

Calendar No. 261

110TH CONGRESS
1ST SESSION

S. 1548

To authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, to prescribe military personnel strengths for such fiscal year, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 5, 2007

Mr. LEVIN, from the Committee on Armed Services, reported the following original bill; which was read twice and placed on the calendar

JUNE 13, 2007

Referred to the Select Committee on Intelligence pursuant to section 3(b) of S. Res. 400, 94th Congress, as amended by S. Res. 445, 108th Congress, for a period not to exceed 10 days of session

JUNE 29, 2007

Reported by Mr. ROCKEFELLER, with amendments

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A BILL

To authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, to prescribe military personnel strengths for such fiscal year, and for other purposes.

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

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Department of Defense
3 Authorization Act for Fiscal Year 2008”.

4 SEC. 2. TABLE OF CONTENTS.

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

- Sec. 1. Short title.
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1 SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES.

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

5 TITLE I—PROCUREMENT
6 Subtitle A—Authorization of
7 Appropriations

8 SEC. 101. ARMY.

9 Funds are hereby authorized to be appropriated for
10 fiscal year 2008 for procurement for the Army as follows:

11 (1) For aircraft, \$5,229,175,000.

12 (2) For missiles, \$2,178,102,000.

13 (3) For weapons and tracked combat vehicles,
14 \$7,546,684,000.

15 (4) For ammunition, \$2,228,976,000.

16 (5) For other procurement, \$15,013,155,000.

17 SEC. 102. NAVY AND MARINE CORPS.

18 (a) NAVY.—Funds are hereby authorized to be appro-
19 priated for fiscal year 2008 for procurement for the Navy
20 as follows:

21 (1) For aircraft, \$13,475,107,000.

1 (2) For weapons, including missiles and tor-
2 pedoes, \$3,078,387,000.

3 (3) For shipbuilding and conversion,
4 \$13,605,638,000.

5 (4) For other procurement, \$5,432,412,000.

6 (b) MARINE CORPS.—Funds are hereby authorized to
7 be appropriated for fiscal year 2008 for procurement for
8 the Marine Corps in the amount of \$2,699,057,000.

9 (c) NAVY AND MARINE CORPS AMMUNITION.—Funds
10 are hereby authorized to be appropriated for fiscal year
11 2008 for procurement of ammunition for the Navy and
12 the Marine Corps in the amount of \$926,597,000.

13 **SEC. 103. AIR FORCE.**

14 Funds are hereby authorized to be appropriated for
15 fiscal year 2008 for procurement for the Air Force as fol-
16 lows:

17 (1) For aircraft, \$12,593,813,000.

18 (2) For ammunition, \$868,917,000.

19 (3) For missiles, \$5,166,002,000.

20 (4) For other procurement, \$16,312,962,000.

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

22 Funds are hereby authorized to be appropriated for
23 fiscal year 2008 for Defense-wide procurement in the
24 amount of \$3,385,970,000.

1 **SEC. 105. RAPID ACQUISITION FUND.**

2 Funds are hereby authorized to be appropriated for
3 fiscal year 2008 for the Rapid Acquisition Fund in the
4 amount of \$100,000,000.

5 **Subtitle B—Army Programs**

6 **SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR**
7 **M1A2 ABRAMS SYSTEM ENHANCEMENT PACK-**
8 **AGE UPGRADES.**

9 The Secretary of the Army, in accordance with sec-
10 tion 2306b of title 10, United States Code, may enter into
11 a multiyear contract, beginning with the fiscal year 2008
12 program year, for procurement of M1A2 Abrams System
13 Enhancement Package upgrades.

14 **SEC. 112. MULTIYEAR PROCUREMENT AUTHORITY FOR**
15 **M2A3/M3A3 BRADLEY FIGHTING VEHICLE UP-**
16 **GRADES.**

17 The Secretary of the Army, in accordance with sec-
18 tion 2306b of title 10, United States Code, may enter into
19 a multiyear contract, beginning with the fiscal year 2008
20 program year, for procurement of M2A3/M3A3 Bradley
21 fighting vehicle upgrades.

22 **SEC. 113. STRYKER MOBILE GUN SYSTEM.**

23 (a) LIMITATION ON AVAILABILITY OF FUNDS.—None
24 of the amounts authorized to be appropriated by sections
25 101(3) and 1501(3) for procurement of weapons and
26 tracked combat vehicles for the Army may be obligated

1 or expended for purposes of the procurement of the
2 Stryker Mobile Gun System until 30 days after the date
3 on which the Secretary of the Army certifies to Congress
4 that the Stryker Mobile Gun System is operationally effective,
5 suitable, and survivable for its anticipated deployment
6 missions.

7 (b) WAIVER.—The Secretary of Defense may waive
8 the limitation in subsection (a) if the Secretary—

9 (1) determines that further procurement of the
10 Stryker Mobile Gun System utilizing amounts referred
11 to in subsection (a) is in the national security
12 interest of the United States notwithstanding the inability
13 of the Secretary of the Army to make the certification
14 required by that subsection; and

15 (2) submits to the Congress, in writing, a notification
16 of the waiver together with a discussion of—

17 (A) the reasons for the determination described
18 in paragraph (1); and

19 (B) the actions that will be taken to mitigate
20 any deficiencies that cause the Stryker
21 Mobile Gun System not to be operationally effective,
22 suitable, or survivable, as that case may
23 be, as described in subsection (a).

1 **SEC. 114. CONSOLIDATION OF JOINT NETWORK NODE PRO-**
2 **GRAM AND WARFIGHTER INFORMATION NET-**
3 **WORK-TACTICAL PROGRAM INTO SINGLE**
4 **ARMY TACTICAL NETWORK PROGRAM.**

5 (a) CONSOLIDATION REQUIRED.—The Secretary of
6 the Army shall consolidate the Joint Network Node pro-
7 gram and the Warfighter Information Network–Tactical
8 program into a single Army tactical network program.

9 (b) REPORT ON CONSOLIDATION.—

10 (1) REPORT REQUIRED.—Not later than De-
11 cember 31, 2007, the Secretary shall, with the con-
12 currence of the Under Secretary of Defense for Ac-
13 quisition, Technology, and Logistics and the Assist-
14 ant Secretary of Defense for Networks and Informa-
15 tion Integration, submit to the congressional defense
16 committees a report setting forth a plan to consoli-
17 date the Joint Network Node program and the
18 Warfighter Information Network–Tactical program
19 into a single Army tactical network program as re-
20 quired by subsection (a).

21 (2) ELEMENTS.—The report required by para-
22 graph (1) shall include with respect to the acquisi-
23 tion of the single Army tactical network required by
24 subsection (a) the following:

1 (A) An analysis of how the systems speci-
2 fied in paragraph (1) will be integrated, includ-
3 ing—

4 (i) an analysis of whether there are
5 opportunities to leverage technologies and
6 equipment from the Warfighter Informa-
7 tion Network–Tactical program as part of
8 the continuing development and fielding of
9 the Joint Network Node; and

10 (ii) an analysis of major technical
11 challenges of integrating the two programs.

12 (B) A description of the extent to which
13 components of the systems could be used to-
14 gether as elements of a single Army tactical
15 network.

16 (C) A description of the strategy of the
17 Army for completing the systems engineering
18 necessary to ensure the end-to-end interoper-
19 ability of a single Army tactical network as de-
20 scribed in subsection (a).

21 (D) An assessment of the costs of acquir-
22 ing the systems.

23 (E) An assessment of the technical com-
24 patibility of the systems.

1 (F) A description and assessment of the
2 plans of the Army relating to ownership of the
3 technical data packages for the systems, and an
4 assessment of the capacity of the industrial
5 base to support Army needs.

6 (G) A description of the plans and sched-
7 ule of the Army for fielding the systems, and a
8 description of the associated training schedule.

9 (H) A description of the plans of the Army
10 for sustaining the single Army tactical network.

11 (I) A description of the plans of the Army
12 for the insertion of new technology into the
13 Joint Network Node.

14 (J) A description of the major technical
15 challenges of integrating the two programs.

16 (K) An assessment as to whether other
17 programs should be inserted into the single
18 Army tactical network as required by subsection
19 (a).

20 (L) An analysis of the interoperability re-
21 quirements between the Army tactical network
22 and the Joint Network Node, an assessment of
23 the technological barriers to achievement of
24 such interoperability requirements, and a de-
25 scription of formal mechanisms of coordination

1 between the Army tactical network and the
2 Joint Network Node program.

3 **Subtitle C—Navy Programs**

4 **SEC. 131. MULTIYEAR PROCUREMENT AUTHORITY FOR VIR-** 5 **GINIA CLASS SUBMARINE PROGRAM.**

6 (a) **AUTHORITY.**—The Secretary of the Navy may, in
7 accordance with section 2306b of title 10, United States
8 Code, enter into multiyear contracts, beginning with the
9 fiscal year 2009 program year, for the procurement of Vir-
10 ginia-class submarines and government-furnished equip-
11 ment.

12 (b) **LIMITATION.**—The Secretary of the Navy may
13 not enter into a contract authorized by subsection (a) until
14 30 days after the date on which the Secretary submits
15 to the congressional defense committees a certification
16 that the Secretary has made each of the findings with re-
17 spect to such contract specified in subsection (a) of section
18 2306b of title 10, United States Code.

19 **Subtitle D—Air Force Programs**

20 **SEC. 141. LIMITATION ON RETIREMENT OF C-130E/H TAC-** 21 **TICAL AIRLIFT AIRCRAFT.**

22 (a) **LIMITATION.**—The Secretary of the Air Force
23 may not retire C-130E/H tactical airlift aircraft during
24 fiscal year 2008.

1 (b) MAINTENANCE OF CERTAIN RETIRED AIR-
2 CRAFT.—The Secretary of the Air Force shall maintain
3 each C-130E/H tactical airlift aircraft retired during fis-
4 cal year 2007 in a condition that will permit recall of such
5 aircraft to future service.

6 **SEC. 142. LIMITATION ON RETIREMENT OF KC-135E AERIAL**
7 **REFUELING AIRCRAFT.**

8 The Secretary of the Air Force shall not retire any
9 KC-135E aerial refueling aircraft of the Air Force in fis-
10 cal year 2008 unless the Secretary provides written notifi-
11 cation of such retirement to the congressional defense
12 committees in accordance with established procedures.

13 **TITLE II—RESEARCH, DEVELOP-**
14 **MENT, TEST, AND EVALUA-**
15 **TION**

16 **Subtitle A—Authorization of**
17 **Appropriations**

18 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

19 Funds are hereby authorized to be appropriated for
20 fiscal year 2008 for the use of the Department of Defense
21 for research, development, test, and evaluation as follows:

- 22 (1) For the Army, \$11,268,904,000.
23 (2) For the Navy, \$16,296,395,000.
24 (3) For the Air Force, \$25,581,989,000.

1 (4) For Defense-wide activities,
 2 \$21,511,739,000, of which \$180,264,000 is author-
 3 ized for the Director of Operational Test and Eval-
 4 uation.

5 **SEC. 202. AMOUNT FOR DEFENSE SCIENCE AND TECH-**
 6 **NOLOGY.**

7 (a) FISCAL YEAR 2008.—Of the amounts authorized
 8 to be appropriated by section 201, \$11,204,784,000 shall
 9 be available for the Defense Science and Technology Pro-
 10 gram, including basic research, applied research, and ad-
 11 vanced technology development projects.

12 (b) BASIC RESEARCH, APPLIED RESEARCH, AND AD-
 13 VANCED TECHNOLOGY DEVELOPMENT DEFINED.—For
 14 purposes of this section, the term “basic research, applied
 15 research, and advanced technology development” means
 16 work funded in program elements for defense research and
 17 development under Department of Defense budget activity
 18 1, 2, or 3.

19 **Subtitle B—Program Require-**
 20 **ments, Restrictions, and Limita-**
 21 **tions**

22 **SEC. 211. ADVANCED SENSOR APPLICATIONS PROGRAM.**

23 (a) TRANSFER OF FUNDS.—Of the amount author-
 24 ized to be appropriated by section 201(4) for research, de-
 25 velopment, test, and evaluation, Defense-wide activities,

1 and made available for the Foreign Material Acquisition
2 and Exploitation Program and for activities of the Office
3 of Special Technology, an aggregate of \$20,000,000 shall
4 be transferred to the Advanced Sensor Applications Pro-
5 gram not later than 60 days after the date of the enact-
6 ment of this Act.

7 (b) REASSIGNMENT OF PROGRAM.—Beginning not
8 later than 30 days after the date of the enactment of this
9 Act, the Advanced Sensor Applications Program shall be
10 a program of the Defense Threat Reduction Agency, man-
11 aged by the Director of the Defense Threat Reduction
12 Agency, and shall be executed by the Program Executive
13 Officer for Aviation for the Navy working for the Director
14 of the Defense Threat Reduction Agency.

15 **SEC. 212. ACTIVE PROTECTION SYSTEMS.**

16 (a) COMPARATIVE TESTS REQUIRED.—

17 (1) IN GENERAL.—The Secretary of Defense
18 shall undertake comparative tests, including live-fire
19 tests, of appropriate foreign and domestic active pro-
20 tection systems in order—

21 (A) to determine the effectiveness of such
22 systems; and

23 (B) to develop information useful in the
24 consideration of the adoption of such systems in
25 defense acquisition programs.

1 (2) REPORTS.—Not later than March 1 of each
2 of 2008 and 2009, the Secretary shall submit to the
3 congressional defense committees a report on the re-
4 sults of the tests undertaken under paragraph (1) as
5 of the date of such report.

6 (b) COMPREHENSIVE ASSESSMENT REQUIRED.—

7 (1) IN GENERAL.—The Secretary shall under-
8 take a comprehensive assessment of active protection
9 systems in order to develop information useful in the
10 development of joint active protection systems and
11 other defense programs.

12 (2) ELEMENTS.—The assessment under para-
13 graph (1) shall include—

14 (A) an identification of the potential merits
15 and operational costs of the use of active pro-
16 tection systems by United States military
17 forces;

18 (B) a characterization of the threats that
19 use of active protection systems by potential ad-
20 versaries would pose to United States military
21 forces and weapons;

22 (C) an identification and assessment of
23 countermeasures to active protection systems;

24 (D) an analysis of collateral damage poten-
25 tial of active protection systems;

1 (E) an identification and assessment of
2 emerging direct-fire and top-attack threats to
3 defense systems that could potentially deploy
4 active protection systems; and

5 (F) an identification and assessment of
6 critical technology elements of active protection
7 systems.

8 (3) REPORT.—Not later than December 31,
9 2008, the Secretary shall submit to the congres-
10 sional defense committees a report on the assess-
11 ment under paragraph (1).

12 **SEC. 213. OBLIGATION AND EXPENDITURE OF FUNDS FOR**
13 **COMPETITIVE PROCUREMENT OF PROPUL-**
14 **SION SYSTEM FOR THE JOINT STRIKE FIGHT-**
15 **ER.**

16 Within amount authorized to be appropriated for fis-
17 cal years after fiscal year 2007 for procurement, and for
18 research, development, test, and evaluation, for the Joint
19 Strike Fighter Program, the Secretary of Defense shall
20 ensure the obligation and expenditure of sufficient
21 amounts each such fiscal year for the continued develop-
22 ment and procurement of two options for the propulsion
23 system for the Joint Strike Fighter in order to assure the
24 competitive development and eventual production for the
25 propulsion system for a Joint Strike Fighter aircraft,

1 thereby giving a choice of engine to the growing number
 2 of nations expressing interest in procuring such aircraft.

3 **Subtitle C—Missile Defense** 4 **Programs**

5 **SEC. 231. LIMITATION ON AVAILABILITY OF FUNDS FOR**
 6 **PROCUREMENT, CONSTRUCTION, AND DE-**
 7 **PLOYMENT OF MISSILE DEFENSES IN EU-**
 8 **ROPE.**

9 (a) GENERAL LIMITATION.—No funds authorized to
 10 be appropriated by this Act may be obligated or expended
 11 for procurement, site activation, construction, preparation
 12 of equipment for, or deployment of a long-range missile
 13 defense system in Europe until the following conditions
 14 have been met:

15 (1) The governments of the countries in which
 16 major components of such missile defense system
 17 (including interceptors and associated radars) are
 18 proposed to be deployed have each given final ap-
 19 proval to any missile defense agreements negotiated
 20 between such governments and the United States
 21 Government concerning the proposed deployment of
 22 such components in their countries.

23 (2) 45 days have elapsed following the receipt
 24 by Congress of the report required under subsection
 25 (c)(6).

1 (b) ADDITIONAL LIMITATION.—In addition to the
2 limitation in subsection (a), no funds authorized to be ap-
3 propriated by this Act may be obligated or expended for
4 the acquisition or deployment of operational missiles of a
5 long-range missile defense system in Europe until the Sec-
6 retary of Defense, after receiving the views of the Director
7 of Operational Test and Evaluation, submits to Congress
8 a report certifying that the proposed interceptor to be de-
9 ployed as part of such missile defense system has dem-
10 onstrated, through successful, operationally realistic flight
11 testing, a high probability of working in an operationally
12 effective manner.

13 (c) REPORT ON INDEPENDENT ASSESSMENT FOR
14 BALLISTIC MISSILE DEFENSE IN EUROPE.—

15 (1) INDEPENDENT ASSESSMENT.—Not later
16 than 30 days after the date of the enactment of this
17 Act, the Secretary of Defense shall select a federally
18 funded research and development center to conduct
19 an independent assessment of options for ballistic
20 missile defense for forward deployed forces of the
21 United States and its allies in Europe.

22 (2) ISSUES TO BE ASSESSED.—In carrying out
23 the assessment described in paragraph (1), the fed-
24 erally funded research and development center se-
25 lected under that paragraph shall consider the fol-

1 lowing in connection with options for missile defense
2 in Europe:

3 (A) The threat to Europe of ballistic mis-
4 siles (including short-range, medium-range, in-
5 termediate-range, and long-range ballistic mis-
6 siles) from Iran and from other nations (except
7 Russia), including the likelihood and timing of
8 such threats.

