protection Act would promote parental participation in what must be the most difficult decision a young girl might face. The federal government can play a roll in protecting states rights in this regard, and should support minor and adult women in alternatives to abortion. I always have supported efforts to promote adoption to ensure that children grow up in a loving environment with a supportive family. I believe the federal government should promote adoption assistance and should encourage moving children from foster care into adoptive homes. I remain hopeful that my colleagues in both political parties and I can work together to create a system that reduces unwanted pregnancies and abortions, encourages adoption, and results in strong families.

Mr. President, I will continue to work with the Senate leadership in an effort to move the Child Custody Protection Act forward so that the rights of parents are protected in the face of this most difficult decision, and that minor and adult women continue to be provided with alternatives to terminating a pregnancy.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provision of Rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the committee amendment to S. 1645, the Child Custody Protection Act:

Trent Lott, Orrin G. Hatch, Spencer Abraham, Charles Grassley, Slade Gorton, Judd Gregg, Wayne Allard, Pat Roberts, Bob Smith, Paul Coverdell, Craig Thomas, James Jeffords, Jeff Sessions, Rick Santorum, Mitch McConnell, and Chuck Hagel.

CALL OF THE ROLL

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

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the committee substitute amendment to S. 1645, a bill to amend title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortive decisions, shall be brought to a close? The yeas and nays are required under the rules. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

The yeas and nays resulted—yeas 54, nays 45, as follows:

[Rollcall Vote No. 282 Leg.]

YEAS—54

Abraham	DeWine	Hutchinson
Allard	Domenici	Hutchison
Ashcroft	Enzi	Inhofe
Bennett	Faircloth	Kempthorne
Bond	Frist	Kyl
Brownback	Gorton	Lott
Burns	Gramm	Lugar
Campbell	Grams	Mack
Coats	Grassley	McCain
Cochran	Gregg	McConnell
Collins	Hagel	Murkowski
Coverdell	Hatch	Nickles
Craig	Helms	Reid
D'Amato	Hollings	Roberts

Roth	Smith (NH)	Thomas
Santorum	Smith (OR)	Thompson
Sessions	Snowe	Thurmond
Shelby	Stevens	Warner

NAYS—45

Akaka	Durbin	Leahy
Baucus	Feingold	Levin
Biden	Feinstein	Lieberman
Bingaman	Ford	Mikulski
Boxer	Graham	Moseley-Braun
Breaux	Harkin	Moynihan
Bryan	Inouye	Murray
Bumpers	Jeffords	Reed
Byrd	Johnson	Robb
Chafee	Kennedy	Rockefeller
Cleland	Kerrey	Sarbanes
Conrad	Kerry	Specter
Daschle	Kohl	Torricelli
Dodd	Landrieu	Wellstone
Dorgan	Lautenberg	Wyden

NOT VOTING—1

Glenn

The PRESIDING OFFICER. On this vote, the yeas are 54, the nays are 45. Three-fifths of the Senators not having voted in the affirmative, the motion is rejected.

Mr. ABRAHAM. Mr. President, I ask unanimous consent to speak for up to 5 minutes with respect to the vote which just transpired.

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

Mr. ABRAHAM. Mr. President, I rise to comment on the vote which has just occurred on the effort to bring cloture on the Child Custody Protection Act. Obviously, as the sponsor of the legislation, I am disappointed we will not be moving forward at this time.

As I think the Presiding Officer is aware, as our fellow Members are aware, we have been trying to work with the interested parties on both sides since the bill came out of committee to try to limit the number of amendments so we might have a piece of legislation that could move through here in a reasonable period of time. Unfortunately, we could not get to that point. Our hope had been to limit, through the unanimous consent offer that was made earlier today, the amendments to those that have been filed that were germane. That was not agreed to.

Unfortunately, as is certainly every Member's prerogative here, there was the desire for people to bring amendments that were wholly unconnected to the child custody protection issue.

Obviously, given the calendar of the Senate as we look forward to the next few weeks, much business remains for us to complete, so the likelihood we will be able to continue with respect to this legislation during this Senate session seems very unlikely.

I certainly remain receptive to any counteroffers from the minority with regard to the possibility of limiting amendments and time. Realistically, that does not seem like it is potentially going to occur this year.

I think this is very important legislation. Across this country, every day families who live in States that have enacted parental consent laws are finding that those laws mean nothing because minor children are being transported across State lines without parental involvement or consent for the purpose of abortions being committed. This is wrong. People in my State, where we have enacted such legislation, have the right to rely on this legislation, to believe that their children will be safe and protected, and that they will participate in the important decisions of their children's lives.

I hope if we can't resolve this issue and bring this bill back to the floor this year that our colleagues will work together with me next year so that we might be able, early in the session, to move ahead. The House passed this legislation overwhelmingly. I believe if it came to a final vote of passage in the Senate it would likewise pass overwhelmingly. I believe it would move legislatively in a direction that is good not only for the young children affected by this legislation, but for our families, as well.

I want to thank the people who voted for cloture today. I want to encourage those who wish to bring amendments that are not germane to this legislation to consider other vehicles to possibly include those amendments so that we might still have a chance this year to move ahead on this legislation and do so in an expeditious timeframe.

If not, I certainly want to send out a welcome to anybody who wants to work with me because I do not intend to end this effort this year. I intend to continue until we pass the legislation.

I yield the floor.

CONSUMER BANKRUPTCY REFORM ACT OF 1998

The Senate continued with consideration of the bill.

The PRESIDING OFFICER. The pending business is the bankruptcy bill.

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I ask unanimous consent there be 2½ hours of debate equally divided on the Harkin amendment regarding interest rates. I further ask that all debate time on the amendment be consumed this evening and the amendment then be temporarily set aside.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. I object.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. SMITH of Oregon). Without objection, it is so ordered.

Mr. HARKIN. Mr. President, tomorrow I will be laying down a Sense of the Congress amendment calling on the Federal Reserve to lower interest rates as a preemptive strike against a recession in 1999. This is a very crucial issue coming at this point in time. I am going to take some time to speak about it and lay out why it is necessary for us, I believe, to take this kind of action and to express ourselves.

The amendment I will be offering on behalf of myself and Senators DORGAN, CONRAD, WELLSTONE, KERREY, and BRYAN will urge the Federal Open Market Committee to promptly reduce short-term interest rates as a preemptive strike against a recession in 1999. One week from today, the Federal Open Market Committee will meet to vote on interest rate policy. That is why it is crucial that the Senate send a clear message to the Fed: ''Lower interest rates now.''

Mr. President, if we want to significantly decrease the number of bankruptcies in this country, one of the best ways to accomplish this important goal is to reduce the risk of people losing their jobs.

With the chance of deflation and a recession rising, we need to lower interest rates.

Over 2 years ago, against the conventional wisdom of the time, I took to the floor of the Senate to speak and to openly put a hold on Chairman Alan Greenspan's renomination to the Federal Reserve Board until we had a debate on U.S. monetary policy.

One of the reasons I did this was to ensure that we had a significant debate on the Fed's focus only on inflation to the exclusion of other factors. I believed then, and I believe now, that it is wrong for the Fed to maintain high real interest rates without any significant signs of inflation threatening our country.

I believed at the time, and I continue to believe, that we should lower interest rates, allow the economy to grow, and to provide a maximum level of employment. Specifically, I said at the time that I thought our economy could grow at least at a rate of 3.5 percent a year for a number of consecutive years, with an expansion of the labor force and improved productivity. I also argued that we could at the same time have an unemployment rate of 4.5 percent a year without triggering a significant level of inflation.

That is what I said 2 years ago. At the time, many economists and economic writers took me to task on this, openly questioning my views. Many of these economists believed in a theory—an economic theory—which called NAIRU, which stands for the ''non-accelerating inflationary rate of unemployment.'' I will get to that and what it means in just a moment.

But a couple of years ago, advocates of NAIRU, believed that if the unemployment rate fell below a certain rate—at that time it was somewhere between 5.5 and 6 percent—if the unemployment rate went below that level, employers would have to significantly raise wages and salaries igniting a 1970s style of inflation. And these economic theorists believed that the Fed should raise interest rates as a preemptive strike against inflation.

In other words, if unemployment ever fell to that level, regardless of anything else, these economic theorists under this theory believed that the Fed should raise interest rates right away to preempt any inflation from occurring.

That is what the Fed has done in the past. They have raised interest rates to a very high level.

But look where we are today. The unemployment rate currently is at 4.5 percent. It has been below 5 percent for nearly a year and a half, and it has been under 6 percent for 4 years. And there is no inflation. Our gross domestic product was 3.8 percent last year and 5.5 percent during the first quarter of this year. During this time, inflation hasn't gone up. In fact, it has gone down.

The rate has decreased to its lowest level since the 1960s during the past 2 years.

To Chairman Greenspan's credit, he has recently distanced himself from the view that there should be a preemptive increase in interest rates, simply because of NAIRU. He has, through his actions at the Fed, allowed our economy to grow and unemployment to fall without raising interest rates.

So unemployment has fallen from 6, to 5.5, to 5, to 4.5 percent. Under NAIRU, this would have triggered automatic increases in interest rates, but under Mr. Greenspan they have not. And I applaud him for that.

Unfortunately, many on the Federal Open Market Committee have continued to push for higher interest rates even as the signs of an economic slowdown in the United States continue. While they have not succeeded in raising interest rates, they represent a major obstacle against lowering interest rates, an action which is becoming increasingly needed.

Real interest rates are at a historical high. Although the Federal Open Market Committee has not directly raised interest rates since March of 1997, real interest rates are rising. In fact, real interest rates are at historically high levels, the highest in 9 years, because inflation has continued to fall while the Federal Reserve has failed to lower the Federal funds rate. The chart that I have here points that out.

This chart shows, for example, the real Federal funds rate. That is the market rate less the CPI percentage. As we can see, it has been, for a short period—from 1996 to 1997—going up, and last year and this year has gone up. Actually, this tick, it would be going up here again over the last few weeks. So we have about 4 percent real Federal funds rate right now. In fact, even Chairman Greenspan noted during his Humphrey-Hawkins testimony on February 24 of this year:

> Statistically it is a fact that real interest rates are higher now than they have been on the average of the post-World War II period.

That is a quote from Mr. Greenspan. It is a fact that real interest rates are higher now than they have been on the average of the post-World War II period. I ask why—why are real interest rates so high? There is no inflation; no signs of inflation. In fact, the economy is slowing down a little bit. We see some recessionary signs. Yet we still have these high interest rates. The high interest rate policy that is being imposed by the Federal Reserve, I have always said, is really a stealth tax on hard-working American families, and I believe it is a contributing factor to the near collapse of several economies worldwide.

It is time for the FOMC, the Federal Open Market Committee, to provide a significant and immediate cut in interest rates as a preemptive strike against a recession in 1999. Interest rates have a significant impact on virtually every family in America, on every producer, business and family farmer in this country. I believe lower interest rates have been needed for a long time, but now quick action is truly crucial for our country's well-being.

The economic signs, not only in the U.S. economy but in economies worldwide, demand swift and appropriate action to counteract the problems that lie ahead. I can only say that I believe we have waited too long. Just as inflation can spiral, and spiral out of control, so can deflation spiral out of control. I hope that because the Federal Reserve would not act a little sooner, that we have not reached a point where we are now in a deflationary spiral, and that even more drastic action may have to be taken. But I do believe that significant action has to be taken right now to lower these interest rates.

Don't just take my word for it. Here is a quote from Mr. Jerry Jasinowski, the President of the National Association of Manufacturers, and Earnest Deavenport, the CEO of Eastman Chemical Company. On September 8th they said:

> The current volatility in world financial markets and its threat to global growth . . . could lead to recessions throughout the developing world and Eastern Europe, as well as a slowdown in the United States.

Here is what they said on this chart, on September 8:

> We recommend a significant loosening of monetary policy. Specifically, the Federal funds and the discount rates should be reduced by 50 basis points as soon as possible.''

That is what they said on September 8.

Or we can listen to Mr. John Smith, President of General Motors. On September 15th he said, here it is on this chart here:

> The question is whether the Fed will wait until the recession is imported and then act, or act now. GM believes it should act now.

That is the President of General Motors on September 15, just last week.

Or, James Glassman at the American Enterprise Institute, he has written several op-eds in the Washington Post calling on the Fed to lower interest rates. Again he said recently:

> The most important step right now is for the Federal Reserve to cut interest rates. That would pump more money into the system, encouraging businesses to borrow and consumers to spend. It would also temporarily weaken the dollar, thus helping the currencies of countries in dire economic straits.

I could go on all day quoting business leaders, economists, editorial writers and others calling on the Federal Reserve to lower interest rates. From the Business Roundtable to the U.S. Chamber of Commerce, to the Economic Policy Institute and progressive economist Jamie Galbraith at the University of Texas, from the chairman of the Joint Economic Committee, to Robert Samuelson at the Washington Post, and Stephen Roach at the New York Times, the message to the Fed is clear: Lower interest rates now.

The Fed's policy needs to be reversed and interest rates significantly lowered or our growing economy is likely to quickly sink, perhaps into a very serious recession. So, what we need is to lower interest rates as a preemptive strike against these ominous economic signs.

If we do not do this soon, we will see our hopes for higher wages, more jobs, and the end of Federal deficits dashed on the rocks of recession and rising unemployment. We could be driven by deflation rather than fearing inflation. With deflation, people delay major purposes because they know it is going to be cheaper later on. The last time, of course, that we saw significant deflation was in the Great Depression of the 1930s, but it used to happen regularly in the last century.

How bad can it get? From 1929 to 1933, wages fell by 25 percent; wholesale prices fell by 30 percent; farm commodities fell by 51 percent. And with the shrinking economy, unemployment increased from 5.3 percent to 36.3 percent. Prices were cheaper, but with no money coming in, most people could not benefit at all.

Today, the signs of increasing global deflation are widespread. The problems in the U.S. economy are greatly exacerbated by the enormous difficulties in many Asian Pacific nations, Russia, Latin America and Mexico.

As former Assistant Secretary of the Treasury C. Fred Bergsten wrote in the Washington Post on September 20th:

> The Asian economic crisis is much deeper, much more pervasive and likely to last much longer than anyone imagined. Economies that had grown 6 to 8 percent annually for two decades are declining by like or greater amounts, a swing of Depression-era magnitude with incalculable political and social consequences. The contagion has already spread far beyond Asia, engulfing Russia and much of Latin America, and could do so even more violently in the days ahead. We now face a truly global crisis, which has already hit the United States hard and will do so with increasing force.

The fall in the Canadian and Australian dollars, two countries largely dependent on agriculture and mining is a demonstration of the worldwide impact of the deflationary trend in commodities.

A far more severe threat is the long-term economic paralysis of the Japanese economy which has turned into a significant recession. Some predict that a bailout of the Japanese banks could cost as much as 20 percent of Japan's entire GDP.

That is much larger than our savings and loan crises back in the 1980s. Some estimate that the bad loans of Japanese banks may be about $1 trillion. It is unfortunately clear that the Japanese government is not moving quickly enough to resolve the difficulties in their financial sector. The Japanese have already seen their wholesale prices decline in 5 of the last 6 years. To further illustrate this point, I would like to quote an article in September 14 Wall Street Journal which I found very troubling.

It says:

News that Japan has fallen into its longest economic contraction in 5 decades has led some economists and government officials to suggest that the country has nudged closer to a viscous spiral of falling prices, falling employment and falling output that would damage its economy even further.

Mr. President, I ask for unanimous consent that this entire article be printed in the RECORD.

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

[From the Wall Street Journal, Sept. 14, 1998]

JAPAN'S WEAK GDP SUGGESTS LITTLE HOPE SOON

(By Bill Spindle)

TOKYO.—News that Japan has fallen into its longest economic contraction in five decades has led some economists and government officials to suggest that the country has nudged closer to a vicious spiral of falling prices, falling employment and falling output that would damage its economy even further.

Economic activity fell 0.8% during the April-to-June quarter from the previous quarter, the government said Friday, an annualized decline of 3.3%. And with spending by companies and consumers plummeting, there was almost no sign the situation will improve soon.

''The Japanese economy is walking along the edge of a deflationary spiral,'' said Taichi Sakaiya, head of the government Economic Planning Agency.

Even before the gross domestic product numbers were released Friday, the benchmark Nikkei stock index plunged more than 5% amid concern over the economy and the gyrating U.S. stock market. At the end of the morning session on Monday, the Nikkei was up 30.12 points to 13947.10. The dollar weakened almost five yen during the Asian trading day as spooked investors brought dollar investments home and cashed them in for yen. The Japanese bond market touched another record high as yields, which move in the opposite direction of prices, plunged to 0.79% on the benchmark long bond.

Japan's report on gross domestic product—the total value of goods and services produced in the economy—was a litany of problems that exceeded even the downbeat expectations of most private economists.

Consumer spending, the largest chunk of Japan's economy, fell an annualized 3.3%. Housing investment, which provided one of the few bright spots in the preceding quarter, plunged by an annualized rate of 4%. And corporate capital investment posted a second straight decline, falling 20% at an annualized rate. That is a particularly bad omen, since business investment has historically been a key engine that drives employment and thus consumer spending. That ''suggests the economy is going to be contracting going forward,'' said Brian Rose, an economist at Warburg Dillon Read.

While Japan's trade surplus made the biggest contribution to economic growth, even that silver lining was more a sign of economic weakness than strength. The surplus expanded because Japan's imports—which fell 6.8% from the previous quarter—are declining faster in the weak economy than exports, which slipped 0.4%. The only clear plus for the economy was an annualized 1% rise in government expenditures, indicating some of the spending from a fiscal stimulus package may be trickling into the economy.

These most recent data—showing that Japan's economy deteriorated for a third straight quarter, the longest contraction since the government began compiling figures in 1955—comes as the government gropes for effective tools to turn the tide. On Wednesday, the central bank loosened monetary policy by cutting the interbank lending rate to 0.25% from 0.5%. However, private economists and even some government officials said the move would provide little help for an economy where the usual tools of monetary policy have broken down.

The government is also pouring some $100 billion worth of tax cuts and spending into the economy, part of an economic rescue package passed in April. Still, private economists say the stimulus package—the centerpiece of the dominant Liberal Democratic Party's economic strategy—could be swamped by the deterioration in the rest of the economy. Nonetheless, many economists still think the spending and tax-cut package will be enough to at least break the momentum of the contraction temporarily over the next two quarters.

The fallout from the continued economic deterioration could also eventually hit the banking system. Already a swelling number of bankruptcies is creating concern that banks' huge portfolios of bad loans will grow further as more borrowers fail.

Mr. HARKIN. Mr. President, as the second largest economy, Japan's poor economic situation is going to have a very significant effect on our economy and the economies of most other countries.

Again I quote Fred Bergsten, a very respected expert in international economics. He urges that ''the United States and European Union should globalize the strategy of cutting their own interest rates. This would encourage capital reflows to the crisis countries, reduce their debt burdens and improve their competitive position by promoting a stronger yen. It would also ensure continued world growth and help prevent further stock market declines.''

Mr. Bergsten went on to note the fact that the 30-year bond interest rate is below the Fed funds rate and urged a cut in this rate by a full percentage point.

Chairman Greenspan recently said that the U.S. can't ''remain an oasis of prosperity'' in ''a world that is experiencing greatly increased stress.''

Again, this statement does appear to be a significant and positive shift in the views of the Chairman of the Fed.

However, I am concerned that there are members of the Federal Open Market Committee who both refuse to consider the global economy when determining monetary policy and are still worried that low unemployment will automatically trigger inflation.

The financial crisis in Asia, Latin America, Russia and many other areas of the world poses a serious threat to our economy and, to date, the United States has not established the appropriate monetary policy to minimize it. The FOMC, through its control of the federal funds rate, has the ability to take decisive action against the economic problems that face us.

Many economists note that devalued currencies in several countries will not only reduce the rate of inflation but also sharply increase our trade deficit, eliminating many jobs and slowing growth in the process. Worldwide commodity prices are at their lowest level in decades.

With regard to our record trade deficit, on September 18, the Christian Science Monitor reports that ''So far this year, the trade deficit in goods and services is running at a record annual rate of $185 billion, 68 percent higher than last year's record deficit of $110 billion. America's deficit with Pacific Rim countries hit $87.8 billion in the first seven months—42 percent above the imbalance for the period in 1997.''

The September 7 issue of Insight Magazine, says that ''Santa Claus is coming to America, only his goods are making the early trip by sea rather than sleigh—in huge freighters filled to capacity.''

What will this mean for the U.S. economy? Most importantly, it means a significant loss of jobs, perhaps as much as 1.1 million. In fact, Wilbur Ross, the senior managing editor of the Rothschild Investment Group, believes that ''the loss of American jobs due to decreased domestic production for export will outweigh any short term benefits of lower prices.''

Experts on balance-of-trade issues say nearly every major industry will be affected: automotive, steel, electronics, appliances, machinery, textiles and apparel.

Mr. President, lower interest rates would allow people in other countries to buy out goods, and, in turn, reduce the risk of Americans losing their jobs.

Lower interest rates are also needed to help our farmers. Worldwide commodity prices are at their lowest level in decades.

The price of farm commodities are connected to this problem, and we know what is happening to farm commodities in our country. I was just recently in the Midwest, and I can tell you that corn, beans, wheat and all the attendant crops are at their lowest prices in years. They are falling dramatically. Livestock prices are also going down. We are seeing average hog prices this year at their lowest level since 1974 and, again, no indication that they are going to go up.

This is an idea of what is happening to corn prices. We can see how they are dropping in the Midwest. I have shown these charts before in discussing the need for some legislation on agriculture.

Basically, what this chart shows, and all the other charts indicate, is corn, soybeans, wheat, cattle hogs—all the commodities we have in the farm sector—are drastically dropping, and dropping very rapidly.

Wayne Angell, a former Federal Reserve Governor appointed by President Reagan, and one of the last experts in farm economy to sit on the Federal Reserve Board, I might add, said on September 9, ''The Federal Reserve should cut interest rates to stem declines in the prices of key commodities.''

Angell goes on to say that, ''If commodity prices continue to fall unchecked, the U.S. economy risks a fall in the prices of hard assets, such as real estate, with potentially severe risks to the economy.''

He said that on September 10.

He is right, we are already seeing this. We are seeing this happen in the Midwest. Already we are seeing a softening of land prices, and perhaps it could lead to a downward spiral. I and many others in this body are working on solutions to fix the problems in the ag sector, like increasing loan rates, providing storage payments to farmers, helping those who have suffered disasters, helping to do something about the Federal Crop Insurance Program. One of the best things the Federal Reserve can do for farmers is lower interest rates.

There are direct effects. For example, a 1-percent reduction in interest rates means the average farmer in Iowa will save $1,400 in interest payments on their land each year. In addition to reductions in land payments, lower interest rates means farmers will be able to receive a much-needed break in the prices they pay for new machinery, fertilizer and seeds. It means that farmers' incomes will increase and the negative effect on the rural economy will be somewhat reduced.

Again, for example, a 1-percent reduction in interest rates means a typical 950-acre grain farm in Iowa will see an increase of about $2,500 in income a year.

But the indirect effects of lower interest rates, as I mentioned, are even more important. We need the engine of the U.S. economy working at full speed to help the world economy to recover. Lowering interest rates will help restore worldwide markets for our agricultural goods. As I have said many times in the past, lower interest rates amount to a badly needed tax break for hard-working families.

Mr. President, the U.S. economy is the only large, healthy economic engine in the world, and if our economy does slow (and our growth increased just 1.6 percent in the last quarter compared to 5.5 percent in the first quarter), it will be exceedingly difficult for the worldwide economy to recover. The chance of a long, deep, worldwide economic recession is, unfortunately, very possible.

There are already increasing signs of a possible recession in the U.S. economy. For example, 30-year Treasury bond rates have sunk to record lows and are now below the short-term Federal funds rate. This is indeed a yellow warning light that the U.S. economy could be headed for a significant decline. Again, this chart shows that. The 30-year Treasury bond rates are now lower than the short-term Federal funds rate. That sends a very powerful signal that we could be headed for a very, very steep decline.

Wholesale prices slid a steep 0.4 percent just in August alone. For the first 8 months of the year, producer prices have fallen at a 1.4 percent annual rate, compared with a 1.2 percent rise for all of 1997.

Nobel laureate Milt Friedman, with whom I do not very often agree on economics, called this a ''significant decline.'' And former Fed Vice Chairman Alan Blinder, says:

> If you ask about the prospect of deflation and you restrict your attention to goods, the answer is yes, and in fact we've had some.

So, Mr. President, we are already seeing troubling deflationary signs in our own economy. Action must be taken now.

The fall in the U.S. stock market, another flashing warning signal, will clearly have its own impact on what is referred to as the ''wealth effect.'' To describe the troubling nature of this situation, I would like to quote an article from the September 14 issue of Time magazine. The article pointed out that:

> A slumping stock market can certainly add to the drag on a slowing economy, through the so-called wealth effect. In a rising market, economists estimate that for every dollar of increased wealth, consumers spend an additional 4 cents. And, they often stop spending that money when their stock gains erode. If $2 trillion has been lost from investors' pockets over the past couple of months, then at 4 cents on the dollar we could expect an $80 billion drop in annual consumer spending, or about 1% of the total U.S. economy. While that alone is not enough to stop the economy from growing . . . it could combine with the global currency crisis to tip the U.S. into recession later this year or in early 1999.

The article in Time goes on to say that:

> . . . a persistent stock market decline can also hurt the economy by making companies more cautious about expansion and hiring. That usually means layoffs or plant closings, which ripple through our economy as laid-off people cut spending.

Mr. President, I ask unanimous consent that this article from Time be printed in the RECORD.

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

[From Time Magazine, Sept. 14, 1998]

WHAT A DRAG! ASIA, RUSSIA, LATIN AMERICA—TROUBLE ABROAD THREATENS THE U.S. ECONOMY

(S.C. Gwynne Reported by Bernard Baumohl, William Dowell and Aixa M. Pascual/New York, Julie Grace/Milwaukee, Alison Jones/Durham and Adam Zagorin/Washington)

Smack in the American heartland, far from both Wall Street and Asia, the 15,500 workers of Harnischfeger Industries, based in St. Francis, Wis., got slammed from both directions. A proud world beater that builds mining equipment and huge machines that produce 70% of the world's printing paper, Harnischfeger has just seen its sales to Singapore and other troubled Pacific Rim countries drop from $600 million a year to nearly zero. Its stock, riding high at $44 a year ago, was beaten down to $16 in last week's market rout, gutting the 401(k) retirement plans of many of its employees. ''What I have in Harnischfeger stock is down by two-thirds,'' says a glum Dave Trench, 57, a machinery stock attendant at a Harnischfeger subsidiary in Nashua, N.H. ''When I look at retirement, I might start to sweat.'' At least he still has his job—for now. Harnischfeger announced in late August that it soon will begin dismissing 3,100 employees, or a fifth of its work force.

Look at Harnischfeger, and you can see the origins of the stock market's grinding 1,698-point decline, a loss of 8% from the July 17 peak of the Dow Jones industrial average at 9337.97. The company also offers a glimpse of what might come next, as American workers and investors like Dave Trench wonder whether the long boom is over. Should they pull their money out of stocks? Does the market slide foretell a recession? How is any of this bad news possible when the U.S. economy seems so strong, with the lowest unemployment, inflation and interest rates seen in a generation?

Like American business generally, Harnischfeger entered this turmoil strong and lean. Well-managed with a skilled and productive work force, it had prospered from the past decade's explosive growth in global freedom and commerce. But then came the currency crisis that began in Thailand in July 1997 and spread like a contagion through the rest of Asia—and last month to Russia and last week to Latin America, hammering down local currencies and slashing demand for U.S. exports. Cheaper Asian exports began grabbing more and more domestic business away from U.S. companies and sliced into their earnings. That trend finally drove down an overheated stock market, taking back, in the past seven weeks, almost a quarter of the $9 trillion that stocks have pumped into U.S. portfolios during the roaring '90s.

When the Dow plunged 512 points last Monday, investors at first regarded it as an irrational response to the financial and political turmoil in Russia—a vast country that still bristles with 7,000 strategic nuclear warheads but whose economy scarcely rivals that of the Netherlands and accounts for less than 1% of U.S. exports. Investors treated Monday's market action as another of those ''dips'' in which they had been taught to buy stocks on the cheap. Heck, it wasn't even as big as the one-day dip last Oct. 27, and the market had shrugged that one off six weeks before powering to new highs and greater glory.

With that in mind, bargain hunters on Tuesday sent the Dow rebounding 288 points, in the second-largest single-day point gain in history, President Clinton, for whom rising stocks have covered a multitude of sins these past six years, tracked the Dow anxiously as

he traveled to beleaguered Moscow. During a dinner with Russian President Boris Yeltsin, Clinton stopped economic adviser Gene Sperling in the receiving line to tell him, quietly but with palpable relief, that ''the market's up'' and flashed a thumbs-up sign.

But this time things were different. The Dow fell Wednesday. And the next day. And the next day, losing ground for the seventh trading day out of the previous eight and posting a 411-point, or 5%, setback for the week. Despite the release last week of fresh reports chronicling persistent low unemployment and rising orders for factory goods, anxiety spread from the stock market to the ''real'' economy of jobs and paychecks. The market drop served as a reminder—one about as subtle as a poke in the eye—that in today's global economy, not even a healthy U.S. can quarantine its factories and offices and markets from the illnesses of countries halfway around the world. It vividly showed Americans how the turmoil in Asia and Latin America is slashing the profits of U.S. corporations, which might be forced to respond with layoffs and cutbacks in spending.

Federal Reserve Chairman Alan Greenspan, speaking after the markets closed last Friday, revealed that Fed policymakers are worried that the threat to the U.S. economy from global financial turmoil rivals the danger of wage and price inflation. The Fed is now as likely to cut interest rates, he hinted, as to raise them. ''It is just not credible that the U.S. can remain an oasis of prosperity unaffected by a world that is experiencing greatly increased stress,'' Greenspan said in a speech at the University of California, Berkeley. Then he headed off to join Treasury Secretary Robert Rubin in a meeting where they urged Japan's new Finance Minister to deal with his country's insolvent banks and other financial troubles, which are dragging down not only the huge economy and financial market of Japan but also those of other Asian countries—and now the U.S.

Only 21 months ago, with the Dow at 6500, Greenspan was warning against ''irrational exuberance'' in the stock market. Several other wise elders expressed hope that last week's correction will have the cleansing effect of strengthening the historic relationship between stock valuations and the earnings of the underlying companies—a notion that had fallen out of favor after years of ''momentum investing,'' in which all that mattered was that someone would buy the hot stock that some greater fool would soon bid up to an even higher price. The price-earnings ratio for the S&P 500 has approached a record 30 this summer, twice its historical norm. Securities analysts, reassessing the impact of the turmoil in Asia and other foreign markets, last week began chopping down their estimates for growth of U.S. corporate profits, to as little as 3% for all of 1998, and zero growth for 1999, a sharp drop from last year's robust 12%.

In a bit of lucky timing, Fidelity Investments, the mutual-fund giant, last week rolled out a promotional and educational campaign starring Peter Lynch, its legendary fund manager. Lynch was troubled, he told TIME, that ''in the first half of this year, the S&P 500 was up 15%, but [corporate] profits were down.'' He also expressed relief that the correction came now, rather than having the market drop to 7500 ''after it's gone up to 14000.''

There was remarkably little evidence of panic among individual investors last week. One measure of that is the amount of money that flows in and out of equity mutual funds. In August, a month that included several gut-wrenching weeks, there was a net outflow of $5.4 billion, or well under 1% of the total invested in equity funds. Though this was the first such exodus since the recession and stock slump of 1990, the number is still quite modest when compared with the 4% that fled equity funds after the October 1987 correction. Last week investors pulled a net $6.2 billion out of stock funds Monday and Tuesday, but on Wednesday a net $6.5 billion flowed right back as the market bounced, according to Trim Tabs Financial Services. ''There has not been any retail panic as far as we can see,'' says Scott Chaisson, a branch manager for Fidelity in midtown Manhattan. ''There seems to be an awareness that there are going to be ups and downs like this.''

The real test, though, won't come until later, when new investors face the results of their first sustained market decline. An unprecedented 43% of adult Americans are now invested in stocks, up from only 21% in 1990. (That helps explain why we are hearing less Schadenfreude over the discomfort of Wall Street yuppies than in past corrections.) A striking 57% of all household assets today are allocated to equities. Small wonder: the market has doubled just since 1994. But these investors are about to get account statements showing declines of 20% to 30%. Even if they have been in the black over the past 12 months, not to mention the past few years, it will be a shock to be reminded, for the first time in years, that stocks can go down as well as up.

Investors large and small who had put money overseas in search of diversification, or simply higher returns, were sorely disappointed last week. Day after day, one giant U.S. bank after another came forward, like sheepish A.A. members fallen off the wagon, to confess they had succumbed to the lure of big returns from Russian investments on which—surprise!—the Yeltsin government has defaulted. Citicorp announced that its earnings for the third quarter will be cut by about $200 million in Russian losses. The price tag at Bankers Trust, about $260 million; at brokerage firm Salomon Smith Barney, $360 million in the past two months.