9 (B) The missile defense capabilities appro-
10 priate to meet current, near-term, and mid-
11 term ballistic missile threats facing Europe dur-
12 ing the period from 2008 through 2015.

13 (C) Alternative options for defending the
14 European territory of members of the North
15 Atlantic Treaty Organization against the
16 threats described in subparagraph (B).

17 (D) The utility and cost-effectiveness of
18 providing ballistic missile defense of the United
19 States with a system located in Europe, if war-
20 ranted by the threat, when compared with the
21 provision of such defense through the deploy-
22 ment of additional ballistic missile defense in
23 the United States.

24 (E) The views of European members of the
25 North Atlantic Treaty Organization on the de-

1 sirability of ballistic missile defenses for the
2 European territory of such nations.

3 (F) Potential opportunities for participa-
4 tion by the Government of Russia in a Euro-
5 pean missile defense system.

6 (3) TECHNOLOGIES TO BE CONSIDERED.—In
7 conducting the assessment described in paragraph
8 (1), the federally funded research and development
9 center selected under that paragraph shall consider,
10 but not be limited to, the following missile defense
11 technology options:

12 (A) The Patriot PAC-3 system.

13 (B) The Medium Extended Air Defense
14 System.

15 (C) The Aegis Ballistic Missile Defense
16 system, with all variants of the Standard Mis-
17 sile-3 interceptor.

18 (D) The Terminal High Altitude Area De-
19 fense (THAAD) system.

20 (E) The proposed deployment of Ground-
21 based Midcourse Defense (GMD) system ele-
22 ments in Europe, consisting of the proposed 2-
23 stage Orbital Boost Vehicle interceptor, and the
24 proposed European Midcourse X-band radar.

1 (F) Forward-Based X-band Transportable
2 (FBX-T) radars.

3 (G) Other non-United States, North Atlan-
4 tic Treaty Organization missile defense systems.

5 (4) FACTORS TO BE CONSIDERED.—In con-
6 ducting the assessment described in paragraph (1),
7 the federally funded research and development cen-
8 ter selected under that paragraph shall consider the
9 following factors with respect to potential ballistic
10 missile defense options:

11 (A) The missile defense needs of the Euro-
12 pean members of the North Atlantic Treaty Or-
13 ganization, including forward deployed United
14 States forces, with respect to current, near-
15 term, and mid-term ballistic missile threats.

16 (B) Operational effectiveness.

17 (C) Command and control arrangements.

18 (D) Integration and interoperability with
19 North Atlantic Treaty Organization missile de-
20 fenses.

21 (E) Cost and affordability, including pos-
22 sible allied cost-sharing.

23 (F) Cost-effectiveness.

1 (G) The degree of coverage of the Euro-
2 pean territory of members of the North Atlantic
3 Treaty Organization.

4 (5) COOPERATION OF OTHER AGENCIES.—The
5 Secretary of Defense, the Director of National Intel-
6 ligence, and the heads of other departments and
7 agencies of the United States Government shall pro-
8 vide the federally funded research and development
9 center selected under paragraph (1) such data, anal-
10 yses, briefings, and other information as the center
11 considers necessary to carry out the assessment de-
12 scribed in that paragraph.

13 (6) REPORT REQUIRED.—Not later than 180
14 days after the date of the enactment of this Act, the
15 federally funded research and development center se-
16 lected under paragraph (1) shall submit to the Sec-
17 retary of Defense and the congressional defense
18 committees a report on the results of the assessment
19 described in that paragraph, including any findings
20 and recommendations of the center as a result of the
21 assessment.

22 (7) FORM.—The report under paragraph (6)
23 shall be submitted in unclassified form, but may in-
24 clude a classified annex.

1 (d) CONSTRUCTION.—Nothing in this section shall be
2 construed to limit continuing obligation and expenditure
3 of funds for missile defense, including for research and
4 development and for other activities not otherwise limited
5 by subsection (a) or (b).

6 **SEC. 232. LIMITATION ON AVAILABILITY OF FUNDS FOR DE-**
7 **PLOYMENT OF MISSILE DEFENSE INTERCEP-**
8 **TORS IN ALASKA.**

9 None of the funds authorized to be appropriated by
10 this Act may be obligated or expended to deploy more than
11 40 Ground-Based Interceptors at Fort Greely, Alaska,
12 until the Secretary of Defense, after receiving the views
13 of the Director of Operational Test and Evaluation, sub-
14 mits to Congress a certification that the Block 2006
15 Ground-based Midcourse Defense element of the Ballistic
16 Missile Defense System has demonstrated, through oper-
17 ationally realistic end-to-end flight testing, that it has a
18 high probability of working in an operationally effective
19 manner.

20 **SEC. 233. BUDGET AND ACQUISITION REQUIREMENTS FOR**
21 **MISSILE DEFENSE AGENCY ACTIVITIES.**

22 (a) REVISED BUDGET STRUCTURE.—The budget jus-
23 tification materials submitted to Congress in support of
24 the Department of Defense budget for any fiscal year after
25 fiscal year 2008 (as submitted with the budget of the

1 President under section 1105(a) of title 31, United States
 2 Code) shall set forth separately amounts requested for the
 3 Missile Defense Agency for each of the following:

- 4 (1) Research, development, test, and evaluation.
- 5 (2) Procurement.
- 6 (3) Operation and maintenance.
- 7 (4) Military construction.

8 (b) OBJECTIVES FOR ACQUISITION ACTIVITIES.—

9 (1) IN GENERAL.—Commencing as soon as
 10 practicable, but not later than the submittal to Con-
 11 gress of the budget for the President for fiscal year
 12 2009 under section 1105(a) of title 31, United
 13 States Code, the Missile Defense Agency shall take
 14 appropriate actions to achieve the following objec-
 15 tives in its acquisition activities:

- 16 (A) Improved transparency.
- 17 (B) Improved accountability.
- 18 (C) Enhanced oversight.

19 (2) REQUIRED ACTIONS.—In order to achieve
 20 the objectives specified in paragraph (1), the Missile
 21 Defense Agency shall, at a minimum, take actions as
 22 follows:

- 23 (A) Establish acquisition cost, schedule,
 24 and performance baselines for each Ballistic
 25 Missile Defense System element that—

1 (i) has entered the equivalent of the
2 System Development and Demonstration
3 phase of acquisition; or

4 (ii) is being produced and acquired for
5 operational fielding.

6 (B) Provide unit cost reporting data for
7 each Ballistic Missile Defense System element
8 covered by subparagraph (A), and secure inde-
9 pendent estimation and verification of such cost
10 reporting data.

11 (C) Include each year in the budget jus-
12 tification materials described in subsection (a) a
13 description of actions being taken in the fiscal
14 year in which such materials are submitted, and
15 the actions to be taken in the fiscal year cov-
16 ered by such materials, to achieve such objec-
17 tives.

18 (3) SPECIFICATION OF BALLISTIC MISSILE DE-
19 FENSE SYSTEM ELEMENTS.—The Ballistic Missile
20 Defense System elements that, as of May 2007, are
21 Ballistic Missile Defense System elements covered by
22 paragraph (2)(A) are the following elements:

23 (A) Ground-based Midcourse Defense.

24 (B) Aegis Ballistic Missile Defense.

25 (C) Terminal High Altitude Area Defense.

1 (D) Forward-Based X-band radar-Trans-
2 portable (AN/TPY-2).

3 (E) Command, Control, Battle Manage-
4 ment, and Communications.

5 (F) Sea-Based X-band radar.

6 (G) Upgraded Early Warning radars.

7 **SEC. 234. PARTICIPATION OF DIRECTOR, OPERATIONAL**
8 **TEST AND EVALUATION, IN MISSILE DEFENSE**
9 **TEST AND EVALUATION ACTIVITIES.**

10 Section 139 of title 10, United States Code, is
11 amended—

12 (1) by redesignating subsections (f) through (j)
13 as subsections (g) through (k), respectively; and

14 (2) by inserting after subsection (e) the fol-
15 lowing new subsection (f):

16 “(f)(1) The Director of the Missile Defense Agency
17 shall report promptly to the Director of Operational Test
18 and Evaluation the results of all tests and evaluations con-
19 ducted by the Missile Defense Agency and of all studies
20 conducted by the Missile Defense Agency in connection
21 with tests and evaluations in the Missile Defense Agency.

22 “(2) The Director of Operational Test and Evalua-
23 tion may require that such observers as the Director des-
24 ignates be present during the preparation for and the con-

duct of any test and evaluation conducted by the Missile Defense Agency.

“(3) The Director of Operational Test and Evaluation shall have access to all records and data in the Department of Defense (including the records and data of the Missile Defense Agency) that the Director considers necessary to review in order to carry out his duties under this subsection.”.

SEC. 235. EXTENSION OF COMPTROLLER GENERAL ASSESSMENTS OF BALLISTIC MISSILE DEFENSE PROGRAMS.

Section 232(g) of the National Defense Authorization Act for Fiscal Year 2002 (10 U.S.C. 2431 note) is amended—

(1) in paragraph (1), by striking “through 2008” and inserting “through 2013”; and

(2) in paragraph (2), by striking “through 2009” and inserting “through 2014”.

Subtitle D—Other Matters

SEC. 251. MODIFICATION OF NOTICE AND WAIT REQUIREMENT FOR OBLIGATION OF FUNDS FOR FOREIGN COMPARATIVE TEST PROGRAM.

Paragraph (3) of section 2350a(g) of title 10, United States Code, is amended to read as follows:

1 “(3) The Director of Defense Research and Engi-
 2 neering shall notify the congressional defense committees
 3 of the intent to obligate funds made available to carry out
 4 this subsection not less than 7 days before such funds are
 5 obligated.”.

6 **SEC. 252. MODIFICATION OF COST SHARING REQUIREMENT**
 7 **FOR TECHNOLOGY TRANSITION INITIATIVE.**

8 Paragraph (2) of section 2359a(f) of title 10, United
 9 States Code, is amended to read as follows:

10 “(2) The amount of funds provided to a project under
 11 paragraph (1) by the military department or Defense
 12 Agency concerned shall be the appropriate share of the
 13 military department or Defense Agency, as the case may
 14 be, of the cost of the project, as determined by the Man-
 15 ager.”.

16 **SEC. 253. STRATEGIC PLAN FOR THE MANUFACTURING**
 17 **TECHNOLOGY PROGRAM.**

18 (a) IN GENERAL.—Section 2521 of title 10, United
 19 States Code, is amended by adding at the end the fol-
 20 lowing new subsection:

21 “(e) STRATEGIC PLAN.—(1) The Secretary shall de-
 22 velop a plan for the program which includes the following:

23 “(A) The overall manufacturing technology
 24 goals, milestones, priorities, and investment strategy
 25 for the program during the 5-fiscal year period be-

1 ginning with the first fiscal year commencing after
2 the development of the plan.

3 “(B) For each of the fiscal years under the pe-
4 riod of the plan, the objectives of, and funding for,
5 the program for each military department and each
6 Defense Agency that shall participate in the pro-
7 gram during the period of the plan.

8 “(2) The Secretary shall include in the plan mecha-
9 nisms for assessing the effectiveness of the program under
10 the plan.

11 “(3) The Secretary shall update the plan on a bien-
12 nial basis.

13 “(4) The Secretary shall include the plan, and any
14 update of the plan under paragraph (3), in the budget jus-
15 tification documents submitted in support of the budget
16 of the Department of Defense for the applicable fiscal year
17 (as included in the budget of the President submitted to
18 Congress under section 1105 of title 31).”.

19 (b) INITIAL DEVELOPMENT OF PLAN.—The Sec-
20 retary of Defense shall develop the strategic plan required
21 by subsection (e) of section 2521 of title 10, United States
22 Code (as added by subsection (a) of this section), so that
23 the plan goes into effect at the beginning of fiscal year
24 2009.

1 **SEC. 254. MODIFICATION OF AUTHORITIES ON COORDINA-**
 2 **TION OF DEFENSE EXPERIMENTAL PROGRAM**
 3 **TO STIMULATE COMPETITIVE RESEARCH**
 4 **WITH SIMILAR FEDERAL PROGRAMS.**

5 Section 257(e)(2) of the National Defense Authoriza-
 6 tion Act for Fiscal Year 1995 (10 U.S.C. 2358 note) is
 7 amended by striking “shall” each place it appears and in-
 8 serting “may”.

9 **SEC. 255. ENHANCEMENT OF DEFENSE NANOTECHNOLOGY**
 10 **RESEARCH AND DEVELOPMENT PROGRAM.**

11 (a) PROGRAM PURPOSES.—Subsection (b) of section
 12 246 of the Bob Stump National Defense Authorization
 13 Act for Fiscal Year 2003 (Public Law 107–314; 116 Stat.
 14 2500; 10 U.S.C. 2358 note) is amended—

15 (1) in paragraph (2), by striking “in nanoscale
 16 research and development” and inserting “in the
 17 National Nanotechnology Initiative and with the Na-
 18 tional Nanotechnology Coordination Office under
 19 section 3 of the 21st Century Nanotechnology Re-
 20 search and Development Act (15 U.S.C. 7502)”; and

21 (2) in paragraph (3), by striking “portfolio of
 22 fundamental and applied nanoscience and engineer-
 23 ing research initiatives” and inserting “portfolio of
 24 nanotechnology research and development initia-
 25 tives”.

26 (b) PROGRAM ADMINISTRATION.—

1 (1) ADMINISTRATION THROUGH UNDER SEC-
2 RETARY OF DEFENSE FOR ACQUISITION, TECH-
3 NOLOGY, AND LOGISTICS.—Subsection (c) of such
4 section is amended—

5 (A) by striking “the Director of Defense
6 Research and Engineering” and inserting “the
7 Under Secretary of Defense for Acquisition,
8 Technology, and Logistics”; and

9 (B) by striking “The Director” and insert-
10 ing “The Under Secretary”.

11 (2) OTHER ADMINISTRATIVE MATTERS.—Such
12 subsection is further amended—

13 (A) in paragraph (2), by striking “the De-
14 partment’s increased investment in
15 nanotechnology and the National
16 Nanotechnology Initiative; and” and inserting
17 “investments by the Department and other de-
18 partments and agencies participating in the Na-
19 tional Nanotechnology Initiative in
20 nanotechnology research and development;”;

21 (B) in paragraph (3), by striking the pe-
22 riod at the end and inserting “; and”; and

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

1 “(4) oversee interagency coordination of the
2 program with other departments and agencies par-
3 ticipating in the National Nanotechnology Initiative,
4 including providing appropriate funds to support the
5 National Nanotechnology Coordination Office.”.

6 (c) PROGRAM ACTIVITIES.—Such section is further
7 amended—

8 (1) by striking subsection (d); and

9 (2) by adding at the end the following new sub-
10 section (d):

11 “(d) ACTIVITIES.—Activities under the program shall
12 include the following:

13 “(1) The development of a strategic plan for
14 defense nanotechnology research and development
15 that is integrated with the strategic plan for the Na-
16 tional Nanotechnology Initiative.

17 “(2) The issuance on an annual basis of policy
18 guidance to the military departments and the De-
19 fense Agencies that—

20 “(A) establishes research priorities under
21 the program;

22 “(B) provides for the determination and
23 documentation of the benefits to the Depart-
24 ment of Defense of research under the pro-
25 gram; and

1 “(C) sets forth a clear strategy for
2 transitioning the research into products needed
3 by the Department.

4 “(3) Advocating for the transition of
5 nanotechnologies in defense acquisition programs,
6 including the development of nanomanufacturing ca-
7 pabilities and a nanotechnology defense industrial
8 base.”.

9 (d) REPORTS.—Such section is further amended by
10 adding at the end the following new subsection:

11 “(e) REPORTS.—(1) Not later than March 1 of each
12 of 2009, 2011, and 2013, the Under Secretary of Defense
13 for Acquisition, Technology, and Logistics shall submit to
14 the congressional defense committees a report on the pro-
15 gram.

16 “(2) Each report under paragraph (1) shall include
17 the following:

18 “(A) A review of—

19 “(i) the long-term challenges and specific
20 technical goals of the program; and

21 “(ii) the progress made toward meeting
22 such challenges and achieving such goals.

23 “(B) An assessment of current and proposed
24 funding levels for the program, including an assess-

1 ment of the adequacy of such funding levels to sup-
2 port program activities.

3 “(C) A review of the coordination of activities
4 under the program within the Department of De-
5 fense, with other departments and agencies of the
6 United States, and with the National
7 Nanotechnology Initiative.

8 “(D) A review and analysis of the findings and
9 recommendations relating to the Department of De-
10 fense of the most recent triennial external review of
11 the National Nanotechnology Program under section
12 5 of the 21st Century Nanotechnology Research and
13 Development Act (15 U.S.C. 1704), and a descrip-
14 tion of initiatives of the Department to implement
15 such recommendations.

16 “(E) An assessment of technology transition
17 from nanotechnology research and development to
18 enhanced warfighting capabilities, including con-
19 tributions from the Department of Defense Small
20 Business Innovative Research and Small Business
21 Technology Transfer Research programs, and the
22 Department of Defense Manufacturing Technology
23 program, and an identification of acquisition pro-
24 grams and deployed defense systems that are incor-
25 porating nanotechnologies.

1 “(F) An assessment of global nanotechnology
2 research and development in areas of interest to the
3 Department, including an identification of the use of
4 nanotechnologies in any foreign defense systems.

5 “(G) An assessment of the defense
6 nanotechnology manufacturing and industrial base
7 and its capability to meet the near and far term re-
8 quirements of the Department.

9 “(H) Such recommendations for additional ac-
10 tivities under the program to meet emerging na-
11 tional security requirements as the Under Secretary
12 considers appropriate.