All told, U.S. financial institutions had losses mounting to $8 billion by week's end, and one of the fears that drugged the stock market was that U.S. companies might face even larger losses in Latin America, where they have much more exposure (about a third of U.S. exports) and where currencies came under fresh assault late last week. Brazil saw $11 billion in capital fleeing the country in the past five weeks—not because its economy is weak but because of each investor's fear that other investors might flee any economy slurred with the label ''emerging.'' Money also fled the stocks of financial institutions with lots of business and investment in the merging markets. Citicorp's stock dropped to about half of its recent high, losing $40 billion of market value.

Other companies that took major hits were transportation stocks whose business involves trade and travel: the parent companies of such airlines as American, United and Delta. Companies like Coca-Cola, Procter & Gamble and Gillette, which not long ago were praised for their successful penetration of global markets, last week were punished harshly through stock sell-offs. General Electric, the world's most valuable public corporation and one of the most admired, fell 22%, losing $68 billion of its market value.

The near panic over emerging markets was strongest among some of the hedge funds, the high-risk vehicles that often deliver high returns to wealthy investors. After famed investor George Soros lost $2 billion in Russia, John Meriweather's Long-Term Capital Management announced that it had lost $2.1 billion, or half its asset value, so far this year. ''Russia and Asia became the trigger for the correction in the U.S. stock market,'' says David Wyss, chief economist at DRI/McGraw-Hill, a consulting firm. ''Although there had already been a softening in earnings over the past few quarters, traders needed to be hit with a two-by-four to make them realize you just can't get double-digit increases in earnings every year.''

Russia also became the trigger for another concern, at once political and economic: ''We were suddenly threatened by an old fear—the Soviet Union and militarism,'' says John Silvia, chief economist at Scudder Kemper Investments. ''If the world is not as peaceful as we expected, then a lot of money in the U.S. that went into consumer spending and capital investment may now have to go back to defense, and that's going to shock the budget here.''

As the Dow ended its week at 7640.25, it was approaching one of the standard benchmarks for a bear market: a 20% drop from a previous peak. Many investors, though, have been in a quiet bear market for several months; that's because, during the last stages of the run-up in the Dow and the S&P 500, most of the increase was accounted for by such large companies as Coca-Cola and Microsoft; many smaller stocks were left behind. In the S&P 500, virtually all the gains in share prices in recent months were made by the 50 largest. At the same time, the Russell 2000 index of smaller stocks—traditionally favored by many individual investors—was off 29% from its April high. And as of Monday, the average stock in the New York Stock Exchange was off 38% this year. Even before last week, nearly half of U.S. domestic stock funds were losing money for the year.

Several economists see the current market as an untraditional bear market or, as Harvinder Kalirai, an economist at the consulting group I.D.E.A., sees it, what's happening on Wall Street is ''a cyclical bear in a secular bull market. This is a cyclical fluctuation.'' The longer-term or secular trend in the market, though, ''is still high.''

Many individual investors also hold that faith. Dennis Lese, 52, an executive with Amoco Corp. in Chicago, says that he is staying in the market but that the six-figure losses he suffered last week have caused him to postpone his planned early retirement. ''I was thinking about retiring and living off stocks,'' he says. ''But now I think I'll work a few more years.''

Others seemed content to ride it out, in the knowledge that the gains of the past few years will cushion the impact of a down market now. ''Anyone with brains knows the thing to do is to sit back and wait,'' says Stephanie Rubin, 52, an executive with a search firm in Chicago who has about $300,000 in stocks. ''If it's down 25% on paper, it doesn't bother me because it's money tied up in an IRA account. I'm not going to touch this money till I'm 65.''

Some people who were actively playing the market, however, were singing a different tune. ''I was panicking,'' said Alan Herkowitz, 39, a New York systems analyst and a self-described ''short-term trader'' who invests ''play money'' in the market.

One of the biggest worries in a sustained market downturn is that it might depress consumer confidence and spending. Contrary to popular belief, though, bit stock market drops alone rarely herald recessions. According to a study by Peter Temin, an economics professor at M.I.T., falling stock prices directly caused only one minor economic downturn in this century, in 1903.

But a slumping stock market can certainly add to the drag on a slowing economy, through the so-called wealth effect. In a rising market, economists estimate that for every dollar of increased wealth, consumers spend an additional 4 [cents]. And they often

stop spending that money when their stock gains erode. If $2 trillion has been lost from investors' pockets over the past seven weeks, then at 4 [cents] on the dollar we could expect an $80 billion drop in annual consumer spending, or about 1% of the total U.S. economy. While that alone is not enough to stop the economy from growing, economists say, it could combine with the global currency crisis to tip the U.S. into recession later this year or in early 1999.

A persistent stock market decline can also hurt the economy by making companies more cautious about expansion and hiring. ''If the stock price isn't doing well,'' says John Lonski, chief economist for Moody's Investors Service, ''shareholders will put pressure on management to cut costs to improve returns.'' That usually means layoffs and plant closings, which ''ripple through the economy'' as laid-off people cut spending.

Pushing against these negative currents, fortunately, is the persistent, fundamental strength of the U.S. economy. The trend in wages and employment, which wield far more influence over consumer confidence and spending than stock prices, remains strong. As she placed a tortilla warmer in her shopping cart last week at a store in Nashville, Tenn., Sue Allison, 53, a public relations officer for the Tennessee supreme court, observed that ''there are a million people out tonight spending $90 on nothing, just as I am. My husband and I won't touch [our retirement stocks] for at least 15 years, so I don't worry about short-term losses.'' In fact, aside from corporate profits and stock prices, most other leading indicators are pointing briskly upward. Orders from American factories rose 1.2% in July, the strongest performance since November. As investors around the globe sought a safe haven for their capital, long-term interest rates continued their slide to 5.3%, a silver lining for the U.S. in the cloud over emerging markets. Those low rates in turn have boosted the used-housing market, which recorded an all-time high of houses sold in July. Housing values, another important factor in Americans' calculation of their wealth, are rising smartly at about 5% a year. Unemployment stands at 4.5%, nearly a 28-year low, and only 1.8% for those with college degrees. Thanks to rising productivity, real wages have been rising for the first time in nearly three decades without spurring inflation. The U.S. growth rate, while down from its feverish 5.5% in the first quarter, is still expected to register 2%-plus for the rest of the year. The only skunk at this picnic is the Asian, Russian and Latin financial crisis, estimated to have knocked about 2.5 percentage points off second-quarter growth of 1.5%.

If recession comes, economists say, the cause will be the inability of countries such as Brazil, Indonesia, Malaysia, Mexico and Venezuela to buy as many U.S. exports with their devalued currencies—and the hit on U.S. wages and corporate earnings as cheap imports from those countries grab a greater share of the U.S. consumer's wallet.

At Nucor Corp., a $4 billion North Carolina steelmaker, the global tumult has hit home in both ways. Nucor's exports are down, falling globally from an annual rate two years ago of 700,000 tons to the present 30,000 tons, much of which is accounted for by Asian markets. But far more worrisome is the tough competition in the U.S. market from cheap steel made in Japan, Korea and Russia. Currency devaluations in those countries have made their products cheap for American buyers, says chairman Ken Iverson. ''The U.S. is the only economy left that's doing well, so they're going to ship it all here.'' That makes America the consumer of last resort—a lifeline to many foreign economies, but at a heavy cost to many U.S. companies and workers. Again, such disruptions quickly get capitalized into stock prices: Nucor shares have fallen from $61 a year ago to $39 last week.

Another North Carolina company feeling the pain is Beacon Sweets, which makes, among other products, ''gummi watches'' (gelatin candy in the shape of a watch). Although most of its business is domestic, Beacon had begun to grow in China, Korea, Singapore, the Philippines and Japan. But over the past year, Beacon has seen its export business evaporate. Says Stephen Berkowitz, an executive vice president: ''Our business in those countries has absolutely dried up as a result of currency devaluations.''

Perhaps the greatest risk to both the U.S. and global economies is that today's hard times could bring a rising tide of global protectionism, including controls not only on trade but also on flows of capital. With the leadership in Russia and Japan virtually paralyzed, and President Clinton distracted by his personal problems there is a danger that the trend toward freer markets could be reversed. This is already happening in places like Malaysia, which last week imposed foreign-exchange controls hurtful to multinational firms in the U.S. and elsewhere—not to mention to Malaysia itself, which will be hard pressed to attract investment. Nor is the U.S. immune. If unemployment begins to rise, blame will quickly attach to the rocketing U.S. trade deficit—one of the most immediate effects of the crisis in Asia—and will tempt members of Congress to impose new limits on imports. That, more than any other factor, could eventually lead to a significant recession in this country and others. ''What we need is leadership,'' says Hugh Johnson, chief investment strategist at First Albany, a brokerage firm. ''Without it, we have a vacuum, and the market always hates that.''

For Clinton, much is at stake. The rising market and robust economy have long boosted his approval rating and made both is allies and his adversaries loath to cross him. A significant downturn in the economy, or a longer stock decline than expected, could make Americans feel much less patient with his foibles, and could embolden his enemies. Studies of polling show that a sour economy in 1973–74 contributed significantly to Americans' disgust with President Richard Nixon in the later stages of the Watergate scandal.

For American investors too, much is at stake. One of the worst things they could do is let rising volatility and uncertainty drive them out of stock investments. Returns on stocks have far outdistanced most other investments over time, producing an average annual return, after inflation, of 6.4% from 1927 through 1995, which includes the period when stocks struggled to regain the highs they reached before the 1929 crash and the Great Depression. Investors can also take heart that the stock market usually bounces back far more quickly than it did in the 1930s. In nine of the 11 months where the S&P 500 lost 4% or more since October 1987, returns were positive within two months of the drop. In all cases, including the 1987 crash, the market returned to positive returns within six months. As TIME's Dan Kadlec explains in the following story, most investors should stay with stocks, except when handling money they might need within the next three years.

For all its problems, Harnischfeger offers encouragement to other Americans at this uncertain time. Folks at the Wisconsin company have earned higher wages and have been able to educate their children better because of the profits they have reaped from the unprecedented spread of global commerce and free trade. But the price of that prosperity is a global economy so interlinked that the troubles of America's trading partners very quickly become its troubles too, even when America's domestic economy is showing remarkable resilience, as it is now. Harnischfeger's managers believe they are in for a rough ride for several quarters, but that the company's future, like that of the American economy, is bright over the longer term. Says Francis Corby Jr., the company's executive vice president for finance and administration: ''We'll bounce back.'' They always have.

EXCERPTS

WHEN THE DOW BREAKS

Monday, Aug. 31—

Tuesday, Sept. 1—Financial and political turmoil in Asia and Russia trigger a plunge in the Dow on Monday, but bargain hunters help it recover more than half its loss on Tuesday, setting a record for trading volume.

Wednesday, Sept. 2—Stocks drift down slightly in relatively light trading as exhausted investors await signs of the market's direction.

Thursday, Sept. 3—Worries of an economic slowdown and lagging corporate profits contribute to the Dow's sixth drop in seven days.

Friday, Sept. 4—A burst of bargain hunting late in the day erases most of a sharp decline on Friday, leaving the Dow down 411 for the week.

A LITTLE PERSPECTIVE

A Short-Term Loss—If you had invested $10,000 in the S&P 500 at the market's peak on July 17, it would have been worth $8,206 on Sept. 4, after last week's market drop.

An Even Year—But if you had invested $10,000 12 months ago, on Sept. 1, 1997, it would now be worth $10,827.

A Long-Term Gain—And if you had invested $10,000 on the eve of the big market plunge a decade ago, on Oct. 19, 1987, your investment by now would be worth $34,450.—Source: Datastream

UNITED STATES

The Problems—The economy's increasing dependence on stock market, exports suffering as the world economy stumbles; widening income inequality a concern

The Solutions—Federal Reserve can lower interest rates to ease economic strains in troubled nations. At home, higher priority for education and training to enhance job skills

JAPAN

The Problems—The economy has been stagnant for seven years; banks crippled by massive amounts of bad loans; weak political leaders won't make hard decisions; exports hurt by Asian crisis

The Solutions—Pass permanent tax cuts to stimulate growth; use taxpayer funds to revitalize banks so they can issue credit again.

GERMANY

The Problems—High unemployment; excessive spending on social programs, high tax rates could threaten German competitive under Europe's new single-currency system, the euro

The Solutions—Accelerate labor-market reform to allow easier hiring and firing of workers; equalize tax rates before the euro arrives

INDONESIA

The Problems—Risk of social upheaval as poverty increases; dysfunctional banking system; absence of investor confidence; large companies closely linked to the government.

The Solutions—Restructure banks and companies; promote domestic stability; restore confidence of ethnic Chinese businesses

BRAZIL

The Problems—Massive government-budget deficit; foreign reserves dwindling as the nation defends its currency, the real

The Solutions—Overhaul the social security plan and pare back spending to lower the deficit; privatize more government-owned companies to free resources and increase productivity

MEXICO

The Problems—Low oil prices are slashing government income, causing the budget deficit to swell; the peso is unstable because of highly volatile world currency.

The Solutions—Political leaders need to set strict limits on domestic spending; the central bank should maintain a tight monetary policy to support the currency.

RUSSIA

The Problems—Poor tax collection; corruption; little access to credit markets; creeping hyperinflation; zero credibility that the country will carry out economic reforms.

The Solutions—Collect taxes owed to pay wages owed; stay committed to free and open markets to stabilize the ruble; overhaul the banks; stop the crooks.

HONG KONG

The Problems—The government is fiercely defending an overvalued currency; interest rates are excessively high; real estate is overvalued; a faltering financial sector is burdened by shaky real estate.

The Solutions—End the currency peg to the dollar; reduce interest rates to ease pressure on the banks.

CHINA

The Problems—Falling exports and foreign investments plus damaging floods will slow economic growth below 8% target; a virtually insolvent banking system; state-owned enterprises are drowning in red ink.

The Solutions—Devalue the renminbi 15% to keep exports competitive; privatize government-owned companies.

MALAYSIA

The Problems—An autocratic ruler is turning toward a controlled economy; foreign investors have little confidence; domestic debt is dangerously high; a serious threat of inflation.

The Solutions—Revamp the banking system and promote a level playing field in the economy; stick to austerity plan to support the ringgit.

Mr. HARKIN. One argument against lowering interest rates is that our unemployment levels are already low. Some say that our current rate of unemployment at 4.5 percent is too low, companies cannot find workers and will be forced to pay more, hurting their profits, hurting the economy.

Businesses have surprised many economists by creating multiple ways to improve efficiency. Of course, more can and should be done. I believe there is room for additional job growth. Companies have also been effective at finding new employees who were not actively looking for work and were, therefore, not counted as unemployed.

We need economic growth to continue in order to improve wages, to bring still more people into the labor force, to give those working part time the chance to work full time, and to provide opportunity for those on welfare, and for those who have entered the workforce at the bottom rung, to start moving up the ladder.

With only those looking for work counted as unemployed, there are still millions of others not counted as unemployed who could be brought into the workforce. As difficult as it may be to find workers now, this will be viewed as a small problem compared to a serious economic downturn, a recession, and deflation.

Again, if inflation should start to accelerate we can always apply the brakes and whatever inflation may have occurred can be reduced. But to forever limit our growth to a preset limit blocks Americans from the opportunity of reaching their full potential.

If we do move to deflation, if we go into a serious recession at this point, without America's strength, the world's economy could sink to Depression-era levels.

For the sake of our farmers and our small business owners, for hard-working Americans, and the rest of our economy, and for countries around the world, I sincerely hope that Chairman Greenspan and the Federal Open Market Committee do not misjudge the current economic indicators in the U.S. and worldwide economies.

While I am pleased that Chairman Greenspan recently hinted at a possible rate cut, I am afraid the Federal Open Market Committee may have already misjudged the ominous economic signs that are out there. I only hope it is not too late. That is why, Mr. President, the Senate must send a clear signal to the Federal Reserve: Lower interest rates now.

The Fed must show that it has as much concern for the jobs of American workers as it has for the interests of U.S. investors throughout the world. An immediate cut in interest rates will give our economy the boost it needs to maintain its strength during the next year as the fragile nature of many economies throughout the world recovers.

So, Mr. President, that is what we need—for this Senate to send a clear signal that we have looked at the economy, we have listened to our constituents, we have been out in our States; we see it, we feel it, we know it. Things are declining —I can tell you that—in the farm sector and in rural America. We know what is happening worldwide. Now is the time for the Fed to act for a significant cut in interest rates.

Mr. President, I yield the floor.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I had asked one of the smartest people in the Senate on this issue, Senator DOMENICI, to debate it. And there is going to be some discussion of this amendment tomorrow before we vote on it. At that time, Senator DOMENICI will speak about it for our side. But I also want to address the issue shortly, but not from the standpoint of the merits of where interest rates ought to be, but just the issue of whether or not it is appropriate to do this on this bankruptcy legislation, as well as the whole issue of whether or not Congress should try to interfere with the issue of the Federal Reserve deciding what the interest rate should be. Because I think it is fair to assume that we want to make sure that interest rates are appropriate. But who should make that decision?

So I offer this advice to my colleagues on this amendment offered by my colleague from our State of Iowa, Senator HARKIN.

While we are all for lower interest rates, I think this amendment should be opposed because of the traditional separation of the Federal Reserve from the political process. What we generally speak of is the independence of the Federal Reserve System. For short, we all speak of the independence of the Fed.

This country has a very long history of protecting the work of the Federal Reserve from political manipulation. Since the 1930s, Congress has gently refrained from passing legislation in an attempt to influence monetary policy. In fact, according to the Congressional Research Service, in the past 25 years, Congress has acted on only five occasions on legislation that affects the Federal Reserve System. Most of these actions have been in the form of nonbinding resolutions or report language. So congressional action of a statutory nature has been rare, and when it has been done whenever Congress has spoken on this issue, it seems it has had a very tempered approach. Maybe we ought to say that this sense of the Senate is a tempered approach in the sense that it doesn't change statute, but still it is an attempt by a political body to influence a part of our government that we have always tried to keep immune and separated from politics.

There is a sound reason for keeping the Fed independent of this political process. It is because we in this body, whether we want to admit it or not, tend to think too much for the short-term. We tend to think in terms of the next election rather than the next generation. Too often, it is even more personal than that—what can I do to increase my chances of reelection? These short-term policies, as we too often find out, can lead to long-run disasters.

While increasing the money supply can put more people to work prior to an election, of course, it can lead to crippling inflation in the long run. The Fed appropriately is not subjected to the pressures to do something potentially reckless for the purpose of short-term gain. This policy has served us well for generations and the U.S. economy remains the envy of the world because of it. In fact, in this decade alone, many nations have followed the lead that the United States has practiced for over 60 years. They have done this by bringing more independence to their own central banks. Great Britain, under a new labor Prime Minister, has moved to make the Bank of England

more independent. Other European Union nations in their new union have committed to an independent central bank upon the creation of that monetary union which starts January 1, 1999.

Furthermore, every nation that has faced a monetary crisis in recent memory has attempted in the name of reform to keep its central bank from political influences. We saw it in Mexico just 3½ years ago when the peso declined so rapidly in Mexico. They have moved in that direction. We see it today in Japan, Korea, and Thailand. A major reason for each of their economic problems, of course, is the cronyism in bank lending practices and political influence over the banking systems. Maybe another way to say it is too much of an incestuous relationship between their corporations and their government, between their bank and their government, to a point where there was no arm's length transactions; the marketplace did not work appropriately. Nobody had to make a sound business judgment because there was always somebody there to bail them out.

These people now, after the crisis in Southeast Asia, have begun to see the wisdom of a central bank, free of political influence. We should recognize the wisdom of it, as well.

As I said earlier, we are all for low interest rates. The relatively low interest rate environment that we currently enjoy has allowed millions of Americans to purchase a home for the first time. It has kept the cost of doing business for small business and farmers down. It has helped the Federal Government reduce its budget deficit by reducing the costs of the national debt.

Instead of pointing fingers at the Fed, Congress should instead focus on the things that are within its authority that lead to lower interest rates, like balancing the budget and reducing Government borrowing. We have been on this course now for the last 3 or 4 years. So, September 30th of this year for the first time we can tell the people we finished the fiscal year not only with the budget balanced but with paying down, probably 60-billion-some dollars, on the national debt.

During this 30-year period of irresponsible Federal spending in which the national debt has been run up to $5.4 billion, and without the changes made in the last 3 or 4 years, at the end of the Clinton administration the debt could have gone to $6.7 billion—at least that is what we were projecting in the 1994 budget resolution discussions. During this period of time of 30 years the Fed has been a counterbalance to an irresponsible Congress, trying to make sure that inflation was kept down as a result of fiscal policy that would tend to drive interest rates up for the Federal Government because the Federal Government always stands first in line for credit and is always willing to pay more and will pay more than any other borrower would pay or have to pay.

Congress has sole constitutional authority over the fiscal policy of this country, and in many respects fiscal policy has had as big an impact on interest rates as monetary policy. For instance, interest rates will remain relatively high as long as the Federal Government is competing with borrowers for money. That is why I find it interesting that often the same Members who want to direct monetary policy at the Fed tend to vote against sound fiscal policies such as balancing the budget and reducing Government spending.

If a Congress did its job of managing fiscal policy better, maybe we wouldn't have to worry so much about what the policy of the Federal Reserve is. Now we are in a position of balancing the budget, paying down some on the national debt, not having the Federal Government eating up all of the total credit that is needed, the Federal Reserve job will be much, much easier.

In short, I oppose these efforts to subject the decisionmaking of the Federal Reserve to the vagaries of the political process. By most accounts, the Fed has been largely responsible for this period of unprecedented economic growth fueled by both low interest rates and low inflation. So I say that we should stay on course that Congresses for the past 60 years have laid out for us, and that is keeping the Fed free of political influence that has led to economic calamities in so many other parts of the world.

I yield the floor.

Mr. HARKIN. Mr. President, I just want to respond a little bit to my colleague from Iowa by again pointing out to Senators that while we do respect the independence of the Fed, as we say, some argue that it is not even appropriate to debate monetary policy or to send signals to the Fed.

I say to my colleague from Iowa, as William Jackson at the Congressional Research Service writes in the report to Congress,

> Constitutional authority to regulate the value of money, and by implication, to determine monetary policy, rests with Congress, article I, section 8 of the Constitution.

This authority has been largely delegated to the Federal Reserve by the Federal Reserve Act, as amended. Nonetheless, the Fed, as a creature of law, may have its policies dictated as well as its structure changed by Congress. Since the 1930s, Congress has generally declined from doing either. But in the past 25 years, Congress has occasionally legislated more Fed accountability, with an aim towards influencing policy. And Congress has periodically enacted nonbinding language to express its monetary policy preferences to the Fed, with the implication that more structural changes could be forthcoming in the absence of policy response by Fed officials.

Again, I think it is not only our right but our duty as Senators to debate monetary policy and to give our thoughts and guidance and direction to the Fed.

The Federal Reserve, I keep reminding people, is nowhere mentioned in the Constitution of the United States. It is not a separate branch of government. It is not something that is under executive powers enumerated in the Constitution. The Constitution gave Congress the power to coin money and regulate the value thereof. Of course, we don't want to do that. I would hate to see us do that. So we delegate it. We set up the Federal Reserve with the Federal Reserve Act. We amended it many times to do that. And it has worked well.

But it still means that as policymakers we have a right and, I think, an obligation to send guidance and direction to the Fed about what is happening in the economy and what they ought to do. The last time the Senate debated a sense of the Congress calling on the Federal Reserve to lower interest rates was on December 19, 1982. It passed by a vote of 93 to nothing here in the Senate. Ninety-three to nothing the Senate passed a sense-of-the-Senate resolution asking the Fed to lower interest rates.

Again, given all of the recent support for interest rate cuts in the business community by economists, editorial boards, and political leaders on both sides of the aisle, I see no reason why the Senate should not vote unanimously, again, urging the Fed to lower interest rates to stem what I and others—not only myself but a lot of others, from conservative to more liberal economists all over America—are saying: there are ominous signs of a possible recession in the U.S. economy.

As I said, even the Chairman of the Fed himself, Chairman Greenspan, has moved in this direction recently. He said encouraging things about the need to perhaps cut interest rates. But I am fearful that the rest of the Federal Open Market Committee hasn't gotten the word yet.

I think we need to send them the word that what we see as policymakers in our daily lives, what we see in our States, what we see in terms of the issues that we deal with in the Senate, that we see an economy that is going down from a 5.5 percent growth rate last quarter down to 1.6 percent next quarter. We see rapidly falling commodity prices, especially in the farm sector. We see wages beginning to stagnate. We see the 30-year Treasury bonds now lower than the Federal funds rate. There are some very ominous signs out there.

This amendment is designed to simply exercise not only our right but, I believe, our obligation as Senators to debate this situation.

Of course, if Senators don't agree that is what is happening—that indeed there may be a recession out there, that there are some signs of falling commodity prices, for example, and of worldwide recession—I guess people can debate that. Obviously, if Senators feel the other way, they obviously should not vote for a sense-of-the-Congress amendment like this. But I hope

that Senators who feel that they shouldn't vote against it because Congress has no right telling the Fed what to do—I would just say look at the history.

I will have more to say tomorrow about the many times Congress has passed some legislation, or sense-of-the-Senate, or sense-of-the-Congress resolution giving guidance and direction to the Fed. I hope that we will exercise not only our right but I believe our obligation to do so.

I yield the floor.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, my colleague from Iowa has accurately stated what the Constitution says and what we can do. I don't have any dispute with that. The only dispute I would have is whether or not it would be wise for Congress to do that after we have had such a success of building confidence in the economy when there is an absence of congressional manipulation of monetary policy. I fear if there is a perception in the private sector of Congress from time to time making an impact upon monetary policy, that is going to build in protection for people who are investing and, consequently, drive interest rates up. We don't want that to happen.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

UNANIMOUS CONSENT REQUEST—S. 2176

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to S. 2176, the Vacancy Act.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Reserving the right to object Mr. President, I have advocated the passage of this bill. On a number of occasions I have asked the leader to proceed with this bill as soon as he could do so. And I introduced the legislation several months ago—I believe last year even—that went to the committee chaired by the distinguished Senator from Tennessee, Mr. THOMPSON. I asked the chairman to hold hearings on the bill, which he did. I appeared before the committee and spoke in support of the bill.

And that bill has been reported from the committee with some changes, which I support. So I support this bill 100 percent. But I am constrained to object this evening because of one or two colleagues on my side of the aisle who wish to object. I am sorry to have to do that. But with that explanation, Mr. President, I do object.

The PRESIDING OFFICER. Objection is heard.

FEDERAL VACANCIES REFORM ACT OF 1998—MOTION TO PROCEED

CLOTURE MOTION

Mr. GRASSLEY. With all respect to the Senator from West Virginia—and his explanation I think is very clear—in light of that explanation, I now move to proceed to S. 2176, and I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provision of Rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to S. 2176, the Vacancies Act:

Trent Lott, Strom Thurmond, Charles Grassley, Thad Cochran, Wayne Allard, Ben Nighthorse Campbell, Don Nickles, Orrin G. Hatch, Pat Roberts, Tim Hutchinson, Richard Shelby, Conrad Burns, Jim Inhofe, Connie Mack, Fred Thompson, Spencer Abraham, and Robert C. Byrd.

Mr. BYRD. Mr. President, I ask unanimous consent that I be added as a signatory to the cloture motion.

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

Mr. GRASSLEY. Mr. President, for the information of all Senators, this cloture vote will occur on Thursday, at a time to be determined. In the meantime, I ask unanimous consent that the mandatory quorum under rule XXII be waived.

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

Mr. GRASSLEY. I now withdraw the motion, Mr. President.

The PRESIDING OFFICER. The motion is withdrawn.

CONSUMER BANKRUPTCY REFORM ACT OF 1998

The Senate continued with the consideration of the bill.

MODIFICATIONS TO AMENDMENT NO. 3595, AS MODIFIED

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the amendment No. 3595, previously agreed to, be modified to make certain technical corrections and remove duplicate language. The language is now at the desk.

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

The modifications to Amendment No. 3595 are as follows:

1. Replace page 3 of the Amendment with the following language:

SEC. . ADDITIONAL AMENDMENTS TO TITLE 11, UNITED STATES CODE.

(a) Section 507(a) of title 11, United States Code, is amended by inserting after paragraph (9) the following:

''(10) Tenth, allowed claims for death or personal injuries resulting from the operation of a motor vehicle or vessel if such operation was unlawful because the debtor was intoxicated from using alcohol, a drug or another substance.''.

(b) Section 523(a)(9) of title 11, United States Code, is amended by inserting ''or vessel'' after ''vehicle''.

2. Replace pages 31 and 32 with the following language:

SEC. . DEBT LIMIT INCREASE.

Section 104(b) of title 11, United States Code, is amended by adding at the end the following:

''(4) The dollar amount in section 101(18) shall be adjusted at the same times and in the same manner as the dollar amounts in paragraph (1) of this subsection, beginning with the adjustment to be made on April 1, 2001.''.

SEC. . ELIMINATION OF REQUIREMENT THAT FAMILY FARMER AND SPOUSE RECEIVE OVER 50 PERCENT OF INCOME FROM FARMING OPERATION IN YEAR PRIOR TO BANKRUPTCY.

Section 101(18)(A) of title 11, United States Code, is amended by striking ''the taxable year preceding the taxable year'' and inserting ''at least one of the three calendar years preceding the year''

SEC. . PROHIBITION OF RETROACTIVE ASSESSMENT OF DISPOSABLE INCOME.

(a) Section 1225(b) of title 11, United States Code, is amended by adding at the end the following:

''(3) If the plan provides for specific amounts of property to be distributed on account of allowed unsecured claims as required by paragraph (1)(B) of this subsection, those amounts equal or exceed the debtor's projected disposable income for that period, and the plan meets the requirements for confirmation other than those of this subsection, the plan shall be confirmed.

(b) Section 1229 of title 11, United States Code, is amended by adding at the end the following:

''(d)(1) A modification of the plan under this section may not increase the amount of payments that were due prior to the date of the order modifying the plan.

''(2) A modification of the plan under this section to increase payments based on an increase in the debtor's disposable income may not require payments to unsecured creditors in any particular month greater than the debtor's disposable income for that month unless the debtor proposes such a modification.

''(3) A modification of the plan in the last year of the plan shall not require payments that would leave the debtor with insufficient funds to carry on the farming operation after the plan is completed unless the debtor proposes such a modification.''.

3. Strike pages 46 through 49.

4. Replace pages 58 and 59 with the following language:

SEC. . DISCOURAGING ABUSIVE REAFFIRMATION PRACTICES.

Section 524 of title 11, United States Code, is amended—

(1) in subsection (c)(2)(B) by adding at the end the following:

''(C) such agreement contains a clear and conspicuous statement which advises the debtor what portion of the debt to be reaffirmed is attributable to principal, interest, late fees, creditor's attorneys fees, expenses or other costs relating to the collection of the debt.''.

(2)(A) in subsection (c)(6)(B), by inserting after ''real property'' the following: ''or is a debt described in subsection (c)(7)''; and

(B) by adding at the end of subsection (c) the following:

''(7) in a case concerning an individual, if the consideration for such agreement is based in whole or in part on an unsecured consumer debt, or is based in whole or in part upon a debt for an item of personalty the value of which at point of purchase was $250 or less, and in which the creditor asserts a purchase money security interest, the court, approves such agreement as—

''(A) in the best interest of the debtor in light of the debtor's income and expenses;

''(B) not imposing an undue hardship on the debtor's future ability of the debtor to pay for the needs of children and other dependents (including court ordered support);

''(C) not requiring the debtor to pay the creditor's attorney's fees, expenses or other costs relating to the collection of the debt;

''(D) not entered into to protect property that is necessary for the care and maintenance of children or other dependents that would have nominal value on repossession;

''(E) not entered into after coercive threats or actions by the creditor in the creditor's course of dealings with the debtor.''.

(3) in subsection (d)(2) by striking ''subsections (c)(6)'' and inserting ''subsections (c)(6) and (c)(7)'', and after ''of this section,'' by striking ''if the consideration for such agreement is based in whole or in part on a consumer debt that is not secured by real property of the debtor'' and adding at the end: ''as applicable''.

5. Strike page 66.

MORNING BUSINESS

Mr. GRASSLEY. Mr. President, I now ask unanimous consent that there be a period for the transaction of morning business with Senators permitted to speak for up to 5 minutes each.

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

EFFORTS TO LEGALIZE MARIJUANA

Mr. HATCH. Mr. President, yesterday, my colleague Senator GRASSLEY introduced Senate Joint Resolution 56, a bill cosponsored by Senator KYL and me that expresses the sense of Congress in opposing efforts in various States to legalize marijuana and other Schedule I drugs for so-called medical use. I am proud to be a cosponsor of this bill, and I want everyone to understand that current drug laws should not be circumvented by allowing illegal harmful drugs to be introduced freely in our society.

Last week, an identical measure sponsored by Congressman MCCOLLUM passed in the House of Representatives by a vote of 310 to 93.

Mr. President, proponents of legalization argue that marijuana and other drugs are needed by those living with pain and disease. They stress that these drugs improve the quality of life and should not be denied to those suffering. I understand their argument that we need to be compassionate to those that are suffering. My heart goes out to those people living with disease and to the families that care for them. Nevertheless, those arguments are flawed, and we cannot allow this legalization effort to contravene our Federal drug laws.