13 “(3) Each report under paragraph (1) shall be sub-
14 mitted in unclassified form, but may include a classified
15 annex.”.

16 (e) COMPTROLLER GENERAL REPORT ON PRO-
17 GRAM.—Not later than March 31, 2010, the Comptroller
18 General of the United States shall submit to the congres-
19 sional defense committees a report setting forth the as-
20 sessment of the Comptroller General of the progress made
21 by the Department of Defense in achieving the purposes
22 of the defense nanotechnology research and development
23 program required by section 246 of the Bob Stump Na-
24 tional Defense Authorization Act for Fiscal Year 2003 (as
25 amended by this section).

**TITLE III—OPERATION AND
MAINTENANCE
Subtitle A—Authorization of
Appropriations**

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 2008 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, \$29,725,273,000.

(2) For the Navy, \$33,307,690,000.

(3) For the Marine Corps, \$4,998,493,000.

(4) For the Air Force, \$32,967,215,000.

(5) For Defense-wide activities,
\$22,397,153,000.

(6) For the Army Reserve, \$2,512,062,000.

(7) For the Navy Reserve, \$1,186,883,000.

(8) For the Marine Corps Reserve,
\$208,637,000.

(9) For the Air Force Reserve, \$2,821,817,000.

(10) For the Army National Guard,
\$5,861,409,000.

(11) For the Air National Guard,
\$5,469,368,000.

1 (12) For the United States Court of Appeals
2 for the Armed Forces, \$11,971,000.

3 (13) For Environmental Restoration, Army,
4 \$434,879,000.

5 (14) For Environmental Restoration, Navy,
6 \$300,591,000.

7 (15) For Environmental Restoration, Air Force,
8 \$458,428,000.

9 (16) For Environmental Restoration, Defense-
10 wide, \$12,751,000.

11 (17) For Environmental Restoration, Formerly
12 Used Defense Sites, \$270,249,000.

13 (18) For Former Soviet Union Threat Reduc-
14 tion programs, \$448,048,000.

15 (19) For Overseas Humanitarian, Disaster and
16 Civic Aid programs, \$63,300,000.

17 (20) For Overseas Contingency Operations
18 Transfer Fund, \$5,000,000.

Subtitle B—Environmental Provisions

SEC. 311. REIMBURSEMENT OF ENVIRONMENTAL PROTECTION AGENCY FOR CERTAIN COSTS IN CONNECTION WITH MOSES LAKE WELLFIELD SUPERFUND SITE, MOSES LAKE, WASHINGTON.

(a) AUTHORITY TO REIMBURSE.—

(1) **TRANSFER AMOUNT.**—Using funds described in subsection (b), the Secretary of Defense may, notwithstanding section 2215 of title 10, United States Code, transfer not more than \$91,588.51 to the Moses Lake Wellfield Superfund Site 10–6J Special Account.

(2) **PURPOSE OF REIMBURSEMENT.**—The payment under paragraph (1) is to reimburse the Environmental Protection Agency for its costs incurred in overseeing a remedial investigation/feasibility study performed by the Department of the Army under the Defense Environmental Restoration Program at the former Larson Air Force Base, Moses Lake Superfund Site, Moses Lake, Washington.

(3) **INTERAGENCY AGREEMENT.**—The reimbursement described in paragraph (2) is provided for in the interagency agreement entered into by the

1 Department of the Army and the Environmental
 2 Protection Agency for the Moses Lake Wellfield
 3 Superfund Site in March 1999.

4 (b) SOURCE OF FUNDS.—Any payment under sub-
 5 section (a) shall be made using funds authorized to be ap-
 6 propriated by section 301(16) for operation and mainte-
 7 nance for Environmental Restoration, Defense-wide.

8 (c) USE OF FUNDS.—The Environmental Protection
 9 Agency shall use the amount transferred under subsection
 10 (a) to pay costs incurred by the Agency at the Moses Lake
 11 Wellfield Superfund Site.

12 **SEC. 312. REIMBURSEMENT OF ENVIRONMENTAL PROTEC-**
 13 **TION AGENCY FOR CERTAIN COSTS IN CON-**
 14 **NECTION WITH THE ARCTIC SURPLUS SUPER-**
 15 **FUND SITE, FAIRBANKS, ALASKA.**

16 (a) AUTHORITY TO REIMBURSE.—

17 (1) TRANSFER AMOUNT.—Using funds de-
 18 scribed in subsection (b), the Secretary of Defense
 19 may, notwithstanding section 2215 of title 10,
 20 United States Code, transfer not more than
 21 \$186,625.38 to the Hazardous Substance Super-
 22 fund.

23 (2) PURPOSE OF REIMBURSEMENT.—The pay-
 24 ment under paragraph (1) is to reimburse the Envi-
 25 ronmental Protection Agency for costs incurred pur-

1 suant to the agreement known as “In the Matter of
 2 Arctic Surplus Superfund Site, U.S. EPA Docket
 3 Number CERCLA–10–2003–0114: Administrative
 4 Order on Consent for Remedial Design and Reme-
 5 dial Action,” entered into by the Department of De-
 6 fense and the Environmental Protection Agency on
 7 December 11, 2003.

8 (b) SOURCE OF FUNDS.—Any payment under sub-
 9 section (a) shall be made using funds authorized to be ap-
 10 propriated by section 301(16) for operation and mainte-
 11 nance for Environmental Restoration, Defense-wide.

12 (c) USE OF FUNDS.—The Environmental Protection
 13 Agency shall use the amount transferred under subsection
 14 (a) to pay costs incurred by the Agency pursuant to the
 15 agreement described in paragraph (2) of such subsection.

16 **SEC. 313. PAYMENT TO ENVIRONMENTAL PROTECTION**
 17 **AGENCY OF STIPULATED PENALTIES IN CON-**
 18 **NECTION WITH JACKSON PARK HOUSING**
 19 **COMPLEX, WASHINGTON.**

20 (a) AUTHORITY TO TRANSFER FUNDS.—

21 (1) TRANSFER AMOUNT.—Using funds de-
 22 scribed in subsection (b), the Secretary of the Navy
 23 may, notwithstanding section 2215 of title 10,
 24 United States Code, transfer not more than
 25 \$40,000.00 to the Hazardous Substance Superfund.

1 (2) PURPOSE OF TRANSFER.—The payment
2 under paragraph (1) is to pay a stipulated penalty
3 assessed by the Environmental Protection Agency on
4 October 25, 2005, against the Jackson Park Hous-
5 ing Complex, Washington, for the failure by the
6 Navy to timely submit a draft final Phase II Reme-
7 dial Investigation Work Plan for the Jackson Park
8 Housing Complex Operable Unit (OU-3T-JPHC)
9 pursuant to a schedule included in an Interagency
10 Agreement (Administrative Docket No. CERCLA-
11 10-2005-0023).

12 (b) SOURCE OF FUNDS.—Any payment under sub-
13 section (a) shall be made using funds authorized to be ap-
14 propriated by section 301(14) for operation and mainte-
15 nance for Environmental Restoration, Navy.

16 (c) USE OF FUNDS.—The amount transferred under
17 subsection (a) shall be used by the Environmental Protec-
18 tion Agency to pay the penalty described under paragraph
19 (2) of such subsection.

1 **Subtitle C—Program Requirements, Restrictions, and Limitations**
 2
 3

4 **SEC. 321. AVAILABILITY OF FUNDS IN DEFENSE INFORMATION SYSTEMS AGENCY WORKING CAPITAL FUND FOR TECHNOLOGY UPGRADES TO DEFENSE INFORMATION SYSTEMS NETWORK.**
 5
 6
 7

8 (a) IN GENERAL.—Funds in the Defense Information
 9 Systems Agency Working Capital Fund may be used for
 10 expenses directly related to technology upgrades to the De-
 11 fense Information Systems Network.

12 (b) LIMITATION ON CERTAIN PROJECTS.—Funds
 13 may not be used under subsection (a) for—

14 (1) any significant technology insertion to the
 15 Defense Information Systems Network; or

16 (2) any component with an estimated total cost
 17 in excess of \$500,000.

18 (c) LIMITATION IN FISCAL YEAR PENDING TIMELY
 19 REPORT.—If in any fiscal year the report required by
 20 paragraph (1) of subsection (d) is not submitted by the
 21 date specified in paragraph (2) of subsection (d), funds
 22 may not be used under subsection (a) in such fiscal year
 23 during the period—

24 (1) beginning on the date specified in para-
 25 graph (2) of subsection (d); and

1 (2) ending on the date of the submittal of the
 2 report under paragraph (1) of subsection (d).

3 (d) ANNUAL REPORT.—

4 (1) IN GENERAL.—The Director of the Defense
 5 Information Systems Agency shall submit to the
 6 congressional defense committees each fiscal year a
 7 report on the use of the authority in subsection (a)
 8 during the preceding fiscal year.

9 (2) DEADLINE FOR SUBMITTAL.—The report
 10 required by paragraph (1) in a fiscal year shall be
 11 submitted not later than 60 days after the date of
 12 the submittal to Congress of the budget of the Presi-
 13 dent for the succeeding fiscal year pursuant to sec-
 14 tion 1105 of title 31, United States Code.

15 (e) SUNSET.—The authority in subsection (a) shall
 16 expire on October 1, 2011.

17 **SEC. 322. EXTENSION OF TEMPORARY AUTHORITY FOR**
 18 **CONTRACT PERFORMANCE OF SECURITY**
 19 **GUARD FUNCTIONS.**

20 (a) EXTENSION.—Subsection (c) of section 332 of
 21 the Bob Stump National Defense Authorization Act for
 22 Fiscal Year 2003 (Public Law 107–314) is amended by
 23 striking “September 30, 2009” both places it appears and
 24 inserting “September 30, 2012”.

1 (b) LIMITATION FOR FISCAL YEARS 2010 THROUGH
 2 2012.—Subsection (d) of such section is amended—

3 (1) in paragraph (2), by striking “and” at the
 4 end;

5 (2) in paragraph (3), by striking the period and
 6 inserting “; and”; and

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

9 “(4) for fiscal year 2010, the number equal to
 10 70 percent of the total number of such personnel
 11 employed under such contracts on October 1, 2006;

12 “(5) for fiscal year 2011, the number equal to
 13 60 percent of the total number of such personnel
 14 employed under such contracts on October 1, 2006;
 15 and

16 “(6) for fiscal year 2012, the number equal to
 17 50 percent of the total number of such personnel
 18 employed under such contracts on October 1,
 19 2006.”.

20 **SEC. 323. REPORT ON INCREMENTAL COST OF EARLY 2007**
 21 **ENHANCED DEPLOYMENT.**

22 Section 323(b)(2) of the John Warner National De-
 23 fense Authorization Act for Fiscal Year 2007 (Public Law
 24 109–364; 10 U.S.C. 229 note) is amended—

1 (1) in subparagraph (A), by striking “; and”
2 and inserting a semicolon;

3 (2) in subparagraph (B), by striking the period
4 at the end and inserting “; and”; and

5 (3) by adding at the end the following new sub-
6 paragraph:

7 “(C) each of the military departments for
8 the additional incremental cost resulting from
9 the additional deployment of forces to Iraq and
10 Afghanistan above the levels deployed to such
11 countries on January 1, 2007.”.

12 **SEC. 324. INDIVIDUAL BODY ARMOR.**

13 (a) ASSESSMENT.—The Director of Operational Test
14 and Evaluation and the Director of Defense Research and
15 Engineering shall jointly conduct an assessment of various
16 domestic technological approaches for body armor systems
17 for protection against ballistic threats at or above military
18 requirements.

19 (b) REPORT.—

20 (1) REPORT REQUIRED.—Not later than 90
21 days after the date of the enactment of this Act, the
22 Director of Operational Test and Evaluation and the
23 Director of Defense Research and Engineering shall
24 jointly submit to the Secretary of Defense, and to

1 the congressional defense committees, a report on
 2 the assessment required by subsection (a).

3 (2) ELEMENTS.—The report required under
 4 paragraph (1) shall include—

5 (A) a detailed comparative analysis and as-
 6 sessment of the technical approaches covered by
 7 the assessment under subsection (a), including
 8 the technical capability, feasibility, military util-
 9 ity, and cost of each such approach; and

10 (B) such other matters as the Director of
 11 Operational Test and Evaluation and the Direc-
 12 tor of Defense Research and Engineering joint-
 13 ly consider appropriate.

14 (3) FORM.—The report submitted under para-
 15 graph (1) to the congressional defense committees
 16 shall be submitted in both classified and unclassified
 17 form.

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

20 **SEC. 341. EXTENSION OF AUTHORITY FOR ARMY INDUS-** 21 **TRIAL FACILITIES TO ENGAGE IN COOPERA-** 22 **TIVE ACTIVITIES WITH NON-ARMY ENTITIES.**

23 (a) EXTENSION OF AUTHORITY.—Section 4544 of
 24 title 10, United States Code, is amended—

1 (1) in subsection (a), by adding at the end the
2 following: “This authority may be used to enter into
3 not more than eight contracts or cooperative agree-
4 ments.”; and

5 (2) in subsection (k), by striking “2009” and
6 inserting “2014”.

7 (b) REPORTS.—

8 (1) ANNUAL REPORT ON USE OF AUTHORITY.—

9 The Secretary of the Army shall submit to Congress
10 at the same time the budget of the President is sub-
11 mitted to Congress for fiscal years 2009 through
12 2016 under section 1105 of title 31, United States
13 Code, a report on the use of the authority provided
14 under section 4544 of title 10, United States Code.

15 (2) ANALYSIS OF USE OF AUTHORITY.—Not
16 later than September 30, 2012, the Secretary of the
17 Army shall submit to the congressional defense com-
18 mittees a report assessing the advisability of making
19 such authority permanent and eliminating the limi-
20 tation on the number of contracts or cooperative ar-
21 rangements that may be entered into pursuant to
22 such authority.

1 **SEC. 342. TWO-YEAR EXTENSION OF ARSENAL SUPPORT**
 2 **DEMONSTRATION PROGRAM.**

3 (a) EXTENSION.—Subsection (a) of section 343 of
 4 the Floyd D. Spence National Defense Authorization Act
 5 for Fiscal Year 2001 (as enacted into law by Public Law
 6 106–398; 10 U.S.C. 4551 note) is amended by striking
 7 “fiscal years 2001 through 2008” and inserting “fiscal
 8 years 2001 through 2010”.

9 (b) EXTENSION OF REPORTING REQUIREMENT.—
 10 The second sentence in subsection (g)(1) of such section
 11 is amended to read as follows: “No report is required after
 12 fiscal year 2010.”.

13 **Subtitle E—Other Matters**

14 **SEC. 351. ENHANCEMENT OF CORROSION CONTROL AND**
 15 **PREVENTION FUNCTIONS WITHIN DEPART-**
 16 **MENT OF DEFENSE.**

17 (a) OFFICE OF CORROSION POLICY AND OVER-
 18 SIGHT.—

19 (1) IN GENERAL.—Section 2228 of title 10,
 20 United States Code, is amended—

21 (A) in the section heading, by striking
 22 “**Military equipment and infrastruc-**
 23 **ture: prevention and mitigation of**
 24 **corrosion**” and inserting “**Office of Cor-**
 25 **rosion Policy and Oversight**”; and

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

3 “(a) OFFICE AND DIRECTOR.—(1) There is an Office
4 of Corrosion Policy and Oversight within the Office of the
5 Under Secretary of Defense for Acquisition, Technology,
6 and Logistics.

7 “(2) The Office shall be headed by a Director of Cor-
8 rosion Policy and Oversight (in this section referred to as
9 the ‘Director’), who shall be assigned to such position by
10 the Under Secretary from among civilian employees of the
11 Department of Defense with the qualifications described
12 in paragraph (3). The Director is the senior official re-
13 sponsible in the Department of Defense to the Secretary
14 of Defense (after the Under Secretary of Defense for Ac-
15 quisition, Technology, and Logistics) for the prevention
16 and mitigation of corrosion of the military equipment and
17 infrastructure of the Department of Defense. The Director
18 shall report directly to the Under Secretary.

19 “(3) In order to qualify to be assigned to the position
20 of Director, an individual shall—

21 “(A) have a minimum of 10 years experience in
22 the Defense Acquisition Corps;

23 “(B) have technical expertise in, and profes-
24 sional experience with, corrosion engineering, includ-
25 ing an understanding of the effects of corrosion poli-

1 cies on infrastructure; research, development, test,
2 and evaluation; and maintenance; and

3 “(C) have background in and an understanding
4 of Department of Defense budget formulation and
5 execution, policy formulation, and planning and pro-
6 gram requirements.”.

7 (2) CONFORMING CHANGES.—Subsection (b) of
8 such section is amended—

9 (A) in paragraph (1), by striking “official
10 or organization designated under subsection
11 (a)” and inserting “Director”; and

12 (B) by striking “designated official or or-
13 ganization” each place it appears and inserting
14 “Director”.

15 (b) ADDITIONAL AUTHORITY FOR DIRECTOR OF OF-
16 FICE.—Such section is further amended—

17 (1) by redesignating subsections (c) and (d) as
18 subsections (d) and (f), respectively; and

19 (2) by inserting after subsection (b) the fol-
20 lowing new subsection:

21 “(c) ADDITIONAL AUTHORITIES FOR DIRECTOR.—

22 The Director is authorized to—

23 “(1) develop, update, and coordinate corrosion
24 training with the Defense Acquisition University;

1 “(2) participate in the process within the De-
2 partment of Defense for the development of relevant
3 directives and instructions; and

4 “(3) interact directly with the corrosion preven-
5 tion industry, trade associations, other government
6 corrosion prevention agencies, academic research in-
7 stitutions, and scientific organizations engaged in
8 corrosion prevention, including the National Acad-
9 emy of Sciences.”.