In 1996, the Judiciary Committee held a hearing and examined the drug legalization initiatives in California and Arizona. We heard testimony from many of those involved in the war on drugs including General Barry R. McCaffrey, Director, Office of National Drug Control Policy, and Mr. Thomas A. Constantine, Administrator, Drug Enforcement Administration. As a result of chairing that hearing, I learned that there is overwhelming evidence showing that marijuana is not a medicine and that its use by those suffering from cancer and other diseases is contradicted by the many side effects of the drug use. The testimony given at that hearing proved to me that the growing legalization movement in our States is harmful to the very people they are proposing to help.

As many of you know, I have not been afraid to speak out and to urge that this administration do more to stem the rising tide against teenage drug abuse in our country. Illegal drug use by teenagers is one of the most serious domestic problems facing our Nation today: in my mind, it may be the most crucial issue for our Nation's ability to craft productive and law-abiding citizens. The worsening problem of drug abuse among our children and teens wreaks havoc on the lives and potential of thousands of young people each year. Legalization movements send a confusing message to the Nation's youth and threaten to increase the already alarming rise in drug use among teenagers. If we do not act decisively, we will pay a heavy price.

For example, the results of the latest National Household Survey on Drug Abuse found that drug use among our children is climbing at an alarming rate. The number of children ages 12 to 17 using illicit drugs has more than doubled since 1992. Between 1996 and 1997 alone, drug use among 12- and 13-year-olds increased almost 75 percent.

The abuse of marijuana, a drug many widely consider a gateway drug to more serious substance abuse, more than doubled among children between 1992 and 1997, increasing 75 percent between 1996 and 1997 alone. Not surprisingly, the rate of minors first trying heroin is at its highest level in 30 years, and the rate of minors trying cocaine and hallucinogens has more than doubled in the 90's.

Although deeply troubling, this disturbing trend should come as no surprise to this administration. I warned this administration as early as 1993 that its failure to take the issue seriously and take strong action to fight drug abuse would prove disastrous to our children. Unfortunately, the evidence is now in and my predictions were all too prophetic to the great detriment of our children and future generations.

Our country's laws prohibiting narcotic and dangerous drug use are not arbitrary. These laws are designed to protect our children and to protect mature adults from harmful chemicals. These laws should be fully enforced because they help prevent drug experimentation and drug addiction.

Promoting the use of marijuana for so-called medical purposes is nothing more than a sham effort to legalize drugs through the back door. If we do not act decisively, we will pay a heavy price.

In the words of General McCaffrey, our Drug Czar, ''[additive drugs were criminalized because they are harmful; they are not harmful because they were criminalized.]'' The more a product is available and legitimized, the greater will be its use. If drugs were legalized in the U.S., the cost to the individual and society would grow astronomically.

The Federal Food, Drug, and Cosmetic Act is the key law by which legitimate drug products are evaluated and regulated in this country. A central precept of this law is that all drugs be proven safe and effective under their labeled indications. Proponents of medicinal uses of marijuana should not be exempt from this basic public health requirement. Anecdotal reports that marijuana may be beneficial should not cloud the fact that only controlled clinical trials can meet the exacting licensure requirements of the Federal Food, Drug, and Cosmetic Act. If there is, in fact, a medical benefit from marijuana then it is imperative that the necessary scientific studies be conducted to assess and confirm such benefit. To date, proponents of medical uses of marijuana have been unwilling or unable to come through the front door of the FDA with evidence of its safety and efficacy. The pharmacological armamentarium contains many proven drugs to treat pain. It is poor public policy to acquiesce in back door mechanisms that permit unsafe and unproven products like marijuana to reach the bedsides of American patients.

I believe this to be an important resolution and urge my colleagues to join me and Senators GRASSLEY and KYL in sending a clear message to those who advocate the legalization of marijuana and other Schedule I drugs for medical use in our States. I ask for their support when this joint resolution comes to the floor.

INAUGURAL ADDRESS OF HIS EXCELLENCY ANDRES PASTRANA ARANGO, PRESIDENT OF COLOMBIA

Mr. DODD. Mr. President, on August 7, 1998, Andres Pastrana Arango was sworn in as the 60th President of Colombia, 28 years after his father, Misael Pastrana, took the same oath of office. A former journalist, mayor of Bogota, and Senator, president candidate Andres Pastrana swept into office with the largest electoral margin in his country's history.

With the election of President Pastrana I believe that a new opportunity has been created for the United

States and Colombia to work closely together to deal with issues of mutual concern to our two countries. I very much hope that both of our governments will take advantage of this opening because it is in the interests of both countries that we do so.

In his inaugural speech of August 7, President Pastrana set forth his agenda for his term of office. Breaking the stranglehold of major narcotrafficking organizations and bringing peace to Colombia are among President Pastrana's highest priorities. During the course of his address, he laid out his plans to end the 34 year old civil war and to counter drug trafficking and the violence and corruption it brings with it. In order to tackle the financial, political and social problems of his country, he also pledged to undertake a complete turnaround in Colombia's Government during his administration.

I believe that President Pastrana has been very quick in shaping the outline of policies and programs that should help to strengthen democratic institutions in Colombia and respect for human rights. His inaugural address gives me hope that the United States working together with the Government of Colombia can make that a reality. I would urge my colleagues to take the opportunity to read for themselves President Pastrana's Inaugural address. I ask unanimous consent that his address be printed in full at the conclusion of my remarks.

THE PRESIDING OFFICER. Without objection; it is so ordered. (See Exhibit 1.)

Mr. DODD. Mr. President, President Pastrana is visiting the United States this week, and the Committee on Foreign Relations will have the honor of receiving him on September 24. At that time we will have an opportunity to discuss at length President Pastrana's vision for his country. I look forward to the opportunity to do so.

EXHIBIT 1

INAUGURAL SPEECH AS PRESIDENT OF THE REPUBLIC BY MR. ANDRÉS PASTRANA ARANGO

This day is not only mine, but of all of us Colombians. The solemn oath that I have taken today before almighty God and before you is a sacrament of our democracy. It is an oath pronounced throughout our history that, in this case, acquires a greater dimension since it requires that we likewise succeed in the fulfillment of our obligations and not repeat the errors of the past. Proud of our heritage, we are now going to seek the best for our future.

We are not only conferring the presidency upon me today; we are also inaugurating a new era for Colombia on the right path. I make a commitment to myself and to you to govern without privileges nor discriminations, but for all Colombians. Those who hold the highest positions in government shall have the greatest obligations under the law, and those who think that power gives one the right to break the law shall not govern. Put simply, there shall be no room for corruption in my administration and it shall not be tolerated nor forgiven. I want—and I shall accept nothing less—this administration to go down in history as the cleanest of all administrations.

Within the immense margin of our challenges, let us risk facing the big changes that we need. Let us again trust that our cities and our countryside become safe and peaceful. Let us believe that once again our industry and our agriculture will prosper, that our children will receive a good education, that their health will be protected, and that their parents will be safe from the scourge of unemployment.

Fulfilling these expectations implies serious and sustained efforts, a common cause and the uncommon courage to gather new ideas and be willing to never quit nor give up.

For change does not happen in a week, a month, or a year. Perhaps, it will not even be complete at the end of this administration. We are at the dawn of a new era, not yet in its splendor. But change begins today.

We have vast natural resources but, more importantly, great human talent. If we prepare ourselves conscientiously, we should not fear the economy's globalization. On the contrary, we shall welcome it and we shall compete and prosper within it.

I see a Colombia proudly acknwoeldged in our hemisphere and in the entire world, for navigating through the prodigies of cyberspace and not in the artificial paradises of cocaine. I see a proud Colombia, with enough authority to challenge other nations to control their own drug demand, because we were able to combat our own country's supply and demand.

As President, I shall not surrender even a bit of our sovereighnty, but I shall appeal to the entire country to comply with the law and to build the prosperity that shall make Colombia a magnet for investment with its modern economy.

We shall look for prosperity not only in industry and enterprise, but also in agriculture, which has been abused of for many years without being paid its due. We are going to invest more in the countryside. Let us not forget that the land is the soul of Colombia and that those who cultivate it are the soul of the land.

Colombians, during my campaign I proposed ten great changes. Each one of them is equally important and they shall all be promoted. We must try again, and trust once again, that we can change and attain a better country. I ask for your help, for, more than the decisions of a President, it is your hands that shall mold the final substance of our efforts.

To the people of Colombia, I owe the privilege of being the leader that shall close the doors of the 20th century and open those of the 21st century, towards the vast horizon of the Third Millenium. I have been given the responsibility of continuing and improving, wherever possible, the accomplishments of other leaders. But more than six million Colombians, and a broad consensus of the country, have chosen me to find the road to this Promised Land that Colombia should be.

A COLOMBIA IN PEACE

A very wise Spanish saying says, ''Without peace, there is no bread''. Therefore, first of all, I want peace, which means peace and bread. And it is the Promised Land that we yearn for, a Colombia in peace.

But reconciliation requires a government that is able to organize collective leadership for peace. This implies sacrifices, requires renunciation, and demands serious commitments that would be sterile, as long as Cain continues killing Abel.

The President of the Republic assumes the non-renounceable leadership of building peace. Do not expect me to build a bureaucracy for peace. As of now, I invite all Colombians to continue and to work within the ''Agenda for Peace'' that I am going to lead.

It must be clear for every one that I shall recover for the State the monopoly of force for peace, social justice, and the happiness of the Colombian people. Every minute that we save on war is an investment in life. International cooperation in our peace processes should not be viewed as the inability to build it ourselves, but as a new way of making peace.

The call to peace as a necessary condition for the country's project is evident. But peace demands the transformation of the human energy of animosity, which is characteristic of wars, into vital energy for the reconstruction of a new Colombia.

It is precisely this vital energy that should not permit that violent acts, like those of recent days, occur again; acts that fill me, like their families and all my countrymen, with pain. They do not contribute to the atmosphere of understanding that we, myself personally and my entire administration, are ready to propitiate by putting all of our efforts into it.

The first question is that of identity. What is Colombia and what do we want it to be? Historically, the nation looked for its identity in a homogeneity that was excluding, which despised diversity or nullified it. A country demanded a religion, a language, and even a dominant ethnic group. From dictatorial positions or from republican pacts, these conditions of identity were being imposed for an indefinite time to conform other systems of power. A subsequent evolution, particularly the current one, demonstrates that those that have been excluded in any way, usually demand, with great violence, the acknowledgment of their existence and their right to participate. The point is that the identity of the new Colombia that faces the challenges of the 21st century and is handed over to the new generations must be inclusive of Colombian diversity, not exclusive, as it has been until now for a significant number of Colombians. Keeping the nation united must be the origin and the end of this historic determination in favor of peace.

A MODEL FOR DEVELOPMENT AND SOCIAL JUSTICE

I receive a country with seriously affected economic indicators and with its public finances in ruin. I, therefore, intend to do an inventory of the conditions in which I received them. But we shall also promptly present, in the coming weeks, the great guidelines of the measures to be taken in order to bring Colombia out of the situation in which we found it.

A fundamental part of this recovery program is budget adjustments. Our country cannot continue to carelessly spend beyond its possibilities. If we did so, the already serious unemployment situation that we inherited would be even more overwhelming. And the imbalances everywhere would make the economy unmanageable and would commit the development of the country for a long time. Therefore we shall rigorously dedicate ourselves, from the very first days of this administration, to putting the fiscal house in order.

But we shall not only organize public finances. We also have to reactivate an equitable economic growth. The development plan that the administration must submit to Congress within the first six months, as stated by the Constitution, shall be the opportunity to draft the navigational chart that shall permit us to open the doors of the 21st century to a society with better and more equal growth. In this purpose, the search for peace is not only a common yearning but also an intelligent strategy for economic development. Peace is the most urgent task on our country's agenda and the best social contract that we can make towards the future.

DRUG TRAFFICKING

We must take advantage of the closing of the century to do an inventory of the serious

damage caused to society by drug trafficking. Ecologically, there is no doubt that it is the main predator of large areas of Colombian territory, which is valued in the world for the diversity of its environmental treasures.

Not to mention, the increase in corruption, whose effect on institutions has become one of the most fatal aggressors that the Colombian State has confronted in all its history. Or the increase in violence, due to easy money for the attainment of objectives that used to be the fruit of years and years of honest labor. Or the increase in drug use.

If Colombia survives in spite of so many misfortunes, it is only because of the moral fortitude of a people that has known how to face them. But let us not ask it for more miracles.

THE ''PEACE FUND'' WITH TRI-PARTITE CONTRIBUTIONS

In order to reach this national objective, besides the political initiatives that we are implementing, peace shall be the common thread of the next development plan. It shall be funded by tri-partite contributions from different sources. Firstly, the government itself, which, as a consequence of the austerity program to be undertaken, shall free significant resources to be earmarked for strategic investments for peace. Secondly, contributions from the international community that has demonstrated its interest in collaborating financially to acclimatize peace in Colombia. And thirdly, monies that wealthy Colombians shall contribute, through a ''Peace Bond of Compulsory Subscription'', whose authorization we shall request from Congress, and through which the valuable demonstrations of so many goodwilled Colombians may become concrete.

As I said in my campaign, we shall submit a bill before Congress that shall permit the gradual reduction of the Aggregated Value Tax while simultaneously and forcefully combating current tax evasion. Moreover, once the fiscal adjustment program yields results, we shall propose a reduction of income tax rates for those companies generating new employment.

OUR FOREIGN POLICY

The transparent and categorical mandate that I have received from the Colombian people must also transform our international position in order to carry out a foreign policy with a broad consensus, that is coherent and systematic, that overcomes the exclusivism of any group, region, or party. Our diplomacy shall be efficient, able to work without disadvantages, respectful of commitments and aware of its nonrenounceable dignity and its well-earned rights.

I am convinced that the irreversible purpose of globalization demands a more equitable international order. We do not want to be simple spectators but, rather, diligent actors in this new world commitment.

I am aware that our international agenda demands a different way of looking at it. We do not reject responsibility. We assume it. Our foreign policy shall be aimed at strengthening our negotiating power with regards to fundamental issues on the global agenda. We shall reaffirm our commitment to the promotion and defense of human rights and International Humanitarian Law, with acts and effective actions.

As President of the Republic, I shall fully exercise the constitutional duty of leading foreign relations, aware that the leadership of the Head of State in a regime like ours is irreplaceable.

Our foreign policy shall be guided by the protection of Colombia's essential rights. We share the great principles contained in the United Nations Charter and in the instruments of the Inter American system. Colombia's international word is sacred to us. We defend the sanctity of treaties and the good faith in relations among States. We have always supported the pacific and negotiated solution to conflicts. National heritage is the product of law, never of force or of arbitrary imposition. We believe in the force of multilateralism, in the collective action organized to confront problems and to prevent and resolve divergences and conflicts.

Venezuela is the country with which Colombia has made more progress in economic integration. The strong historic and cultural ties that unite us shall permit us to foster understanding in all areas in order to continue making progress in the process of binational integration and in the consolidation of the Andean Community of Nations in order to project it to the entire continent.

The United States, as hemispheric power and because it is the biggest and most advanced economy in the world, is a fundamental country for Colombia's international relations. We also begin a new era of understanding and trust with them, which will permit the diversification of our common agenda so as to continue on the road of true cooperation, more as brothers than as good neighbors.

Regarding Europe and the Pacific Basin countries, we shall continue strengthening our economic and cultural relations, as well as the ties among the various integration blocks that exist today. In this respect, we shall assign particular importance to the European Union, Latin American and Caribbean Summit that will take place next year, as a result of the dialogue between the European Union and the Rio Group.

Colombia embarks today on search of the international community, to re-assume the leadership that belongs to it in the ''New World'' design.

SOCIAL JUSTICE

This is evident: peace is not possible without social justice. Colombia is a society torn by social distances. It is urgent, therefore, to improve the distribution of national wealth, to make society cohesive and direct it towards peace, through education, health and employment.

The world is changing in giant leaps. Society has discovered that its great source of wealth is no longer mineral but human. To invest in it, as well as in our natural resources, is the change that will make us strong. And this, in turn, compels us to reflect upon the meaning of continued fighting over scarce material resources instead of strengthening our democracy and developing our industry and our trade, based on human resources, education, technology, and science.

Therefore, it is time to break with history and to change our course. Thus, the development model that I propose to you is not dependent upon peace negotiations but, rather, establishes the basis for a transparent, fertile, and lasting peace.

THE ECONOMY AND EMPLOYMENT

The macroeconomic effort shall be aimed at the urgent generation of employment. To generate employment—good employment—is essential if we want to have a real future. Employment is not only the new name for peace but also our first expression of solidarity.

In order to attain the goals of collective improvement, it is necessary to build a strong and solidary economy, which we are lacking today. Correcting the imbalances and channeling the economy towards development and full employment again will initially demand the adoption of severe but essential measures.

Economy and education must go hand in hand to establish the basis for progress. The coming Third Millennium needs new learning. We are going to change education in Colombia so that it may become an open door, where the question will not be how much money the family has but, rather, how much talent the student has. Awakening young people to knowledge is the only way to face the future successfully.

PREFERENTIAL OPTION FOR THE POOR

My administration makes and reaffirms a preferential option for the poor. We do not want a Colombia with excluded persons. The government's task is to foster and consolidate economic growth that will reduce the injustices of poverty and demonstrate, with its results, that it is worthwhile to be just.

For my administration, the poor are a moral commitment, a political commitment, an economic commitment, a cultural commitment, and not just a statistic index. A plan for overcoming poverty convokes, channels, and opens new dimensions for international cooperation and must prevent poverty from being the dangerous ally of those who, with drug trafficking, try to undermine the foundations of the nation and of the international community.

Being solidary in Colombia means helping to create jobs, investing in the creation of jobs, buying at a fair price to create and foster the quality of those jobs. When I think of globalization, I think about its most urgent aspect, which is globalization of solidarity.

RECOVERING VALUES

This is why, together with Gustavo Bell, I would like to invite all of you to recover values. This country must organize itself and become strong against corruption. We cannot continue to tolerate the systematic robbery of goods belonging to the community. It is necessary to end corruption, and the people have taken a first step with their vote. The President and each one of his officials must be a model for others. Their words must be truthful and their example must be clear. There is no greater corruption or lie than good advice followed by bad example.

Let no one be wrong. The government shall persecute the corrupt, shall bring them to light, and shall rescue the institutions from the claws of the corrupt.

THE NEED FOR POLITICAL REFORM

For all these reasons, a thorough political reform must be undertaken. ''We cannot pour new wine into old vessels.'' The recovery of politics for the common good, for social justice, for solidarity, and for development requires the creation of new forms of governing, of controlling, of competing for power, of designing laws, of creating the future.

I thank God for the privilege of having my mother and family here present. I thank Divine Providence for the gift of Nohra's company and leadership and of Santiago, Laura, and Valentina's challenging future.

And I thank the Lord for having given me in Misael Pastrana a living example of values, of loyalty to life, of love of country. He was a patriot who, in light of Colombia's destiny and uncertainties, affirm and warn, ''the promised land is at stake''. It is necessary for ''The New Dawn'' brings us optimism, faith, truth, solidarity, and the commitment required to change history because no one will do for us what we must do for ourselves.

Dear friends: A ''New Dawn'' begins now! Today, it is not only the inauguration of a new President, but also the opening of a new era for the nation. With Gustavo Bell we will make the dream of ''The Great Alliance for Change'' come true for Colombia.

The glory of a leader consists in attaining peace, striving for the citizens' well-being and happiness. Achieving this shall be the

only reward I will aspire to at the end of my mandate. This is no time for hesitation or doubt. This is a moment for decisions and courage. Long and difficult is the road leading to the Colombia we yearn for. Let us begin now! Tomorrow will be another day!

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, September 21, 1998, the federal debt stood at $5,510,750,292,549.80 (Five trillion, five hundred ten billion, seven hundred fifty million, two hundred ninety-two thousand, five hundred forty-nine dollars and eighty cents).

Five years ago, September 21, 1993, the federal debt stood at $4,392,902,000,000 (Four trillion, three hundred ninety-two billion, nine hundred two million).

Ten years ago, September 21, 1988, the federal debt stood at $2,596,653,000,000 (Two trillion, five hundred ninety-six billion, six hundred fifty-three million).

Fifteen years ago, September 21, 1983, the federal debt stood at $1,354,377,000,000 (One trillion, three hundred fifty-four billion, three hundred seventy-seven million).

Twenty-five years ago, September 21, 1973, the federal debt stood at $459,603,000,000 (Four hundred fifty-nine billion, six hundred three million) which reflects a debt increase of more than $5 trillion—$5,051,147,292,549.80 (Five trillion, fifty-one billion, one hundred forty-seven million, two hundred ninety-two thousand, five hundred forty-nine dollars and eighty cents) during the past 25 years.

SUPPORT WORKING FAMILIES

Mr. KERRY. Mr. President, in a time of unprecedented economic prosperity, we have seen a reduction in inflation and unemployment yet a full-time minimum wage earner makes almost $3,000 below the poverty level—a mere $10,712 per year. No one who works full time should be poor in this country—it's time to raise the minimum wage.

Republicans say that raising the minimum wage will cause job loss and put undue burdens on business owners. But in a recent study conducted by Princeton economists David Card and Alan Krueger, their analysis of New Jersey's minimum wage increase in 1992 showed that employment in fast food restaurants grew at least as quickly as in neighboring Pennsylvania where the minimum wage stayed the same. Also noted in the study was that higher wages actually benefitted employers—turnover expenses were reduced and productivity improved due to better motivated and more stable employees. Mr. President, it's time to raise the minimum wage.

Additionally, data from the Bureau of Labor Statistics shows that since the 1996–97 wage increases took effect, 4 million new jobs have been created and unemployment is at 4.5%—its lowest level in a generation. In fact, a study by the Economic Policy Institute documents that there was no measurable negative effect on jobs. The only measurable effect was on workers—they received the pay increases they deserved. Mr. President, it's time to raise the minimum wage.

Contrary to what has been said by my colleagues on the opposite side of the aisle, workers who will benefit from this increase are not primarily teenagers from high income families. 70% are adults over the age of 20 and forty percent of minimum wage workers are the sole bread winners in their families. As a matter of fact, the average minimum wage earner brings home half of their family's income. Additionally, 60% of minimum wage earners are women. Mr. President, it's time to raise the minimum wage.

In 1979, minimum wage earners needed to work an average of 40 hours per week to stay out of poverty. Today those same workers must work 52 hours. By raising the minimum wage one dollar by the year 2000 we will restore its purchasing power to its mid-1970's level. With unemployment levels 50% to 75% lower and inflation rates 2 to 3 times lower, we can afford to restore that purchasing power. Mr. President, it's time to raise the minimum wage.

It is time to honor the American working people with a fair wage. As President Franklin D. Roosevelt said, ''Our nation, so richly endowed with natural resources and with a capable and industrious population, should be able to devise ways and means of insuring to all able-bodied working men and women a fair day's pay for a fair day's work.'' I call upon my colleagues in the Senate to begin narrowing the gap between rich and poor in this country. We must help bring economic prosperity to the men and women who feed our families, care for our children and elderly parents, and play by the rules. It's time to help working families and it's time to raise the minimum wage.

CAL RIPKEN'S STREAK OF PLAYING 2,632 CONSECUTIVE GAMES

Ms. MIKULSKI. Mr. President, Sunday, September 20, 1998 marked the end of an era in sports. Cal Ripken, baseball's Iron Man, took a well-deserved day off. As the Baltimore Sun put it, ''The Streak died of natural causes. It was 2,632.''

Cal Ripken sat in the dugout Sunday night not because of injury, or illness, or a manager's decision. Cal voluntarily took himself out of the lineup because he felt he was not playing up to his own standards, and would not contribute enough to the team. Cal's quietly monumental decision exemplifies the dignity and class with which he has conducted himself throughout his career.

When Cal Ripken began his streak in 1982, Ronald Reagan was President, I was a Congresswoman, ''Dallas'' was the most popular TV show, and the movie ''ET'' was setting box office records. A baby born that year is about to be a junior in high school. Ryan Minor, who played in Cal's place Sunday night, was 8 years old.

I was in the stands September 6, 1995, the night that Cal played game number 2,131. I've watched history being made on the Senate floor, but that night I watched history being made on the glorious green field of Camden Yards. I will never forget the joy we all felt as the banners rolled, the light bulbs flashed, and Cal took his victory lap.

Records are made to be broken, but I can't imagine Cal's record being broken in our lifetime. The next closest player, Albert Belle, would have to play in every game for the next 14 years to equal The Streak.

What Cal has accomplished is simple: Every day for the last 16 years, he got up, got dressed, and went to work. He represents the old-fashioned ethic displayed by millions of Marylanders every day as they work hard, play by the rules, and take care of their families. It's not fancy, it's not flashy, but it is the glue that holds our communities, our society, and our nation together.

So to Cal Ripken, I say hats off, thank you for being you, and thank you for showing all of us how it's supposed to be done.''

THE OMNIBUS PATENT ACT OF 1998

Mr. LEAHY. Mr. President, I have been working diligently along with Senators DASCHLE, BINGAMAN, CLELAND, BOXER, HARKIN, and LIEBERMAN to get this measure considered and passed by the Senate. It an important measure to America's future.

Along with all the Democratic cosponsors of the bill, I signed on to offering our patent bill as an amendment to this bankruptcy bill. I helped provide an opportunity for this amendment in the unanimous consent agreement accepted by the Senate on Friday September, 11th. It is long past time for the Senate to consider this patent reform legislation.

Unfortunately, Republican opposition to the bill has prevented Senate consideration for more than a year. This is another example of how secret, anonymous holds on the Republican side are preventing important legislation from being considered by the Senate. I deeply regret that those same Republican objections have now succeeded in preventing our Republican cosponsor, the Chairman of the Senate Judiciary Committee, from even offering this amendment to the bill in the amendment spot that we had reserved for that purpose. I believe that there is strong support for this measure. I cannot guarantee that all 45 Democratic Senators will vote for it, but I do know that no Democrat has prevented or is now preventing its consideration.

I want to thank Secretary Daley and the Administration for their unflagging support of effective patent reform. Our patent bill would be good for Vermont, good for American innovators of all sizes, and good for America. Unfortunately, the Republican majority or some secret minority of that Republican majority will not allow patent reform to proceed.

OVERVIEW OF THE PATENT BILL

The Patent Bill would reform the U.S. patent system in important ways. It would: reduce legal fees that are paid by inventors and companies; eliminate duplication of research efforts and accelerate research into new areas; increase the value of patents to inventors and companies; and facilitate U.S. inventors and companies' research, development, and commercialization of inventions.

In Vermont, we have a number of independent inventors and small companies. It is, therefore, especially important to me that this bill be one that helps them as well as the larger companies in Vermont like IBM. So I talked to independent inventors and representatives of smaller companies to see what reforms they recommended. I have tried to make sure that their recommendations were incorporated into the Patent Bill as the legislation has advanced through Congress.

LEGISLATIVE HISTORY

The reforms that would be implemented with the passage of this legislation have been subject to careful and deliberate consideration by Congress. In fact, over the past several years, Congress has held eight Congressional hearings with over 80 witnesses testifying about the various proposals incorporated in the Patent Bill.

Republican and Democratic Administrations alike, reaching back to the Johnson Administration, have supported these reforms. Last year, five former Patent Commissioners sent a letter to the President and to the members of the Senate supporting the Patent Bill.

In addition to the thorough consideration that has been given these reforms over the years, the Senate has given close scrutiny this Congress to the bill before us today. The Senate Judiciary Committee held a hearing on this legislation on May 7, 1997. The Committee heard testimony of Senator FRANK LAUTENBERG, Representative HENRY HYDE; Representative HOWARD COBLE; Representative DANA ROHRABACHER; Representative MARCY KAPTUR; the Assistant Secretary of Commerce and Commissioner of Patents and Trademarks; the Executive Director of the American Intellectual Property Law Association; the Vice President of the International Trademark Association; the President and CEO of a small business in Utah; and Bill Parker, President of the Vermont Inventors Association.

After the hearing, Senator HATCH and I worked to address the concerns of independent inventors, small businesses, universities, the Administration, and other Senators. We made several changes to the legislation, which I think significantly improved the Patent Bill. Let me give you some examples of the changes that we made to the legislation: (1) any applicant who does not apply for a patent overseas can elect NOT to have early publication of their patent (2) any applicant who diligently prosecutes a patent application will receive a full 17 years of patent protection; (3) non-profit research laboratories or other nonprofit entities such as universities, research centers, or hospitals can petition the Commissioner of Patents and Trademarks for additional patent protection; and (4) the United States Patent and Trademark Office (PTO) must develop statewide computer networks with remote library sites to enhance access to information in state patent and trademark depository libraries for independent inventors and small businesses in rural states.

On May 22, Senator HATCH and I offered a substitute amendment with these changes. Every member of the Committee, save one, voted in favor of the Hatch/Leahy substitute amendment.

After the markup, the White House Conference on Small Businesses, which consists of over 2000 delegates elected from hundreds of thousands of active small businesses nationwide, made additional suggestions on how to improve the bill. Senator HATCH and I agreed to incorporate their suggested changes into a substitute amendment to the Patent Bill, and I am pleased to report that as a result, the White House Conference on Small Businesses, the National Association of Women Business Owners, the National Venture Capital Association, National Small Business United, and the Small Business Technology Coalition has concluded that, if enacted, this bill would be of great benefit to small businesses.

TITLE BY TITLE ANALYSIS

Unfortunately, because of Republican opposition to this bipartisan bill, the Senate will have no opportunity to consider this legislation to assist U.S. inventors small and large. I find this particularly unfortunate since our Patent Bill was geared toward improving the operational efficiency at the PTO and making government smaller and leaner. I would like to provide a title-by-title overview of the substitute amendment to the Patent Bill that Senator HATCH and I were prepared to offer as an amendment to the bankruptcy bill.

Title I of the amendment: PTO reforms

Title I of the amendment would have made some modest, albeit important, reforms to the PTO. It provides that the PTO shall not be subject to any administratively or statutorily imposed limitation on positions or personnel. This should allow the PTO to hire the necessary number of examiners to review the increasing number of applications received by the office. Title I also creates a Patent Management Advisory Board and a Trademark Management Advisory Board. Of the five members of the Patent Management Advisory Board, not more than three shall be members of the same political party, at least one member shall be an independent inventor, and the members shall include individuals who represent small and large entity patent applicants located in the United States in proportion to the number of applications files by such members.

Title II of the amendment: Publication of Patent Applications

Title II of the amendment responds to the concerns of independent inventors and small businesses regarding the matter of 18-month publication. These concerns were articulated at the Senate Judiciary Committee hearing by the President of the Vermont Inventors Association, Bill Parker. Mr. Parker suggested giving applicants who only file in the United States a choice whether or not to publish early. He also recommended that we enhance the protections granted to those who choose 18-month publication if we wish to encourage them to take that course.

Title II does both of these things. In particular, it allows any applicant to avoid publication before the granting of the patent simply by making such a request upon filing the application and by certifying that their application has not—and will not—be published abroad. The substitute also provides for the issuance of patents on individual claims in published applications as they are approved, rather than waiting for the disposition of all claims contained in such an application, as now occurs. This allows applicants to gain full patent protection—including reasonable royalties, damages, and attorneys fees when appropriate—for some of their component inventions earlier than they would have under the original draft of the bill.

This new Title II in our substitute amendment will benefit U.S. researchers and manufacturers who will have early English language access to the applications filed with the PTO that are of foreign origin. This bill measures the 18-month publication period from the earliest patent application date anywhere in the world. Since foreign-origin applications typically are filed abroad 12 months before they are filed here, those applications will be published 6 months after they are filed in the U.S.; that is a year earlier than domestic-origin applications. This will level the playing field with foreign countries that already are publishing our applications in their languages within 6 months after our applications are filed abroad.

Title III of the amendment: Patent Term Restoration

In 1995, GATT changed the U.S. patent term from 17 years from issuance to 20 years from filing. On average, this new term does not result in loss of patent term. It is still possible, however, that an individual patentee would have

less patent term under the post-GATT term than under the pre-GATT term. To remedy this situation, Title II of the substitute amendment restores patent term lost to ''unusual administrative delay'' by the PTO and guarantees all diligent applicants a minimum 17-year term.

More specifically, the 1995 law authorizes patent extensions for only 5 years, and authorizes extensions only for PTO delays occurring in three specific situations: interference proceedings, imposition of secrecy orders, and appellate review. Title II of the substitute amendment makes extensions available to compensate for any type of delay by the PTO—extensions up to 10 years in the case of appellate review or unusual administrative delay, and unlimited extensions for delays caused by secrecy orders and interference proceedings.

Title IV of the amendment: Prior Domestic Commercial Use

Title IV of the amendment will provide protection against an infringement suit for anyone who has commercially used an invention for more than a year before another person files for a patent on an invention. In raising this defense, the burden of proof will be on the person claiming the defense, not the patent holder. This provision will protect the unsophisticated entrepreneur from being ruined. Under current law, an independent entrepreneur who has invested perhaps his or her entire life savings to produce and market an invention can be shut down completely by someone else who comes along much later and gets a patent on the same invention. A prior use right will protect independent entrepreneurs from this financial disaster.

Title V of the amendment: Patent Reexamination Reform

Although the goal of the original reexamination provisions—reducing legal bills for patent applicants—was laudable, I was concerned that the legislation protect against harassment by third parties. Title V of the amendment now requires that everyone who requests reexamination of a patent to identify the real party in interest that they represent. It continues to limit the grounds for patent invalidity that can be raised during a reexamination proceeding to earlier patents and publications. Grounds that require evaluation of live testimony cannot be raised. Parties are prohibited from requesting a second reexamination until the first reexamination is completed. Parties cannot raise issues during reexamination that they raised or could have raised in earlier court litigation. Neither can they raise issues in court litigation that they raised or could have raised in an earlier examination. Furthermore, no reexamination proceeding can ever be started unless the Commissioner makes a determination that a substantial new question of patentability is raised. The Commissioner's determination not to start a reexamination is unappealable. In all of these ways, the re-examination provisions in the substitute amendment will provide an alternative to the current costly and time-consuming process of Federal litigation and at the same time, protect patent applicants against undue harassment.

Title VI of the amendment: Miscellaneous Provisions

The final title of the amendment contains several lower-profile, but nonetheless important and needed changes to American patent law. A matter of special interest to me is the section I suggested be added in this Title to enhance access to patent information. I have long thought that electronic access should be more widespread and want to work with the PTO to ensure the effective implementation of statewide electronic accessibility of patent information in rural states and eventually in all areas to make it easier for inventors to study prior art and make further advances. This should be of particular benefit to Vermont, which just recently established a patent and trademark depository library.

Also important is the section that clarifies the authority of the Copyright Office. It is intended to codify the traditional role of the Copyright Office and to confirm the Register's existing areas of jurisdiction. The new subsection 701(b)(1) reflects the Copyright Office's longstanding role as advisor to Congress on matters within its competence. This includes copyright and all matters within the scope of title 17 of the U.S. Code. The new subsection (b)(2) reflects the Copyright Office's longstanding role in advising federal agencies on matters within its competence. For example, the Copyright Office advises the U.S. Trade Representative and the State Department on an ongoing basis on the adequacy of foreign copyright laws, and serves as a technical consultant to those agencies in bilateral, regional and multilateral consultations or negotiations with other countries on copyright-related issues. The new subsection (b)(3) reflects the Copyright Office's longstanding role as a key participant in international meetings of various kinds, including as part of U.S. delegations as authorized by the Executive Branch, serving as substantive experts on matters within the Copyright Office's competence. Recent examples of the Copyright Office acting in the capacity include its central role on the U.S. delegation that negotiated the two new WIPO treaties at the 1996 Diplomatic Conference in Geneva, and its ongoing contributions of technical assistance in the TRIPS Council of the World Trade Organization and the Register's role as a featured speaker at numerous WIPO conferences. The new subsection (b)(4) describes the studies and programs that the Copyright Office has long carried out as the agency responsible for administering the copyright law and other chapters of title 17. Among the most important of these studies historically was a series of comprehensive reports on various issues produced in the 1960's as the foundation of the last general revision of U.S. copyright law, enacted as the 1976 Copyright Act. Most recently the Copyright Office has completed reports on the cable and satellite compulsory licences, legal protection for databases, and the economic and policy implications of term extension. The reference to ''programs'' includes such projects as the conferences the Copyright Office co-sponsored in 1996–97 on the subject of technology-based intellectual property management, and the International Copyright Institutes that the Copyright Office has conducted for foreign government officials at least annually over the past decade, often in cooperation with WIPO. The new subsection (b)(5) makes clear that the functions and duties set forth in this subsection are illustrative, not exhaustive. The Register of Copyrights would continue to be able to carry out other functions under her general authority under subsection 701(a), or as Congress may direct.

Today's inventors and creators can be much like those of Thomas Jefferson's day—individuals in a shop, garage or home lab. They can also be teams of scientists working in our largest corporations or at our colleges and universities. Our nation's patent laws should be fair to American innovators of all kinds—independent inventors, small businesses, venture capitalists and larger corporations. To maintain America's preeminence in the realm of technology, which dates back to the birth of this republic, we need to modernize our patent system and patent office. Our inventors know this and that is why they support this legislation.

I have received letters of endorsements of S. 507, which I placed into the CONGRESSIONAL RECORD on June 23, July 10 and July 16, from the following coalitions and companies: the White House Conference on Small Businesses, the National Association of Women Business Owners, the Small Business Technology Coalition, National Small Business United, the National Venture Capital Association, the 21st Century Patent Coalition, the Chamber of Commerce of the United States of America; the Pharmaceutical Research and Manufactures of American (Parma), the American Automobile Manufacturers Association, the Software Publishers Association, the Semiconductor Industry Association, the Business Software Alliance, the American Electronics Association, the Institute of Electrical and Electronics Engineers, Inc., the Biotechnology Industry Organization, the International Trademark Association, IBM, 3M, Intel, Caterpillar, AMP, and Hewlett-Packard.

In addition, I have letters of support of the Patent Bill from the National Association of Manufacturers, TSM/Rockwell International, Obsidian, and Allied Signal.

I am deeply disappointed that the Senate is being prevented from considering this important legislation by Republican recalcitrance. American inventors deserve better and America's future is being short changed.

THE REINSTATEMENT OF THE MEDICARE REHABILITATION ACT OF 1998

Ms. MIKULSKI. Mr. President, I rise today in support of the Reinstatement of the Medicare Rehabilitation Act of 1998, introduced by Senators REID and GRASSLEY. I have always been a strong advocate for the senior citizens of our nation and I believe this bill will help provide a safety net for some of our sickest seniors. I was pleased to recently join my colleagues as a cosponsor of this bill for two reasons—it repeals an unnecessary $1,500 cap on Medicare outpatient rehabilitation services and will allow seniors to receive treatment services that are essential to their health.

Every year our elderly are threatened by strokes, multiple injuries, and diseases. Seniors who suffer from strokes and multiple diseases in a given year often have complex health care needs that require costly, comprehensive treatment. One study has estimated that almost 13% of all Medicare beneficiaries or 635,000 seniors who receive rehabilitative services outside of a hospital setting will exceed the $1,500 cap. The treatment that they desperately need would exceed the $1,500 cap and require seniors to pay out of pocket for services or seek treatment in a hospital outpatient department in order for Medicare to cover their treatment.

How could our senior citizens be treated this way? How did this come to be? Well let me tell you, in 1997 Congress passed the Balanced Budget Act. Within that Act we placed a $1,500 cap on outpatient rehabilitation services. Limits on the cap were adopted without adequate committee hearings and a detailed analysis was not conducted by HCFA to determine the likely effects on beneficiaries' ability to obtain medically necessary services.

This was a mistake, but fortunately we can correct it by passing this legislation. The Reinstatement of the Medicare Rehabilitation Act ensures senior citizens the right to receive the medical services they need to recover. Under this bill, senior citizens will no longer be hindered by financial limitations on rehabilitation services and seniors who don't live near a hospital won't be forced to travel there just to have Medicare pay for their treatment services. I don't want an 85-year-old woman who has had a stroke and is trying to regain her ability to speak or eat to have to travel to a hospital 30 minutes away to receive treatment.

I want to let those who depend on Medicare know that we are working to protect their health. While we must continue to work diligently to protect the solvency of Medicare, we can't let seniors who need rehabilitation services fall through the cracks. I salute the sponsors of this bill and urge my colleagues to support this important legislation.

MESSAGES FROM THE PRESIDENT

Messages from President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

AT 12:23 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the bill (H.R. 1856) to amend the fish and Wildlife Act of 1956 to direct the Secretary of the Interior to conduct a volunteer pilot project at one national wildlife refuge in each United States Fish and Wildlife Service region, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 326. Concurrent resolution permitting the use of the rotunda of the Capitol on September 23, 1998, for the presentation of the Congressional Gold Medal to Nelson Rolihlahla Mandela.

The message further announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3248. An act to provide dollars to the classroom.

H.R. 4569. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1999, and for other purposes.

The message also announced that the House has passed the following bill, without amendment:

S. 1695. An act to authorize the Secretary of the Interior to study the suitability and feasibility of designating the Sand Creek Massacre National Historic Site in the State of Colorado as a unit of the National Park System, and for other purposes.

MEASURE PLACED ON THE CALENDAR

The following joint resolution was read the second time and placed on the calendar:

S.J. Res. 56. Joint resolution expressing the sense of Congress in support of the existing Federal legal process for determining the safety and efficacy of drugs, including marijuana and other Schedule I drugs, for medicinal use.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–7047. A communication from the Secretary of Defense, transmitting, pursuant to law, a report entitled ''Second Half FY 1997 Semi-Annual Report on Program Activities to Facilitate Weapons Destruction and Nonproliferation in the Former Soviet Union''; transmitted jointly, pursuant to section 1208 of Public Law 103–160, to the Committee on Appropriations, to the Committee on Armed Services, and to the Committee on Foreign Relations.

EC–7048. A communication from the Director of the Administrative Office of the United States Courts, transmitting, pursuant to law, a report on state compliance with terms of the Antiterrorism and Effective Death Penalty Act of 1996; to the Committee on the Judiciary.

EC–7049. A communication from the Chairman of the Good Neighbor Environmental Board transmitting the Board's annual report for 1997; to the Committee on Environment and Public Works.

EC–7050. A communication from the Acting Director of the Financial Crimes Enforcement Network, transmitting, pursuant to law, the report of a rule entitled ''Exemptions from the Requirement to Report Large Currency Transactions Pursuant to the Bank Secrecy Act—Phase II'' (RIN1506–AA12) received on September 17, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–7051. A communication from the Members of the Railroad Retirement Board, transmitting, pursuant to law, the Board's budget request for fiscal year 2000; to the Committee on Labor and Human Resources.

EC–7052. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report of the United States-Japan Cooperative Medical Science Program for the period July 1996 through July 1997; to the Committee on Labor and Human Resources.

EC–7053. A communication from the Deputy General Counsel of the Small Business Administration, transmitting, pursuant to law, the report of a rule entitled ''Small Business Size Regulations and Government Contracting Assistance Regulations; Very Small Business Concern'' received on September 16, 1998; to the Committee on Small Business.

EC–7054. A communication from the Deputy General Counsel of the Small Business Administration, transmitting, pursuant to law, the report of a rule entitled ''Disaster Loan Program (Agricultural Enterprises)'' received on September 16, 1998; to the Committee on Small Business.

EC–7055. A communication from the Deputy General Counsel of the Small Business Administration, transmitting, pursuant to law, the report of a rule entitled ''Disaster Loan Program (Eligibility Criteria)'' received on September 16, 1998; to the Committee on Small Business.

EC–7056. A communication from the Deputy General Counsel of the Small Business Administration, transmitting, pursuant to law, the report of a rule entitled ''Small Business Size Regulations and Government Contracting Assistance Regulations; Very Small Business Concern'' received on September 16, 1998; to the Committee on Small Business.

EC–7057. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule

entitled ''Rulings and Determination Letters'' (Rev. Proc. 98–53) received on September 17, 1998; to the Committee on Finance.

EC–7058. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Automated Data Processing Funding Limitation for Child Support Enforcement System'' (RIN0970–AB71) received on September 16, 1998; to the Committee on Finance.

EC–7059. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Computerized Support Enforcement Systems'' (RIN0970–AB70) received on September 16, 1998; to the Committee on Finance.

EC–7060. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notice of a proposed Technical Assistance Agreement with Japan for the retrofit of certain radars; to the Committee on Foreign Relations.

EC–7061. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notice of a proposed Manufacturing License Agreement with Canada for the overhaul of T700 helicopter engines; to the Committee on Foreign Relations.

EC–7062. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notice of a proposed drawdown of funds under the Foreign Assistance Act to provide counter-narcotics assistance to certain countries; to the Committee on Foreign Relations.

EC–7063. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notice of technical corrections to the text of the Mutual Legal Assistance Treaty with Estonia; to the Committee on Foreign Relations.

EC–7064. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, Placer County Air Pollution Control District'' (FRL6164–4) received on September 17, 1998; to the Committee on Environment and Public Works.

EC–7065. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Clean Air Act Final Approval of Amendments to Title V Operating Permits Program; Pima County Department of Environmental Quality'' (FRL6165–8) received on September 17, 1998; to the Committee on Environment and Public Works.

EC–7066. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Final Authorization of State Hazardous Waste Management Program Revision'' (FRL6165–3) received on September 17, 1998; to the Committee on Environment and Public Works.

EC–7067. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; Alaska'' (FRL6162–9) received on September 17, 1998; to the Committee on Environment and Public Works.

EC–7068. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, San Diego County Air Pollution Control District'' (FRL6164–6) received on September 17, 1998; to the Committee on Environment and Public Works.

EC–7069. A communication from the Director of the Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Acid Rain Program; 1998 Reallocation of Allowances'' (FRL6164–1) received on September 17, 1998; to the Committee on Environment and Public Works.

EC–7070. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Transportation and Community and System Preservation Pilot Program—Implementation of the Transportation Equity Act for the 21st Century'' (Docket 09–4370) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7071. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Special Local Regulations: 2nd Annual Hobbs Island Regatta, Tennessee River mile 333.5 to 336.5, Huntsville, Alabama'' (Docket 08–98–060) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7072. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety Zone: World Yacht Cruises Fireworks, New York Harbor, Upper Bay'' (Docket 01–98–144) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7073. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Special Local Regulations; Around Alone Sailboat Race, Charleston, SC'' (Docket 07–98–008) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7074. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Operation Regulation; Portage Bayou, Tchoutacabouffa and Wolf Rivers, MS'' (Docket 08–98–055) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7075. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Aerospatiale Model ATR72–212A Series Airplanes'' (Docket 98–NM–159–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7076. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Bombardier Model CL–215–6B11 (CL–415 Variant) Series Airplanes'' (Docket 98–NM–03–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7077. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class E Airspace; Crosby, ND'' (Docket 98–AGL–42) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7078. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of Class E Airspace; Willits, CA'' (Docket 96–AWP–26) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7079. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Realignment of VOR Federal Airway V–485; San Jose, CA'' (Docket 95–AWP–6) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7080. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments'' (Docket 29328) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7081. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments'' (Docket 29329) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7082. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments'' (Docket 29330) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7083. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Class E Airspace; Price, UT'' (Docket 98–ANM–12) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7084. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Construcciones Aeronauticas, S.A. (CASA) Model C–212 Series Airplanes'' (Docket 96–NM–123–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7085. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Fokker Model F28 Mark 1000, 2000, 3000, and 4000 Series Airplanes'' (Docket 97–NM–290–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7086. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Industrie Model A320 Series Airplanes'' (Docket 97–NM–156–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7087. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Boeing Model 747 Series Airplanes'' (Docket 97–NM–47–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7088. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; McDonnell Douglas Model DC–9–10, –15, and –30 Series Airplanes'' (Docket 96–N–272–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7089. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; S.N. Centrair 101 Series Sailplanes'' (Docket 98–CE–49–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7090. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; CFM International CFM56–7B Series Turbofan Engines'' (Docket 98–ANE–50–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7091. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Airbus Model A310, A300–600, and A320 Series Airplanes'' (Docket 97–NM–107–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7092. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Saab Model SAAB 2000 Series Airplanes'' (Docket 98–NM–42–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7093. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Rolls-Royce Limited, Aero Division—Bristol/S.N.E.C.M.A. Olympus 593 Series Turbojet Engines'' (Docket 98–ANE–07–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7094. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Rolls-Royce, plc RB211 Trent 700 Series Turbofan Engines'' (Docket 98–ANE–10–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7095. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives; Boeing Model 727 and Model 737 Series Airplanes Equipped with J.C. Carter Company Fuel Valve Actuators'' (Docket 96–NM–31–AD) received on September 17, 1998; to the Committee on Commerce, Science, and Transportation.

EC–7096. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property'' (Rev. Rul. 98–50) received on September 21, 1998; to the Committee on Finance.

EC–7097. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Revised OIG Exclusion Authorities Resulting From Public Law 104–191'' (RIN0991–AA87) received on September 16, 1998; to the Committee on Labor and Human Resources.

EC–7098. A communication from the Assistant Secretary for Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Establishment of 24-month Validity Period for Certain Reexport Authorizations and Revocation of Other Authorizations'' (RIN0694–AB74) received on September 16, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–7099. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Karnal Bunt; Movement From Regulated Areas'' (Docket 96–016–32) received on September 21, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–7100. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Solid Wood Packing Material From China'' (Docket 98–087–1) received on September 21, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–544. A resolution adopted by the Council of the City of Cincinnati, Ohio, relative to proposed legislation on children's gun violence; to the Committee on the Judiciary.

POM–545. A resolution adopted by the Legislature of Guam; to the Committee on Commerce, Science, and Transportation.

RESOLUTION NO. 303

Whereas, historically the United States has protected its shipping industry through maritime cabotage laws, including Section 27 of the Merchant Marine Act of 1920, commonly known as the Jones Act, the Passenger Vessel Services Act of 1886 and the statutes referring to towage and dredging; and

Whereas, these maritime cabotage laws strictly limit the carriage of passengers and merchandise between the U.S. mainlaind and the offshore jurisdictions of Guam, Hawaii, Alaska, and Puerto Rico to United States built and flag ships, which are crewed, owned and controlled by United States citizens; and

Whereas, Ninety Percent (90%) of the goods consumed in Guam are imported and virtually all of these goods arrive by sea; and

Whereas, Alaska, Hawaii, and Puerto Rico are similarly dependent on ocean shipping for the operation of their economies; and

Whereas, there are only 122 deep-draft, self-propelled ships of 1,000 gross registered tons and over in the active oceangoing domestic commercial fleet of the United States with an average age of 31 years, of which 89 are tankers. While in the world fleet there are more than 25,000 deep-draft, oceangoing ships with an average age of 18 years. The world fleet includes many kinds of specialist ships not available in the domestic United States fleet yet needed for transportation in the domestic non-contiguous trades and economic development in the offshore jurisdictions of the United States; and

Whereas, due to their geographic isolations, the offshore jurisdictions are uniquely dependent on ocean shipping for surface transportation, unlike the forty-eight contiguous states that have access to alternative forms of interstate surface transportation including rail, road, and inland waterways; and

Whereas, maritime cabotage laws of the United States severely and unfairly limit the access to needed shipping services by artificially restricting the supply of ships, which is translated into higher freight rates and the non-availability of certain kinds of carriage for the offshore jurisdictions; and

Whereas, the U.S. domestic fleet is continuing to decline, only one containership has been built in the United States during the past decade, and just last year, the privately-owned, United States flag, deep-draft fleet decreased by 29 vessels and the fleet carrying capacity decreased by 1,358,000 deadweight tons; and

Whereas, the offshore American jurisdictions need access to efficient, competitive and modern shipping to compete in the global economy, especially as competing countries have ready access to the world's shipping fleet for their transportation requirements; and

Whereas, the highly-competitive Transpacific containership trade offers some of the lowest deep-water ocean freight rate in the world, especially Westbound from the United States West Coast to Asia, while the rates from the U.S. Mainland to Guam are some of the highest. With more that two dozen regularly scheduled lines, there has long been excess capacity available Westbound in the Transpacific container trade to promptly carry all of Guam and Hawaii's cargo requirements at internationally competitive rates; and

Whereas, while there are over 5,000 bulk carriers in the world fleet, there are none in the domestic United States fleet available to carry Alaskan coal to the United States West Coast, Hawaii, and Guam, which impedes the utilization of a potential domestic fuel source; and

Whereas, while there are over 6,000 tankers in the world fleet averaging 16 years of age, there are only 89 in the domestic United States fleet averaging over 30 years. The United States International Trade Commission reports that domestic tanker freight rates are double world rates; and

Whereas, in the trade between Guam and the mainland, over 96 percent of all liner and neo-bulk cargoes are carried by self-propelled oceangoing ships of over 1,000 gross registered tons, and all interstate petroleum cargoes in the Guam trade are carried by deep-draft tanker ships; and

Whereas, an important driver of the high costs of living and doing business in Guam is the artificial domestic shortage of deep-draft oceangoing ships and the higher cost of domestic shipping imposed by maritime cabotage laws; and

Whereas, such costs and non-availability of deep-draft oceangoing ships impose a significant and unfair burden on the residents of Guam, Alaska, Hawaii, and Puerto Rico; and

Whereas, the offshore jurisdictions suffer a far greater negative impact from the restrictions of the maritime cabotage laws of the United States than do the contiguous states; and

Whereas, an exemption from the cabotage laws allowing foreign ships to participate in the non-contiguous trades would foster competition in ocean shipping services, provide substantial economic benefits to the offshore jurisdictions, increase consumer welfare, and make the offshore economies more globally competitive; and

Whereas, the President and Congress have already recognized the unique aspects of the other offshore American jurisdictions when they exempted American Samoa, the Commonwealth of the Northern Mariana Islands and the U.S. Virgin Islands from the applicability of the maritime cabotage laws; now, therefore, be it

Resolved, That the Twenty-Fourth Guam Legislature respectfully requests the Congress of the United States to pass legislation granting an exemption from the maritime cabotage laws of the United States to benefit Guam, Hawaii, Alaska, and Puerto Rico, to allow:

(1) Foreign flag vessels to engage in the interstate sector only of the noncontiguous

trades under the supervision of the United States Customs service, and, in Guam, in coordination with the Guam Customs and Quarantine Agency; and

(2) Foreign built United States flag vessels to freely engage in the *inter*state and *intra*state sectors of the non-contiguous trades under a coastwise (non-contiguous) endorsement; and be it further

Resolved, That the Twenty-Fourth Guam Legislature respectfully requests the President of the United States and his Administration to support the Congressional request in this Resolution; and be it further

Resolved, That Guam's Congressional Delegate request Congress to exempt Guam, Hawaii, Alaska, and Puerto Rico from maritime cabotage; and be it further

Resolved, That the Speaker certify to, and the Legislative Secretary attests, the adoption hereof and that copies of the same be thereafter transmitted to the President of the United States; to the President of the United States Senate; to the Speaker of the United States House of Representatives; to the Secretary of the United States Department of Transportation; to the Guam Congressional Delegate; and to the Honorable Carl T.C. Gutierrez, *Maga'lahen Guahan*.

Duly and regularly adopted on the 29th day of July, 1998.

POM–546. A resolution adopted by the House of the Legislature of the Commonwealth of the Northern Mariana Islands; to the Committee on Energy and Natural Resources.

HOUSE RESOLUTION NO. 11–87

Whereas, 48 USCS, Section 1694(a) establishes a federal District Court for the Northern Mariana Islands; and

Whereas, 48 USCS, Section 1694(b) directs that the President of the United States with the advice and consent of the United States Senate shall appoint a Judge for the District Court of the Mariana Islands; and

Whereas, the term of office for the Judge appointed to the District Court of the Northern Mariana Islands is ten years; and

Whereas, it is a tradition and practice of the United States that an appointee to a District Court in a state normally comes from that state; and

Whereas, judges who serve in the Northern Mariana Islands need to be familiar with the unique cultures, customs and traditions of the people of the Northern Mariana Islands; now, therefore be it

Resolved, by the House of Representatives, Eleventh Northern Mariana Commonwealth Legislature, That the House calls upon the Governor of the Commonwealth of the Northern Mariana Islands, and the Washington Representative to petition the President and the U.S. Senate so that all future candidates for appointment to the District Court for the Northern Mariana Islands should be nominated from among the qualified people of the Northern Mariana Islands who are familiar with the unique languages, cultures, customs and traditions of the people of the Northern Mariana Islands; and be it further

Resolved, That the Speaker of the House shall certify and the House Clerk shall attest to the adoption of this resolution and thereafter transmit copies to the President of the United States, the President of the U.S. Senate, the Governor of the Northern Mariana Islands, and to the Washington Representative of the Northern Mariana Islands.

Adopted by the House of Representatives on August 26, 1998.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment:

H.R. 3069. A bill to extend the Advisory Council on California Indian Policy to allow the Advisory Council to advise Congress on the implementation of the proposals and recommendations of the Advisory Council (Rept. No. 105–342).

By Mr. SPECTER, from the Committee on Veterans' Affairs, with an amendment in the nature of a substitute:

S. 1385. A bill to amend title 38, United States Code, to expand the list of diseases presumed to be service connected with respect to radiation-exposed veterans (Rept. No. 105–343).

By Mr. SPECTER, from the Committee on Veterans' Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 1822. A bill to amend title 38, United States Code, to authorize provision of care to veterans treated with nasopharyngeal radium irradiation (Rept. No. 105–344).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WARNER:

S. 2506. A bill to establish a National Commission on Terrorism; to the Committee on the Judiciary.

By Mr. MCCAIN (for himself, Mr. THURMOND, Mr. BURNS, and Mrs. HUTCHISON):

S. 2507. A bill to stimulate increased domestic cruise ship opportunities for the American cruising public by temporarily reducing barriers for entry into the domestic cruise ship trade; to the Committee on Commerce, Science, and Transportation.

By Mr. COCHRAN:

S. 2508. A bill to amend title XVIII of the Social Security Act to impose conditions on the implementation of the interim payment system for home health services furnished by home health agencies under the medicare program and to modify the standards for calculating the per beneficiary payment limits under such payment system, and for other purposes; to the Committee on Finance.

By Mr. WYDEN:

S. 2509. A bill to provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. STEVENS (for himself, Mr. BYRD, Mr. ABRAHAM, Mr. ALLARD, Mr. BENNETT, Mr. BINGAMAN, Mr. BREAUX, Mr. BUMPERS, Mr. BURNS, Mr. CHAFEE, Mr. CLELAND, Mr. COATS, Mr. COCHRAN, Ms. COLLINS, Mr. CONRAD, Mr. COVERDELL, Mr. CRAIG, Mr. D'AMATO, Mr. DODD, Mr. DOMENICI, Mr. DURBIN, Mr. ENZI, Mr. FAIRCLOTH, Mr. FORD, Mr. FRIST, Mr. GORTON, Mr. GRAMM, Mr. GRAMS, Mr. GRASSLEY, Mr. GREGG, Mr. HAGEL, Mr. HATCH, Mr. HELMS, Mr. HUTCHINSON, Mrs. HUTCHISON, Mr. INHOFE, Mr. KEMPTHORNE, Mr. KERRY, Mr. LAUTENBERG, Mr. LOTT, Mr. LUGAR, Mr. MCCONNELL, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NICKLES, Mr. REED, Mr. REID, Mr. ROBERTS, Mr. SANTORUM, Mr. SESSIONS, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. SMITH of Oregon, Ms. SNOWE, Mr. THOMAS, Mr. THOMPSON, Mr. THURMOND, Mr. TORRICELLI, and Mr. WARNER):

S. 2510. A bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Library of Congress; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. LUGAR (for himself and Mr. HARKIN) (by request):

S. 2511. A bill to authorize the Secretary of Agriculture to pay employees of the Food Safety and Inspection Service working in establishments subject to the Federal Meat Inspection Act and the Poultry Products Inspection Act for overtime and holiday work performed by the employees; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. FRIST (for himself, Mr. JEFFORDS, Mr. LOTT, Ms. MIKULSKI, Mr. COATS, Mrs. MURRAY, Mr. MCCONNELL, Mr. HARKIN, Ms. COLLINS, Mr. GREGG, and Mr. BINGAMAN):

S. Con. Res. 119. A concurrent resolution recognizing the 50th anniversary of the American Red Cross Blood Services; to the Committee on the Judiciary.

By Mr. SARBANES (for himself, Ms. MIKULSKI, Mr. ROBB, and Mr. WARNER):

S. Con. Res. 120. A concurrent resolution to redesignate the United States Capitol Police headquarters building located at 119 D Street, Northeast, Washington, D.C., as the "Eney, Chestnut, Gibson Memorial Building"; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WARNER:

S. 2506. A bill to establish a National Commission on Terrorism; to the Committee on the Judiciary.

NATIONAL COMMISSION ON TERRORISM LEGISLATION

Mr. WARNER. Mr. President, terrorism, both domestic and international, will regrettably, continue to be a threat to United States citizens and, indeed, to humanity into the millennium. It is the weapon of choice for those nations, entities, and individuals bent on pursuing myriad aims through the cowardly, cold-blooded sacrifice of innocents.

In his remarks to the opening session of the United Nations General Assembly yesterday, President Clinton focused on the reality of terrorism in the world community. "This is a threat," he said, "to all humankind." At the end of this statement, I include excerpts of the President's speech.

Terrorism is one of the principal threats to global economic and political stability and will continue to be for the foreseeable future. As such, U.S. foreign and economic policies designed to foster peace and prosperity through stability will be weakened.

U.S. policies, citizens and interests continue to be prime targets for international terrorism. The April 1998 Department of State report, "Patterns of

Global Terrorism,'' noted that approximately 33% of all terrorist incidents worldwide were committed against U.S. citizens or property. These attacks were by and large perpetrated outside of the continental United States.

The Congress will soon be considering appropriations to increase the physical security to United States missions abroad. Of the 260 diplomatic posts overseas, only 40 are determined to be safe against terrorist attack.

While it is clear that the safety and stability of the world community continue to be threatened, terrorist activity and the perpetrators of that activity require leaders to reexamine our understanding of terrorism and develop policy to continue to combat the threat.

The motivation to commit acts of terrorism are no longer viewed as those with simply political ends. No longer are these senseless acts of death and destruction purely the domain of those with a political agenda. Increasingly, terrorists are motivated by religious goals, by the pursuit of financial profit, by long-standing racial, ethnic or tribal divisions and animosities, or by a mix of all of the above.

The age of information technology and proliferation of weapons of mass destruction threaten to increase the potential arsenal for terror. In testimony before the Armed Services Committee, witnesses have explained, as you can well imagine, the possible devastation which could be inflicted through skilled use of modern technologies. What have been violent attacks with rudimentary car bombs, may very well soon be attacks of apocalyptic proportions.

A few days ago, Representative FRANK WOLF, an outstanding Member of the House from just across the Potomac and able member of the Commonwealth's delegation, presented to me this legislation to address the challenges of the terrorism threat. His bill has been accepted by the House of Representatives and will be a conference item by the Appropriations Committee. I present this legislation to my colleagues in the Senate for consideration and deliberation.

The legislation assembles 15 distinguished experts in the field of terrorism, including three Congressmen and three Senators. Their goal will be to review and assess United States policies on terrorism, from basic understanding to appropriate response, and recommend changes as warranted. This initiative is not intended as an attack on existing policy, but a means to enhance our understanding of one of the principal threats to stability in the millennium and focus every available resource to eliminate the threat.

I urge my colleagues to review this important legislation.

Mr. President, I ask unanimous consent that excerpts from President Clinton's address to the United Nations be printed in the RECORD.

There being no objection, the excerpts where ordered to be printed in the RECORD, as follows:

REMARKS BY THE PRESIDENT TO THE OPENING SESSION OF THE 53RD UNITED NATIONS GENERAL ASSEMBLY

The President. * * * We still are bedeviled by ethnic, racial, religious and tribal hatreds; by the spread of weapons of mass destruction; by the almost frantic effort of too many states to acquire such weapons; and, despite all efforts to contain it, terrorism is not fading away with the end of the 20th century. It is a continuing defiance of Article 3 of the Universal Declaration of Human Rights, which says, ''Everyone has the right to life, liberty and security of person.''

* * * * *

Obviously this is a matter of profound concern to us. In the last 15 years our citizens have been targeted over and over again—in Beirut, over Lockerbie, in Saudi Arabia, at home in Oklahoma City by one of our own citizens, and even here in New York in one of our most public buildings, and most recently on August 7th in Nairobi and Dar es Salaam, where Americans who devoted their lives to building bridges between nations, people very much like all of you, died in a campaign of hatred against the United States.

* * * * *

If terrorism is at the top of the American agenda—and should be at the top of the world's agenda—what, then are the concrete steps we can take together to protect our common destiny. What are our common obligations? At least, I believe they are these: to give terrorists no support, no sanctuary, no financial assistance; to bring pressure on states that do; to act together to step up extradition and prosecution; to sign the Global Anti-Terror Conventions; to strengthen the Biological Weapons and Chemical Convention; to enforce the Chemical Weapons Convention; to promote stronger domestic laws and control the manufacture and export of explosives; to raise international standards for airport security, to combat the conditions that spread violence and despair.

* * * * *

By Mr. MCCAIN (for himself, Mr. THURMOND, Mr. BURNS, and Mrs. HUTCHISON):

S. 2507. A bill to stimulate increased domestic cruise ship opportunities for the American cruising public by temporarily reducing barriers for entry into the domestic cruise ship trade; to the Committee on Commerce, Science, and Transportation.

THE UNITED STATES CRUISE SHIP TOURISM ACT OF 1998

• Mr. MCCAIN. Mr. President, today I, with Senators THURMOND, BURNS, and HUTCHISON, introduce the United States Cruise Ship Tourism Act of 1998. The purpose of this bill is to stimulate increased domestic cruise vessel opportunities for the American cruising public by temporarily reducing barriers for entry into the domestic cruise ship trade.

The oceangoing cruise ship industry offers the American cruising public with a multitude of itineraries in international trade. However, due to barriers to entry such as the Passenger Vessel Services Act, large cruise ship domestic trade options are limited to one oceangoing cruise ship in Hawaii. Also, the U.S. port calls of these international itineraries are heavily concentrated in Florida and Alaska due to the proximity of these states to neighboring countries. This means that America's cruising public is denied the opportunity to cruise to many attractive U.S. port destinations, and those ports are denied the economic benefits of those visits, due to these domestic cruise ship trade barriers to entry.