10 (c) INCLUSION OF COOPERATIVE RESEARCH AGREE-
11 MENTS AS PART OF CORROSION REDUCTION STRAT-
12 EGY.—Subparagraph (D) of subsection (d)(2) of such sec-
13 tion, as redesignated by subsection (b), is amended by in-
14 serting after “operational strategies” the following: “, in-
15 cluding through the establishment of memoranda of agree-
16 ment, joint funding agreements, public-private partner-
17 ships, university research centers, and other cooperative
18 research agreements”.

19 (d) REPORT REQUIREMENT.—Such section is further
20 amended by inserting after subsection (d), as redesignated
21 by subsection (b), the following new subsection:

22 “(e) REPORT.—(1) The Secretary of Defense shall
23 submit with the defense budget materials for each fiscal
24 year beginning with fiscal year 2009 a report on the fol-
25 lowing:

1 “(A) Funding requirements for the long-term
2 strategy developed under subsection (d).

3 “(B) The return on investment that would be
4 achieved by implementing the strategy.

5 “(C) The funds requested in the budget com-
6 pared to the funding requirements.

7 “(D) An explanation of why the Department of
8 Defense is not requesting funds for the entire re-
9 quirement.

10 “(2) Not later than 60 days after submission of the
11 budget for a fiscal year, the Comptroller General shall pro-
12 vide to the congressional defense committees—

13 “(A) an analysis of the budget submission for
14 corrosion control and prevention by the Department
15 of Defense; and

16 “(B) an analysis of the report required under
17 paragraph (1).”.

18 (e) DEFINITIONS.—Subsection (f), as redesignated by
19 subsection (b), is amended by adding at the end the fol-
20 lowing new paragraphs:

21 “(4) The term ‘budget’, with respect to a fiscal
22 year, means the budget for that fiscal year that is
23 submitted to Congress by the President under sec-
24 tion 1105(a) of title 31.

1 “(5) The term ‘defense budget materials’, with
 2 respect to a fiscal year, means the materials sub-
 3 mitted to Congress by the Secretary of Defense in
 4 support of the budget for that fiscal year.”.

5 **SEC. 352. REIMBURSEMENT FOR NATIONAL GUARD SUP-**
 6 **PORT PROVIDED TO FEDERAL AGENCIES.**

7 Section 377 of title 10, United States Code, is
 8 amended—

9 (1) in subsection (a), by striking “To the ex-
 10 tent” and inserting “Subject to subsection (c), to the
 11 extent”;

12 (2) by redesignating subsection (b) as sub-
 13 section (c);

14 (3) by inserting after subsection (a) the fol-
 15 lowing new subsection:

16 “(b)(1) Subject to subsection (c), the Secretary of
 17 Defense shall require a Federal agency to which law en-
 18 forcement support or support to a national special security
 19 event is provided by National Guard personnel performing
 20 duty under section 502(f) of title 32 to reimburse the De-
 21 partment of Defense for the costs of that support, notwith-
 22 standing any other provision of law. No other provision
 23 of this chapter shall apply to such support.

24 “(2) Any funds received by the Department of De-
 25 fense under this subsection as reimbursement for support

1 provided by personnel of the National Guard shall be cred-
 2 ited, at the election of the Secretary of Defense, to the
 3 following:

4 “(A) The appropriation, fund, or account used
 5 to fund the support.

6 “(B) The appropriation, fund, or account cur-
 7 rently available for reimbursement purposes.”; and

8 (4) in subsection (c), as redesignated by para-
 9 graph (2)—

10 (A) by inserting “or section 502(f) of title
 11 32” after “under this chapter”; and

12 (B) in paragraph (2), by inserting “or per-
 13 sonnel of the National Guard” after “Depart-
 14 ment of Defense”.

15 **SEC. 353. REAUTHORIZATION OF AVIATION INSURANCE**
 16 **PROGRAM.**

17 Section 44310 of title 49, United States Code, is
 18 amended by striking “March 30, 2008” and inserting
 19 “December 31, 2013”.

20 **SEC. 354. PROPERTY ACCOUNTABILITY AND DISPOSITION**
 21 **OF UNLAWFULLY OBTAINED PROPERTY OF**
 22 **THE ARMED FORCES.**

23 (a) STATUTORY ESTABLISHMENT OF ACCOUNT-
 24 ABILITY FOR PROPERTY OF NAVY AND MARINE CORPS.—

1 (1) IN GENERAL.—Chapter 661 of title 10,
2 United States Code, is amended by adding at the
3 end the following new section:

4 **“§ 7864. Property accountability; regulations**

5 “The Secretary of the Navy may prescribe regula-
6 tions for the accounting for property of the Navy and the
7 Marine Corps and for the fixing of responsibility for such
8 property.”.

9 (2) UNAUTHORIZED DISPOSITION AND RECOV-
10 ERY OF PROPERTY.—Such chapter is further amend-
11 ed by adding at the end the following new section:

12 **“§ 7865. Military equipment: unauthorized disposition**

13 “(a) PROHIBITION.—No member of the Navy or the
14 Marine Corps may sell, lend, pledge, barter, or give any
15 clothing, arms, or equipment obtained by or furnished to
16 the member by the United States to any person other than
17 a member of the Navy or the Marine Corps authorized
18 to receive it, an officer of the United States authorized
19 to receive it, or any other individual authorized to receive
20 it.

21 “(b) SEIZURE OF PROPERTY.—If a member of the
22 Navy or the Marine Corps disposes of property in violation
23 of subsection (a) and it is in the possession of a person
24 who is not authorized to receive it as described in that
25 subsection, that person has no right to or interest in the

1 property, and any civil or military officer of the United
 2 States may seize it, wherever found, subject to applicable
 3 regulations. Possession of such property by a person who
 4 is not authorized to receive it as described in subsection
 5 (a) is prima facie evidence that it has been disposed of
 6 in violation of subsection (a).

7 “(c) RETENTION OF SEIZED PROPERTY.—If an offi-
 8 cer who seizes property under subsection (b) is not author-
 9 ized to retain it for the United States, the officer shall
 10 deliver it to a person who is authorized to retain it.”.

11 (b) STANDARDIZING AMENDMENTS RELATING TO
 12 DISPOSITION OF UNLAWFULLY OBTAINED ARMY AND AIR
 13 FORCE PROPERTY.—

14 (1) ARMY PROPERTY.—Section 4836 of title 10,
 15 United States Code, is amended to read as follows:

16 “§ 4836. **Military equipment: unauthorized disposition**

17 “(a) PROHIBITION.—No member of the Army may
 18 sell, lend, pledge, barter, or give any clothing, arms, or
 19 equipment obtained by or furnished to the member by the
 20 United States to any person other than a member of the
 21 Army authorized to receive it, an officer of the United
 22 States authorized to receive it, or any other individual au-
 23 thorized to receive it.

24 “(b) SEIZURE OF PROPERTY.—If a member of the
 25 Army disposes of property in violation of subsection (a)

1 and it is in the possession of a person who is not author-
 2 ized to receive it as described in that subsection, that per-
 3 son has no right to or interest in the property, and any
 4 civil or military officer of the United States may seize it,
 5 wherever found, subject to applicable regulations. Posses-
 6 sion of such property by a person who is not authorized
 7 to receive it as described in subsection (a) is prima facie
 8 evidence that it has been disposed of in violation of sub-
 9 section (a).

10 “(c) RETENTION OF SEIZED PROPERTY.—If an offi-
 11 cer who seizes property under subsection (b) is not author-
 12 ized to retain it for the United States, the officer shall
 13 deliver it to a person who is authorized to retain it.”.

14 (2) AIR FORCE PROPERTY.—Section 9836 of
 15 such title is amended is amended to read as follows:

16 **“§ 9836. Military equipment: unauthorized disposition**

17 “(a) PROHIBITION.—No member of the Air Force
 18 may sell, lend, pledge, barter, or give any clothing, arms,
 19 or equipment obtained by or furnished to the member by
 20 the United States to any person other than a member of
 21 the Air Force authorized to receive it, an officer of the
 22 United States authorized to receive it, or any other indi-
 23 vidual authorized to receive it.

24 “(b) SEIZURE OF PROPERTY.—If a member of the
 25 Air Force disposes of property in violation of subsection

1 (a) and it is in the possession of a person who is not au-
 2 thorized to receive it as described in that subsection, that
 3 person has no right to or interest in the property, and
 4 any civil or military officer of the United States may seize
 5 it, wherever found, subject to applicable regulations. Pos-
 6 session of such property by a person who is not authorized
 7 to receive it as described in subsection (a) is prima facie
 8 evidence that it has been disposed of in violation of sub-
 9 section (a).

10 “(c) RETENTION OF SEIZED PROPERTY.—If an offi-
 11 cer who seizes property under subsection (b) is not author-
 12 ized to retain it for the United States, the officer shall
 13 deliver it to a person who is authorized to retain it.”.

14 (c) CLERICAL AMENDMENTS.—

15 (1) The table of sections at the beginning of
 16 chapter 453 of such title is amended by striking the
 17 item relating to section 4836 and inserting the fol-
 18 lowing new item:

“4836. Military equipment: unauthorized disposition.”.

19 (2) The table of sections at the beginning of
 20 chapter 661 of such title is amended by adding at
 21 the end the following new items:

“7864. Property accountability: regulations.

“7865. Military equipment: unauthorized disposition.”.

22 (3) The table of sections at the beginning of
 23 chapter 953 of such title is amended by striking the

1 item relating to section 9836 and inserting the fol-
2 lowing new item:

“9836. Military equipment: unauthorized disposition.”.

3 **SEC. 355. AUTHORITY TO IMPOSE REASONABLE CONDI-**
4 **TIONS ON THE PAYMENT OF FULL REPLACE-**
5 **MENT VALUE FOR CLAIMS RELATED TO PER-**
6 **SONAL PROPERTY TRANSPORTED AT GOV-**
7 **ERNMENT EXPENSE.**

8 Section 2636a(d) of title 10, United States Code, is
9 amended by adding at the end the following new sentence:
10 “The regulations may require members of the armed
11 forces or civilian employees of the Department of Defense
12 to comply with reasonable conditions in order to receive
13 benefits under this section.”.

14 **SEC. 356. AUTHORITY FOR INDIVIDUALS TO RETAIN COM-**
15 **BAT UNIFORMS ISSUED IN CONNECTION**
16 **WITH CONTINGENCY OPERATIONS.**

17 The Secretary of a military department may author-
18 ize members of the Armed Forces under the jurisdiction
19 of the Secretary to retain combat uniforms issued as orga-
20 nizational clothing and individual equipment in connection
21 with their deployment in support of contingency oper-
22 ations.

1 **SEC. 357. MODIFICATION OF REQUIREMENTS ON COMP-**
2 **TROLLER GENERAL REPORT ON THE READI-**
3 **NESS OF ARMY AND MARINE CORPS GROUND**
4 **FORCES.**

5 (a) SUBMITTAL DATE.—Subsection (a)(1) of section
6 345 of the John Warner National Defense Authorization
7 Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat.
8 2156) is amended by striking “June 1, 2007” and insert-
9 ing “March 1, 2008”.

10 (b) ELEMENTS.—Subsection (b) of such section is
11 amended—

12 (1) by striking paragraph (2);

13 (2) by redesignating paragraphs (3) through
14 (7) as paragraphs (4) through (8), respectively; and

15 (3) by inserting after paragraph (1) the fol-
16 lowing new paragraphs:

17 “(2) An assessment of the ability of the Army
18 and Marine Corps to provide trained and ready
19 forces to meet the requirements of increased force
20 levels in support of Operations Iraqi Freedom and
21 Enduring Freedom and to meet the requirements of
22 other ongoing operations simultaneously with such
23 increased force levels.

24 “(3) An assessment of the strategic depth of
25 the Army and Marine Corps and their ability to pro-
26 vide trained and ready forces to meet the require-

1 ments of the high-priority contingency war plans of
 2 the regional combatant commands, including an
 3 identification and evaluation for each such plan of—

4 “(A) the strategic and operational risks as-
 5 sociated with current and projected forces of
 6 current and projected readiness;

7 “(B) the time required to make forces
 8 available and prepare them for deployment; and

9 “(C) likely strategic tradeoffs necessary to
 10 meet the requirements of each such plan.”.

11 (c) DEPARTMENT OF DEFENSE COOPERATION.—

12 Such section is further amended—

13 (1) by redesignating subsection (c) as sub-
 14 section (d); and

15 (2) by inserting after subsection (b) the fol-
 16 lowing new subsection (c):

17 “(c) DEPARTMENT OF DEFENSE COOPERATION.—

18 The Secretary of Defense shall ensure the full cooperation
 19 of the Department of Defense with the Comptroller Gen-
 20 eral for purposes of the preparation of the report required
 21 by this section.”.

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

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

5 The Armed Forces are authorized strengths for active
6 duty personnel as of September 30, 2008, as follows:

- 7 (1) The Army, 525,400.
8 (2) The Navy, 328,400.
9 (3) The Marine Corps, 189,000.
10 (4) The Air Force, 328,600.

11 **Subtitle B—Reserve Forces**

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

13 (a) IN GENERAL.—The Armed Forces are authorized
14 strengths for Selected Reserve personnel of the reserve
15 components as of September 30, 2008, as follows:

- 16 (1) The Army National Guard of the United
17 States, 351,300.
18 (2) The Army Reserve, 205,000.
19 (3) The Navy Reserve, 67,800.
20 (4) The Marine Corps Reserve, 39,600.
21 (5) The Air National Guard of the United
22 States, 106,700.
23 (6) The Air Force Reserve, 67,500.
24 (7) The Coast Guard Reserve, 10,000.

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

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

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

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

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

22 Within the end strengths prescribed in section
 23 411(a), the reserve components of the Armed Forces are
 24 authorized, as of September 30, 2008, the following num-
 25 ber of Reserves to be serving on full-time active duty or

1 full-time duty, in the case of members of the National
2 Guard, for the purpose of organizing, administering, re-
3 cruiting, instructing, or training the reserve components:

4 (1) The Army National Guard of the United
5 States, 29,204.

6 (2) The Army Reserve, 15,870.

7 (3) The Navy Reserve, 11,579.

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

9 (5) The Air National Guard of the United
10 States, 13,936.

11 (6) The Air Force Reserve, 2,721.

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

14 The minimum number of military technicians (dual
15 status) as of the last day of fiscal year 2008 for the re-
16 serve components of the Army and the Air Force (notwith-
17 standing section 129 of title 10, United States Code) shall
18 be the following:

19 (1) For the Army Reserve, 8,249.

20 (2) For the Army National Guard of the United
21 States, 26,502.

22 (3) For the Air Force Reserve, 9,909.

23 (4) For the Air National Guard of the United
24 States, 22,553.

1 **SEC. 414. FISCAL YEAR 2008 LIMITATION ON NUMBER OF**
2 **NON-DUAL STATUS TECHNICIANS.**

3 (a) LIMITATIONS.—

4 (1) NATIONAL GUARD.—Within the limitation
5 provided in section 10217(c)(2) of title 10, United
6 States Code, the number of non-dual status techni-
7 cians employed by the National Guard as of Sep-
8 tember 30, 2008, may not exceed the following:

9 (A) For the Army National Guard of the
10 United States, 1,600.

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

13 (2) ARMY RESERVE.—The number of non-dual
14 status technicians employed by the Army Reserve as
15 of September 30, 2008, may not exceed 595.

16 (3) AIR FORCE RESERVE.—The number of non-
17 dual status technicians employed by the Air Force
18 Reserve as of September 30, 2008, may not exceed
19 90.

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

1 **SEC. 415. MAXIMUM NUMBER OF RESERVE PERSONNEL AU-**
 2 **THORIZED TO BE ON ACTIVE DUTY FOR**
 3 **OPERATIONAL SUPPORT.**

4 During fiscal year 2008, the maximum number of
 5 members of the reserve components of the Armed Forces
 6 who may be serving at any time on full-time operational
 7 support duty under section 115(b) of title 10, United
 8 States Code, is the following:

9 (1) The Army National Guard of the United
 10 States, 17,000.

11 (2) The Army Reserve, 13,000.

12 (3) The Navy Reserve, 6,200.

13 (4) The Marine Corps Reserve, 3,000.

14 (5) The Air National Guard of the United
 15 States, 16,000.

16 (6) The Air Force Reserve, 14,000.

17 **Subtitle C—Authorization of**
 18 **Appropriations**

19 **SEC. 421. MILITARY PERSONNEL.**

20 Funds are hereby authorized to be appropriated for
 21 fiscal year 2008 for military personnel, in amounts as fol-
 22 lows:

23 (1) For the Army, \$34,952,762,000.

24 (2) For the Navy, \$23,300,841,000.

25 (3) For the Marine Corps, \$11,065,542,000.

26 (4) For the Air Force, \$24,091,993,000.

1 (5) For the Army Reserve, \$3,701,197,000.

2 (6) For the Navy Reserve, \$1,766,408,000.

3 (7) For the Marine Corps Reserve,
4 \$593,961,000.

5 (8) For the Air Force Reserve, \$1,356,618,000.

6 (9) For the Army National Guard,
7 \$5,914,979,000.

8 (10) For the Air National Guard,
9 \$2,607,456,000.

10 **TITLE V—MILITARY PERSONNEL** 11 **POLICY**

12 **Subtitle A—Officer Personnel** 13 **Policy**

14 **SEC. 501. INCREASE IN AUTHORIZED STRENGTHS FOR** 15 **ARMY OFFICERS ON ACTIVE DUTY IN THE** 16 **GRADE OF MAJOR TO MEET FORCE STRUC-** 17 **TURE REQUIREMENTS.**

18 The table in section 523(a)(1) of title 10, United
19 States Code, is amended by striking the items under the
20 heading “Major” in the portion of the table relating to
21 the Army and inserting the following new items:

“7,768
8,689
9,611
10,532
11,454
12,375
13,297
14,218
15,140
16,061

16,983
 17,903
 18,825
 19,746
 20,668
 21,589
 22,511
 24,354
 26,197
 28,040
 35,412”.

1 SEC. 502. INCREASE IN AUTHORIZED STRENGTHS FOR
2 NAVY OFFICERS ON ACTIVE DUTY IN GRADES
3 OF LIEUTENANT COMMANDER, COMMANDER,
4 AND CAPTAIN TO MEET FORCE STRUCTURE
5 REQUIREMENTS.

6 (a) IN GENERAL.—The table in section 523(a)(2) of
7 title 10, United States Code, is amended to read as fol-
8 lows:

“Total number of commissioned of- ficers (excluding officers in cat- egories specified in subsection (b)) on active duty:	Number of officers who may be serving on active duty in the grade of:		
	Lieutenant Com- mander	Commander	Captain
Navy:			
30,000	7,698	5,269	2,222
33,000	8,189	5,501	2,334
36,000	8,680	5,733	2,447
39,000	9,172	5,965	2,559
42,000	9,663	6,197	2,671
45,000	10,155	6,429	2,784
48,000	10,646	6,660	2,896
51,000	11,136	6,889	3,007
54,000	11,628	7,121	3,120
57,000	12,118	7,352	3,232
60,000	12,609	7,583	3,344
63,000	13,100	7,813	3,457
66,000	13,591	8,044	3,568
70,000	14,245	8,352	3,718
90,000	17,517	9,890	4,467”.

1 (b) EFFECTIVE DATE.—The amendment made by
 2 subsection (a) shall take effect on October 1, 2007.

3 **SEC. 503. EXPANSION OF EXCLUSION OF MILITARY PERMA-**
 4 **NENT PROFESSORS FROM STRENGTH LIMITA-**
 5 **TIONS FOR OFFICERS BELOW GENERAL AND**
 6 **FLAG GRADES.**

7 (a) INCLUSION OF PERMANENT PROFESSORS OF THE
 8 NAVY.—Section 523(b)(8) of title 10, United States Code,
 9 is amended—

10 (1) by striking “Naval Academy” and inserting
 11 “Navy”; and

12 (2) by inserting “or service” before the period
 13 at the end.

14 (b) EXPANSION OF EXCLUSION GENERALLY.—Such
 15 section is further amended by striking “50” and inserting
 16 “85”.

17 **SEC. 504. MANDATORY RETIREMENT AGE FOR ACTIVE-**
 18 **DUTY GENERAL AND FLAG OFFICERS CON-**
 19 **TINUED ON ACTIVE DUTY.**

20 Section 637(b)(3) of title 10, United States Code, is
 21 amended by striking “but such period may not (except as
 22 provided under section 1251(b) of this title) extend beyond
 23 the date of the officer’s sixty-second birthday” and insert-
 24 ing “except as provided under section 1253 of this title”.

1 **SEC. 505. AUTHORITY FOR REDUCED MANDATORY SERVICE**
 2 **OBLIGATION FOR INITIAL APPOINTMENTS OF**
 3 **OFFICERS IN CRITICALLY SHORT HEALTH**
 4 **PROFESSIONAL SPECIALTIES.**

5 Section 651 of title 10, United States Code, is
 6 amended by adding at the end the following new sub-
 7 section:

8 “(c)(1) The Secretary of Defense may waive the serv-
 9 ice required by subsection (a) for initial appointments of
 10 commissioned officers in such critically short health pro-
 11 fessional specialties as the Secretary shall specify for pur-
 12 poses of this subsection.

13 “(2) The minimum period of obligated service for an
 14 officer under a waiver under this subsection shall be the
 15 greater of—

16 “(A) two years; or

17 “(B) in the case of an officer who has accepted
 18 an accession bonus or executed a contract or agree-
 19 ment for the multiyear receipt of special pay for
 20 service in the armed forces, the period of obligated
 21 service specified in such contract or agreement.”.

22 **SEC. 506. INCREASE IN AUTHORIZED NUMBER OF PERMA-**
 23 **NENT PROFESSORS AT THE UNITED STATES**
 24 **MILITARY ACADEMY.**

25 Paragraph (4) of section 4331(b) of title 10, United
 26 States Code, is amended to read as follows:

1 “(4) Twenty-eight permanent professors.”.

2 **SEC. 507. EXPANSION OF AUTHORITY FOR REENLISTMENT**
 3 **OF OFFICERS IN THEIR FORMER ENLISTED**
 4 **GRADE.**

5 (a) REGULAR ARMY.—Section 3258 of title 10,
 6 United States Code, is amended—

7 (1) in subsection (a)—

8 (A) by striking “a Reserve officer” and in-
 9 serting “an officer”; and

10 (B) by striking “a temporary appoint-
 11 ment” and inserting “an appointment”; and

12 (2) in subsection (b)—

13 (A) in paragraph (1), by striking “a Re-
 14 serve officer” and inserting “an officer”; and

15 (B) in paragraph (2), by striking “the Re-
 16 serve commission” and inserting “the commis-
 17 sion”.

18 (b) REGULAR AIR FORCE.—Section 8258 of such
 19 title is amended—

20 (1) in subsection (a)—

21 (A) by striking “a reserve officer” and in-
 22 serting “an officer”; and

23 (B) by striking “a temporary appoint-
 24 ment” and inserting “an appointment”; and

25 (2) in subsection (b)—

1 (A) in paragraph (1), by striking “a Re-
2 serve officer” and inserting “an officer”; and

3 (B) in paragraph (2), by striking “the Re-
4 serve commission” and inserting “the commis-
5 sion”.

6 **SEC. 508. ENHANCED AUTHORITY FOR RESERVE GENERAL**
7 **AND FLAG OFFICERS TO SERVE ON ACTIVE**
8 **DUTY.**

9 Section 526(d) of title 10, United States Code, is
10 amended—

11 (1) by inserting “(1)” before “The limitations”;
12 and

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

15 “(2) The limitations of this section also do not apply
16 to a number, as specified by the Secretary of the military
17 department concerned, of reserve component general or
18 flag officers authorized to serve on active duty for a period
19 of not more than 365 days. The number so specified for
20 an armed force may not exceed the number equal to ten
21 percent of the authorized number of general or flag offi-
22 cers, as the case may be, of that armed force under section
23 12004 of this title. In determining such number, any frac-
24 tion shall be rounded down to the next whole number, ex-
25 cept that such number shall be at least one.”.

1 **SEC. 509. PROMOTION OF CAREER MILITARY PROFESSORS**
2 **OF THE NAVY.**

3 (a) PROMOTION.—

4 (1) IN GENERAL.—Chapter 603 of title 10,
5 United States Code, is amended—

6 (A) by redesignating section 6970 as sec-
7 tion 6970a; and

8 (B) by inserting after section 6969 the fol-
9 lowing new section 6970:

10 **“§ 6970. Permanent professors: promotion**

11 “(a) PROMOTION.—An officer serving as a perma-
12 nent professor may be recommended for promotion to the
13 grade of captain or colonel, as the case may be, under reg-
14 ulations prescribed by the Secretary of the Navy. The reg-
15 ulations shall include a competitive selection board process
16 to identify those permanent professors best qualified for
17 promotion. An officer so recommended shall be promoted
18 by appointment to the higher grade by the President, by
19 and with the advice and consent of the Senate.

20 “(b) EFFECTIVE DATE OF PROMOTION.—If made,
21 the promotion of an officer under subsection (a) shall be
22 effective not earlier than three years after the selection
23 of the officer as a permanent professor as described in
24 that subsection.”.

25 (2) CLERICAL AMENDMENT.—The table of sec-
26 tions at the beginning of chapter 603 of such title

1 is amended by striking the item relating to section
 2 6970 and inserting the following new items:

“6970. Permanent professors: promotion.

“6970a. Permanent professors: retirement for years of service; authority for deferral.”.

3 (b) CONFORMING AMENDMENTS.—Section 641(2) of
 4 such title is amended—

5 (1) by striking “and the registrar” and insert-
 6 ing “, the registrar”; and

7 (2) by inserting before the period at the end the
 8 following: “, and permanent professors of the Navy
 9 (as defined in regulations prescribed by the Sec-
 10 retary of the Navy)”.

11 **Subtitle B—Enlisted Personnel** 12 **Policy**

13 **SEC. 521. INCREASE IN AUTHORIZED DAILY AVERAGE OF** 14 **NUMBER OF MEMBERS IN PAY GRADE E-9.**

15 (a) INCREASE.—Section 517(a) of title 10, United
 16 States Code, is amended by striking “1 percent” and in-
 17 serting “1.25 percent”.

18 (b) EFFECTIVE DATE.—The amendment made by
 19 subsection (a) shall take effect on October 1, 2007, and
 20 shall apply with respect to fiscal years beginning on or
 21 after that date.

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

3 **SEC. 531. REVISED DESIGNATION, STRUCTURE, AND FUNC-**
 4 **TIONS OF THE RESERVE FORCES POLICY**
 5 **BOARD.**

6 (a) MODIFICATION OF DESIGNATION, STRUCTURE,
 7 AND FUNCTIONS OF RESERVE FORCES POLICY BOARD.—

8 (1) IN GENERAL.—Section 10301 of title 10,
 9 United States Code, is amended to read as follows:

10 **“§ 10301. Reserve Policy Advisory Board**

11 “(a) There is in the Office of the Secretary of De-
 12 fense a Reserve Policy Advisory Board.

13 “(b)(1) The Board shall consist of a civilian chairman
 14 and not more than 15 other members, each appointed by
 15 the Secretary of Defense, of whom—

16 “(A) not more than 4 members may be Govern-
 17 ment civilian officials who must be from outside the
 18 Department of Defense; and

19 “(B) not more than 2 members may be mem-
 20 bers of the armed forces.

21 “(2) Each member appointed to serve on the Board
 22 shall have—

23 “(A) extensive knowledge, or experience with,
 24 reserve component matters, national security and
 25 national military strategies of the United States, or

1 roles and missions of the regular components and
2 the reserve components;

3 “(B) extensive knowledge of, or experience in,
4 homeland defense and matters involving Department
5 of Defense support to civil authorities; or

6 “(C) a distinguished background in govern-
7 ment, business, personnel planning, technology and
8 its application in military operations, or other fields
9 that are pertinent to the management and utilization
10 of the reserve components.

11 “(3) Each member of the Board shall serve for a term
12 of 2 years, and, at the conclusion of such term, may be
13 appointed under this subsection to serve an additional
14 term of 2 years.

15 “(4) Upon the designation of the chairman of the
16 Board and the approval of the Secretary of Defense, an
17 officer of the Army, Navy, Air Force, or Marine Corps
18 in the Reserves or the National Guard who is a general
19 or flag officer shall serve as the military advisor to, and
20 executive officer of, the Board. Such service shall be either
21 full-time or part-time, as designated by the Secretary of
22 Defense, and shall be in a non-voting status on the Board.

23 “(c)(1) This section does not affect the committees
24 on reserve policies prescribed within the military depart-
25 ments by sections 10302 through 10305 of this title.

1 “(2) A member of a committee or board prescribed
 2 under a section listed in paragraph (1) may, if otherwise
 3 eligible, be a member of the Reserve Policy Advisory
 4 Board.

5 “(d)(1) The Board shall provide the Secretary of De-
 6 fense, through the Deputy Secretary of Defense, with
 7 independent advice and recommendations on strategies,
 8 policies, and practices designed to improve the capability,
 9 efficiency, and effectiveness of the reserve components.

10 “(2) The Board shall act on those matters referred
 11 to it by the Secretary or the chairman and, in addition,
 12 on any matter raised by a member of the Board.

13 “(e) The Under Secretary of Defense for Personnel
 14 and Readiness shall provide necessary logistical support
 15 to the Board.

16 “(f) The Board shall not be subject to the provisions
 17 of the Federal Advisory Committee Act (5 U.S.C. App.).”.

18 (2) CLERICAL AMENDMENT.—The table of sec-
 19 tions at the beginning of chapter 1009 of such title
 20 is amended by striking the item relating to section
 21 10301 and inserting the following new item:

“10301. Reserve Policy Advisory Board.”.

22 (3) REFERENCES.—Any reference in any law,
 23 regulation, document, record, or other paper of the
 24 United States to the Reserve Forces Policy Board

1 shall be deemed to be a reference to the Reserve Pol-
 2 icy Advisory Board.

3 (b) INCLUSION OF MATTERS FROM BOARD IN AN-
 4 NUAL REPORT ON ACTIVITIES OF DEPARTMENT OF DE-
 5 FENSE.—Paragraph (2) of section 113(c) of title 10,
 6 United States Code, is amended to read as follows:

7 “(2) At the same time the Secretary submits the an-
 8 nual report under paragraph (1), the Secretary may trans-
 9 mit to the President and Congress with such report any
 10 additional matters from the Reserve Policy Advisory
 11 Board on the programs and activities of the reserve com-
 12 ponents as the Secretary considers appropriate to include
 13 in such report.”.

14 **SEC. 532. CHARTER FOR THE NATIONAL GUARD BUREAU.**

15 (a) PRESCRIPTION OF CHARTER BY SECRETARY OF
 16 DEFENSE.—Section 10503 of title 10, United States
 17 Code, is amended—

18 (1) by striking “The Secretary of the Army and
 19 the Secretary of the Air Force shall jointly develop
 20 and” in the matter preceding paragraph (1) and in-
 21 serting “The Secretary of the Defense shall, in con-
 22 sultation with the Secretary of the Army, the Sec-
 23 retary of the Air Force, and the Chairman of the
 24 Joint Chiefs of Staff,”;

1 (2) in paragraph (10), by striking “the Army
2 and Air Force” and inserting “the Secretary of De-
3 fense, the Secretary of the Army, and the Secretary
4 of the Air Force”; and

5 (3) in paragraph (12), by striking “Secretaries”
6 and inserting “Secretary of Defense, the Secretary
7 of the Army, and the Secretary of the Air Force”.

8 (b) CONFORMING AND CLERICAL AMENDMENTS.—

9 (1) CONFORMING AMENDMENT.—The heading
10 of section 10503 of such title is amended to read as
11 follows:

12 **“§ 10503. Functions of National Guard Bureau: char-**
13 **ter from the Secretary of Defense”.**

14 (2) CLERICAL AMENDMENT.—The table of sec-
15 tions at the beginning of chapter 1011 of such title
16 is amended by striking the item related to section
17 10503 and inserting the following new item:

“10503. Functions of the National Guard Bureau: charter from the Secretary
of Defense.”.

18 **SEC. 533. APPOINTMENT, GRADE, DUTIES, AND RETIRE-**
19 **MENT OF THE CHIEF OF THE NATIONAL**
20 **GUARD BUREAU.**

21 (a) APPOINTMENT.—Subsection (a) of section 10502
22 of title 10, United States Code, is amended by striking
23 paragraphs (1) through (3) and inserting the following
24 new paragraphs:

1 “(1) are recommended for such appointment by
2 their respective Governors or, in the case of the Dis-
3 trict of Columbia, the commanding general of the
4 District of Columbia National Guard;

5 “(2) are recommended for such appointment by
6 the Secretary of the Army or the Secretary of the
7 Air Force;

8 “(3) have had at least 10 years of federally rec-
9 ognized commissioned service in an active status in
10 the National Guard;

11 “(4) are in a grade above the grade of brigadier
12 general;

13 “(5) are determined by the Chairman of the
14 Joint Chiefs of Staff, in accordance with criteria and
15 as a result of a process established by the Chairman,
16 to have significant joint duty experience;

17 “(6) are determined by the Secretary of De-
18 fense to have successfully completed such other as-
19 signments and experiences so as to possess a de-
20 tailed understanding of the status and capabilities of
21 National Guard forces and the missions of the Na-
22 tional Guard Bureau as set forth in section 10503
23 of this title;

24 “(7) have a level of operational experience in a
25 position of significant responsibility, professional

1 military education, and demonstrated expertise in
2 national defense and homeland defense matters that
3 are commensurate with the advisory role of the
4 Chief of the National Guard Bureau; and

5 “(8) possess such other qualifications as the
6 Secretary of Defense shall prescribe for purposes of
7 this section.”.

8 (b) GRADE.—Subsection (d) of such section is
9 amended by striking “lieutenant general” and inserting
10 “general”.

11 (c) REPEAL OF AGE 64 LIMITATION ON SERVICE.—
12 Subsection (b) of such section is amended by striking “An
13 officer may not hold that office after becoming 64 years
14 of age.”.

15 (d) ADVISORY DUTIES.—Subsection (c) of section
16 10502 of such title is amended to read as follows:

17 “(c) ADVISOR ON NATIONAL GUARD MATTERS.—The
18 Chief of the National Guard Bureau is—

19 “(1) an advisor to the Secretary of Defense,
20 through the Chairman of the Joint Chiefs of Staff,
21 on matters involving non-federalized National Guard
22 forces and on other matters as determined by the
23 Secretary of Defense; and

24 “(2) the principal adviser to the Secretary of
25 the Army and the Chief of Staff of the Army, and

1 to the Secretary of the Air Force and the Chief of
 2 Staff of the Air Force, on matters relating to the
 3 National Guard, the Army National Guard of the
 4 United States, and the Air National Guard of the
 5 United States.”.

6 (e) DEFERRAL OF RETIREMENT.—Section 14512(a)
 7 of such title is amended by adding at the end the following
 8 new paragraph:

9 “(3) The President may defer the retirement of an
 10 officer serving in the position specified in paragraph
 11 (2)(A), but such deferment may not extend beyond the
 12 first day of the month following the month in which the
 13 officer becomes 68 years of age.”.