Three separate bills addressing the domestic cruise ship trade have been referred to the Commerce Committee this Congress: S. 668, S. 803, and S. 2290. Each of these bills takes a different approach to removing barriers and stimulating growth in this area. Senator HUTCHISON, the Chairman of the Subcommittee on Surface Transportation and Merchant Marine, held a hearing last year on this subject. I would prefer we take the approach proposed in S. 803, of which I am a cosponsor, but I understand that bill does not address the concerns of some other members. We have been working with representatives of all industries concerned with this legislation for several months in an attempt to reach a consensus on this issue.

While a consensus has not yet been achieved, I believe it is time to take another step forward in the legislative process. My bill would allow the Secretary of Transportation to waive certain current coastwise trade restrictions on a limited basis to stimulate the domestic cruise ship trade. I expect some of my colleagues on the on the Commerce Committee may want to make additional changes to this bill in Committee. I look forward to working these issues out with them in the next week so that we may report this bill to the Senate later this month.

I believe it is important for this Congress to take action on this issue this year. We should maximize the economic growth potential of the domestic cruise ship trade and the cruising opportunities for America's public.•

By Mr. WYDEN:

S. 2509. A bill to provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, and for other purposes; to the Committee on Energy and Natural Resources.

LITTLE SANDY WATERSHED PROTECTION

• Mr. WYDEN. Mr. President, I am today, along with Congressman BLUMENAUER in the U.S. House, introducing legislation to make sure that in the next century the children of Portland can go to their kitchen faucet and take a glass of drinking water that is as safe and pure as any that the pioneers found when they got here.

Why protect the Little Sandy? The answer is as clear as the water in that stream. Essentially, what we are proposing is to finish the job begun two years ago with passage of the Oregon Resources and Conservation Act of

1996, which brought statutory protection to the Bull Run Watershed.

Portland's city fathers acted in 1890 to protect Bull Run, and it is fitting that we continue that effort today. More than one-third of the Little Sandy watershed has already been logged; clearly, this drainage has already been pushed, and pushed hard, in terms of past timber harvest.

The protection our bill would offer will not only affect clean drinking water, but salmon recovery as well. I am hopeful that this legislation will become an important part of our region's approach to restoring steelhead habitat.

Finally, I want to commend the leadership of Mayor Vera Katz, Commissioner Erik Sten, and former Commissioner Mike Lindberg, whose vision for Portland's future laid the foundation for the introduction of this bill.

I first introduced legislation to protect the Little Sandy when I was in the House. In passing the Oregon Resource Conservation Act of 1996, I made a compromise with Senator Hatfield in which we would designate the Bull Run Watershed Management Unit as a protected area that is off limits to commercial timber harvest, and designate the Little Sandy as a study area. I am now asking the Congress to approve the addition of the Little Sandy study area to the Bull Run Management Unit, and to be subject to the management prescriptions which were established under the ORCA governing the Bull Run.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2509

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

SECTION 1. INCLUSION OF ADDITIONAL PORTION OF THE LITTLE SANDY RIVER WATERSHED IN THE BULL RUN WATERSHED MANAGEMENT UNIT, OREGON.

(a) IN GENERAL.—Public law 95–200 (16 U.S.C. 482b note) is amended by striking section 1 and inserting the following:

"SECTION 1. ESTABLISHMENT OF SPECIAL RESOURCES MANAGEMENT UNIT; DEFINITION OF SECRETARY.

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—There is established, subject to valid existing rights, a special resources management unit in the State of Oregon comprising approximately 98,272 acres, as depicted on a map dated September, 1998, and entitled 'Bull Run Watershed Management Unit'.

''(2) MAP.—The map described in paragraph (1) shall be on file and available for public inspection in the offices of the Regional Forester-Pacific Northwest Region, Forest Service, Department of Agriculture, and in the offices of the State Director, Bureau of Land Management, Department of the Interior.

''(3) BOUNDARY ADJUSTMENTS.—Minor adjustments in the boundaries of the unit may be made from time to time by the Secretary after consultation with the city and appropriate public notice and hearings.

''(b) DEFINITION OF SECRETARY.—In this Act, the term 'Secretary' means—

''(1) with respect to land administered by the Secretary of Agriculture, the Secretary of Agriculture; and

''(2) with respect to land administered by the Secretary of the Interior, the Secretary of the Interior.''.

(b) CONFORMING AND TECHNICAL AMENDMENTS.—

(1) SECRETARY.—Public Law 95–200 (16 U.S.C. 482b note) is amended by striking ''Secretary of Agriculture'' each place it appears (except subsection (b) of section 1, as added by subsection (a), and except in the amendments made by paragraph (2)) and inserting ''Secretary''.

(A) IN GENERAL.—Section 2(a) of Public Law 95–200 (16 U.S.C. 482b note) is amended by striking ''applicable to National Forest System lands'' and inserting ''applicable to National Forest System land (in the case of land administered by the Secretary of Agriculture) or applicable to land under the administrative jurisdiction of the Bureau of Land Management (in the case of land administered by the Secretary of the Interior)''.

(B) MANAGEMENT PLANS.—The first sentence of section 2(c) of Public Law 95–200 (16 U.S.C. 482b note) is amended—

(i) by striking ''subsection (a) or (b)'' and inserting ''subsections (a) and (b)''; and

(ii) by striking '', through the maintenance'' and inserting ''(in the case of land administered by the Secretary of Agriculture) or section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712) (in the case of land administered by the Secretary of the Interior), through the maintenance.''.

SEC. 2. MANAGEMENT.

(a) TIMBER HARVESTING RESTRICTIONS.—Section 2(b) of Public Law 95–200 (16 U.S.C. 482b note) is amended by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall prohibit the cutting of trees on Federal land in the entire unit, as designated in section 1 and depicted on the map referred to in that section.''.

(b) REPEAL OF MANAGEMENT EXCEPTION.—The Oregon Resource Conservation Act of 1996 (division B of Public Law 104–208) is amended by striking section 606 (110 Stat. 3009–543).

(c) REPEAL OF DUPLICATIVE ENACTMENT.—Section 1026 of division I of the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333, 110 Stat. 4228) and the amendments made by that section are repealed.

(d) WATER RIGHTS.—Nothing in this section strengthens, diminishes, or has any other effect on water rights held by any person or entity.

SEC. 3. LAND EXCHANGE.

(a) LAND EXCHANGE.—Upon application by the city of Portland, Oregon (referred to in this section as the ''city''), the Secretary of Agriculture shall enter into negotiations with the city for the transfer of National Forest System land underlying the city's Bull Run water supply facilities to the city in exchange for city-owned land lying within the boundaries of any unit of the National Forest System in Oregon or Washington.

(b) TIME FOR EXCHANGE.—Subject to subsection (c), the Secretary shall expedite the negotiations, if the city applies for a land exchange under subsection (a), and shall complete such a land exchange not later than September 30, 2001.

(c) APPLICABILITY OF OTHER LAWS.—Except as provided in subsection (d), any land exchange under this section shall be carried out in accordance with section 206 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716) and other applicable law.

(d) EXCEPTION TO SINGLE STATE LIMITATION ON EXCHANGE.—The requirement that Federal and non-Federal parcels of land exchanged for each other must be located within the same State, as specified in the Act entitled ''An Act to Consolidate National Forest Lands'', approved March 20, 1922 (16 U.S.C. 485), and the first sentence of section 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)), shall not apply to the land exchange authorized by this section.●

By Mr. LUGAR (for himself and Mr. HARKIN) (by request):

S. 2511. A bill to authorize the Secretary of Agriculture to pay employees of the Food Safety and Inspection Service working in establishments subject to the Federal Meat Inspection Act and the Poultry Products Inspection Act for overtime and holiday work performed by the employees; to the Committee on Agriculture, Nutrition, and Forestry.

FEDERAL MEAT AND POULTRY EMPLOYEES PAY ACT OF 1998

● Mr. LUGAR. Mr. President, today I introduce legislation, by request, to modify the overtime pay for meat inspectors who are veterinarians. Senator HARKIN, the ranking minority member of the Senate Agriculture Committee, has joined as a cosponsor.

This legislation was transmitted to Congress by the U.S. Department of Agriculture earlier this year. As drafted, the bill would provide the Secretary of Agriculture with the authority to pay Food Safety and Inspection Service employees, working in plants subject to federal meat or poultry inspection, for overtime and holiday work at rates determined by the Secretary.

Due to an anomaly in current law, meat inspectors who are veterinarians receive lower pay for overtime hours than they receive for regular hours. These veterinarians are seeking true overtime pay of 1½ times their hourly rate without a cap on the rate.

While the Federal Meat Inspection Act allows the U.S. Department of Agriculture (USDA) to provide overtime pay at rates determined by USDA, the Poultry Products Inspection Act does not provide this authority. The legislation introduced today would allow USDA to pay overtime for veterinarians at rates determined by USDA. Clearly an inequity exists for veterinarians who work overtime.

I am pleased to introduce this legislation at the request of the U.S. Department of Agriculture. I look forward to hearing the views of my colleagues about this legislation and will seek opportunities to move this bill through the legislative process.

Mr. President, I ask unanimous consent to include in the RECORD a copy of the transmittal letter from the Secretary of Agriculture.

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

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, March 23, 1998.

Hon. ALBERT GORE, Jr.,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: This letter transmits, for the consideration of the Congress, a draft bill ''To provide the Secretary of Agriculture with the authority to pay employees of the Food Safety and Inspection Service (FSIS) working in establishments subject to the Federal Meat Inspection Act and the Poultry Products Inspection Act for overtime and holiday work performed by such employees at rates the Secretary deems appropriate'' that the Department of Agriculture (USDA) recommends be enacted.

The proposed legislation would provide the Secretary of Agriculture with the discretion to pay employees of FSIS, working in establishments subject to the Federal Meat Inspection Act (FMIA) and the Poultry Products Inspection Act (PPIA), for overtime and holiday work at rates determined by the Secretary.

Under current authorities, the Secretary is authorized to pay employees performing inspection under the FMIA for overtime work at rates the Secretary determines. However, no similar authority exists for employees performing inspection under the PPIA. Further, because current law caps overtime rates for Federal veterinarians working in poultry establishments, those at the higher steps of the Federal pay scale receive an hourly overtime rate less than their hourly rate of basic pay.

The draft bill will eliminate the potential inequity between FSIS veterinarians providing inspection services under the FMIA and the PPIA and will provide the Secretary with the authority to compensate appropriately FSIS veterinarians performing inspections in meat and poultry establishments.

Enactment of the legislation would cost FSIS approximately $300,000 per year to cover situations when the veterinarian is on overtime but the establishment is not. The Department believes that it will be able to absorb these additional costs within current budgetary levels. When an establishment is in an overtime status, it must reimburse USDA for the overtime at rates determined by the Secretary.

Enactment of this proposed legislation would have no significant effect on the quality of the human environment.

The Office of Management and Budget advises that there is no objection to the presentation to Congress of this proposed legislation from the standpoint of the Administration's program.

A similar letter is being sent to the Speaker of the House.

Sincerely,

DAN GLICKMAN, *Secretary.*●

By Mr. COCHRAN:

S. 2508. A bill to amend title XVIII of the Social Security Act to impose conditions on the implementation of the interim payment system for home health services furnished by home health agencies under the Medicare Program and to modify the standards for calculating the per beneficiary payment limits under such payment system, and for other purposes; to the Committee on Finance.

HOMEBOUND ELDERLY RELIEF OPPORTUNITY ACT OF 1998

Mr. COCHRAN. Mr. President, today I am introducing the ''Homebound Elderly Relief Opportunity Act of 1998'' (HERO). This measure addresses a very serious concern: the future of home care within the Medicare system.

For Mississippians, home health has had a two-fold benefit: Home care serves to reduce costly hospitalization stays while enhancing the patient's quality of life through continued stay in the familiar home setting.

Additionally, in a rural state like Mississippi, home health has enabled health care to be delivered to the immobile and elderly who are often miles and hours from the nearest hospital or clinic.

Despite these obvious benefits, home health is very expensive, however. With Medicare and government expenditures, it is not always a question of ''What we should afford?'' but ''What we can afford?''

Congress answered these questions with the Balanced Budget Act of 1997, which has brought fiscal responsibility back to government. BBA 97 dealt with among other issues, Medicare, and in turn home health, probably the fastest growing expenditure within the program. The work of Senator ROTH and the Finance Committee has helped insure some stability in home health expenditures, so that a good thing does not quickly become a bad thing and bankrupt the trust fund. However, instead of saving this vital Medicare benefit, HCFA's application of the Balanced Budget Act to home health—through the use of the Interim Payment System—has threatened its very existence. In so doing, HCFA has ignored both equity and the elderly, particularly in rural America.

The Senate has not completely ignored the home health crisis: Sixty-eight of my colleagues have made statements which appear with their photographs on a recent industry poster proclaiming the ills of HCFA's interim payment system and its threat to the continuation of home health services.

Five of my colleagues—Senators GRASSLEY and BREAUX; Senator BOND; Senator COLLINS; and Senator KENNEDY have each introduced bills to adjust or eliminate IPS. Senator BOND has been the Senate champion of saving home health. His Senate Bill 2354, of which I am cosponsor, provides a direct, honest response to the HCFA-created nightmare. His bill would impose a moratorium on IPS from fiscal year 1998 forward until HCFA develops the prospective payment system, the only sure way to solve the home health expenditure issue in a fair manner. However, the Moratorium Bill's cost has been scored by CBO to be in the many many billions. While we must save home health, we cannot do so in a way that jeopardizes all of Medicare. We must find a compromise. That is the purpose of introducing HERO today.

The HERO Bill is an effort to correct the essential problems with the interim payment system and to create a better bridge to the prospective payment system which we all hope will be developed and implemented soon. I believe it provides the best opportunity for success with respect to Government spending, Medicare reimbursement, and protecting beneficiaries.

It establishes budget limits for Medicare home health expenditures for 1999–2002 with the same savings levels currently projected by the Congressional Budget Office under the Balanced Budget Act of 1997 provisions. If expenditure estimates exceed the budget limits, payments to providers will be limited to regional levels on an equitable basis. Finally, it insures access to home care for all qualified Medicare beneficiaries.

Overall, this bill provides one last opportunity in this session for all home health beneficiaries to receive the Medicare benefit to which they are entitled and for the providers of those services to be fairly reimbursed. It corrects the essential flaw in the original payment reform which rewarded the inefficient and punished the efficient providers and failed to account for the variation in the types of patients served by home health agencies. However, this bill operates with budgetary and operational safeguards to insure that the home health benefit stays on its steady course.

Mr. President, Congress must reform IPS immediately before even more reputable home health agencies are forced out of business and more seniors are forced to go without care or leave their homes for more expensive hospital or nursing home care. I urge Senators to support this bill.

ADDITIONAL COSPONSORS

S. 38

At the request of Mr. FEINGOLD, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 38, a bill to reduce the number of executive branch political appointees.

S. 1081

At the request of Mr. LEAHY, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1081, a bill to enhance the rights and protections for victims of crime.

S. 1147

At the request of Mr. WELLSTONE, the names of the Senator from Georgia (Mr. CLELAND) and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 1147, a bill to amend the Public Health Service Act, Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to provide for nondiscriminatory coverage for substance abuse treatment services under private group and individual health coverage.

S. 1301

At the request of Mr. GRAMS, his name was added as a cosponsor of S. 1301, a bill to amend title 11, United States Code, to provide for consumer bankruptcy protection, and for other purposes.

S. 2125

At the request of Mr. D'AMATO, the names of the Senator from Illinois (Ms. MOSELEY-BRAUN) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 2125, a bill to amend the Internal Revenue Code of 1986 to provide for the tax treatment of section 42 housing cooperatives and the shareholders of such cooperatives, and for other purposes.

S. 2162

At the request of Mr. MACK, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2162, a bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of printed wiring board and printed wiring assembly equipment.

S. 2217

At the request of Mr. FRIST, the names of the Senator from Tennessee (Mr. THOMPSON) and the Senator from Hawaii (Mr. AKAKA) were added as cosponsors of S. 2217, a bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes.

S. 2263

At the request of Mr. GORTON, the name of the Senator from Texas (Mr. GRAMM) was added as a cosponsor of S. 2263, a bill to amend the Public Health Service Act to provide for the expansion, intensification, and coordination of the activities of the National Institutes of Health with respect to research on autism.

S. 2281

At the request of Mr. DEWINE, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 2281, a bill to amend the Tariff Act of 1930 to eliminate disincentives to fair trade conditions.

S. 2296

At the request of Mr. MACK, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 2296, a bill to amend the Internal Revenue Code of 1986 to repeal the limitation on the amount of receipts attributable to military property which may be treated as exempt foreign trade income.

S. 2318

At the request of Mr. CAMPBELL, the name of the Senator from Florida (Mr. MACK) was added as a cosponsor of S. 2318, a bill to amend the Internal Revenue Code of 1986 to phase out the estate and gift taxes over a 10-year period.

S. 2364

At the request of Mr. CHAFEE, the names of the Senator from Alaska (Mr. STEVENS), the Senator from Nebraska (Mr. KERREY), and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 2364, a bill to reauthorize and make reforms to programs authorized by the Public Works and Economic Development Act of 1965.

S. 2418

At the request of Mr. JEFFORDS, the names of the Senator from Minnesota (Mr. WELLSTONE), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Nebraska (Mr. KERREY) were added as cosponsors of S. 2418, a bill to establish rural opportunity communities, and for other purposes.

S. 2432

At the request of Mr. JEFFORDS, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 2432, a bill to support programs of grants to States to address the assistive technology needs of individuals with disabilities, and for other purposes.

SENATE JOINT RESOLUTION 55

At the request of Mr. ROTH, the name of the Senator from New York (Mr. D'AMATO) was added as a cosponsor of Senate Joint Resolution 55, a joint resolution requesting the President to advance the late Rear Admiral Husband E. Kimmel on the retired list of the Navy to the highest grade held as Commander in Chief, United States Fleet, during World War II, and to advance the late Major General Walter C. Short on the retired list of the Army to the highest grade held as Commanding General, Hawaiian Department, during World War II, as was done under the Officer Personnel Act of 1947 for all other senior officers who served inpositions of command during World War II, and for other purposes.

SENATE CONCURRENT RESOLUTION 108

At the request of Mr. DORGAN, the names of the Senator from New York (Mr. D'AMATO) and the Senator from Maine (Ms. COLLINS) were added as cosponsors of Senate Concurrent Resolution 108, a concurrent resolution recognizing the 50th anniversary of the National Heart, Lung, and Blood Institute, and for other purposes.

SENATE RESOLUTION 259

At the request of Mr. FRIST, his name was added as a cosponsor of Senate Resolution 259, a resolution designating the week beginning September 20, 1998, as "National Historically Black Colleges and Universities Week," and for other purposes.

SENATE CONCURRENT RESOLUTION 119—RECOGNIZING THE 50TH ANNIVERSARY OF THE AMERICAN RED CROSS BLOOD SERVICES

Mr. FRIST (for himself, Mr. JEFFORDS, Mr. LOTT, Ms. MIKULSKI, Mr. COATS, Mrs. MURRAY, Mr. MCCONNELL, Mr. HARKIN, Ms. COLLINS, Mr. GREGG, and Mr. BINGAMAN) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 119

Whereas the American Red Cross is a nonprofit humanitarian organization of 32,000 paid staff, 1,300,000 volunteers, and 4,300,000 blood donors which considers its role in the provision of blood services to be a public trust;

Whereas the American Red Cross Blood Services began by collecting and distributing blood to help save the lives of soldiers on the battlefields of World War II, and has evolved to become a leader in the healthcare industry;

Whereas following World War II the American Red Cross created the first national civilian blood program, opening its first blood center in 1948;

Whereas through the generosity of over 4,300,000 voluntary blood donors the American Red Cross is able to provide half the Nation's blood supply, and every day, in communities throughout this country, many thousands of people receive lifesaving blood in the 3,000 hospitals served by the 38 American Red Cross Blood Regions;

Whereas in May 1991, the American Red Cross announced its ambitious "Transformation" program, a 7-year, $287,000,000 comprehensive modernization of every aspect of the American Red Cross Blood Services blood collection, testing, processing, and distribution systems;

Whereas one of the most massive undertakings of Transformation was the Manufacturing and Computer Standardization (MACS) initiative which integrated 28 different computer systems into a single, national system linking American Red Cross Blood Regions nationwide to the world's largest blood information database for transfusion medicine research, and standardized manufacturing processes;

Whereas under Transformation the more than 50 individual, nonstandardized laboratories operated by local American Red Cross Blood Regions were replaced by 8 state-of-the-art National Testing Laboratories, which effectively implement the latest medical technology to perform the testing of approximately 6,000,000 units of blood annually, serving both American Red Cross blood centers and several non-American Red Cross blood centers as well, and are located in Atlanta, Georgia; Charlotte, North Carolina; Dedham, Massachusetts; Detroit, Michigan; Philadelphia, Pennsylvania; Portland, Oregon; St. Louis, Missouri; and St. Paul, Minnesota;

Whereas the American Red Cross Blood Services has created a Quality Assurance program recognized throughout the world as a leader in assuring quality in the manufacture of blood products;

Whereas the creation of the Charles Drew Biomedical Institute has allowed the American Red Cross to provide training and other educational resources to American Red Cross Blood Services' personnel through "One Touch" which is an interactive, distance learning system that allows instructors to train personnel across the country from the institute's location at American Red Cross Biomedical Headquarters in Rosslyn, Virginia;

Whereas Transformation saw the development of a centrally managed blood inventory system to ensure the consistent availability of blood and blood components in every American Red Cross Blood Services Region throughout the country, and the creation of the new centralized organizational structure within American Red Cross Blood Services;

Whereas the American Red Cross Jerome H. Holland Laboratory in Rockville, Maryland, is the world's premiere blood research facility, consistently contributing to the progress of biomedical science, especially transfusion safety and new blood products, and shares its expertise with a number of countries around the world;

Whereass the American Red Cross manages an almost $30,000,000 investment in research and development, which includes $8,000,000 in Federal research grants, and is committed to working with others in the biotechnology field to ensure that this pioneering research is translated into lifesaving products available for patient use as quickly as possible;

Whereas the American Red Cross is investigating and implementing the newest technologies to ensure blood safety, including Genome Amplification Technology to test for the human immunodeficiency virus (HIV) and for hepatitis C virus (HCV), solvent detergent treated fresh frozen plasma, virus inactivated plasma for transfusion, use of iodine in plasma filtration, and inactivation of viruses in cellular products (such as red blood cells) through a light-activated dye called 491;

Whereas the American Red Cross is in the constant process of modernization and improvement and at the forefront of new product development, and is prepared to enter the 21st century as a cutting-edge organization providing safe, high quality blood and blood products to the hundreds of thousands of patients in need;

Whereas Congress and the American Red Cross join in celebrating the phenomenal success in the reduction of HIV infection through the use of blood and blood products as evidenced by the fact that in 1991 an American's risk of HIV transmission through a blood transfusion was 1 in 220,000 and today the risk is 1 in 676,000, nearly non-existent; and

Whereas Congress and the American Red Cross encourage healthy Americans to donate blood by calling the American Red Cross: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) joins with the American Red Cross in celebration of the 50th anniversary of American Red Cross Blood Services and the impact of their efforts on modern medicine; and

(2) looks forward to the tremendous possibilities and potential for discovery and innovation as the American Red Cross Blood Services enters the next 50 years of providing the Nation with a safe blood supply.

• Mr. FRIST. Mr. President, I rise today to recognize the 50th anniversary of the American Red Cross Blood Services. The Red Cross Blood Services has been saving lives since its inception during World War II. Today, in a rapidly changing health care environment, with ever increasing challenges, the Red Cross continues to serve patients throughout our country.

The Red Cross is America's first nationwide, volunteer blood collection and distribution system. During World War II, the Red Cross saved soldiers' lives by collecting and distributing blood. This led to the first National Civilian Blood Program, with the opening of the first blood center in 1948. Today, the Red Cross serves over 3,000 hospitals nationwide by supplying almost half of the nation's blood for transfusion. This life-giving service is made possible by volunteers who generously donate nearly six million units of blood each year.

In 1991, the Red Cross began a comprehensive technology and systems review, to ensure the organization entered the next century with state-of-the-art programs, systems, and facilities. This program, entitled, ''Transformation,'' is a $287 million modernization of every aspect of blood collection, processing, and distributing. According to Red Cross President Elizabeth Dole, it is the most ambitious project that the Red Cross has ever undertaken. Transformation's goals included the creation of a new centralized management structure, a new information system, and a program of the highest quality. Without objection, I'd like to submit a copy of Mrs. Dole's remarks at the 50th Anniversary Bicentennial Celebration of the Red Cross, which includes comments on Transformation, for the RECORD.

Transformation successfully consolidated 50 individual, non-standardized labs operated by local Blood Regions into eight state-of-the-art National Testing Laboratories that perform 70 million laboratory tests each year. These new labs serve the Red Cross as well as several non-Red Cross blood centers. As part of this Transformation, the American Red Cross has undertaken a Manufacturing and Computer Standardization initiative. This program has integrated 28 different computer systems into one national system, linking Red Cross Blood Regions across the nation to the world's largest information database for transfusion medical research.

In addition, Transformation has led to standardized manufacturing processes throughout the Red Cross system, thereby promoting a consistent standard of high quality blood services. A centrally managed blood inventory system operated by the Red Cross was designed to facilitate consistent availability of blood in every region of the country. Transformation has also created the Quality Assurance Program and a new Charles Drew Biomedical Institute which provides training and other education to personnel, using state of the art technology which does not require staff and volunteers to travel for training. Instructors can now train personnel in a wide range of fields across the country.

Through the American Red Cross Jerome H. Holland Laboratory, a premiere blood research facility, significant progress has been made in improving transfusion safety, and fostering the development of new blood products. Red Cross has shared the knowledge and expertise gained through studies conducted by Holland Laboratory scientists and physicians with the transfusion services of countries throughout the world. The Red Cross translates research into life-saving products for patients because of its tremendous investment in research and development. Let me just note that the risk of becoming infected with HIV through a blood transfusion has been reduced from one in 220,000 in 1991, to one in 676,000 today—a tremendous improvement in the safety of the blood supply.

I congratulate the 32,000 paid staff and 1.3 million volunteers on their first fifty years of providing blood services, and especially want to recognize Mrs. Elizabeth Dole and her tremendous management team for their vision in the implementation of the Transformation program.

In recognition of their accomplishments, I am submitting the following concurrent resolution, with ten of my colleagues, Mr. JEFFORDS, Mr. LOTT, Ms. MIKULSKI, Mr. COATS, Mrs. MURRAY, Mr. MCCONNELL, Mr. HARKIN, Ms. COLLINS, Mr. GREGG, and Mr. BINGAMAN, to commemorate the 50th anniversary of the American Red Cross Blood Services.•

SENATE CONCURRENT RESOLUTION 120—TO REDESIGNATE THE UNITED STATES CAPITOL POLICE HEADQUARTERS AS THE ''ENEY, CHESTNUT, GIBSON MEMORIAL BUILDING''

Mr. SARBANES (for himself, Ms. MIKULSKI, Mr. ROBB, and Mr. WARNER) submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 120

Whereas the United States Capitol Police force has protected the Capitol and upheld the beacon of democracy in America;

Whereas 3 officers of the United States Capitol Police have lost their lives in the line of duty;

Whereas Sgt. Christopher Eney was killed on August 24, 1984, during a training exercise;

Whereas officer Jacob ''J.J.'' Chestnut was killed on July 24, 1998, while guarding his post at the Capitol; and

Whereas Detective John Gibson was killed on July 24, 1998, while protecting the lives of visitors, staff, and the Office of the Majority Whip of the House of Representatives: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the United States Capitol Police headquarters building located at 119 D Street, Northeast, Washington, D.C., shall be known and designated as the ''Eney, Chestnut, Gibson Memorial Building''.

• Mr. SARBANES. Mr. President, today I am submitting a concurrent resolution to redesignate the United States Capitol Police Headquarters as the ''Eney, Chestnut, Gibson Memorial Building'' in honor of the three brave United States Capitol Police Officers who have been killed in the line of duty since the inception of the Capitol Police.

The United States Capitol Police are a very special breed. They have a very special duty and a special trust. They guard our nation's Capitol and keep it safe and secure for the citizens of the world. When Officers Gibson and Chestnut were killed on July 24, 1998, I joined my colleagues on the floor to express my profound shock, and to express my very heartfelt sympathies to their families. I quoted an editorial in Roll Call then and I want to read from it again because I think it sums up the nature of our Capitol Police Force:

Sometimes, given the comparative low level of violence around the Capitol complex and given that Capitol Police Officers are usually seen cheerfully directing traffic or gently herding tourists, it's forgotten that ours—meaning the Capitol Hill Police Force—is a real police force. We who live and work around the Capitol know—but others don't—that our police also fight crime in the neighborhood as well as watch the Capitol. But now all America understands that the Capitol Police do not just stand guard, but

also stand ready to be heroes. That knowledge was derived last week at a heartrending cost.

So Mr. President, the purpose of this concurrent resolution is not just to memorialize these three officers, but to honor in perpetuity the bravery, and acknowledge the sacrifice of the men and women who put their lives on the line daily to protect this symbol of democracy. I urge my colleagues to join me in support of this measure.●

AMENDMENTS SUBMITTED

CONSUMER BANKRUPTCY REFORM ACT OF 1998

REED AMENDMENT NO. 3610

Mr. REED proposed an amendment to amendment No. 3559 proposed by Mr. GRASSLEY to the bill (S. 1301) to amend title 11, United States Code, to provide for consumer bankruptcy protection, and for other purposes; as follows:

On page 5, line 10, insert ''(i)'' after ''(A)''.

On page 5, line 15, strike ''or'' and insert ''and''.

On page 5, between lines 15 and 16, insert the following:

''(ii) when any party in interest moves for dismissal or conversion, whether the party in interest dealt in good faith with the debtor; or''.

CHILD CUSTODY PROTECTION ACT

TORRICELLI AMENDMENT NO. 3611

(Ordered to lie on the table.)

Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill (S. 1645) to amend title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions; as follows:

At the appropriate place, insert the following:

SEC. . PROHIBITED INTERSTATE FIREARMS TRANSFERS.

Section 922(a)(3) of title 18, United States Code, is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) by striking ''or licensed collector to transport'' and inserting the following: ''or licensed collector—

''(A) to transport'';

(e) by striking ''this paragraph'' and inserting ''this subparagraph'';

(4) by adding ''and'' after the semicolon at the end; and

(5) by adding at the end the following:

''(B) to—

''(i) travel across a State line for the purpose of inducing any other person to transfer a firearm in violation of any applicable Federal or State law; and

''(ii) thereby obtain a firearm in violation of any applicable Federal or State law;''.

FEINSTEIN AMENDMENT NO. 3612

(Ordered to lie on the table.)

Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill, S. 1645, supra; as follows:

At the appropriate place insert the following:

''Exceptions: The prohibition of subsection (a) does not apply—

''(A) to any individual who is an adult member of the family of the minor who obtained the abortion, as the term 'adult' is defined for purposes of the State law requiring parental involvement in a minor's abortion decision; or

''(B) if the abortion was necessary to save the life of''.

CENTENNIAL OF FLIGHT COMMEMORATION ACT

HELMS (AND GLENN) AMENDMENT NO. 3613

Mr. GRASSLEY (for Mr. HELMS for himself and Mr. GLENN) proposed an amendment to the bill (S. 1397) to establish a commission to assist in commemoration of the centennial of powered flight and the achievements of the Wright brothers; as follows:

In the Committee Amendment on page 38 strike lines 17 through 19 and insert the following: ''There is authorized to be appropriated to carry out this Act $250,000 for fiscal year 1999, $600,000 for fiscal year 2000, $750,000 for fiscal year 2001, $900,000 for fiscal year 2002, $900,000 for fiscal year 2003, and $600,000 for fiscal year 2004.''

NOTICES OF HEARINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will meet during the session of the Senate on Thursday, September 24, 1998, at 2 p.m. to conduct a hearing on H.R. 1805, the Auburn Indian Restoration Act. The hearing will be held in room 485 of the Russell Senate Office Building.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CRAIG. Mr. President, I would like to announce for the public that S. 2503, a bill to establish a Presidential Commission to determine the validity of certain land claims arising out of the Treaty of Guadalupe-Hidalgo of 1848, has been added to the agenda of the Subcommittee on Forests and Public Land Management field hearing scheduled in Espanola, New Mexico on September 26, 1998.

For further information, please call Mike Menge at (202) 224–6170.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, September 22, 1998, at 10:00 a.m. in open session, to consider the nominations of Richard J. Danzig to be Secretary of the Navy; Bernard D. Rostker to be Under Secretary of the Army; Stephen W. Preston to be General Counsel of the Department of the Navy; Herbert L. Buchanan III to be Assistant Secretary of the Navy for Research, Development and Acquisition; and Jeh C. Johnson to be General Counsel of the Department of the Air Force.