14 **SEC. 534. MANDATORY SEPARATION FOR YEARS OF SERV-**
 15 **ICE OF RESERVE OFFICERS IN THE GRADE**
 16 **OF LIEUTENANT GENERAL OR VICE ADMI-**
 17 **RAL.**

18 Section 14508 of title 10, United States Code, is
 19 amended—

20 (1) by redesignating subsections (c), (d), and
 21 (e) as subsections (d), (e) and (f), respectively; and

22 (2) by inserting after subsection (b) the fol-
 23 lowing new subsection (c):

24 “(c) THIRTY-EIGHT YEARS OF SERVICE FOR LIEU-
 25 TENANT GENERALS AND VICE ADMIRALS.—Unless re-

1 tired, transferred to the Retired Reserve, or discharged
 2 at an earlier date, each reserve officer of the Army, Air
 3 Force, or Marine Corps in the grade of lieutenant general,
 4 and each reserve officer of the Navy in the grade of vice
 5 admiral, shall, 30 days after completion of 38 years of
 6 commissioned service, be separated in accordance with sec-
 7 tion 14514 of this title.”.

8 **SEC. 535. INCREASE IN PERIOD OF TEMPORARY FEDERAL**
 9 **RECOGNITION AS OFFICERS OF THE NA-**
 10 **TIONAL GUARD FROM SIX TO TWELVE**
 11 **MONTHS.**

12 Section 308(a) of title 32, United States Code, is
 13 amended by striking “six months” and inserting “12
 14 months”.

15 **Subtitle D—Education and**
 16 **Training**

17 **SEC. 551. GRADE AND SERVICE CREDIT OF COMMISSIONED**
 18 **OFFICERS IN UNIFORMED MEDICAL ACCES-**
 19 **SION PROGRAMS.**

20 (a) **MEDICAL STUDENTS OF USUHS.**—Section
 21 2114(b) of title 10, United States Code, is amended by
 22 striking the second sentence and inserting the following
 23 new sentences: “Medical students so commissioned shall
 24 be appointed as regular officers in the grade of second
 25 lieutenant or ensign, or if they meet promotion criteria

1 prescribed by the Secretary concerned, in the grade of first
 2 lieutenant or lieutenant (junior grade), and shall serve on
 3 active duty with full pay and allowances of an officer in
 4 the applicable grade. Any prior service of medical students
 5 on active duty shall be deemed, for pay purposes, to have
 6 been service as a warrant officer.”.

7 (b) PARTICIPANTS IN HEALTH PROFESSIONS SCHOL-
 8 ARSHIP AND FINANCIAL ASSISTANCE PROGRAM.—

9 (1) GRADE OF PARTICIPANTS.—Section 2121(c)
 10 of such title is amended by striking the second sen-
 11 tence and inserting the following new sentences:
 12 “Persons so commissioned shall be appointed in the
 13 grade of second lieutenant or ensign, or if they meet
 14 promotion criteria prescribed by the Secretary con-
 15 cerned, in the grade of first lieutenant or lieutenant
 16 (junior grade), and shall serve on active duty with
 17 full pay and allowances of an officer in the applica-
 18 ble grade for a period of 45 days during each year
 19 of participation in the program. Any prior service of
 20 such persons on active duty shall be deemed, for pay
 21 purposes, to have been service as a warrant officer.”.

22 (2) SERVICE CREDIT.—Subsection (a) of section
 23 2126 of such title is amended to read as follows:

24 “(a) SERVICE NOT CREDITABLE.—Except as pro-
 25 vided in subsection (b), service performed while a member

1 of the program shall not be counted in determining eligi-
 2 bility for retirement other than by reason of a physical
 3 disability incurred while on active duty as a member of
 4 the program.”.

5 (c) OFFICERS DETAILED AS STUDENTS AT MEDICAL
 6 SCHOOLS.—Subsection (a) of section 2004a of such title
 7 is amended by adding at the end the following new sen-
 8 tences: “An officer detailed under this section shall serve
 9 on active duty, subject to the limitations on grade specified
 10 in section 2114(b) of this title. Any prior active service
 11 of such an officer shall be deemed, for pay purposes, to
 12 have been served as a warrant officer.”.

13 **SEC. 552. EXPANSION OF NUMBER OF ACADEMIES SUP-**
 14 **PORTABLE IN ANY STATE UNDER STARBASE**
 15 **PROGRAM.**

16 (a) EXPANSION.—Section 2193b(c)(3) of title 10,
 17 United States Code, is amended—

18 (1) in subparagraph (A), by striking “more
 19 than two academies” and inserting “more than four
 20 academies”; and

21 (2) in subparagraph (B), by striking “in excess
 22 of two” both places it appears and inserting “in ex-
 23 cess of four”.

24 (b) EFFECTIVE DATE.—The amendments made by
 25 subsection (a) shall take effect on October 1, 2007.

1 **SEC. 553. REPEAL OF POST-2007-2008 ACADEMIC YEAR PRO-**
 2 **HIBITION ON PHASED INCREASE IN CADET**
 3 **STRENGTH LIMIT AT THE UNITED STATES**
 4 **MILITARY ACADEMY.**

5 Section 4342(j)(1) of title 10, United States Code,
 6 is amended by striking the last sentence.

7 **SEC. 554. TREATMENT OF SOUTHOLD, MATTITUCK, AND**
 8 **GREENPORT HIGH SCHOOLS, SOUTHOLD,**
 9 **NEW YORK, AS SINGLE INSTITUTION FOR**
 10 **PURPOSES OF MAINTAINING A JUNIOR RE-**
 11 **SERVE OFFICERS' TRAINING CORPS UNIT.**

12 Southold High School, Mattituck High School, and
 13 Greenport High School, located in Southold, New York,
 14 may be treated as a single institution for purposes of the
 15 maintenance of a unit of the Junior Reserve Officers'
 16 Training Corps of the Navy.

17 **Subtitle E—Defense Dependents'**
 18 **Education Matters**

19 **SEC. 561. CONTINUATION OF AUTHORITY TO ASSIST LOCAL**
 20 **EDUCATIONAL AGENCIES THAT BENEFIT DE-**
 21 **PENDENTS OF MEMBERS OF THE ARMED**
 22 **FORCES AND DEPARTMENT OF DEFENSE CI-**
 23 **VILIAN EMPLOYEES.**

24 (a) ASSISTANCE TO SCHOOLS WITH SIGNIFICANT
 25 NUMBERS OF MILITARY DEPENDENT STUDENTS.—Of the
 26 amount authorized to be appropriated pursuant to section

1 301(5) for operation and maintenance for Defense-wide
 2 activities, \$35,000,000 shall be available only for the pur-
 3 pose of providing assistance to local educational agencies
 4 under subsection (a) of section 572 of the National De-
 5 fense Authorization Act for Fiscal Year 2006 (Public Law
 6 109–163; 119 Stat. 3271; 20 U.S.C. 7703b).

7 (b) ASSISTANCE TO SCHOOLS WITH ENROLLMENT
 8 CHANGES DUE TO BASE CLOSURES, FORCE STRUCTURE
 9 CHANGES, OR FORCE RELOCATIONS.—Of the amount au-
 10 thorized to be appropriated pursuant to section 301(5) for
 11 operation and maintenance for Defense-wide activities,
 12 \$10,000,000 shall be available only for the purpose of pro-
 13 viding assistance to local educational agencies under sub-
 14 section (b) of such section 572.

15 (c) LOCAL EDUCATIONAL AGENCY DEFINED.—In
 16 this section, the term “local educational agency” has the
 17 meaning given that term in section 8013(9) of the Ele-
 18 mentary and Secondary Education Act of 1965 (20 U.S.C.
 19 7713(9)).

20 **SEC. 562. IMPACT AID FOR CHILDREN WITH SEVERE DIS-**
 21 **ABILITIES.**

22 Of the amount authorized to be appropriated pursu-
 23 ant to section 301(5) for operation and maintenance for
 24 Defense-wide activities, \$5,000,000 shall be available for
 25 payments under section 363 of the Floyd D. Spence Na-

1 tional Defense Authorization Act for Fiscal Year 2001 (as
 2 enacted into law by Public Law 106–398; 114 Stat.
 3 1654A–77; 20 U.S.C. 7703a).

4 **SEC. 563. INCLUSION OF DEPENDENTS OF NON-DEPART-**
 5 **MENT OF DEFENSE EMPLOYEES EMPLOYED**
 6 **ON FEDERAL PROPERTY IN PLAN RELATING**
 7 **TO FORCE STRUCTURE CHANGES, RELOCA-**
 8 **TION OF MILITARY UNITS, OR BASE CLO-**
 9 **SURES AND REALIGNMENTS.**

10 Section 574(e)(3) of the John Warner National De-
 11 fense Authorization Act for Fiscal Year 2007 (Public Law
 12 109–364; 120 Stat. 2227; 20 U.S.C. 7703b note) is
 13 amended—

14 (1) in subparagraph (A), by striking “and” at
 15 the end;

16 (2) in subparagraph (B), by striking the period
 17 at the end and inserting “; and”; and

18 (3) by adding at the end the following new sub-
 19 paragraph:

20 “(C) elementary and secondary school stu-
 21 dents who are dependents of personnel who are
 22 not members of the Armed Forces or civilian
 23 employees of the Department of Defense but
 24 who are employed on Federal property.”.

1 **SEC. 564. AUTHORITY FOR PAYMENT OF PRIVATE BOARD-**
 2 **ING SCHOOL TUITION FOR MILITARY DE-**
 3 **PENDENTS IN OVERSEAS AREAS NOT SERVED**
 4 **BY DEPARTMENT OF DEFENSE DEPENDENTS’**
 5 **SCHOOLS.**

6 Section 1407(b)(1) of the Defense Dependents’ Edu-
 7 cation Act of 1978 (20 U.S.C. 926(b)(1)) is amended in
 8 the first sentence by inserting “, including private board-
 9 ing schools in the United States,” after “subsection (a)”.

10 **Subtitle F—Military Justice and** 11 **Legal Assistance Matters**

12 **SEC. 571. AUTHORITY OF JUDGES OF THE UNITED STATES**
 13 **COURT OF APPEALS FOR THE ARMED**
 14 **FORCES TO ADMINISTER OATHS.**

15 Section 936 of title 10, United States Code (article
 16 136 of the Uniform Code of Military Justice), is amended
 17 by adding at the end the following new subsection:

18 “(c) The judges of the United States Court of Ap-
 19 peals for the Armed Forces may administer oaths.”.

20 **SEC. 572. MILITARY LEGAL ASSISTANCE FOR DEPARTMENT**
 21 **OF DEFENSE CIVILIAN EMPLOYEES IN AREAS**
 22 **WITHOUT ACCESS TO NON-MILITARY LEGAL**
 23 **ASSISTANCE.**

24 Section 1044(a) of title 10, United States Code, is
 25 amended by adding at the end the following new para-
 26 graph:

1 “(6) Civilian employees of the Department of
 2 Defense in locations where legal assistance from
 3 non-military legal assistance providers is not reason-
 4 ably available.”.

5 **SEC. 573. MODIFICATION OF AUTHORITIES ON SENIOR**
 6 **MEMBERS OF THE JUDGE ADVOCATE GEN-**
 7 **ERALS’ CORPS.**

8 (a) DEPARTMENT OF THE ARMY.—

9 (1) GRADE OF JUDGE ADVOCATE GENERAL.—
 10 Subsection (a) of section 3037 of title 10, United
 11 States Code, is amended by striking the third sen-
 12 tence and inserting the following new sentence: “The
 13 Judge Advocate General, while so serving, has the
 14 grade of lieutenant general.”.

15 (2) REDESIGNATION OF ASSISTANT JUDGE AD-
 16 VOCATE GENERAL AS DEPUTY JUDGE ADVOCATE
 17 GENERAL.—Such section is further amended—

18 (A) in subsection (a), by striking “Assist-
 19 ant Judge Advocate General” each place it ap-
 20 pears and inserting “Deputy Judge Advocate
 21 General”; and

22 (B) in subsection (d), by striking “Assist-
 23 ant Judge Advocate General” and inserting
 24 “Deputy Judge Advocate General”.

1 (3) CONFORMING AND CLERICAL AMEND-
2 MENTS.—(A) The heading of such section is amend-
3 ed by striking “**ASSISTANT JUDGE ADVOCATE**
4 **GENERAL**” and inserting “**DEPUTY JUDGE ADVO-**
5 **CATE GENERAL**”.

6 (B) The table of sections at the beginning of
7 chapter 305 of such title is amended in the item re-
8 lating to section 3037 by striking “Assistant Judge
9 Advocate General” and inserting “Deputy Judge Ad-
10 vocate General”.

11 (b) GRADE OF JUDGE ADVOCATE GENERAL OF THE
12 NAVY.—Section 5148(b) of such title is amended in sub-
13 section by striking the last sentence and inserting the fol-
14 lowing new sentence: “The Judge Advocate General, while
15 so serving, has the grade of vice admiral or lieutenant gen-
16 eral, as appropriate.”.

17 (c) GRADE OF JUDGE ADVOCATE GENERAL OF THE
18 AIR FORCE.—Section 8037(a) of such title is amended by
19 striking the last sentence and inserting the following new
20 sentence: “The Judge Advocate General, while so serving,
21 has the grade of lieutenant general.”.

22 (d) EXCLUSION FROM ACTIVE-DUTY GENERAL AND
23 FLAG OFFICER STRENGTH AND DISTRIBUTION LIMITA-
24 TIONS.—Section 525(b) of such title is amended by adding
25 at the end the following new paragraph:

1 “(9) An officer while serving as the Judge Advocate
 2 General of the Army, the Judge Advocate General of the
 3 Navy, or the Judge Advocate General of the Air Force
 4 is in addition to the number that would otherwise be per-
 5 mitted for that officer’s armed force for officers serving
 6 on active duty in grades above major general or rear admiral
 7 under paragraph (1) or (2), as applicable.”.

8 (e) LEGAL COUNSEL TO CHAIRMAN OF THE JOINT
 9 CHIEFS OF STAFF.—

10 (1) IN GENERAL.—Chapter 5 of title 10, United
 11 States Code, is amended by adding at the end the
 12 following new section:

13 **“§ 156. Legal Counsel to the Chairman of the Joint**
 14 **Chiefs of Staff**

15 “(a) IN GENERAL.—There is a Legal Counsel to the
 16 Chairman of the Joint Chiefs of Staff.

17 “(b) SELECTION FOR APPOINTMENT.—Under regula-
 18 tions prescribed by the Secretary of Defense, the officer
 19 selected for appointment to serve as Legal Counsel to the
 20 Chairman of the Joint Chiefs of Staff shall be rec-
 21 ommended by a board of officers convened by the Sec-
 22 retary of Defense that, insofar as practicable, is subject
 23 to the procedures applicable to selection boards convened
 24 under chapter 36 of this title.

1 “(c) GRADE.—An officer appointed to serve as Legal
2 Counsel to the Chairman of the Joint Chiefs of Staff shall,
3 while so serving, hold the grade of brigadier general or
4 rear admiral (lower half).

5 “(d) DUTIES.—The Legal Counsel of the Chairman
6 of the Joint Chiefs of Staff shall perform such legal duties
7 in support of the responsibilities of the Chairman of the
8 Joint Chiefs of Staff as the Chairman may prescribe.”.

9 (2) CLERICAL AMENDMENT.—The table of sec-
10 tions at the beginning of chapter 5 of such title is
11 amended by adding at the end the following new
12 item:

“156. Legal Counsel to the Chairman of the Joint Chiefs of Staff.”.

13 **Subtitle G—Military Family** 14 **Readiness**

15 **SEC. 581. DEPARTMENT OF DEFENSE MILITARY FAMILY** 16 **READINESS COUNCIL.**

17 (a) IN GENERAL.—Subchapter I of chapter 88 of title
18 10, United States Code, is amended by inserting after sec-
19 tion 1781 the following new section:

20 **“§ 1781a. Department of Defense Military Family** 21 **Readiness Council**

22 “(a) IN GENERAL.—There is in the Department of
23 Defense the Department of Defense Military Family
24 Readiness Council (hereafter in this section referred to as
25 the ‘Council’).

1 “(b) MEMBERS.—(1) The members of the Council
2 shall be the following:

3 “(A) The Under Secretary of Defense for Per-
4 sonnel and Readiness, who shall serve as chair of the
5 Council.

6 “(B) One representative of each of the Army,
7 the Navy, the Marine Corps, and the Air Force, who
8 shall be appointed by Secretary of Defense.

9 “(C) Three individuals appointed by the Sec-
10 retary of Defense from among representatives of
11 military family organizations (including military
12 family organizations of families of members of the
13 regular components and of families of members of
14 the reserve components), of whom not less than two
15 shall be members of the family of an enlisted mem-
16 ber of the armed forces.

17 “(2) The term on the Council of the members ap-
18 pointed under paragraph (1)(C) shall be three years.

19 “(c) MEETINGS.—The Council shall meet not less
20 often than twice each year. Not more than one meeting
21 of the Council each year shall be in the National Capital
22 Region.

23 “(d) DUTIES.—The duties of the Council shall in-
24 clude the following:

1 “(1) To review and make recommendations to
2 the Secretary of Defense on the policy and plans re-
3 quired under section 1781b of this title.

4 “(2) To monitor requirements for the support
5 of military family readiness by the Department of
6 Defense.

7 “(3) To evaluate and assess the effectiveness of
8 the military family readiness programs and activities
9 of the Department of Defense.

10 “(e) ANNUAL REPORTS.—(1) Not later than Feb-
11 ruary 1 each year, the Council shall submit to the Sec-
12 retary of Defense and the congressional defense commit-
13 tees a report on military family readiness.

14 “(2) Each report under this subsection shall include
15 the following:

16 “(A) An assessment of the adequacy and effec-
17 tiveness of the military family readiness programs
18 and activities of the Department of Defense during
19 the preceding fiscal year in meeting the needs and
20 requirements of military families.

21 “(B) Recommendations on actions to be taken
22 to improve the capability of the military family read-
23 iness programs and activities of the Department of
24 Defense to meet the needs and requirements of mili-
25 tary families, including actions relating to the alloca-

1 tion of funding and other resources to and among
2 such programs and activities.”.