The PRESIDING OFFICER. Without objection it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. HATCH. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, September 22, 1998, at 10:00 am on nominations of Amtrak Reform Board nominees.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. HATCH. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to conduct a hearing on S. 2470, a bill to direct the Secretary of the Interior to make technical corrections to a map relating to the Coastal Barrier Resources System, Tuesday, September 22, 9:00 a.m., Hearing Room (SD–406).

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. HATCH. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a hearing on quality of care in the Department of Veterans Affairs health care system.

The hearing will take place on Tuesday, September 22, 1998, at 10:00 a.m., in room 418 of the Russell Senate Office Building.

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

SUBCOMMITTEE ON ANTITRUST, BUSINESS RIGHTS, AND COMPETITION

Mr. HATCH. Mr. President, I ask unanimous consent that the Subcommittee on Antitrust, Business Rights, and Competition, of the Senate Judiciary Committee, be authorized to meet during the session of the Senate on Tuesday, September 22, 1998, at 1 p.m. to hold a hearing in room 226, Senate Dirksen Office Building, on: ''The BP/Amoco Merger: A Competitive Review.''

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

ADDITIONAL STATEMENTS

POW/MIA RECOGNITION DAY IN WYOMING

● Mr. THOMAS. Mr. President, I rise today with my good friend and colleague, Senator ENZI, to recognize the Proclamation of the Governor of Wyoming declaring September 18 as ''POW/MIA Recognition Day'' in Wyoming.

I have come to this floor several times in my Senate career to extol the

great sacrifices that our fighting men and women have made to protect this country and the ideals of freedom and democracy that we hold so dear. We owe these men and women a huge debt of gratitude. And I believe, Mr. President, that debt continues until we have brought home, or accounted for, all our missing service men.

Mr. President, I ask that the text of the proclamation be printed in the RECORD.

The proclamation follows.

GOVERNOR'S PROCLAMATION

Two thousand eighty-six Americans are still missing and unaccounted for from the Vietnam War, including 6 from the State of Wyoming, and their families, friends, and fellow veterans still endure uncertainty concerning their fate.

United States Government intelligence and other evidence confirm that Vietnam could unilaterally account for hundred of missing Americans, including many of the 446 still missing in Laos and the 75 still unaccounted for in Cambodia, by locating and returning identifiable remains and providing archival records to answer other discrepancies.

The President has normalized relations with Vietnam, believing such action would generate increased unilateral account for Americans still missing from the Vietnam War, and such increased results have not yet been provided by the Government of Vietnam.

Now, therefore, be it resolved that the State of Wyoming calls on the President to reinvigorate United States efforts to press Vietnam for unilateral actions to locate and return to our nation remains that would account for hundreds of America's POW/MIA's and records to help obtain answers on many more.

For these significant reasons, I, Jim Geringer, Governor of the State of Wyoming, do hereby proclaim September 18th, 1998, to be ''POW/MIA RECOGNITION DAY'' in Wyoming, and encourage all citizens to observe this day with appropriate ceremonies.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of Wyoming to be affixed this 29th day of July, 1998.

JIM GERINGER,
Governor.

Mr ENZI. Mr. President, I rise today to recognize the action of my State's Governor in proclaiming September 18, 1998, as Wyoming's POW/MIA Recognition Day. Over 2,000 Americans are still missing in Vietnam, Cambodia, and Laos, and over 8,000 on the Korean peninsula. Those heart rending facts make this a most fitting gesture indeed. These men gave everything they had to give in causes whose worthiness can be empirically verified: By comparing the prosperity of South Korea with the evil devastation to its North; By comparing the poverty and tyranny of Vietnam, Laos, and Cambodia with what might have been as evidenced in Thailand, Malaysia, and Singapore. We must never forget the sacrifice of those who have no headstones in our national cemeteries. Hence the importance of efforts such as Governor Geringer's, which remind the Nation of our continuing and unfulfilled responsibility to account for the remains of these men for the sake of their families and our national conscience. I commend Governor Geringer for his proclamation and I urge the President to intensify his efforts at retrieving the remains of America's missing-in-action. In comparison with their sacrifice, this gesture is humble indeed, but sincere and important nonetheless. Surely a grateful America can perform this small task.●

TRIBUTE TO GOODLOE AND JEAN SUTTON

● Mr. SHELBY. Mr. President I rise today to pay tribute to an Alabama couple who, in their persistent pursuit of justice, successfully raised awareness of illegal activities taking place in Marengo County in some of the highest levels of county government. Goodloe and Jean Sutton, who together head The Democrat-Reporter—Goodloe serves as editor and publisher and Jean as chief reporter—remind us of what the Fourth Estate is all about. Through their thorough and diligent coverage of questionable activities in the Marengo County Sheriff's office, former Sheriff Roger Davis was convicted on federal extortion charges; Sonny Breckenridge, who had been appointed by Sheriff Davis to lead the county's drug enforcement unit, was sentenced to life without parole for conspiring to protect drug dealers. Another deputy was also arrested. All are serving jail time for the deeds the Suttons helped to uncover.

Goodloe and Jean Sutton are to be commended. Not only have they helped to rid the Marengo County Sheriff's office of misdeeds and rampant corruption, but they have helped to restore the public faith in local government. They have also set an exemplary standard for others in the profession of journalism where truth should always be the highest and most important pursuit and consideration.

In addition to my statement, Mr. President, I believe it is fitting to include the following article about the Suttons, entitled ''Paper Tigers,'' that appeared in the September 28, 1998 edition of People Magazine.

I ask that the article be printed in the RECORD.

The article follows.

[From People Magazine, Sept. 28, 1998]

PAPER TIGERS—NEWSHOUNDS GOODLOE AND JEAN SUTTON GET THE GOODS ON A LAWBREAKING SHERIFF

(By Peter Ames Carlin and Grace Lim)

From where they sat in the tiny newsroom of The Democrat-Reporter in rural Linden, Ala., Goodloe and Jean Sutton sensed there was something wrong about Roger Davis. Not only did the sheriff of Alabama's rural Marengo County (pop. 25,000) sell jewelry out of the trunk of his police car but he seemed to enjoy throwing his weight around. ''Davis thought being sheriff made him all-powerful,'' says Jean. ''He was impressed with himself.''

But the Suttons were not, so when they learned that Davis had skimmed money from the county, they featured the story in their family-owned weekly newspaper. Ignoring threats and boycotts by the sheriff's cronies for more than three years, the couple kept on writing until Davis and two of his deputies had earned jail terms and the modest, six-employee paper had earned Pulitzer Prize consideration and a wall full of journalism trophies. ''To take on the sheriff, the most powerful political leader in a rural county, is beyond gutsy,'' says Alabama Attorney General Bill Pryor, who investigated the crooked sheriff.

Sheriff Davis, now 57, started dipping into the county till in 1991, a year after the retired Alabama state trooper was elected to his $35,000-a-year post. First he used public money to buy his teenage daughter a $3,000 all-terrain vehicle for Christmas, only later returning to the dealer to pay with his own money. Davis funneled county dollars into his account for several years, then extorted more than $20,000 from bail bondsmen who had been operating illegally without the required financial reserves. He wasn't subtle about it. ''If he could control you by fear, he'd do it,'' says Goodloe. ''Or if he could do you a favor, he'd expect you to repay him. And he charmed people too.''

Operating on a tip in early 1994, Jean Sutton first dug into the county financial records and discovered that $9,000 in public funds delivered to Davis had never made it to the office account. The Suttons ran the story as front-page news, eliciting a denial from the sheriff. ''He told people he was a good Christian,'' says Jean. ''When they asked why he didn't sue us for libel, he'd say, 'I prayed over it, and it wasn't the right thing to do.' ''

Although Davis (who declined People's request for an interview) dodged those first editorial bullets, battle lines were drawn. Many of his supporters canceled their subscriptions to The Democrat-Reporter, cutting its circulation 20 percent from 7,500 to 6,000, and some local businesses pulled their advertisements. ''As far as I know, he did a good job sheriffing while he was in office,'' says retired store owner Gaines Williamson, who once backed the sheriff. ''Everybody knew him. We'd chitchat over a couple of coffee.'' Some Davis partisans felt so strongly they even phoned the Suttons, threatening to blow up the family van. ''Remember,'' one letter assured them, ''your day will come.''

For Goodloe, 59, the chance to take down a crooked sheriff was worth the tension. The youngest of three kids born to publisher Robert Sutton, who bought The Democrat-Reporter in 1917, and his wife, Lorie, Goodloe first set type at the family newspaper when he was 12. He met aspiring writer Jean Rodgers, daughter of Will and Mary, while studying journalism at the University of Southern Mississippi, and the couple married after graduating in 1964.

Moving home to Linden, Sutton succeeded his father as editor and publisher of The Democrat-Reporter and installed Jean, now 57, as chief reporter. The couple—who have two sons, Goodloe Jr., 27, who works for the state Republican Party, and William, 14, a high school freshman—gained a reputation as uncompromising journalists. ''Goodloe can sell a paper, that's for sure,'' says cement-company foreman Jerry Stewart. ''There's a lot of controversy, which makes for interesting reading.''

The Democrat-Reporter became even more interesting in May 1997, when two sheriff's deputies were arrested by federal and state agents for conspiring to protect drug dealers—one, Sonny Breckenridge, who was sentenced to life without parole, had been appointed by Davis to lead the county's drug enforcement unit. Meanwhile, with the Suttons' articles pointing the way, the state and federal authorities began closing in on the sheriff. By August of last year, Davis too

was behind bars, caught in a joint state and FBI sting while squeezing a $975 payoff from an illegal bondsman. Two months later, he pleaded guilty to federal extortion charges; he was assessed $30,000 in fines and restitution. ''I would like to apologize to my family, my friends and my church and to the people of Marengo County,'' the sheriff said en route to prison, where he'll serve 27 months. ''I'm sorry.''

Although their circulation has yet to rebound fully, the Suttons vow to continue in Marengo County whether their future holds trophies or threats. ''We're just humble scribes,'' says Goodloe, who is also running to represent the region in Alabama's House of Representatives. ''And we have the best turkey hunting, the best deer hunting and the best-looking women in the country. Why would anybody want to go anywhere else?''●

HONORING ILANA G. POSSNER

● Mr. D'AMATO. Mr. President, I rise today to honor Ilana G. Possner, a young woman who has dedicated her life to the betterment of her community through her undying commitment to community service and leadership activities. She is a shining example of an American youth who has made a deep impact on the lives of her fellow citizens.

This young Staten Island resident has not only graced her immediate community with her good deeds, but the New York City area as a whole. She is an active participant at Project Hospitality, a Staten Island shelter that works with the area's homeless, hungry and sick. Each week, Ilana prepares and serves dinner to the homeless population this program services. Yet, her role is not just that of a server; Ilana takes it upon herself to befriend these people in need, readily lending a supportive ear and establishing relationships with them. Ms. Possner also devotes her time to entertaining Staten Island senior citizens through volunteer signing for the hearing impaired. Ilana has performed at fifteen different nursing homes and senior citizen centers throughout the past two years. Aside from these very demanding activities, she is also an active and enthusiastic volunteer worker for the American Cancer Society and the Multiple Sclerosis Society.

Ms. Possner has put her leadership skills to work to help the community, as well. She organizes numerous food and clothing drives for the homeless, which provide people with the basic necessities of life that otherwise would not have been available to them. Moreover, Ilana presides over youth groups which bring together Staten Island youth from different racial, socioeconomic, religious and ethnic backgrounds. Through these groups, she works to promote harmony among the citizens of Staten Island.

Ilana's hard work has brought her great recognition and awards over the past few years. She currently attends St. John's University on an academic scholarship, where she wishes to pursue studies in Communications and Education. Furthermore, she has received the National Service Scholarship and the MCS/Canon New York Knicks Team Up Community Service Scholarship. The New York State Assembly has also commended Ms. Possner for her work and achievement through a citation, as well.

As we all know, today's youth is the future of America. In order to solve the problems America is facing now and in the future, it is imperative that we have leaders dedicated to the American people. Ilana Possner is an excellent example of a person who has put forth her leadership skills and time to the American public. It is through people such as Ilana Possner that the future problems and issues facing Americans will be confronted. Thus, I wish to commend Ilana for her selfless acts that have helped to make her community a better place.●

BISHOP LEE'S SERMON ON ''FAITH, FREEDOM, AND VIRTUE''

● Mr. WARNER. Mr. President, on Sunday, September 20, I joined Members of the Virginia Congressional delegation—Senator ROBB, Congressman BLILEY, Congressman SCOTT, and Virginia's Lieutenant Governor Hager, and many other Virginians at ''Virginia Day'' at the Washington National Cathedral. I was privileged, together with Senator ROBB, to read the scripture lessons.

My family and I have had a long association with this great Cathedral which stands on the highest promontory in the Nation's Capital and serves as living symbol of religious freedom the world over. Over 70 years ago, I was baptized, later confirmed, and then served on the governing chapter of the Cathedral. My uncle, the Reverend Charles T. Warner started his career in the ministry here with Bishop Freeman and then worked with the Cathedral in his capacity as Rector of nearby St. Alban's Parish for 40 years.

The Right Reverend Peter James Lee, the 12th Episcopal Bishop of Virginia, delivered an inspiring sermon. As the Senate, and indeed all Americans, look to the difficult decisions facing us, we should examine Bishop Lee's important reflections on ''Faith, Freedom, and Virtue.'' I ask that it be printed in the RECORD.

The sermon follows:

FAITH, FREEDOM AND VIRTUE

(A sermon preached by the Rt. Rev. Peter James Lee, Bishop of Virginia, on Virginia Day at the Washington National Cathedral, Sunday, September 20, 1998)

It takes less than a minute, except during rush hour, to cross from Washington into Virginia. The Potomac River is not much of a barrier. But over the centuries, the distance between the national capital and the Commonwealth of Virginia has varied dramatically. In the earliest days, there was hardly any distance at all since Virginia was a primary leader of the intellectual and political ferment that led to the birth of the nation. But contemporary with the establishment of the capital on the Potomac, the tension between Virginia and the nation began to increase, until it led to open rebellion in the Civil War. The Potomac became a hostile boundary. Virginia has shaped our nation's history, rebelled against national authority, in this century resisted the movement for racial justice, and yet has contributed so very much to the making of America. Today, Virginia is a beneficiary of many federal dollars, thanks in no small measure to the energy and leadership of our two lay readers today, the distinguished United States Senators from Virginia.

Virginia's ambivalent relationship with the nation, sometimes formative and leading, sometimes hostile and resistant, has been matched on occasion by Washington's dismissal of its historic neighbor across the river.

I experienced that shortsighted Washington view not many years ago. My first assignment as a new priest was on the staff of St. John's Church, Lafayette Square, across from the White House. Twenty years later, as the Bishop of Virginia, I was asked back to St. John's to speak to a dinner of former lay leaders. A distinguished Washington lawyer whom I had known when I was a young priest came up to me, and with generosity and unintended Washington arrogance, said, ''Peter, we are very proud of you. You are a bishop somewhere now, aren't you?''

When the Potomac is a great divide, from Virginia—and the rest of the nation—everyone suffers.

In just a few years, Virginia will mark 400 years since the first English settlers brought to these shores their version of the Christian faith. The religious life of Virginia across these centuries has been dominated by a tension between faith and freedom, a tension defined in the decades of the eighteenth century when a few well-educated Virginians were influenced by the European enlightenment and thousands of Virginians were swayed by evangelical revivals across the Commonwealth. In the 1730's, the majority Christian group in Virginia was Episcopalian. By the 1790's, the majority was Baptist. Ever since, Virginia Christian life has been marked by a tension between the spiritual descendants of Thomas Jefferson and the spiritual descendants of the great evangelical revivals of the same era. Thomas Jefferson was derided by his opponents as godless and dangerous. Evangelical preachers were dismissed by the followers of Jefferson as ignorant and prejudiced.

Today, in this well-ordered cathedral that speaks eloquently of rationality and mystery both joined in the service of God, it is difficult for us to grasp the significance of the break between the Jeffersonian and the evangelical traditions. And yet, the failure of Virginia to bridge the gap between the two traditions is one of the great and tragic might-have-beens of history. In England, in about those same years, the late eighteenth and early nineteenth centuries, personal, evangelical piety, stirred by John and Charles Wesley, contributed mightily to the movement for the abolition of slavery. In Virginia at the time, voices against slavery were rare. Thomas Jefferson wrote persuasively about inalienable human rights, but he held on to his slaves. What might have happened in Virginia if the humanist sense of enlightenment had been nourished by a Christian conversion experience that led to a passion against slavery? It didn't happen, or at least it happened among so few that it made little difference in Virginia. What might have been.

Even to this day, two communities exist side-by-side in Virginia—one of independent, Bible-centered congregations with inherited suspicion of cities, universities, and contemporary culture. And the Jeffersonian tradition in Virginia, while admirably zealous for

the separation of church and state, often treats religion as so much a private matter that it should have little to say in the public realm. It is an overstatement, but not much of one, to say that one community, the Jeffersonian tradition, holds as an unexamined doctrine that religion is entirely a private matter, while the other tradition of evangelical piety, affirms that America is a Christian nation whose values should be those of the Bible, interpreted in the most conservative light.

Both traditions have held on to one dimension of personal values shaped by Judeo-Christian standards. Virginia has a powerful and priceless tradition of expecting high standards of personal honor among its leaders. When Robert E. Lee was President of Washington College in Lexington, the institution that now bears his name along with Washington's, General Lee was asked by a student for a book of rules. He responded, famously, ''We have but one rule: our students are gentlemen and a gentleman does not lie, cheat or steal.'' That rule, adapted to the happy reality of coeducation, and spread from a 19th Century elite to the whole of the Commonwealth, reflects the heritage of personal honor that is still a cherished value of all Virginians.

Contemporary Virginia needs to offer the rest of the nation an example of joining its twin legacies of faith and freedom, which includes its respect for personal honor and public virtue.

Faith is nurtured in a climate of freedom. We have learned that faith imposed by state authority is corrupting and oppressive. The French philosopher Pascal once wrote that ''people never do evil so completely and cheerfully as when they do it from religious conviction.'' Religious zealots from the great religions of the world who deny the freedom of others betray the highest values of their own creeds. Faith and freedom may be in tension but they need not be in conflict.

We are in danger in America, and even across the world, of dismissing serious commitment to religious faith as irrelevant to public virtue or even dangerous to civic peace. The crisis surrounding the President of the United States is in part the inevitable result of the rupture between personal faith and public life, between faith and freedom, the break between personal honor and political values.

As this most violent century draws to an end, as race and ethnicity and religion continue to divide people and to lead to their slaughter, the world needs people of faith who honor freedom; people committed to freedom who respect the integrity of faith, people who can build societies that value personal honor and public virtue.

The great religions of the world have much to say about our life together. They cannot be relegated simply to the realm of private preference. In the lesson from the Hebrew scriptures today,[1] the prophet Amos condemns those who take shortcuts with the law that forbids commerce on the Sabbath. The behavior condemned by the prophet may be ''legally accurate,'' but those who engage in behavior that oppresses the poor are corrupt. Paul, in his first letter to Timothy,[1] insists that the Christians hold their rulers in their prayers—assuming that the public good requires leaders of personal honor but since they are flawed human beings like the rest of us, they need the support of our prayers. And in the parable of the dishonest steward,[1] Jesus warns that the distinction between private and public virtue is artificial. The one who is dishonest in very little things will also be dishonest in much. The ancient Bible stories are right on target for the issues of today.

This cathedral stands on the highest hill in the District of Columbia. Its towers dominate the Washington skyline, not with the power to oppress, but with the powers to inspire and to call a people to personal integrity and public virtue. That does not mean our leaders must be saints. Many of us know our senators, other leaders, and our bishops well enough to know that sainthood has eluded all of us. We are all flawed, fallible persons, but that does not suggest that our quest for private and public virtue is in vain. We need to reaffirm the integrity of faith, faith in God who empowers each one of us to become the person God intends us to be; the God who lifts us up when we fall, and who redeems our failures with new hope. We need to recover a personal faith that sustains both private honor and public virtue. We need to bridge the gap between the sacred and the secular, not by a diminution of freedom, but with an expansion of faith that respects freedom and the freedom that protects the nurture of faith and the privacy of individuals.

This nation is engaged in a great public conversation about the crisis in the Presidency. President Clinton's moral authority is severely compromised. Whether this crisis ends with resignation, impeachment, or censure and a crippled presidency for the remaining two years of the term, it is important for the well being of the nation to consider what we can learn about ourselves in this crisis. That in no way absolves the President from his responsibility. But have we separated personal, private morality from public life so extensively that this was a crisis waiting to happen? Do we have a system of raising up leaders in public life that encourages and rewards honor, integrity, and personal commitment to our shared values? Or, do we separate faith and freedom, personal honor and public virtue, so extensively that our moral life together is imperiled? Our moral life is now endangered by excessive public intrusion into private life and dishonorable private behavior that erodes public trust. With our traditions, Virginians can make a difference in the national conversation.

Virginia is a Commonwealth where faith and freedom have competed but have flourished; we are a commonwealth that demands of our leaders personal honor and service to public virtue. Let those great traditions come together again in a new and mutually respectfully union so that our people may be strengthened.

In his farewell address in 1796, our first President, George Washington, said, ''Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports . . . a volume could not trace all their connections with private and public felicity . . . let us with caution indulge the supposition that morality can be maintained without religion . . . reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle.''

Virginia is the birthplace of English speaking Christian faith in America. Virginia is the birthplace of Thomas Jefferson's statute for religious freedom. We are a community that offers to a nation the union of personal honor serving public virtue, of personal faith in a climate of freedom that restricts intrusive government.

In New Testament Greek, the word ''crisis'' means a time of judgment, a time of separation, a time of clarification. A crisis in the view of the Bible is often created by the word of God, proclaimed by the prophets, exposing the gap between where people are and where they ought to be. We are living at such a time and that time, the Bible teaches us, can be one of hope and of new beginning. May the traditions of Virginia, of faith and freedom, of private piety and public virtue, of personal honor and public service, come together again in this great nation so that future generations will look back on our day as a time of moral renewal and refreshing new hope, a time when God called this nation to a rebirth of our spiritual strength.●

[1] Amos 8:4–7, I Timothy 2:1–8, and Luke 16:1–13.

ACC'S NEW DETROIT HEADQUARTERS AND OFFICIAL DEDICATION

● Mr. ABRAHAM. Mr. President, I rise today to recognize an important event which is taking place in the state of Michigan. On September 25, 1998, the Arab-American Chaldean Council and Henry Ford Health System will celebrate the official dedication of the ACC and Henry Ford Medical/Social Services Center.

The Center will create a fully comprehensive Medical/Social Services facility and will become the ACC's new Detroit Headquarters. With an organization as successful as the ACC, supported by the excellent reputation and resources of the Henry Ford Health System, the future looks bright.

I extend my best wishes and congratulations to Dr. Haifa Fakhouri, the President and CEO, and everyone involved with making the ACC and Henry Ford Medical/Social Services Center possible. I am confident their partnership will be a success.●

TRIBUTE TO GUIDE DOGS AND WORKING DOGS

● Mr. SANTORUM. Mr. President, I rise today to recognize the fine work of Guide Dogs and Working Dogs who, through demonstrated intelligence and dependability, have made life so much easier for their owners.

Today Guide Dogs and Working Dogs assist not only individuals suffering vision loss, but also those suffering hearing loss and those with orthopedic problems. The intense training program that Guide Dogs and Working Dogs endure enables them to assist their owners with courtesy and confidence.

These well-trained dogs have not only won the respect of their owners but the public as well. They have allowed countless individuals to enjoy freedom and independence and lead richer lives.

I would like to mention that the City of Philadelphia and the Pennsylvania Legislature have also recognized these exceptional animals.

Mr. President, I ask my colleagues to join with me in paying tribute to these remarkable dogs who have afforded their owners a better life in their community.●

TRIBUTE TO JAMES MAITLAND ''JIMMY'' STEWART

● Mr. SHELBY. Mr. President, I rise today to pay tribute to an award-winning Alabama journalist and author

who has written the definitive history of the World War II military career of Hollywood-great Jimmy Stewart. Mr. Smith, who served with Stewart in WWII, wrote ''A Retrospective of the World War II Military Career of Hollywood's James M. (Jimmy) Stewart'' for the James M. Stewart Museum Foundation, located in Stewart's hometown—Indiana, PA. I believe excerpts from this article are a fitting tribute to both the life and legacy of a true American hero: Jimmy Stewart, as well as to one of Alabama's fine authors: Starr Smith. In compliance with the CONGRESSIONAL RECORD text-length rules, only excerpts of Mr. Smith's article could be placed in the RECORD; however, I encourage my colleagues and the American people to obtain a complete copy of this important article from either the James M. Stewart Museum or the September 1998 edition of The Retired Officers Magazine.

In addition to his many accomplishments, Smith is a travel columnist for the Montgomery Advertiser and is a retired Air Force Reserve colonel. He lives in Montgomery, AL.

Mr. President, the following are excerpts from ''A Retrospective of the World War II Military Career of Hollywood's James M. (Jimmy) Stewart'' by Starr Smith:

When the melancholy news came of Jimmy Stewart's death I was in Montreal, Canada. I thought it singular that I was out of my own country at the time because my relationship with this remarkable American had taken place on foreign soil—wartime England. Much has been said and written since Stewart's death about his extraordinary life and career as a film actor of the first rank, but little has been said about Stewart's brilliant and brave record as an Army Air Force combat pilot and commander in World War II.

I served with Stewart on a windswept and cold bomber station, called Old Buckingham, near the North Sea between Cambridge and Norwich in England's East Anglia in 1943–1944. Our outfit was the 453rd Bomb Group. The commander, Colonel Ramsay Potts, was a battle-tested B–24 specialist who had been on the historic and pivotal Ploesti mission and earned the Distinguished Service Cross. Stewart, then a major, was the group's operations officer and I was an intelligence officer who handled much of the briefings for the air crews prior to their mission over Nazi Germany. It was in this capacity that I worked with Stewart, night after night, preparing the details of the mission. I have never known a more intelligent, knowledgeable, hardworking, conscientious and dedicated officer.

In my book, ''Only the Days Are Long: Reports of a Journalist and World Traveler,'' I wrote of Stewart: ''At night, working with me preparing the mission, Stewart was crisp and business-like; reserved, but he knew his job and was a keen student of daylight precision bombing. (The Americans bombed in daylight, the RAF at night). It was interesting to see Stewart at the bar of the Officer's Club after a tough day and hear his discussion of the mission with the returning pilots. But even then he was always slightly aloof. He was never one of the boys. This is not to say Stewart was unfriendly. Rather, he went about his work with a cool professional detachment—a single purpose approach that did not allow for personal involvement. This, I think, was the reason for this success in the war. He was determined to prove that he was more than an actor, more than a Hollywood star. He was determined to prove that now he could measure up as a man doing a really important job in the military crucible and not just a celluloid hero.

Almost a year before Pearl Harbor, Jimmy Stewart had a deep feeling that his country would soon be at war. Stewart also knew that if war came he wanted to be in uniform and overseas on combat duty.

At the beginning of the new year of 1941, Stewart was at the top of his career as a movie actor and international star. His 1939 picture, ''Mr. Smith Goes to Washington,'' has made him a folk hero throughout America and he was destined for an Academy Award for his role as the reporter in ''Philadelphia Story'' later in the year. His life was blissful, romantic, flawless, and ahead was the golden promise of infinite stardom as one of the premier movie players of all time.

. . . but with England fighting Hitler since 1939, Edward R. Murrow's bleak broadcasts from London, the Pacific war against the Japanese going badly for the British . . . Jimmy Stewart decided to join the fight. But, he faced two major roadblocks: his boss and his country. Louis B. Mayer, the forceful and dictatorial head of MGM used every persuasive tactic at his command—choice roles, contract revisions, free time to help with the war effort as a civilian. The other matter was different.

In September of 1940, the Selective Service Act became law, and men between the ages of 21 and 36 were required to register. Being 32, Stewart registered . . . when he was called up for a physical in late 1940, he was turned down: underweight. That could have ended the whole affair. . . . perhaps thinking of his father's fierce patriotism and his service in two wars, plus his own fervent love of country, Stewart favored the volunteer route. He appealed the Army's underweight decision, embarked on an eating binge, made the weight requirements and reported for induction on March 22, 1941 at Fort McArthur, California.

Stewart was among the very few officers in American military history to rise from private to full colonel in slightly over four years. Moreover, Stewart was actually on combat duty all the time he was overseas, performing vital, demanding and dangerous jobs: squadron operations officer, squadron commander, group operations officer, wing operations officer, and later at the end—Second Bomb Wing Commander. And, all the while, he was flying combat missions as a B–24 pilot and command pilot.

. . . Stewart spent all of his service in England assigned to the 2nd Combat Wing. . . . in late August of 1945, he returned to New York on the *Queen Elizabeth*. And on September 29th of that year, Stewart was discharged at Andrews Air Force Base in Washington. He was immediately appointed a full colonel in the Air Force Reserve. In his war years, Stewart had flown 20 combat missions, among them the tough ones: Brunswick, Bremen, Frankfort, Schweinfut, and I recall that he was on Berlin twice—once leading the entire 1,000 plane 8th Air Force. His wartime decorations include: Distinguished Flying Cross, with Oak Leaf Cluster; four Air Medals, and the French Croix de Guerre with Palm. He was promoted to Brigadier General in the Air Force Reserve in 1959 and retired in 1968. After Stewart died in July of 1997, Air Power History published a memoriam . . . (which) contained this little-known fact: ''In 1966, during his annual two weeks of active duty, Stewart requested a combat assignment and participated in a bombing strike over Vietnam.''

. . . With all the myriad honors of a celebrated and eclectic career, including the highest in his profession—the Academy Award—it is not too much to believe that Jimmy Stewart reached the blue lawn of his life in those eventful and dangerous years of World War II. A small town boy who grew up with strong family values and a bed-rock foundation in honesty and integrity, intertwined with a fervent patriotism—Stewart served his country with dedication and distinction, and, like F. Scott Fitzgerald, his fellow Princetonian—he lived his life with an unbending determination, subtle style and a certain mystique.●

150TH ANNIVERSARY OF LA SALLE ACADEMY

● Mr. D'AMATO. Mr. President, I am honored to be invited to such a landmark event and I rise to offer my congratulations to the La Salle Academy in celebrating its 150th anniversary of educating New York City's youth. Founded in 1848, the Catholic, college-preparatory school of La Salle Academy currently serves more than 540 young men who represent over 60 nationalities. La Salle Academy seeks to educate young men of New York City from different cultural, racial, and social groups with special outreach programs for those most in need. This enables students to grow intellectually, morally, and physically in a racially diverse setting while encouraging them to contribute to their communities. This fine Academy consistently molds young men into valuable members of society and sends over 90% of its students to pursue higher education. Institutions, such as La Salle, are key assets for introducing our young adults to the many different aspects of our diverse society. Both the graduates and students of La Salle Academy act as model citizens for others to emulate and I praise this institution and other organizations of its kind for its countless contributions to society. We are fortunate to have such a valuable institution reside in New York State. I sincerely hope that La Salle Academy will continue to serve its students and the members of this community in such an important fashion.●

USE OF THE ROTUNDA FOR THE NELSON MANDELA CEREMONY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H. Con. Res. 326, which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (H. Con. Res. 326) permitting the use of the rotunda of the Capitol on September 23, 1998, for the presentation of the Congressional Gold Medal to Nelson Rohihlahia Mandela.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. GRASSLEY. I ask unanimous consent that the resolution be agreed

to, and the motion to reconsider be laid upon the table.

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

The resolution (H. Con. Res. 326) was agreed to.

NATIONAL HISTORICALLY BLACK COLLEGES AND UNIVERSITIES WEEK

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Res. 259, and the Senate proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 259) designating the week beginning September 20, 1998, as ''National Historically Black Colleges and Universities Week,'' and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. GRASSLEY. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed at the appropriate place in the RECORD.

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

The resolution (S. Res. 259) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 259

Whereas there are 104 historically black colleges and universities in the United States;

Whereas black colleges and universities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas black colleges and universities have allowed many underprivileged students to attain their full potential through higher education; and

Whereas the achievements and goals of historically black colleges and universities are deserving of national recognition: Now, therefore, be it

Resolved, That the Senate—

(1) designates the week beginning September 20, 1998, as ''National Historically Black Colleges and Universities Week''; and

(2) requests that the President of the United States issue a proclamation calling on the people of the United States and interested groups to observe the week with appropriate ceremonies, activities, and programs to demonstrate support for historically black colleges and universities in the United States.

CENTENNIAL OF FLIGHT COMMEMORATION ACT

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 532, S. 1397.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1397) to establish a commission to assist in commemoration of the centennial of powered flight and the achievements of the Wright brothers.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Centennial of Flight Commemoration Act''

SEC. 2. FINDINGS.

Congress finds that—

(1) December 17, 2003, is the 100th anniversary of the first successful manned, free, controlled, and sustained flight by a power-driven, heavier-than-air machine;

(2) the first flight by Orville and Wilbur Wright represents the fulfillment of the age-old dream of flying;

(3) the airplane has dramatically changed the course of transportation, commerce, communication, and warfare throughout the world;

(4) the achievement by the Wright brothers stands as a triumph of American ingenuity, inventiveness, and diligence in developing new technologies, and remains an inspiration for all Americans;

(5) it is appropriate to remember and renew the legacy of the Wright brothers at a time when the values of creativity and daring represented by the Wright brothers are critical to the future of the Nation; and

(6) as the Nation approaches the 100th anniversary of powered flight, it is appropriate to celebrate and commemorate the centennial year through local, national, and international observances and activities.

SEC. 3. ESTABLISHMENT.

There is established a commission to be known as the Centennial of Flight Commission.

SEC. 4. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed of 6 members, as follows:

(1) The Director of the National Air and Space Museum of the Smithsonian Institution or his designee.

(2) The Administrator of the National Aeronautics and Space Administration or his designee.

(3) The chairman of the First Flight Centennial Foundation of North Carolina, or his designee.

(4) The chairman of the 2003 Committee of Ohio, or his designee.

(5) As chosen by the Commission, the president or head of a United States aeronautical society, foundation, or organization of national stature or prominence who will be a person from a State other than Ohio or North Carolina.

(6) The Administrator of the Federal Aviation Administration, or his designee.

(b) VACANCIES.—Any vacancy in the Commission shall be filled in the same manner in which the original designation was made.

(c) COMPENSATION.—

(1) PROHIBITION OF PAY.—Except as provided in paragraph (2), members of the Commission shall serve without pay or compensation.

(2) TRAVEL EXPENSES.—The Commission may adopt a policy, only by unanimous vote, for members of the Commission and related advisory panels to receive travel expenses, including per diem in lieu of subsistence. The policy may not exceed the levels established under sections 5702 and 5703 of title 5, United States Code. Members who are Federal employees shall not receive travel expenses if otherwise reimbursed by the Federal Government.

(d) QUORUM.—Three members of the Commission shall constitute a quorum.

(e) CHAIRPERSON.—The Commission shall select a Chairperson of the Commission from the members designated under subsection (a) (1), (2), or (5). The Chairperson may not vote on matters before the Commission except in the case of a tie vote. The Chairperson may be removed by a vote of a majority of the Commission's members.

(f) ORGANIZATION.—No later than 90 days after the date of enactment of this Act, the Commission shall meet and select a Chairperson, Vice Chairperson, and Executive Director.

SEC. 5. DUTIES.

(a) IN GENERAL.—The Commission shall—

(1) represent the United States and take a leadership role with other nations in recognizing the importance of aviation history in general and the centennial of powered flight in particular, and promote participation by the United States in such activities;

(2) encourage and promote national and international participation and sponsorships in commemoration of the centennial of powered flight by persons and entities such as—

(A) aerospace manufacturing companies;

(B) aerospace-related military organizations;

(C) workers employed in aerospace-related industries;

(D) commercial aviation companies;

(E) general aviation owners and pilots;

(F) aerospace researchers, instructors, and enthusiasts;

(G) elementary, secondary, and higher educational institutions;

(H) civil, patriotic, educational, sporting, arts, cultural, and historical organizations and technical societies;

(I) aerospace-related museums; and

(J) State and local governments;

(3) plan and develop, in coordination with the First Flight Centennial Commission, the First Flight Centennial Foundation of North Carolina, and the 2003 Committee of Ohio, programs and activities that are appropriate to commemorate the 100th anniversary of powered flight;

(4) maintain, publish, and distribute a calendar or register of national and international programs and projects concerning, and provide a central clearinghouse for, information and coordination regarding, dates, events, and places of historical and commemorative significance regarding aviation history in general and the centennial of powered flight in particular;

(5) provide national coordination for celebration dates to take place throughout the United States during the centennial year;

(6) assist in conducting educational, civic, and commemorative activities relating to the centennial of powered flight throughout the United States, especially activities that occur in the States of North Carolina and Ohio and that highlight the activities of the Wright brothers in such States; and

(7) encourage the publication of popular and scholarly works related to the history of aviation or the anniversary of the centennial of powered flight.

(b) NONDUPLICATION OF ACTIVITIES.—The Commission shall attempt to plan and conduct its activities in such a manner that activities conducted pursuant to this Act enhance, but do not duplicate, traditional and established activities of Ohio's 2003 Committee, North Carolina's First Flight Centennial Commission, the First Flight Centennial Foundation, or any other organization of national stature or prominence.

SEC. 6. POWERS.

(a) ADVISORY COMMITTEES AND TASK FORCES.—

(1) IN GENERAL.—The Commission may appoint any advisory committee or task force from among the membership of the Advisory Board in section 12.

(2) FEDERAL COOPERATION.—To ensure the overall success of the Commission's efforts, the Commission may call upon various Federal departments and agencies to assist in and give support to the programs of the Commission. The head of the Federal department or agency, where appropriate, shall furnish the information or assistance requested by the Commission, unless prohibited by law.

(3) PROHIBITION OF PAY OTHER THAN TRAVEL EXPENSES.—Members of an advisory committee or task force authorized under paragraph (1) shall not receive pay, but may receive travel expenses pursuant to the policy adopted by the Commission under section 4(c)(2).

(b) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if authorized by the Commission, take any action that the Commission is authorized to take under this Act.

(c) AUTHORITY TO PROCURE AND TO MAKE LEGAL AGREEMENTS.—

(1) IN GENERAL.—Notwithstanding any other provision in this Act, only the Commission may procure supplies, services, and property, and make or enter into leases and other legal agreements in order to carry out this Act.

(2) RESTRICTION.—

(A) IN GENERAL.—A contract, lease, or other legal agreement made or entered into by the Commission may not extend beyond the date of the termination of the Commission.

(B) FEDERAL SUPPORT.—The Commission shall obtain property, equipment, and office space from the General Services Administration or the Smithsonian Institution, unless other office space, property, or equipment is less costly.

(3) SUPPLIES AND PROPERTY POSSESSED BY COMMISSION AT TERMINATION.—Any supplies and property, except historically significant items, that are acquired by the Commission under this Act and remain in the possession of the Commission on the date of the termination of the Commission shall become the property of the General Services Administration upon the date of termination.

(d) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as any other Federal agency.

SEC. 7. STAFF AND SUPPORT SERVICES.

(a) EXECUTIVE DIRECTOR.—There shall be an Executive Director appointed by the Commission and chosen from among detailees from the agencies and organizations represented on the Commission. The Executive Director may be paid at a rate not to exceed the maximum rate of basic pay payable for the Senior Executive Service.

(b) STAFF.—The Commission may appoint and fix the pay of any additional personnel that it considers appropriate, except that an individual appointed under this subsection may not receive pay in excess of the maximum rate of basic pay payable for GS–14 of the General Schedule.

(c) INAPPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Executive Director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, except as provided under subsections (a) and (b) of this section.

(d) MERIT SYSTEM PRINCIPLES.—The appointment of the Executive Director or any personnel of the Commission under subsection (a) or (b) shall be made consistent with the merit system principles under section 2301 of title 5, United States Code.

(e) STAFF OF FEDERAL AGENCIES.—Upon request by the Chairperson of the Commission, the head of any Federal department or agency may detail, on either a nonreimbursable or reimbursable basis, any of the personnel of the department or agency to the Commission to assist the Commission to carry out its duties under this Act.

(f) ADMINISTRATIVE SUPPORT SERVICES.—

(1) REIMBURSABLE SERVICES.—The Secretary of the Smithsonian Institution may provide to the Commission on a reimbursable basis any administrative support services that are necessary to enable the Commission to carry out this Act.

(2) NONREIMBURSABLE SERVICES.—The Secretary may provide administrative support services to the Commission on a nonreimbursable basis when, in the opinion of the Secretary, the value of such services is insignificant or not practical to determine.

(g) COOPERATIVE AGREEMENTS.—The Commission may enter into cooperative agreements with other Federal agencies, State and local governments, and private interests and organizations that will contribute to public awareness of and interest in the centennial of powered flight and toward furthering the goals and purposes of this Act.

(h) PROGRAM SUPPORT.—The Commission may receive program support from the non-profit sector.

SEC. 8. CONTRIBUTIONS.

(a) DONATIONS.—The Commission may accept donations of personal services and historic materials relating to the implementation of its responsibilities under the provisions of this Act.

(b) VOLUNTEER SERVICES.—Notwithstanding section 1342 of title 31, United States Code, the Commission may accept and use voluntary and uncompensated services as the Commission determines necessary.

(c) REMAINING FUNDS.—Any funds (including funds received from licensing royalties) remaining with the Commission on the date of the termination of the Commission may be used to ensure proper disposition, as specified in the final report required under section 10(b), of historically significant property which was donated to or acquired by the Commission. Any funds remaining after such disposition shall be transferred to the Secretary of the Treasury for deposit into the general fund of the Treasury of the United States.

SEC. 9. EXCLUSIVE RIGHT TO NAME, LOGOS, EMBLEMS, SEALS, AND MARKS.

(a) IN GENERAL.—The Commission may devise any logo, emblem, seal, or descriptive or designating mark that is required to carry out its duties or that it determines is appropriate for use in connection with the commemoration of the centennial of powered flight.

(b) LICENSING.—The Commission shall have the sole and exclusive right to use, or to allow or refuse the use of, the name ''Centennial of Flight Commission'' on any logo, emblem, seal, or descriptive or designating mark that the Commission lawfully adopts.

(c) EFFECT ON OTHER RIGHTS.—No provision of this section may be construed to conflict or interfere with established or vested rights.

(d) USE OF FUNDS.—Funds from licensing royalties received pursuant to this section shall be used by the Commission to carry out the duties of the Commission specified by this Act.

(e) LICENSING RIGHTS.—All exclusive licensing rights, unless otherwise specified, shall revert to the Air and Space Museum of the Smithsonian Institution upon termination of the Commission.

SEC. 10. REPORTS.

(a) ANNUAL REPORT.—In each fiscal year in which the Commission is in existence, the Commission shall prepare and submit to Congress a report describing the activities of the Commission during the fiscal year. Each annual report shall also include—

(1) recommendations regarding appropriate activities to commemorate the centennial of powered flight, including—

(A) the production, publication, and distribution of books, pamphlets, films, and other educational materials;

(B) bibliographical and documentary projects and publications;

(C) conferences, convocations, lectures, seminars, and other similar programs;

(D) the development of exhibits for libraries, museums, and other appropriate institutions;

(E) ceremonies and celebrations commemorating specific events that relate to the history of aviation;

(F) programs focusing on the history of aviation and its benefits to the United States and humankind; and

(G) competitions, commissions, and awards regarding historical, scholarly, artistic, literary, musical, and other works, programs, and projects related to the centennial of powered flight;

(2) recommendations to appropriate agencies or advisory bodies regarding the issuance of commemorative coins, medals, and stamps by the United States relating to aviation or the centennial of powered flight;

(3) recommendations for any legislation or administrative action that the Commission determines to be appropriate regarding the commemoration of the centennial of powered flight;

(4) an accounting of funds received and expended by the Commission in the fiscal year that the report concerns, including a detailed description of the source and amount of any funds donated to the Commission in the fiscal year; and

(5) an accounting of any cooperative agreements and contract agreements entered into by the Commission.

(b) FINAL REPORT.—Not later than June 30, 2004, the Commission shall submit to the President and Congress a final report. The final report shall contain—

(1) a summary of the activities of the Commission;

(2) a final accounting of funds received and expended by the Commission;

(3) any findings and conclusions of the Commission; and

(4) specific recommendations concerning the final disposition of any historically significant items acquired by the Commission, including items donated to the Commission under section 8(a)(1).

SEC. 11. AUDIT OF FINANCIAL TRANSACTIONS.

(a) IN GENERAL.—

(1) AUDIT.—The Comptroller General of the United States shall audit on an annual basis the financial transactions of the Commission, including financial transactions involving donated funds, in accordance with generally accepted auditing standards.

(2) ACCESS.—In conducting an audit under this section, the Comptroller General—

(A) shall have access to all books, accounts, financial records, reports, files, and other papers, items, or property in use by the Commission, as necessary to facilitate the audit; and

(B) shall be afforded full facilities for verifying the financial transactions of the Commission, including access to any financial records or securities held for the Commission by depositories, fiscal agents, or custodians.

(b) FINAL REPORT.—Not later than September 30, 2004, the Comptroller General of the United States shall submit to the President and to Congress a report detailing the results of any audit of the financial transactions of the Commission conducted by the Comptroller General.

SEC. 12. ADVISORY BOARD.

(a) ESTABLISHMENT.—There is established a First Flight Centennial Federal Advisory Board.

(b) NUMBER AND APPOINTMENT.—

(1) IN GENERAL.—The Board shall be composed of 19 members as follows:

(A) The Secretary of the Interior, or the designee of the Secretary.

(B) The Librarian of Congress, or the designee of the Librarian.

(C) The Secretary of the Air Force, or the designee of the Secretary.

(D) The Secretary of the Navy, or the designee of the Secretary.

(E) The Secretary of Transportation, or the designee of the Secretary.

(F) Six citizens of the United States, appointed by the President, who—

(i) are not officers or employees of any government (except membership on the Board shall not be construed to apply to the limitation under this clause); and

(ii) shall be selected based on their experience in the fields of aerospace history, science, or education, or their ability to represent the entities enumerated under section 5(a)(2).

(G) Four citizens of the United States, appointed by the majority leader of the Senate in consultation with the minority leader of the Senate.

(H) Four citizens of the United States, appointed by the Speaker of the House of Representatives in consultation with the minority leader of the House of Representatives. Of the individuals appointed under this subparagraph—

(i) one shall be selected from among individuals recommended by the representative whose district encompasses the Wright Brothers National Memorial; and

(ii) one shall be selected from among individuals recommended by the representatives whose districts encompass any part of the Dayton Aviation Heritage National Historical Park.

(c) VACANCIES.—Any vacancy in the Advisory Board shall be filled in the same manner in which the original designation was made.

(d) MEETINGS.—Seven members of the Advisory Board shall constitute a quorum for a meeting. All meetings shall be open to the public.

(e) CHAIRPERSON.—The President shall designate 1 member appointed under subsection (b)(1)(F) as chairperson of the Advisory Board.

(f) MAILS.—The Advisory Board may use the United States mails in the same manner and under the same conditions as a Federal agency.

(g) DUTIES.—The Advisory Board shall advise the Commission on matters related to this Act.

(h) PROHIBITION OF COMPENSATION OTHER THAN TRAVEL EXPENSES.—Members of the Advisory Board shall not receive pay, but may receive travel expenses pursuant to the policy adopted by the Commission under section 4(e).

(i) TERMINATION.—The Advisory Board shall terminate upon the termination of the Commission.

SEC. 13. DEFINITIONS.

For purposes of this Act:

(1) The term ''Advisory Board'' means the Centennial of Flight Federal Advisory Board.

(2) The term ''centennial of powered flight'' means the anniversary year, from December 2002 to December 2003, commemorating the 100-year history of aviation beginning with the First Flight and highlighting the achievements of the Wright brothers in developing the technologies which have led to the development of aviation as it is known today.

(3) The term ''Commission'' means the Centennial of Flight Commission.

(4) The term ''designee'' means a person from the respective entity of each entity represented on the Commission or Advisory Board.

(5) The term ''First Flight'' means the first four successful manned, free, controlled, and sustained flights by a power-driven, heavier-than-air machine, which were accomplished by Orville and Wilbur Wright of Dayton, Ohio on December 17, 1903 at Kitty Hawk, North Carolina.

SEC. 14. TERMINATION.

The Commission shall terminate not later than 60 days after the submission of the final report required by section 10(b) and shall transfer all documents and material to the National Archives or other appropriate Federal entity.

SEC. 15. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act $2,000,000 for each of the fiscal years 1999 through 2004.

AMENDMENT NO. 3613

(Purpose: To amend the Committee Amendment to S. 1397, The Centennial of Flight Commemoration Act)

Mr. GRASSLEY. Mr. President, Senator HELMS has an amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY] for Mr. HELMS, for himself and Mr. GLENN, proposes an amendment numbered 3613.

Mr. GRASSLEY. I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

In the Committee Amendment on page 38 strike lines 17 through 19 and insert the following: ''There is authorized to be appropriated to carry out this Act $250,000 for fiscal year 1999, $600,000 for fiscal year 2000, $750,000 for fiscal year 2001, $900,000 for fiscal year 2002, $900,000 for fiscal year 2003, and $600,000 for fiscal year 2004.''

Mr. GRASSLEY. Mr. President, I ask unanimous consent the amendment be agreed to.

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

The amendment (No. 3613) was agreed to.

Mr. GRASSLEY. I ask unanimous consent that the committee substitute be agreed to, the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed at the appropriate place in the RECORD.

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

The committee substitute amendment, as amended, was agreed to.

The bill (S. 1397), as amended, was considered read the third time and passed as follows:

S. 1397

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Centennial of Flight Commemoration Act''.

SEC. 2. FINDINGS.

Congress finds that—

(1) December 17, 2003, is the 100th anniversary of the first successful manned, free, controlled, and sustained flight by a power-driven, heavier-than-air machine;

(2) the first flight by Orville and Wilbur Wright represents the fulfillment of the age-old dream of flying;

(3) the airplane has dramatically changed the course of transportation, commerce, communication, and warfare throughout the world;

(4) the achievement by the Wright brothers stands as a triumph of American ingenuity, inventiveness, and diligence in developing new technologies, and remains an inspiration for all Americans;

(5) it is appropriate to remember and renew the legacy of the Wright brothers at a time when the values of creativity and daring represented by the Wright brothers are critical to the future of the Nation; and

(6) as the Nation approaches the 100th anniversary of powered flight, it is appropriate to celebrate and commemorate the centennial year through local, national, and international observances and activities.

SEC. 3. ESTABLISHMENT.

There is established a commission to be known as the Centennial of Flight Commission.

SEC. 4. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed of 6 members, as follows:

(1) The Director of the National Air and Space Museum of the Smithsonian Institution or his designee.

(2) The Administrator of the National Aeronautics and Space Administration or his designee.

(3) The chairman of the First Flight Centennial Foundation of North Carolina, or his designee.

(4) The chairman of the 2003 Committee of Ohio, or his designee.

(5) As chosen by the Commission, the president or head of a United States aeronautical society, foundation, or organization of national stature or prominence who will be a person from a State other than Ohio or North Carolina.

(6) The Administrator of the Federal Aviation Administration, or his designee.

(b) VACANCIES.—Any vacancy in the Commission shall be filled in the same manner in which the original designation was made.

(c) COMPENSATION.—

(1) PROHIBITION OF PAY.—Except as provided in paragraph (2), members of the Commission shall serve without pay or compensation.

(2) TRAVEL EXPENSES.—The Commission may adopt a policy, only by unanimous vote, for members of the Commission and related advisory panels to receive travel expenses, including per diem in lieu of subsistence. The policy may not exceed the levels established under sections 5702 and 5703 of title 5, United States Code. Members who are Federal employees shall not receive travel expenses if otherwise reimbursed by the Federal Government.

(d) QUORUM.—Three members of the Commission shall constitute a quorum.

(e) CHAIRPERSON.—The Commission shall select a Chairperson of the Commission from the members designated under subsection (a)(1), (2), or (5). The Chairperson may not vote on matters before the Commission except in the case of a tie vote. The Chairperson may be removed by a vote of a majority of the Commission's members.

(f) ORGANIZATION.—No later than 90 days after the date of enactment of this Act, the Commission shall meet and select a Chairperson, Vice Chairperson, and Executive Director.

SEC. 5. DUTIES.

(a) IN GENERAL.—The Commission shall—

(1) represent the United States and take a leadership role with other nations in recognizing the importance of aviation history in general and the centennial of powered flight in particular, and promote participation by the United States in such activities;

(2) encourage and promote national and international participation and sponsorships in commemoration of the centennial of powered flight by persons and entities such as—

(A) aerospace manufacturing companies;

(B) aerospace-related military organizations;

(C) workers employed in aerospace-related industries;

(D) commercial aviation companies;

(E) general aviation owners and pilots;

(F) aerospace researchers, instructors, and enthusiasts;

(G) elementary, secondary, and higher educational institutions;

(H) civil, patriotic, educational, sporting, arts, cultural, and historical organizations and technical societies;

(I) aerospace-related museums; and

(J) State and local governments;

(3) plan and develop, in coordination with the First Flight Centennial Commission, the First Flight Centennial Foundation of North Carolina, and the 2003 Committee of Ohio, programs and activities that are appropriate to commemorate the 100th anniversary of powered flight;

(4) maintain, publish, and distribute a calendar or register of national and international programs and projects concerning, and provide a central clearinghouse for, information and coordination regarding, dates, events, and places of historical and commemorative significance regarding aviation history in general and the centennial of powered flight in particular;

(5) provide national coordination for celebration dates to take place throughout the United States during the centennial year;

(6) assist in conducting educational, civic, and commemorative activities relating to the centennial of powered flight throughout the United States, especially activities that occur in the States of North Carolina and Ohio and that highlight the activities of the Wright brothers in such States; and

(7) encourage the publication of popular and scholarly works related to the history of aviation or the anniversary of the centennial of powered flight.

(b) NONDUPLICATION OF ACTIVITIES.—The Commission shall attempt to plan and conduct its activities in such a manner that activities conducted pursuant to this Act enhance, but do not duplicate, traditional and established activities of Ohio's 2003 Committee, North Carolina's First Flight Centennial Commission, the First Flight Centennial Foundation, or any other organization of national stature or prominence.

SEC. 6. POWERS.

(a) ADVISORY COMMITTEES AND TASK FORCES.—

(1) IN GENERAL.—The Commission may appoint any advisory committee or task force from among the membership of the Advisory Board in section 12.

(2) FEDERAL COOPERATION.—To ensure the overall success of the Commission's efforts, the Commission may call upon various Federal departments and agencies to assist in and give support to the programs of the Commission. The head of the Federal department or agency, where appropriate, shall furnish the information or assistance requested by the Commission, unless prohibited by law.

(3) PROHIBITION OF PAY OTHER THAN TRAVEL EXPENSES.—Members of an advisory committee or task force authorized under paragraph (1) shall not receive pay, but may receive travel expenses pursuant to the policy adopted by the Commission under section 4(c)(2).

(b) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if authorized by the Commission, take any action that the Commission is authorized to take under this Act.

(c) AUTHORITY TO PROCURE AND TO MAKE LEGAL AGREEMENTS.—

(1) IN GENERAL.—Notwithstanding any other provision in this Act, only the Commission may procure supplies, services, and property, and make or enter into leases and other legal agreements in order to carry out this Act.

(2) RESTRICTION.—

(A) IN GENERAL.—A contract, lease, or other legal agreement made or entered into by the Commission may not extend beyond the date of the termination of the Commission.

(B) FEDERAL SUPPORT.—The Commission shall obtain property, equipment, and office space from the General Services Administration or the Smithsonian Institution, unless other office space, property, or equipment is less costly.

(3) SUPPLIES AND PROPERTY POSSESSED BY COMMISSION AT TERMINATION.—Any supplies and property, except historically significant items, that are acquired by the Commission under this Act and remain in the possession of the Commission on the date of the termination of the Commission shall become the property of the General Services Administration upon the date of termination.

(d) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as any other Federal agency.

SEC. 7. STAFF AND SUPPORT SERVICES.

(a) EXECUTIVE DIRECTOR.—There shall be an Executive Director appointed by the Commission and chosen from among detailees from the agencies and organizations represented on the Commission. The Executive Director may be paid at a rate not to exceed the maximum rate of basic pay payable for the Senior Executive Service.

(b) STAFF.—The Commission may appoint and fix the pay of any additional personnel that it considers appropriate, except that an individual appointed under this subsection may not receive pay in excess of the maximum rate of basic pay payable for GS–14 of the General Schedule.

(c) INAPPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Executive Director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, except as provided under subsections (a) and (b) of this section.

(d) MERIT SYSTEM PRINCIPLES.—The appointment of the Executive Director or any personnel of the Commission under subsection (a) or (b) shall be made consistent with the merit system principles under section 2301 of title 5, United States Code.

(e) STAFF OF FEDERAL AGENCIES.—Upon request by the Chairperson of the Commission, the head of any Federal department or agency may detail, on either a nonreimbursable or reimbursable basis, any of the personnel of the department or agency to the Commission to assist the Commission to carry out its duties under this Act.

(f) ADMINISTRATIVE SUPPORT SERVICES.—

(1) REIMBURSABLE SERVICES.—The Secretary of the Smithsonian Institution may provide to the Commission on a reimbursable basis any administrative support services that are necessary to enable the Commission to carry out this Act.

(2) NONREIMBURSABLE SERVICES.—The Secretary may provide administrative support services to the Commission on a nonreimbursable basis when, in the opinion of the Secretary, the value of such services is insignificant or not practical to determine.

(g) COOPERATIVE AGREEMENTS.—The Commission may enter into cooperative agreements with other Federal agencies, State and local governments, and private interests and organizations that will contribute to public awareness of and interest in the centennial of powered flight and toward furthering the goals and purposes of this Act.

(h) PROGRAM SUPPORT.—The Commission may receive program support from the nonprofit sector.

SEC. 8. CONTRIBUTIONS.

(a) DONATIONS.—The Commission may accept donations of personal services and historic materials relating to the implementation of its responsibilities under the provisions of this Act.

(b) VOLUNTEER SERVICES.—Notwithstanding section 1342 of title 31, United States Code, the Commission may accept and use voluntary and uncompensated services as the Commission determines necessary.

(c) REMAINING FUNDS.—Any funds (including funds received from licensing royalties) remaining with the Commission on the date of the termination of the Commission may be used to ensure proper disposition, as specified in the final report required under section 10(b), of historically significant property which was donated to or acquired by the Commission. Any funds remaining after such disposition shall be transferred to the Secretary of the Treasury for deposit into the general fund of the Treasury of the United States.

SEC. 9. EXCLUSIVE RIGHT TO NAME, LOGOS, EMBLEMS, SEALS, AND MARKS.

(a) IN GENERAL.—The Commission may devise any logo, emblem, seal, or descriptive or designating mark that is required to carry out its duties or that it determines is appropriate for use in connection with the commemoration of the centennial of powered flight.

(b) LICENSING.—The Commission shall have the sole and exclusive right to use, or to allow or refuse the use of, the name ''Centennial of Flight Commission'' on any logo, emblem, seal, or descriptive or designating mark that the Commission lawfully adopts.

(c) EFFECT ON OTHER RIGHTS.—No provision of this section may be construed to conflict or interfere with established or vested rights.

(d) USE OF FUNDS.—Funds from licensing royalties received pursuant to this section shall be used by the Commission to carry out the duties of the Commission specified by this Act.

(e) LICENSING RIGHTS.—All exclusive licensing rights, unless otherwise specified, shall revert to the Air and Space Museum of the Smithsonian Institution upon termination of the Commission.

SEC. 10. REPORTS.

(a) ANNUAL REPORT.—In each fiscal year in which the Commission is in existence, the Commission shall prepare and submit to Congress a report describing the activities of the Commission during the fiscal year. Each annual report shall also include—

(1) recommendations regarding appropriate activities to commemorate the centennial of powered flight, including—

(A) the production, publication, and distribution of books, pamphlets, films, and other educational materials;

(B) bibliographical and documentary projects and publications;

(C) conferences, convocations, lectures, seminars, and other similar programs;

(D) the development of exhibits for libraries, museums, and other appropriate institutions;

(E) ceremonies and celebrations commemorating specific events that relate to the history of aviation;

(F) programs focusing on the history of aviation and its benefits to the United States and humankind; and

(G) competitions, commissions, and awards regarding historical, scholarly, artistic, literary, musical, and other works, programs, and projects related to the centennial of powered flight;

(2) recommendations to appropriate agencies or advisory bodies regarding the issuance of commemorative coins, medals, and stamps by the United States relating to aviation or the centennial of powered flight;

(3) recommendations for any legislation or administrative action that the Commission determines to be appropriate regarding the commemoration of the centennial of powered flight;

(4) an accounting of funds received and expended by the Commission in the fiscal year that the report concerns, including a detailed description of the source and amount of any funds donated to the Commission in the fiscal year; and

(5) an accounting of any cooperative agreements and contract agreements entered into by the Commission.

(b) FINAL REPORT.—Not later than June 30, 2004, the Commission shall submit to the President and Congress a final report. The final report shall contain—

(1) a summary of the activities of the Commission;

(2) a final accounting of funds received and expended by the Commission;

(3) any findings and conclusions of the Commission; and

(4) specific recommendations concerning the final disposition of any historically significant items acquired by the Commission, including items donated to the Commission under section 8(a)(1).

SEC. 11. AUDIT OF FINANCIAL TRANSACTIONS.

(a) IN GENERAL.—

(1) AUDIT.—The Comptroller General of the United States shall audit on an annual basis the financial transactions of the Commission, including financial transactions involving donated funds, in accordance with generally accepted auditing standards.

(2) ACCESS.—In conducting an audit under this section, the Comptroller General—

(A) shall have access to all books, accounts, financial records, reports, files, and other papers, items, or property in use by the Commission, as necessary to facilitate the audit; and

(B) shall be afforded full facilities for verifying the financial transactions of the Commission, including access to any financial records or securities held for the Commission by depositories, fiscal agents, or custodians.

(b) FINAL REPORT.—Not later than September 30, 2004, the Comptroller General of the United States shall submit to the President and to Congress a report detailing the results of any audit of the financial transactions of the Commission conducted by the Comptroller General.

SEC. 12. ADVISORY BOARD.

(a) ESTABLISHMENT.—There is established a First Flight Centennial Federal Advisory Board.

(b) NUMBER AND APPOINTMENT.—

(1) IN GENERAL.—The Board shall be composed of 19 members as follows:

(A) The Secretary of the Interior, or the designee of the Secretary.

(B) The Librarian of Congress, or the designee of the Librarian.

(C) The Secretary of the Air Force, or the designee of the Secretary.

(D) The Secretary of the Navy, or the designee of the Secretary.

(E) The Secretary of Transportation, or the designee of the Secretary.

(F) Six citizens of the United States, appointed by the President, who—

(i) are not officers or employees of any government (except membership on the Board shall not be construed to apply to the limitation under this clause); and

(ii) shall be selected based on their experience in the fields of aerospace history, science, or education, or their ability to represent the entities enumerated under section 5(a)(2).

(G) Four citizens of the United States, appointed by the majority leader of the Senate in consultation with the minority leader of the Senate.

(H) Four citizens of the United States, appointed by the Speaker of the House of Representatives in consultation with the minority leader of the House of Representatives. Of the individuals appointed under this subparagraph—

(i) one shall be selected from among individuals recommended by the representative whose district encompasses the Wright Brothers National Memorial; and

(ii) one shall be selected from among individuals recommended by the representatives whose districts encompass any part of the Dayton Aviation Heritage National Historical Park.

(c) VACANCIES.—Any vacancy in the Advisory Board shall be filled in the same manner in which the original designation was made.

(d) MEETINGS.—Seven members of the Advisory Board shall constitute a quorum for a meeting. All meetings shall be open to the public.

(e) CHAIRPERSON.—The President shall designate 1 member appointed under subsection (b)(1)(F) as chairperson of the Advisory Board.

(f) MAILS.—The Advisory Board may use the United States mails in the same manner and under the same conditions as a Federal agency.

(g) DUTIES.—The Advisory Board shall advise the Commission on matters related to this Act.

(h) PROHIBITION OF COMPENSATION OTHER THAN TRAVEL EXPENSES.—Members of the Advisory Board shall not receive pay, but may receive travel expenses pursuant to the policy adopted by the Commission under section 4(e).

(i) TERMINATION.—The Advisory Board shall terminate upon the termination of the Commission.

SEC. 13. DEFINITIONS.

For purposes of this Act:

(1) The term ''Advisory Board'' means the Centennial of Flight Federal Advisory Board.

(2) The term ''centennial of powered flight'' means the anniversary year, from December 2002 to December 2003, commemorating the 100-year history of aviation beginning with the First Flight and highlighting the achievements of the Wright brothers in developing the technologies which have led to the development of aviation as it is known today.

(3) The term ''Commission'' means the Centennial of Flight Commission.

(4) The term ''designee'' means a person from the respective entity of each entity represented on the Commission or Advisory Board.

(5) The term ''First Flight'' means the first four successful manned, free, controlled, and sustained flights by a power-driven, heavier-than-air machine, which were accomplished by Orville and Wilbur Wright of Dayton, Ohio on December 17, 1903 at Kitty Hawk, North Carolina.

SEC. 14. TERMINATION.

The Commission shall terminate not later than 60 days after the submission of the final report required by section 10(b) and shall transfer all documents and material to the National Archives or other appropriate Federal entity.

SEC. 15. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act $250,000 for fiscal year 1999, $600,000 for fiscal year 2000, $750,000 for fiscal year 2001, $900,000 for fiscal year 2002, $900,000 for fiscal year 2003, and $600,000 for fiscal year 2004.

ORDERS FOR WEDNESDAY, SEPTEMBER 23, 1998

Mr. GRASSLEY. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 9:30 a.m. on Wednesday, September 23. I further ask that when the Senate reconvenes on Wednesday, immediately following the prayer, the Journal of proceedings be approved, no resolutions come over under the rule, the call of the calendar be waived, the morning hour be deemed to have expired, the time for the two leaders be reserved, and the Senate then resume consideration of S. 1301, the bankruptcy bill.