3 (b) CLERICAL AMENDMENT.—The table of sections
4 at the beginning of subchapter I of chapter 88 of such
5 title is amended by inserting after the item relating to sec-
6 tion 1781 the following new item:

“1781a. Department of Defense Military Family Readiness Council.”.

7 **SEC. 582. DEPARTMENT OF DEFENSE POLICY AND PLANS**
8 **FOR MILITARY FAMILY READINESS.**

9 (a) POLICY AND PLANS REQUIRED.—

10 (1) IN GENERAL.—Subchapter I of chapter 88
11 of title 10, United States Code, as amended by sec-
12 tion 581 of this Act, is further amended by inserting
13 after section 1781a the following new section:

14 **“§ 1781b. Department of Defense policy and plans for**
15 **military family readiness**

16 “(a) IN GENERAL.—The Secretary of Defense shall
17 develop a policy and plans for the Department of Defense
18 for the support of military family readiness.

19 “(b) PURPOSES.—The purposes of the policy and
20 plans required under subsection (a) are as follows:

21 “(1) To ensure that the military family readi-
22 ness programs and activities of the Department of
23 Defense are comprehensive, effective, and properly
24 supported.

1 “(2) To ensure that support is continuously
2 available to military families in peacetime and in
3 war, as well as during periods of force structure
4 change and relocation of military units.

5 “(3) To ensure that the military family readi-
6 ness programs and activities of the Department of
7 Defense are available to all military families, includ-
8 ing military families of members of the regular com-
9 ponents and military families of members of the re-
10 serve components.

11 “(4) To ensure that the goal of military family
12 readiness is an explicit element of applicable Depart-
13 ment of Defense plans, programs, and budgeting ac-
14 tivities, and that achievement of military family
15 readiness is expressed through Department-wide
16 goals that are identifiable and measurable.

17 “(5) To ensure that the military family readi-
18 ness programs and activities of the Department of
19 Defense undergo continuous evaluation in order to
20 ensure that resources are allocated and expended for
21 such programs and activities in the most effective
22 possible manner throughout the Department.

23 “(c) ELEMENTS OF POLICY.—The policy required
24 under subsection (a) shall include the following elements:

1 “(1) A definition for treating a program or ac-
2 tivity of the Department of Defense as a military
3 family readiness program or activity.

4 “(2) Department of Defense-wide goals for mili-
5 tary family support, both for military families of
6 members of the regular components and military
7 families of members of the reserve components.

8 “(3) Requirements for joint programs and ac-
9 tivities for military family support.

10 “(4) Policies on access to military family sup-
11 port programs and activities based on military fam-
12 ily populations served and geographical location.

13 “(5) Metrics to measure the performance and
14 effectiveness of the military family readiness pro-
15 grams and activities of the Department of Defense.

16 “(d) ELEMENTS OF PLANS.—(1) Each plan under re-
17 quired under subsection (a) shall include the elements
18 specified in paragraph (2) for the five-fiscal year period
19 beginning with the fiscal year in which such plan is sub-
20 mitted under paragraph (3).

21 “(2) The elements in each plan required under sub-
22 section (a) shall include, for the period covered by such
23 plan, the following:

24 “(A) An ongoing identification and assessment
25 of the effectiveness of the military family readiness

1 programs and activities of the Department of De-
2 fense in meeting goals for such programs and activi-
3 ties, which assessment shall evaluate such programs
4 and activities separately for each military depart-
5 ment and for each regular component and each re-
6 serve component.

7 “(B) A description of the resources required to
8 support the military family readiness programs and
9 activities of the Department of Defense, including
10 the military personnel, civilian personnel, and volun-
11 teer personnel so required.

12 “(C) An ongoing identification in gaps in the
13 military family readiness programs and activities of
14 the Department of Defense, and an ongoing identi-
15 fication of the resources required to address such
16 gaps.

17 “(D) Mechanisms to apply the metrics devel-
18 oped under subsection (c)(5).

19 “(E) A summary, by fiscal year, of the alloca-
20 tion of funds (including appropriated funds and non-
21 appropriated funds) for major categories of military
22 family readiness programs and activities of the De-
23 partment of Defense, set forth for each of the mili-
24 tary departments and for the Office of the Secretary
25 of Defense.

1 “(3) Not later than March 1, 2008, and each year
 2 thereafter, the Secretary of Defense shall submit to the
 3 congressional defense committees a report on the plans re-
 4 quired under subsection (a) for the five-fiscal year period
 5 beginning with the fiscal year beginning in the year in
 6 which such report is submitted. Each report shall include
 7 the plans covered by such report and an assessment of
 8 the discharge by the Department of Defense of the pre-
 9 vious plans submitted under this subsection.”.

10 (2) CLERICAL AMENDMENT.—The table of sec-
 11 tions at the beginning of subchapter I of chapter 88
 12 of such title, as so amended, is further amended by
 13 inserting after the item relating to section 1781a the
 14 following new item:

“1781b. Department of Defense policy and plans for military family readiness.”.

15 (3) REPORT ON POLICY.—The Secretary of De-
 16 fense shall submit to the congressional defense com-
 17 mittees a report setting forth the policy developed
 18 under section 1781b of title 10, United States Code
 19 (as added by this subsection), not later than Feb-
 20 ruary 1, 2009.

21 (b) SURVEYS OF MILITARY FAMILIES.—Section
 22 1782(a) of title 10, United States Code, is amended—

23 (1) in the heading, by striking “AUTHORITY”
 24 and inserting “IN GENERAL”; and

(2) by striking “may conduct surveys” in the matter preceding paragraph (1) and inserting “shall, in fiscal year 2009 and not less often than once every three fiscal years thereafter, conduct surveys”.

Subtitle H—Other Matters

SEC. 591. ENHANCEMENT OF CARRYOVER OF ACCUMULATED LEAVE FOR MEMBERS OF THE ARMED FORCES.

(a) INCREASE IN ACCUMULATION OF CARRYOVER AMOUNT.—

(1) IN GENERAL.—Subsection (b) of section 701 of title 10, United States Code, is amended by striking “60 days” and inserting “90 days”.

(2) HIGH DEPLOYMENT MEMBERS.—Paragraph (1) of subsection (f) of such section is amended—

(A) by striking “60 days” each place it appears and inserting “90 days”; and

(B) in subparagraph (C), by striking “third fiscal year” and inserting “fourth fiscal year”.

(3) MEMBERS SERVING IN SUPPORT OF CONTINGENCY OPERATIONS.—Paragraph (2) of subsection (f) of such section is amended by striking “except for this paragraph—” and all that follows and inserting “except for this paragraph, would lose

1 any accumulated leave in excess of 90 days at the
2 end of that fiscal year, shall be permitted to retain
3 such leave until the end of the second fiscal year
4 after the fiscal year in which such service on active
5 duty is terminated.”.

6 (4) CONFORMING AMENDMENTS.—Subsection
7 (g) of such section is amended—

8 (A) by striking “60-day” and inserting
9 “90-day”; and

10 (B) by striking “90-day” and inserting
11 “120-day”.

12 (b) PAY.—Section 501(b) of title 37, United States
13 Code, is amended by adding at the end the following new
14 paragraph:

15 “(6) An enlisted member of the armed forces who
16 would lose accumulated leave in excess of 120 days of
17 leave under section 701(f)(1) of title 10 may elect to be
18 paid in cash or by a check on the Treasurer of the United
19 States for any leave in excess so accumulated for up to
20 30 days of such leave. A member may make an election
21 under this paragraph only once.”.

22 (c) EFFECTIVE DATE.—

23 (1) INCREASE IN ACCUMULATION.—The amend-
24 ments made by subsection (a) shall take effect on
25 October 1, 2008.

1 (2) PAY.—The amendment made by subsection
 2 (b) shall take effect on the date of the enactment of
 3 this Act.

4 **SEC. 592. UNIFORM POLICY ON PERFORMANCES BY MILI-**
 5 **TARY BANDS.**

6 (a) IN GENERAL.—Chapter 49 of title 10, United
 7 States Code, is amended by adding at the end the fol-
 8 lowing new section:

9 **“§ 988. Performances by military bands**

10 “(a) IN GENERAL.—Department of Defense bands,
 11 ensembles, choruses, or similar musical units, including in-
 12 dividual members thereof performing in an official capac-
 13 ity, may not—

14 “(1) engage in the performance of music in
 15 competition with local civilian musicians; or

16 “(2) receive remuneration for official perform-
 17 ances.

18 “(b) PERFORMANCE OF MUSIC IN COMPETITION
 19 WITH LOCAL CIVILIAN MUSICIANS DEFINED.—In this
 20 section, the term ‘performance of music in competition
 21 with local civilian musicians’—

22 “(1) includes—

23 “(A) a performance of music that is more
 24 than incidental to an event that is not sup-

1 ported solely by appropriated funds or free to
2 the public; and

3 “(B) a performance of background, dinner,
4 dance, or other social music at any event, re-
5 gardless of location, that is not supported solely
6 by appropriated funds; but

7 “(2) does not include a performance of music—

8 “(A) at an official Federal Government
9 event that is supported solely by appropriated
10 funds;

11 “(B) at a concert, parade, or other event
12 of a patriotic nature (including a celebration of
13 a national holiday) that is free to the public; or

14 “(C) that is incidental to an event that is
15 not supported solely by appropriated funds, in-
16 cluding a short performance of military or pa-
17 triotic music at the beginning or end of an
18 event, if the performance complies with such
19 regulations as the Secretary of Defense shall
20 prescribe for purposes of this section.

21 “(c) MEMBERS OF DEPARTMENT OF DEFENSE
22 BANDS PERFORMING IN PERSONAL CAPACITY.—A mem-
23 ber of a Department of Defense band, ensemble, chorus,
24 or similar musical unit may perform music in the mem-
25 ber’s personal capacity, as an individual or part of a

1 group, whether for remuneration or otherwise, if in so per-
2 forming the member does not wear a military uniform or
3 otherwise identify the member as a member of the Depart-
4 ment of Defense, as provided in applicable regulations and
5 standards of conduct.

6 “(d) RECORDINGS.—(1) When authorized pursuant
7 to regulations prescribed by the Secretary of Defense for
8 purposes of this section, Department of Defense bands,
9 ensembles, choruses, or similar musical units may produce
10 recordings for distribution to the public, at a cost not to
11 exceed production and distribution expenses.

12 “(2) Amounts received in payment for recording dis-
13 tributed to the public under this subsection shall be cred-
14 ited to the appropriation or account providing the funds
15 for the production of such recordings. Any amounts so
16 credited shall be merged with amounts in the appropria-
17 tion or account to which credited, and shall be available
18 for the same purposes, and subject to the same conditions
19 and limitations, as amounts in such appropriation or ac-
20 count.”.

21 (b) CONFORMING REPEALS.—Sections 3634, 6223,
22 and 8634 of such title are repealed.

23 (c) CLERICAL AMENDMENTS.—

1 (1) The table of sections at the beginning of
 2 chapter 49 of such title is amended by adding at the
 3 end the following new item:

“988. Performances by military bands.”.

4 (2) The table of sections at the beginning of
 5 chapter 349 of such title is amended by striking the
 6 item relating to section 3634.

7 (3) The table of sections at the beginning of
 8 chapter 565 of such title is amended by striking the
 9 item relating to section 6223.

10 (4) The table of sections at the beginning of
 11 chapter 849 of such title is amended by striking the
 12 item relating to section 8634.

13 **SEC. 593. WAIVER OF TIME LIMITATIONS ON AWARD OF**
 14 **MEDALS OF HONOR TO CERTAIN MEMBERS**
 15 **OF THE ARMY.**

16 (a) WAIVER OF TIME LIMITATIONS.—Notwith-
 17 standing the time limitations specified in section 3744 of
 18 title 10, United States Code, or any other time limitation
 19 with respect to the awarding of certain medals to persons
 20 who served in the military service, the President may
 21 award the Medal of Honor under section 3741 of that title
 22 to any of the persons named in subsections (b), (c), (d),
 23 (e), and (f) for the acts of valor referred to in the respec-
 24 tive subsections.

1 (b) WOODROW KEEBLE.—Subsection (a) applies with
2 respect to Woodrow W. Keeble, for conspicuous acts of
3 gallantry and intrepidity at the risk of his life above and
4 beyond the call of duty as an acting platoon leader on Oc-
5 tober 20, 1950, during the Korean War.

6 (c) LESLIE SABO, JR.—Subsection (a) applies with
7 respect to Leslie H. Sabo, Jr., for conspicuous acts of gal-
8 lantry and intrepidity at the risk of his life above and be-
9 yond the call of duty on May 10, 1970, as an Army soldier,
10 serving in the grade of Specialist Grade Four in Vietnam,
11 with Company B, 3d Battalion, 506th Infantry Regiment,
12 101st Airborne Division.

13 (d) PHILIP SHADRACH.—Subsection (a) applies with
14 respect to Philip G. Shadrach, for conspicuous acts of gal-
15 lantry and intrepidity at the risk of his life above and be-
16 yond the call of duty on April 12, 1862, as a Union Sol-
17 dier, serving in the grade of Private during the Civil War,
18 with Company K, 2nd Ohio Volunteer Infantry Regiment.

19 (e) HENRY SVEHLA.—Subsection (a) applies with re-
20 spect to Henry Svehla, for conspicuous acts of gallantry
21 and intrepidity at the risk of his life above and beyond
22 the call of duty on June 12, 1952, as an Army soldier,
23 serving in the grade of Private First Class in Korea, with
24 Company F, 32d Infantry Regiment, 7th Infantry Divi-
25 sion.

1 (f) GEORGE WILSON.—Subsection (a) applies with
 2 respect to George D. Wilson, for conspicuous acts of gal-
 3 lantry and intrepidity at the risk of his life above and be-
 4 yond the call of duty on April 12, 1862, as a Union Sol-
 5 dier, serving in the grade of Private during the Civil War,
 6 with Company B, 2nd Ohio Volunteer Infantry Regiment.

7 **TITLE VI—COMPENSATION AND**
 8 **OTHER PERSONNEL BENEFITS**
 9 **Subtitle A—Pay and Allowances**

10 **SEC. 601. FISCAL YEAR 2008 INCREASE IN MILITARY BASIC**
 11 **PAY.**

12 (a) WAIVER OF SECTION 1009 ADJUSTMENT.—The
 13 adjustment to become effective during fiscal year 2008 re-
 14 quired by section 1009 of title 37, United States Code,
 15 in the rates of monthly basic pay authorized members of
 16 the uniformed services shall not be made.

17 (b) INCREASE IN BASIC PAY.—Effective on January
 18 1, 2008, the rates of monthly basic pay for members of
 19 the uniformed services are increased by 3.5 percent.

20 **SEC. 602. ALLOWANCE FOR PARTICIPATION OF RESERVES**
 21 **IN ELECTRONIC SCREENING.**

22 (a) ALLOWANCE FOR PARTICIPATION IN ELEC-
 23 TRONIC SCREENING.—

1 (1) IN GENERAL.—Chapter 7 of title 37, United
2 States Code, is amended by inserting after section
3 433 the following new section:

4 **“§ 433a. Allowance for participation in Ready Re-**
5 **serve screening**

6 “(a) ALLOWANCE AUTHORIZED.—(1) Under regula-
7 tions prescribed by the Secretaries concerned, a member
8 of the Individual Ready Reserve may be paid a stipend
9 for participation in the screening performed pursuant to
10 section 10149 of title 10, in lieu of muster duty performed
11 under section 12319 of title 10, if such participation is
12 conducted through electronic means.

13 “(2) The stipend paid a member under this section
14 shall constitute the sole monetary allowance authorized for
15 participation in the screening described in paragraph (1),
16 and shall constitute payment in full to the member for
17 participation in such screening, regardless of the grade or
18 rank in which the member is serving.

19 “(b) MAXIMUM PAYMENT.—The aggregate amount
20 of the stipend paid a member of the Individual Ready Re-
21 serve under this section in any calendar year may not ex-
22 ceed \$50.

23 “(c) PAYMENT REQUIREMENTS.—(1) The stipend
24 authorized by this section may not be disbursed in kind.

1 “(2) Payment of a stipend to a member of the Indi-
 2 vidual Ready Reserve under this section for participation
 3 in screening shall be made on or after the date of partici-
 4 pation in such screening, but not later than 30 days after
 5 such date.”.

6 (2) CLERICAL AMENDMENT.—The table of sec-
 7 tions at the beginning of chapter 7 of such title is
 8 amended by inserting after the item relating to sec-
 9 tion 433 the following new item:

“433a. Allowance for participation in Ready Reserve screening.”.

10 (b) BAR TO DUAL COMPENSATION.—Section 206 of
 11 such title is amended by adding at the end the following
 12 new subsection:

13 “(f) A member of the Individual Ready Reserve is
 14 not entitled to compensation under this section for partici-
 15 pation in screening for which the member is paid a stipend
 16 under section 433a of this title.”.

17 (c) BAR TO RETIREMENT CREDIT.—Section
 18 12732(b) of title 10, United States Code, is amended by
 19 adding at the end the following new paragraph:

20 “(8) Service in the screening performed pursu-
 21 ant to section 10149 of this title through electronic
 22 means, regardless of whether or not a stipend is
 23 paid the member concerned for such service under
 24 section 433a of title 37.”.

1 **SEC. 603. MIDMONTH PAYMENT OF BASIC PAY FOR CON-**
 2 **TRIBUTIONS OF MEMBERS PARTICIPATING**
 3 **IN THRIFT SAVINGS PLAN.**

4 Section 1014 of title 37, United States Code, is
 5 amended by adding at the end the following new sub-
 6 section:

7 “(c) Subsection (a) does not preclude a payment with
 8 respect to a member who elects to participate in the Thrift
 9 Savings Plan under section 211 of this title of an amount
 10 equal to one-half of the monthly deposit to the Thrift Sav-
 11 ings Fund otherwise to be made by the member in partici-
 12 pating in the Plan, which amount shall be deposited in
 13 the Fund at midmonth.”.