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

Mr. GRASSLEY. I further ask unanimous consent that at 9:30 a.m., Senator DODD be recognized to offer his amendment relative to student loans and there be 15 minutes for debate, 10 minutes under the control of Senator DODD, 5 minutes under the control of Senator GRASSLEY, and following the conclusion or yielding back of time, the amendment be agreed to, and the motion to reconsider be laid upon the table.

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

Mr. GRASSLEY. I also ask unanimous consent that following the disposition of the Dodd amendment, Senator KOHL be recognized to offer an amendment under a time limit of 10 minutes under his control and 5 minutes under the control of Senator GRASSLEY, and following the conclusion of the debate, the amendment be agreed to, and the motion to reconsider be laid upon the table.

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

Mr. GRASSLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GRASSLEY. Mr. President, I ask that at 10 a.m. tomorrow Senator FEINSTEIN be recognized to speak for up to 10 minutes, to be followed at 11 o'clock by Senator HARKIN to be recognized to offer his amendment regarding interest rates, and that there be 45 minutes for debate, 40 minutes under the control of Senator HARKIN, 5 minutes under the control of Senator DOMENICI, and at 11:45, Senator DOMENICI or his designee be recognized to move to table.

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

Mr. GRASSLEY. I further ask that following the disposition of the Harkin amendment the Senator from Iowa, myself, be recognized to offer the managers' amendment.

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

Mr. GRASSLEY. Therefore, Members should expect a series of votes to occur at approximately 11:45 tomorrow, the last in the series being passage of the bankruptcy bill. The Senate may also

consider the Interior appropriations bill and any other calendar items. Therefore, votes will occur throughout the day on Wednesday.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. GRASSLEY. If there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:44 p.m., adjourned until Wednesday, September 23, 1998, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate September 22, 1998:

DEPARTMENT OF THE INTERIOR

ELJAY B. BOWRON, OF MICHIGAN, TO BE INSPECTOR GENERAL, DEPARTMENT OF THE INTERIOR, VICE WILMA A. LEWIS, RESIGNED.

DEPARTMENT OF ENERGY

ROSE EILENE GOTTEMOELLER, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF ENERGY (NON-PROLIFERATION AND NATIONAL SECURITY), VICE ARCHER L. DURHAM,RESIGNED.

DAVID MICHAELS, OF NEW YORK, TO BE AN ASSISTANT SECRETARY OF ENERGY (ENVIRONMENT, SAFETY AND HEALTH), VICE TARA JEANNE O'TOOLE, RESIGNED.

UNITED STATES INFORMATION AGENCY

WILLIAM B. BADER, OF NEW JERSEY, TO BE AN ASSOCIATE DIRECTOR OF THE UNITED STATES INFORMATION AGENCY, VICE JOHN P. LOIELLO.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

VIVIAN LOWERY DERRYCK, AN ASSISTANT ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE AFRICAN DEVELOPMENT FOUNDATION FOR A TERM EXPIRING SEPTEMBER 27, 2003, VICE JOHN F. HICKS, SR., TERM EXPIRED.

AFRICAN DEVELOPMENT FOUNDATION

SUSAN E. RICE, AN ASSISTANT SECRETARY OF STATE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE AFRICAN DEVELOPMENT FOUNDATION FOR A TERM EXPIRING SEPTEMBER 27, 2003, VICE GEORGE EDWARD MOOSE, TERM EXPIRED.

DEPARTMENT OF STATE

MICHAEL J. SULLIVAN, OF WYOMING, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO IRELAND.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

GORDON DAVIDSON, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2004, VICE KENNETH MALERMAN JARIN, TERM EXPIRED.

CLEO PARKER ROBINSON, OF COLORADO, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE ARTS FOR A TERM EXPIRING SEPTEMBER 3, 2004, VICE IRA RONALD FELDMAN, TERM EXPIRED.

THE JUDICIARY

ALETA A. TRAUGER, OF TENNESSEE, TO BE UNITED STATES DISTRICT JUDGE FOR THE MIDDLE DISTRICT OF TENNESSEE VICE JOHN T. NIXON, RETIRED.

IN THE AIR FORCE

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE, TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. JAMES C. BURDICK, 0000.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. EDWIN P. SMITH, 0000.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be major general

BRIG. GEN. ANTHONY R. JONES, 0000.

EXTENSIONS OF REMARKS

AMERICAN POW'S AND MIA'S

HON. BARBARA CUBIN

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 22, 1998

Mrs. CUBIN. Mr. Speaker, I rise today to recognize American POWs and MIAs. In my home state of Wyoming, there is a deep feeling of respect and grattitude to all the men and women who have defended this country when they were called.

Two thousand eighty-six of these brave Americans are still missing and unaccounted for from the Vietnam War, including six from the state of Wyoming.

Although faced with the terrors and deprivations of war, they answered their nation's call. They bravely served even when some of their countrymen reviled and unfairly criticized their efforts.

These soldiers are Americans. They did their duty. The least we can do for them and their families is insist on nothing less than a full accounting for every one of them.

I urge President Clinton and my colleagues in the Congress to press Vietnam for unilateral actions to locate and return to our nation remains that would account for hundreds of American POW/MIAs and records to help obtain answers on many more.

I am pleased that patriotism is alive and well in America today. Governor Jim Geringer has issued a proclamation designating September 18, 1998, as POW/MIA Recognition Day in the State of Wyoming. These soldiers are not forgotten. Their families are not forgotten. Their priceless contributions to our freedom are not forgotten.

Mr. Speaker, I as that the text of this proclamation be inserted in the RECORD for every American to read.

GOVERNOR'S PROCLAMATION

TWO THOUSAND EIGHTY-SIX Americans are still missing and unaccounted for from the Vietnam War, including 6 from the State of Wyoming, and their families, friends, and fellow veterans still endure uncertainty concerning their fate.

UNITED STATES Government intelligence and other evidence confirm that Vietnam could unilaterally account for hundreds of missing Americans, including many of the 446 missing in Laos and the 75 still unaccounted for in Cambodia, by locating and returning identifiable remains and providing archival records to answer other discrepancies.

THE President has normalized relations with Vietnam, believing such action would generate increased unilateral account for Americans still missing from the Vietnam War, and such increased results have not yet been provided by the Government of Vietnam.

NOW, therefore, be it resolved that the State of Wyoming calls on the President to reinvigorate United States efforts to press Vietnam for unilateral actions to locate and return to our nation remains that would account for hundreds of America's POW/MIA's and records to help obtain answers on many more.

FOR THESE SIGNIFICANT REASONS, I, JIM GERINGER, Governor of the States of Wyoming, do hereby proclaim September 18th, 1998, to be ''POW/MIA Recognition Day'' in Wyoming, and encourage all citizens to observe this day with appropriate ceremonies.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of Wyoming to be affixed this 29th day of July, 1998

JIM GERINGER,
Governor.

IN HONOR OF ARISTIDES SOSA

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 22, 1998

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Aristides Sosa of Miami for the recent honor he received from the University of Nebraska. In his name, the institution created the ''Aristides Sosa International Citizenship Award''. It will be awarded annually to an individual who has demonstrated vision and dedication to the improvement of human relations.

This distinct recognition was presented to Dr. Sosa for his outstanding contribution to the World Affairs Conference and his extraordinary devotion to global education. For 16 years, Dr. Sosa was the director of International Programs and head of the Department of Languages for the University of Nebraska at Kearney where he established several study abroad programs in Europe and Latin America.

In the 1980's, when civil disturbances rocked South Florida, he initiated a variety of community programs to improve the inter-ethnic relations in Miami while he was the Director of the Metro-Dade County Department of Community Affairs.

After a well-deserved retirement this past year, Dr. Sosa has dedicated his time lecturing all over the United States at national and international conferences to offer his vast knowledge and expertise in the field of international relations. For his commitment to multi-cultural education and public service, I ask my colleagues to join me in distinguishing Dr. Aristides Sosa as the driving force and positive image for recipients of the ''Aristides Sosa International Citizenship Award''.

IN RECOGNITION OF MR. MARVIN R. SMITH, NATIONAL MINORITY ADVOCATE OF THE YEAR

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 22, 1998

Ms. LEE. Mr. Speaker, I rise to salute Mr. Marvin R. Smith, who today will receive the National Minority Advocate of the Year Award.

Mr. Speaker, almost 16 years ago, President Ronald Reagan designated the first full week of October 1983 as Minority Enterprise Development (MED) Week. Designated by every President since then, MED Week is an annual national celebration in recognition of the contributions made by minority businesses to the Nation's economy as well as to acknowledge individuals whose efforts have advanced minority business development throughout the country.

Mr. Speaker, MED Week is the largest federal advocacy activity sponsored on behalf of minority businesses. It is jointly sponsored by the U.S. Department of Commerce's Minority Business Development Agency (MBDA) and the Small Business Administration's (SBA) Office of Minority Enterprise Development. Each fall, MED Weeks are held across the country. Observances culminate at a National Conference in Washington, D.C. The week of September 20–26, 1998, was included in this year's presidential proclamation. Each year a theme is chosen by the MED Week Committee to reflect current issues or emphasis. This year's theme is ''Creating a Competitive Advantage in a Changing Business environment.''

Awards are presented by MBDA and SBA to minority-owned businesses and other individuals chosen from nominations received in the respective regional offices around the country. As nominations are received, they are reviewed and evaluated by panels in the regional offices. Award winners in the various categories from the five regional offices (Atlanta, Chicago, Dallas, New York and San Francisco) are presented to MBDA headquarters and evaluated by a review panel at that level for national recognition.

Mr. Speaker, I feel honored to mention that Marvin R. Smith, who works as Manager of the Supplier Management and Business Affirmative Action Office (SM/BAAO) of the Lawrence Livermore National Laboratory (LLNL) (Livermore, CA) and a resident of the 9th District, has also been selected to receive the award of ''National Minority Advocate of the Year.'' Just days after receiving the ''Regional Minority Advocate of the Year Award'' in San Francisco on September 10, 1998.

Mr. Smith has served in various managerial positions at LLNL for the past 20 years. The primary objective of the SM/BAAO is to enhance the quality of vendors doing business with LLNL and to simultaneously assist the laboratory in achieving its socioeconomic goals. As a part of this effort the SM/BAAO strives to identify qualified small, disadvantaged and women-owned businesses and to assist in enhancing their capabilities so that they become viable competitors with the larger integrated concerns currently providing supplies and service to the Laboratory, as well as to increase the extent to which they receive Laboratory Awards/Contracts, something we commonly know as procurement dollars.

I am proud to say that, during the past three fiscal years (1995, 1996 and 1997) as a result of Mr. Smith's leadership and efforts LLNL has

provided $180.86 million in direct procurement awards to small disadvantaged/minority business enterprises. During that same period of time $43.7 million were awarded to 2nd tier disadvantage/minority subcontracts.

Mr. Smith, who is also a longtime civil rights activist, has held a host of positions on local, state and national committees, commissions and organizations. He has long been involved in leadership positions in a myriad of community activities relating, but not limited, to entrepreneurship, mentoring, youth awareness, community economic development, education, fairness in law enforcement/equity in justice and diversity.

Prior to assuming his position with the laboratory, Mr. Smith was the San Francisco Regional Director for the Fair Housing and Equal Opportunity Compliance Division of the U.S. Department of Housing and Urban Development. Previous to that he was a police officer for the Richmond (CA) Police Department.

Mr. Smith received a Bachelor of Arts Degree in Political Science from California State university at Hayward; earned a Masters in Public Administration Degree from Golden Gate University in San Francisco; was a Ph.D. candidate in Public Administration at Golden Gate University (ABD) and holds several professional certificates in Management and Public Administration.

Mr. Speaker, today, I join with the organizers, sponsors and most of my Congressional colleagues in expressing my sincere congratulations to Marvin Smith for his commendable efforts and contributions to minority businesses.

Thank you for your commitment and service.

COMMEMORATING THE 15TH ANNIVERSARY OF THE SAN FRANCISCO CONSERVATION CORPS

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 22, 1998

Ms. PELOSI. Mr. Speaker, I rise today to recognize the 15th anniversary of the San Francisco Conservation Corps.

In 1983, the San Francisco Conservation Corps was one of the first urban youth corps ever established to combine job skills training and academic enhancement. Fifteen years later, over 200 million hours of community service have been performed by the San Francisco Conservation Corps and 130 youth corps groups have been created nationwide.

In San Francisco, Corpsmembers who range in age from 12 to 24 years provide a range of public benefit services while engaged in academic enrichment programs. Corpsmembers perform community outreach in schools, seismic retrofit and lead dust reduction in homes for low-income residents, install play structures for children, preserve and restore native habitats in the Presidio and coordinate neighborhood projects based on needs assessments conducted by high school aged Corpsmembers—to list just a few of their community contributions.

Through the San Francisco Conservation Corps Center's Environment-Community-Outreach Center (ECO), The Learning Center, and the Community Service and Training Center, urban youth learn the importance of teamwork, leadership, community service, and academic achievement. Most importantly, Corpsmembers develop a ''can-do'' attitude building self confidence.

The ECO Center provides job training, environmental education, and academic programs to adolescents and young adults in the Corps. This specialized training engages participants in technological and multi-media skills and activities necessary to prepare for today's job market.

The Learning Center focuses on challenging Corpsmembers to reach their highest level of educational achievement and aids in successful job placement. As a result, Corpsmembers are encouraged toward a commitment to lifelong learning.

The Community Service and Training Center prepares young adults for a career and higher education. It serves to provide participants with confidence, strong work ethics, and responsibility to become effective community leaders.

On Saturday, September 26, 1998, the San Francisco Conservation Corps will host their 15th anniversary celebration. I salute the San Francisco Conservation Corps, its youth, staff and supporters for the important contribution to empowering urban youth to improve their lives while also working to improve San Francisco neighborhood communities.

Congratulations to the Corps on its 15th Anniversary. Our community appreciates and celebrates the Corps' leadership in support of youth, education and training, and community service. I extend special thanks and congratulations to Corpsmembers, Staff, Board Members, Executive Director Ann Cochrane, and Justice J. Anthony Kline on this special occasion.

CELEBRATING 125 YEARS OF THE KENNETT GRANGE NO. 19

HON. JOSEPH R. PITTS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 22, 1998

Mr. PITTS. Mr. Speaker, today I rise to honor an organization celebrating its 125th anniversary in my district in Pennsylvania.

The Kennett Grange No. 19 is now celebrating 125 years of continuous service to our area. Founded in the Borough of Kennett Square in 1873, this chapter is presently the third oldest in the Commonwealth of Pennsylvania, although it was the 19th one organized.

In 1932 when the Kennett School District consolidated, the members purchased the original Greenwood School building in Kennett Township and have been meeting there ever since. Now that is impressive! The dedication of the community to the continuation of this Grange must be commended.

On a local, county, state, and national level, this Grange has made a difference! Your active commitment has not gone unnoticed.

So today, I want to honor the Kennett Grange for the way they encourage family participation and promote community service and education here in Chester County and across the nation.

I and to wish them continued blessing. Here's to another 125 years!

A TRIBUTE TO TOGETHERNESS WITH LOVE CENTER ON THEIR SECOND ANNIVERSARY

HON. NYDIA VELAZQUEZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 22, 1998

Ms. VELÁZQUEZ. Mr. Speaker, it is with great pride that I rise today to pay a special tribute to Togetherness With Love Center, Inc., an organization in my district which has worked to provide social services to low income families.

In 1993, Together With Love was founded in Brooklyn, New York by Mr. Cyril Joseph. He originally started this organization as a neighborhood alternative to the often overcrowded municipal soup kitchens in the area. Operating out of a tiny basement shop on DeKalb Ave., Mr. Joseph with the help of the Seventh-day Adventist Church and the Jesus Cares Ministries began to distribute food to those in need.

Since its founding, Togetherness With Love has added 24 new staff members and has become a vital part of the community I serve. Most of those who enter its doors on a daily basis receive aid on health and immigrant issues, as well as assistance in employment and housing.

Mr. Speaker, I ask my colleagues in Congress to join me in acknowledging and thanking the men and women of the Togetherness With Love Center for their excellent service and dedication

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S10673–S10738

Measures Introduced: Six bills and two resolutions were introduced, as follows: S. 2506–2511, and S. Con. Res. 119–120. **Page S10722**

Measures Reported: Reports were made as follows:

H.R. 3069, to extend the Advisory Council on California Indian Policy to allow the Advisory Council to advise Congress on the implementation of the proposals and recommendations of the Advisory Council, with an amendment. (S. Rept. No. 105–342)

S. 1385, to amend title 38, United States Code, to expand the list of diseases presumed to be service connected with respect to radiation-exposed veterans, with an amendment in the nature of a substitute. (S. Rept. No. 105–343)

S. 1822, to amend title 38, United States Code, to authorize provision of care to veterans treated with nasopharyngeal radium irradiation, with an amendment in the nature of a substitute. (S. Rept. No. 105–344) **Pages S10722**

Measures Passed:

Use of Capitol Rotunda: Senate agreed to H. Con. Res. 326, permitting the use of the rotunda of the Capitol on September 23, 1998, for the presentation of the Congressional Gold Medal to Nelson Rolihlahla Mandela. **Pages S10732–33**

National Historically Black Colleges and Universities Week: Committee on the Judiciary was discharged from further consideration of S. Res. 259, designating the week beginning September 20, 1998, as ''National Historically Black Colleges and Universities Week'', and the resolution was then agreed to. **Page S10733**

Centennial of Flight Commemoration Act: Senate passed S. 1397, to establish a commission to assist in commemoration of the centennial of powered flight and the achievements of the Wright brothers, after agreeing to a committee amendment in the nature of a substitute, and the following amendment proposed thereto: **Pages S10733–37**

Grassley (for Helms/Glenn) Amendment No. 3613, authorizing funds for fiscal years 1999 through 2004. **Page S10735**

Consumer Bankruptcy Reform Act: Senate resumed consideration of S. 1301, to amend title 11, United States Code, to provide for consumer bankruptcy protection, with a committee amendment in the nature of a substitute, taking action on amendments proposed thereto, as follows: **Pages S10673–S10701, S10704–13**

Adopted:

Feingold/Specter Amendment No. 3565 (to Amendment No. 3559), to provide for a waiver of filing fees in certain bankruptcy cases. (By 47 yeas to 52 nays (Vote No. 280), Senate earlier failed to table the amendment.) **Pages S10673, S10698–99**

Rejected:

Feingold/Specter Amendment No. 3602 (to Amendment No. 3559), to ensure payment of trustees' costs under chapter 7 of title 11, United States Code, of abuse motions, without encouraging conflicts of interest between attorneys and clients. (By 57 yeas to 42 nays (Vote No. 279), Senate tabled the amendment.) **Pages S10673, S10697–98**

Reed Amendment No. 3610 (to Amendment No. 3559), relating to court considerations with respect to dismissal or conversion. (By 63 yeas to 36 nays (Vote No. 281), Senate tabled the amendment.) **Pages S10674–79, S10699–S10701**

Kennedy Amendment No. 3540 (to Amendment No. 3559), to increase the Federal minimum wage. (By 55 yeas to 44 nays (Vote No. 278), Senate tabled the amendment.) **Pages S10674–97**

Pending:

Lott (for Grassley/Hatch) Amendment No. 3559, in the nature of a substitute. **Page S10673**

By unanimous consent, Amendment No. 3595, as modified, agreed to on September 17, 1998, was further modified. **Pages S10712–13**

A unanimous-consent agreement was reached providing for further consideration of the bill on Wednesday, September 23, 1998. **Pages S10737**

Child Custody Protection Act—Cloture Vote: By 54 yeas to 45 nays (Vote No. 282), three-fifths of those Senators duly chosen and sworn not having voted in the affirmative, Senate failed to agree to

close further debate on the committee amendment in the nature of a substitute to S. 1645, to amend title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions.

Pages S10701–04

Federal Vacancies Reform Act—Cloture Filed: A motion was entered to close further debate on the motion to proceed to consideration of S. 2176, to amend sections 3345 through 3349 of title 5, United States Code (commonly referred to as the ''Vacancies Act'') to clarify statutory requirements relating to vacancies in and appointments to certain Federal offices and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate a vote on the cloture motion will occur on Thursday, September 24, 1998. **Page S10712**

Nominations Received: Senate received the following nominations:

Eljay B. Bowron, of Michigan, to be Inspector General, Department of the Interior.

Rose Eilene Gottemoeller, of Virginia, to be an Assistant Secretary of Energy (Non-Proliferation and National Security).

David Michaels, of New York, to be an Assistant Secretary of Energy (Environment, Safety and Health).

William B. Bader, of New Jersey, to be an Associate Director of the United States Information Agency.

Vivian Lowery Derryck, an Assistant Administrator of the Agency for International Development, to be a Member of the Board of Directors of the African Development Foundation for a term expiring September 27, 2003.

Susan E. Rice, an Assistant Secretary of State, to be a Member of the Board of Directors of the African Development Foundation for a term expiring September 27, 2003.

Michael J. Sullivan, of Wyoming, to be Ambassador to Ireland.

Gordon Davidson, of California, to be a Member of the National Council on the Arts for a term expiring September 3, 2004.

Cleo Parker Robinson, of Colorado, to be a Member of the National Council on the Arts for a term expiring September 3, 2004.

Aleta A. Trauger, of Tennessee, to be United States District Judge for the Middle District of Tennessee.

1 Air Force nomination in the rank of general.

2 Army nominations in the rank of general.

Page S10738

Messages From the House: **Page S10719**

Measures Placed on Calendar: **Page S10719**

Communications: **Pages S10719–21**

Petitions: **Pages S10721–22**

Statements on Introduced Bills: **Pages S10722–25**

Additional Cosponsors: **Pages S10725–26**

Amendments Submitted: **Page S10728**

Notices of Hearings: **Page S10728**

Authority for Committees: **Page S10728**

Additional Statements: **Pages S10728–32**

Record Votes: Five record votes were taken today. (Total—282) **Pages S10697–99, S10701, S10703–04**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 6:44 p.m., until 9:30 a.m., on Wednesday, September 23, 1998. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on pages S10737–38.)

Committee Meetings

(Committees not listed did not meet)

MIND/BODY MEDICINE

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, Education and Related Agencies concluded hearings to examine the clinical applications of mind and body medicine and its effects on health care costs, after receiving testimony from Norman Anderson, Director, Office of Behavioral and Social Sciences Research, National Institutes of Health, Department of Health and Human Services; Herbert Benson, Mind/Body Medical Institute/Harvard University Medical School, Boston, Massachusetts; and Harold G. Koenig, Center for the Study of Religion/Spirituality and Health/Duke University Medical Center, Durham, North Carolina.

NOMINATIONS

Committee on Armed Services: Committee concluded hearings on the nominations of Richard Danzig, of the District of Columbia, to be Secretary, Stephen W. Preston, of the District of Columbia, to be General Counsel, and Herbert Lee Buchanan III, of Virginia, to be Assistant Secretary for Research, Development and Acquisition, all of the Department of the Navy, Bernard Daniel Rostker, of Virginia, to be Under Secretary of the Army, and Jeh Charles Johnson, of New York, to be General Counsel of the Department of the Air Force, after the nominees testified and answered questions in their own behalf.

NOMINATIONS

Committee on Commerce, Science, and Transportation: Committee concluded hearings on the nominations of Linwood Holton, of Virginia, and Amy M. Rosen, of New Jersey, each to be a Member of the Reform

Board (AMTRAK), after the nominees testified and answered questions in their own behalf. Mr. Holton was introduced by Senators Warner and Robb, and Ms. Rosen was introduced by Senator Lautenberg.

COASTAL BARRIER MODIFICATION

Committee on Environment and Public Works: Committee concluded hearings on S. 2470, to modify the boundaries within the Coastal Barrier Resources System in Florida by removing the 25-acre island of Pumpkin Key, after receiving testimony from Gerry Jackson, Assistant Director of the Interior for Ecological Services/U.S. Fish and Wildlife Service; Jacqueline Savitz, Coast Alliance, and Ralph DeGennaro, Taxpayers for Common Sense, both of Washington, D.C.; and Thomas Z. Hayward, Jr., Terra Cotta Realty, Inc., Key Largo, Florida.

BP-AMOCO MERGER

Committee on the Judiciary: Subcommittee on Antitrust, Business Rights and Competition concluded hearings to examine the state of competition within the petroleum industry, focusing on the competitive implications of the proposed merger between BP America and the Amoco Corporation, after receiving testimony from David Freitag, Ohio Petroleum Retailers and Repair Association, Inc., Bellevue; Steven W. Percy, BP America Inc., Cleveland, Ohio; George S. Spindler, Amoco Corporation, Chicago, Illinois; and Philip K. Verleger, Jr., Brattle Group, Concord, Massachusetts.

VA HEALTH CARE QUALITY

Committee on Veterans' Affairs: Committee concluded oversight hearings to examine the quality of care in the veterans health care system, after receiving testimony from Kenneth W. Kizer, Under Secretary for Health, and Mark Catlett, Acting Assistant Secretary for Management, both of the Department of Veterans Affairs; Harry J. Wilbur, Chief, Urology Section, Samuel Stratton Veterans Affairs Medical Center, Albany, New York; Richard A. Wannemacher, Jr., Disabled American Veterans, Gordon H. Mansfield, Paralyzed Veterans of America, Jacqueline Garrick, American Legion, and Bobby L. Harnage, Sr., American Federation of Government Employees (AFL–CIO), all of Washington, D.C.; Ellen Pitts, National Association of Government Employees, Boston, Massachusetts; and Robert Jones, New York, New York, and John T. Carson, Springfield, Missouri, both former Directors, Veterans Integrated Service Network.

House of Representatives

Chamber Action

Bills Introduced: 1 public bill, H.R. 4606, was introduced. Page H8461

Reports Filed: Reports were filed today as follows:

Conference Report on H.R. 4112, making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999 (H. Rept. 105–734);

H.R. 4558, to make technical amendments to clarify the provision of benefits for noncitizens, and to improve the provision of unemployment insurance, child support, and supplemental security income benefits, amended (H. Rept. 105–735); and

Conference Report on H.R. 3616, to authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1999 (H. Rept. 105–736). Pages H8085–H8461

Speaker Pro Tempore: Read a letter from the Speaker wherein he designated Representative Petri to act as Speaker pro tempore for today. Page H8085

Guest Chaplain: The prayer was offered by the guest Chaplain, Rev. James R. Seale of Frederick, Maryland. Page H8085

Senate Messages: Message received from the Senate appears on page H8085.

Referrals: S. 2317, to improve the National Wildlife Refuge System, was referred to the Committee on Resources. Page H8461

Quorum Calls—Votes: No quorum calls or recorded votes developed during the proceedings of the House today.

Adjournment: The House met at 10:00 a.m. and adjourned at 10:10 a.m.

Committee Meetings

No Committee meetings were held.

COMMITTEE MEETINGS FOR WEDNESDAY, SEPTEMBER 23, 1998

Senate

(Committee meetings are open unless otherwise indicated)

Committee on Agriculture, Nutrition, and Forestry, to hold hearings to examine public and private forestry issues, 2 p.m., SR–328A.

Committee on Appropriations, Subcommittee on Labor, Health and Human Services, and Education, to hold hearings to examine issues regarding the global eradication of polio and measles, 10:30 a.m., SD–124.

Committee on Armed Services, to hold closed hearings on North Korea's ballistic missile and weapons of mass destruction programs, 10 a.m., SH–219.

Committee on Banking, Housing, and Urban Affairs, to hold hearings on the nominations of John D. Hawke, Jr., of the District of Columbia, to be Comptroller of the Currency, Department of the Treasury, and Saul N. Ramirez, Jr., of Texas, to be Deputy Secretary, William C. Apgar, Jr., of Massachusetts, to be Assistant Secretary for Housing and Federal Housing Administrator, Cardell Cooper, of New Jersey, to be Assistant Secretary for Community Planning and Development, and Harold Lucas, of New Jersey, to be Assistant Secretary for Public and Indian Housing, all of the Department of Housing and Urban Affairs, 11 a.m., SD–538.

Committee on the Budget, to hold hearings on global economic issues, 2 p.m., SD–608.

Committee on Commerce, Science, and Transportation, Subcommittee on Communications, to hold hearings to examine Internet privacy issues, 9:30 a.m., SR–253.

Subcommittee on Science, Technology, and Space, to hold hearings to examine United States commercial space launch industry activities, 2 p.m., SR–253.

Committee on Energy and Natural Resources, business meeting, to consider pending calendar business, 9:30 a.m., SD–366.

Committee on Environment and Public Works, business meeting, to consider pending calendar business, 9:30 a.m., SD–406.

Subcommittee on Transportation and Infrastructure, to hold hearings on the proposed consolidation of the Patent and Trademark Office, 4 p.m., SD–406.

Committee on Foreign Relations, to hold hearings on the nominations of Richard Henry Jones, of Nebraska, to be Ambassador to the Republic of Kazakhstan, Robert Patrick John Finn, of New York, to be Ambassador to the Republic of Tajikistan, John Shattuck, of Massachusetts, to be Ambassador to the Czech Republic, and Michael J. Sullivan, of Wyoming, to be Ambassador to Ireland, 10:30 a.m., SD–419.

Committee on Governmental Affairs, to resume hearings to examine information security issues, 10 a.m., SD–342.

Committee on the Judiciary, Subcommittee on Constitution, Federalism, and Property Rights, to hold hearings to examine issues regarding the right to keep and bear arms, focusing on the Second Amendment as a source to individual rights, 2 p.m., SD–226.

Committee on Labor and Human Resources, business meeting, to consider pending calendar business, 9:30 a.m., SD–430.

Committee on Indian Affairs, to hold hearings on H.R. 1833, to provide for further self-governance by Indian tribes, 9 a.m., SD–562.

Select Committee on Intelligence, to hold closed hearings on intelligence matters, 2:30 p.m., SH–219.

House

Committee on Agriculture, Subcommittee on Department Operations, Nutrition, and Foreign Agriculture, hearing to review the Emergency Food Assistance Program Enhancement Act of 1998, 10 a.m., 1300 Longworth.

Committee on Banking and Financial Services, hearing on H.R. 4179, to authorize qualified organizations to provide technical assistance and capacity building services to microenterprise development organizations and programs and to disadvantaged entrepreneurs using funds from the Community Development Financial Institutions Fund, 12:00 p.m., 2128 Rayburn.

Committee on Resources, Subcommittee on Water and Power, hearing on H.R. 3658 Chippewa Cree Tribe of the Rocky Boy's Reservation Indian Reserved Rights Settlement Act of 1998, 2:00 p.m., 1334 Longworth.

Committee on Rules, to consider the following: Conference Report to accompany H.R. 3616, making appropriations for the Department of Defense for the fiscal year ending September 30, 1999; and the Conference Report to accompany H.R. 4112, making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, 5 p.m., H–313 Capitol.

Committee on Science, Subcommittee on Basic Research and the Subcommittee on Energy and Environment, joint oversight hearing on the GAO Report on Department of Energy National Laboratory Management Reform, 10 a.m., 2318 Rayburn.

Committee on Small Business, Subcommittee on Government Programs and Oversight, hearing with respect to the SBA Secondary Market in Guaranteed Portion of 7(a) Loans, 2 p.m., 2360 Rayburn.

Joint Meetings

Conferees, closed, on H.R. 4103, making appropriations for the Department of Defense for the fiscal year ending September 30, 1999, 1 p.m., S–5, Capitol.

Next Meeting of the SENATE

9:30 a.m., Wednesday, September 23

Senate Chamber

Program for Wednesday: Senate will resume consideration of S. 1301, Consumer Bankruptcy Reform.

Next Meeting of the HOUSE OF REPRESENTATIVES

2 p.m., Wednesday, September 23

House Chamber

Program for Wednesday: Consideration of 12 Suspensions:

(1) H.R. 2000—Amending the Alaska Native Claims Settlement Act;

(2) H.R. 4068—Making Certain Technical Corrections in Laws Relating to Native Americans;

(3) H.R. 2314—Kickapoo Tribe of Oklahoma Federal Indian Services Restoration Act ;

(4) H.R. 1659—Mount St. Helens National Volcanic Monument Completion Act;

(5) H.R. 3381—Gallatin Land Consolidation Act of 1998;

(6) H.R. 1481—Great Lakes Fish and Wildlife Restoration Act;

(7) H. Res. 144—Expressing Support for the Bicentennial of the Lewis and Clark Expedition;

(8) H. Res. 505—Expressing the Sense of the House of Representatives with Respect to the Importance of Diplomatic Relations with the Pacific Island Nations;

(9) H. Con. Res. 315—Expressing the Sense of the Congress Condemning the Atrocities by Serbian Police and Military Forces Against Albanians in Kosova;

(10) H.R. 4558—Making Technical Amendments to Clarify the Provision of Benefits for Noncitizens, and to Improve the Provision of Unemployment Insurance, Child Support, and Supplemental Security Income Benefits;

(11) S. 1355—Designating the Richard C. Lee United States Courthouse; and

(12) H.R. 81—Robert K. Rodibaugh United States Bankruptcy Courthouse.

Extensions of Remarks, as inserted in this issue

HOUSE

Cubin, Barbara, Wyo., E1771
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Pelosi, Nancy, Calif., E1772
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