14 **Subtitle B—Bonuses and Special**
 15 **and Incentive Pays**

16 **SEC. 611. EXTENSION OF CERTAIN BONUS AND SPECIAL**
 17 **PAY AUTHORITIES FOR RESERVE FORCES.**

18 (a) **SELECTED RESERVE REENLISTMENT BONUS.—**
 19 Section 308b(g) of title 37, United States Code, is amend-
 20 ed by striking “December 31, 2007” and inserting “De-
 21 cember 31, 2008”.

22 (b) **SELECTED RESERVE AFFILIATION OR ENLIST-**
 23 **MENT BONUS.—**Section 308c(i) of such title is amended
 24 by striking “December 31, 2007” and inserting “Decem-
 25 ber 31, 2008”.

1 (c) SPECIAL PAY FOR ENLISTED MEMBERS AS-
 2 SIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section
 3 308d(c) of such title is amended by striking “December
 4 31, 2007” and inserting “December 31, 2008”.

5 (d) READY RESERVE ENLISTMENT BONUS FOR PER-
 6 SONS WITHOUT PRIOR SERVICE.—Section 308g(f)(2) of
 7 such title is amended by striking “December 31, 2007”
 8 and inserting “December 31, 2008”.

9 (e) READY RESERVE ENLISTMENT AND REENLIST-
 10 MENT BONUS FOR PERSONS WITH PRIOR SERVICE.—Sec-
 11 tion 308h(e) of such title is amended by striking “Decem-
 12 ber 31, 2007” and inserting “December 31, 2008”.

13 (f) SELECTED RESERVE ENLISTMENT BONUS FOR
 14 PERSONS WITH PRIOR SERVICE.—Section 308i(f) of such
 15 title is amended by striking “December 31, 2007” and in-
 16 serting “December 31, 2008”.

17 **SEC. 612. EXTENSION OF CERTAIN BONUS AND SPECIAL**
 18 **PAY AUTHORITIES FOR HEALTH CARE PRO-**
 19 **FESSIONALS.**

20 (a) NURSE OFFICER CANDIDATE ACCESSION PRO-
 21 GRAM.—Section 2130a(a)(1) of title 10, United States
 22 Code, is amended by striking “December 31, 2007” and
 23 inserting “December 31, 2008”.

24 (b) REPAYMENT OF EDUCATION LOANS FOR CER-
 25 TAIN HEALTH PROFESSIONALS WHO SERVE IN THE SE-

1 LECTED RESERVE.—Section 16302(d) of such title is
2 amended by striking “January 1, 2008” and inserting
3 “January 1, 2009”.

4 (c) ACCESSION BONUS FOR REGISTERED NURSES.—
5 Section 302d(a)(1) of title 37, United States Code, is
6 amended by striking “December 31, 2007” and inserting
7 “December 31, 2008”.

8 (d) INCENTIVE SPECIAL PAY FOR NURSE ANES-
9 THETISTS.—Section 302e(a)(1) of such title is amended
10 by striking “December 31, 2007” and inserting “Decem-
11 ber 31, 2008”.

12 (e) SPECIAL PAY FOR SELECTED RESERVE HEALTH
13 PROFESSIONALS IN CRITICALLY SHORT WARTIME SPE-
14 CIALTIES.—Section 302g(e) of such title is amended by
15 striking “December 31, 2007” and inserting “December
16 31, 2008”.

17 (f) ACCESSION BONUS FOR DENTAL OFFICERS.—
18 Section 302h(a)(1) of such title is amended by striking
19 “December 31, 2007” and inserting “December 31,
20 2008”.

21 (g) ACCESSION BONUS FOR PHARMACY OFFICERS.—
22 Section 302j(a) of such title is amended by striking “De-
23 cember 31, 2007” and inserting “December 31, 2008”.

24 (h) ACCESSION BONUS FOR MEDICAL OFFICERS IN
25 CRITICALLY SHORT WARTIME SPECIALTIES.—Section

1 302k(f) of such title is amended by striking “December
2 31, 2007” and inserting “December 31, 2008”.

3 (i) ACCESSION BONUS FOR DENTAL SPECIALIST OF-
4 FICERS IN CRITICALLY SHORT WARTIME SPECIALTIES.—
5 Section 302l(g) of such title is amended by striking “De-
6 cember 31, 2007” and inserting “December 31, 2008”.

7 **SEC. 613. EXTENSION OF SPECIAL PAY AND BONUS AU-**
8 **THORITIES FOR NUCLEAR OFFICERS.**

9 (a) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFI-
10 CERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section
11 312(f) of title 37, United States Code, is amended by
12 striking “December 31, 2007” and inserting “December
13 31, 2008”.

14 (b) NUCLEAR CAREER ACCESSION BONUS.—Section
15 312b(c) of such title is amended by striking “December
16 31, 2007” and inserting “December 31, 2008”.

17 (c) NUCLEAR CAREER ANNUAL INCENTIVE
18 BONUS.—Section 312c(d) of such title is amended by
19 striking “December 31, 2007” and inserting “December
20 31, 2008”.

21 **SEC. 614. EXTENSION OF AUTHORITIES RELATING TO PAY-**
22 **MENT OF OTHER BONUSES AND SPECIAL**
23 **PAYS.**

24 (a) AVIATION OFFICER RETENTION BONUS.—Sec-
25 tion 301b(a) of title 37, United States Code, is amended

1 by striking “December 31, 2007” and inserting “Decem-
2 ber 31, 2008”.

3 (b) REENLISTMENT BONUS FOR ACTIVE MEM-
4 BERS.—Section 308(g) of such title is amended by strik-
5 ing “December 31, 2007” and inserting “December 31,
6 2008”.

7 (c) ENLISTMENT BONUS.—Section 309(e) of such
8 title is amended by striking “December 31, 2007” and in-
9 serting “December 31, 2008”.

10 (d) RETENTION BONUS FOR MEMBERS WITH CRIT-
11 ICAL MILITARY SKILLS OR ASSIGNED TO HIGH PRIORITY
12 UNITS.—Section 323(i) of such title is amended by strik-
13 ing “December 31, 2007” and inserting “December 31,
14 2008”.

15 (e) ACCESSION BONUS FOR NEW OFFICERS IN CRIT-
16 ICAL SKILLS.—Section 324(g) of such title is amended by
17 striking “December 31, 2007” and inserting “December
18 31, 2008”.

19 (f) INCENTIVE BONUS FOR CONVERSION TO MILI-
20 TARY OCCUPATIONAL SPECIALTY TO EASE PERSONNEL
21 SHORTAGE.—Section 326(g) of such title is amended by
22 striking “December 31, 2007” and inserting “December
23 31, 2008”.

24 (g) ACCESSION BONUS FOR OFFICER CAN-
25 DIDATES.—Section 330(f) of such title is amended by

1 striking “December 31, 2007” and inserting “December
2 31, 2008”.

3 **SEC. 615. INCREASE IN INCENTIVE SPECIAL PAY AND**
4 **MULTIYEAR RETENTION BONUS FOR MED-**
5 **ICAL OFFICERS OF THE ARMED FORCES.**

6 (a) INCENTIVE SPECIAL PAY.—Section 302(b)(1) of
7 title 37, United States Code, is amended by striking
8 “\$50,000” and inserting “\$75,000”.

9 (b) MULTIYEAR RETENTION BONUS.—Section
10 301d(a)(2) of such title is amended by striking “\$50,000”
11 and inserting “\$75,000”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall take effect on October 1, 2007.

14 **SEC. 616. INCREASE IN DENTAL OFFICER ADDITIONAL SPE-**
15 **CIAL PAY.**

16 (a) INCREASE.—Section 302b(a)(4) of title 37,
17 United States Code, is amended—

18 (1) in the matter preceding subparagraph (A),
19 by striking “at the following rates” and inserting
20 “at a rate determined by the Secretary concerned,
21 which rate may not exceed the following”;

22 (2) in subparagraph (A), by striking “\$4,000”
23 and inserting “\$10,000”; and

24 (3) in subparagraph (B), by striking “\$6,000”
25 and inserting “\$12,000”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 subsection (a) shall take effect on October 1, 2007, and
3 shall apply to payments of dental officer additional special
4 pay under agreements entered into under section 302b(b)
5 of title 37, United States Code, on or after that date.

6 **SEC. 617. ENHANCEMENT OF HARDSHIP DUTY PAY.**

7 (a) IN GENERAL.—The text of section 305 of title
8 37, United States Code, is amended to read as follows:

9 “(a) AUTHORITY.—A member of a uniformed service
10 who is entitled to basic pay may be paid special pay under
11 this section while the member is performing duty that is
12 designated by the Secretary of Defense as hardship duty.

13 “(b) PAYMENT ON MONTHLY OR LUMP SUM
14 BASIS.—Special pay payable under this section may be
15 paid on a monthly basis or in a lump sum.

16 “(c) MAXIMUM RATE OR AMOUNT.—(1) The max-
17 imum monthly rate of special pay payable to a member
18 on a monthly basis under this section is \$1,500.

19 “(2) The amount of the lump sum payment of special
20 pay payable to a member on a lump sum basis under this
21 section may not exceed an amount equal to the product
22 of—

23 “(A) the maximum monthly rate authorized
24 under paragraph (1) at the time the member quali-

1 fies for payment of special pay on a lump sum basis
2 under this section; and

3 “(B) the number of months for which special
4 pay on a lump sum basis under this section is pay-
5 able to the member.

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

10 “(e) REPAYMENT.—A member who is paid special
11 pay in a lump sum under this section, but who fails to
12 complete the period of service for which such special pay
13 is paid, shall be subject to the repayment provisions of
14 section 303a(e) of this title.

15 “(f) REGULATIONS.—The Secretary of Defense shall
16 prescribe regulations for the payment of hardship duty
17 pay under this section, including the specific rates at
18 which special pay payable under this section on a monthly
19 basis shall be paid.”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 subsection (a) shall take effect on October 1, 2007, and
22 shall apply with respect to hardship duty pay payable on
23 or after that date.

1 **SEC. 618. INCLUSION OF SERVICE AS OFF-CYCLE CREW-**
2 **MEMBER OF MULTI-CREWED SHIP IN SEA**
3 **DUTY FOR CAREER SEA PAY.**

4 (a) IN GENERAL.—Section 305a(e)(1)(A) of title 37,
5 United States Code, is amended—

6 (1) in clause (ii), by striking “or” at the end;

7 and

8 (2) by adding at the end the following new
9 clause:

10 “(iv) while serving as an off-cycle crew-
11 member of a multi-crewed ship; or”.

12 (b) EFFECTIVE DATE.—The amendments made by
13 subsection (a) shall take effect on October 1, 2007, and
14 shall apply with respect to months beginning on or after
15 that date.

16 **SEC. 619. MODIFICATION OF REENLISTMENT BONUS FOR**
17 **MEMBERS OF THE SELECTED RESERVE.**

18 (a) MINIMUM PERIOD OF REENLISTMENT.—Sub-
19 section (a)(2) of section 308b of title 37, United States
20 Code, is amended by striking “for a period of three years
21 or for a period of six years” and inserting “for a period
22 of not less than three years”.

23 (b) AMOUNT OF BONUS.—Subsection (b)(1) of such
24 section is amended by striking “may not exceed—” and
25 all that follows and inserting “may not exceed \$15,000.”.

1 (c) EFFECTIVE DATE.—The amendments made by
 2 this section shall take effect on October 1, 2007, and shall
 3 apply with respect to reenlistments or extensions of enlist-
 4 ment that occur on or after that date.

5 **SEC. 620. INCREASE IN YEARS OF COMMISSIONED SERVICE**
 6 **COVERED BY AGREEMENTS FOR NUCLEAR-**
 7 **QUALIFIED OFFICERS EXTENDING PERIODS**
 8 **OF ACTIVE DUTY.**

9 (a) INCREASE.—Section 312 of title 37, United
 10 States Code, is amended—

11 (1) in subsection (a)(3), by striking “26 years”
 12 and inserting “30 years”; and

13 (2) in subsection (e)(1), by striking “26 years”
 14 and inserting “30 years”.

15 (b) EFFECTIVE DATE.—The amendments made by
 16 subsection (a) shall take effect on the date of the enact-
 17 ment of this Act, and shall apply with respect to agree-
 18 ments, including new agreements, entered into under sec-
 19 tion 312 of title 37, United States Code, on or after that
 20 date.

1 **SEC. 621. AUTHORITY TO WAIVE 25-YEAR ACTIVE DUTY**
2 **LIMIT FOR RETENTION BONUS FOR CRITICAL**
3 **MILITARY SKILLS WITH RESPECT TO CER-**
4 **TAIN MEMBERS.**

5 (a) **AUTHORITY.**—Section 323(e) of title 37, United
6 States Code, is amended by adding at the end the fol-
7 lowing new paragraph:

8 “(4) The limitations in paragraph (1) may be waived
9 by the Secretary of Defense, or by the Secretary of Home-
10 land Security with respect to the Coast Guard when it is
11 not operating as a service in the Navy, with respect to
12 a member who is assigned duties in a critical skill des-
13 ignated by such Secretary for purposes of this paragraph
14 during the period of active duty for which the bonus is
15 being offered.”.

16 (b) **EFFECTIVE DATE.**—The amendment made by
17 this section shall take effect on October 1, 2007, and shall
18 apply with respect to written agreements that are exe-
19 cuted, or reenlistments or extensions of enlistment that
20 occur, under section 323 of title 37, United States Code,
21 on or after that date.

1 **SEC. 622. CODIFICATION AND IMPROVEMENT OF AUTHOR-**
2 **ITY TO PAY BONUS TO ENCOURAGE MEM-**
3 **BERS OF THE ARMY TO REFER OTHER PER-**
4 **SONS FOR ENLISTMENT IN THE ARMY.**

5 (a) CODIFICATION AND IMPROVEMENT OF BONUS
6 AUTHORITY.—

7 (1) IN GENERAL.—Chapter 5 of title 37, United
8 States Code, is amended by adding at the end the
9 following new section:

10 **“§ 331. Bonus to encourage Army personnel to refer**
11 **other persons for enlistment in the Army**

12 **“(a) AUTHORITY TO PAY BONUS.—**

13 **“(1) AUTHORITY.—**The Secretary of the Army
14 may pay a bonus under this section to an individual
15 referred to in paragraph (2) who refers to an Army
16 recruiter a person who has not previously served in
17 an armed force and who, after such referral, enlists
18 in the regular component of the Army or in the
19 Army National Guard or Army Reserve.

20 **“(2) INDIVIDUALS ELIGIBLE FOR BONUS.—**Sub-
21 ject to subsection (c), the following individuals are
22 eligible for a referral bonus under this section:

23 **“(A) A member in the regular component**
24 **of the Army.**

25 **“(B) A member of the Army National**
26 **Guard.**

1 “(C) A member of the Army Reserve.

2 “(D) A member of the Army in a retired
3 status, including a member under 60 years of
4 age who, but for age, would be eligible for re-
5 tired pay.

6 “(E) A civilian employee of the Depart-
7 ment of the Army.

8 “(b) REFERRAL.—For purposes of this section, a re-
9 ferral for which a bonus may be paid under subsection
10 (a) occurs—

11 “(1) when the individual concerned contacts an
12 Army recruiter on behalf of a person interested in
13 enlisting in the Army; or

14 “(2) when a person interested in enlisting in
15 the Army contacts the Army recruiter and informs
16 the recruiter of the role of the individual concerned
17 in initially recruiting the person.

18 “(c) CERTAIN REFERRALS INELIGIBLE.—

19 “(1) REFERRAL OF IMMEDIATE FAMILY.—A
20 member of the Army may not be paid a bonus under
21 subsection (a) for the referral of an immediate fam-
22 ily member.

23 “(2) MEMBERS IN RECRUITING ROLES.—A
24 member of the Army serving in a recruiting or re-
25 tention assignment, or assigned to other duties re-

1 garding which eligibility for a bonus under sub-
 2 section (a) could (as determined by the Secretary) be
 3 perceived as creating a conflict of interest, may not
 4 be paid a bonus under subsection (a).

5 “(3) JUNIOR RESERVE OFFICERS’ TRAINING
 6 CORPS INSTRUCTORS.—A member of the Army de-
 7 tailed under subsection (c)(1) of section 2031 of title
 8 10 to serve as an administrator or instructor in the
 9 Junior Reserve Officers’ Training Corps program or
 10 a retired member of the Army employed as an ad-
 11 ministrator or instructor in the program under sub-
 12 section (d) of such section may not be paid a bonus
 13 under subsection (a).

14 “(d) AMOUNT OF BONUS.—The amount of the bonus
 15 payable for a referral under subsection (a) may not exceed
 16 \$2,000. The amount shall be payable as provided in sub-
 17 section (e).

18 “(e) PAYMENT.—A bonus payable for a referral of
 19 a person under subsection (a) shall be paid as follows:

20 “(1) Not more than \$1,000 shall be paid upon
 21 the commencement of basic training by the person.

22 “(2) Not more than \$1,000 shall be paid upon
 23 the completion of basic training and individual ad-
 24 vanced training by the person.

1 “(f) RELATION TO PROHIBITION ON BOUNTIES.—
 2 The referral bonus authorized by this section is not a
 3 bounty for purposes of section 514(a) of title 10.

4 “(g) COORDINATION WITH RECEIPT OF RETIRED
 5 PAY.—A bonus paid under this section to a member of
 6 the Army in a retired status is in addition to any com-
 7 pensation to which the member is entitled under title 10,
 8 37, or 38, or any other provision of law.

9 “(h) DURATION OF AUTHORITY.—A bonus may not
 10 be paid under subsection (a) with respect to any referral
 11 that occurs after December 31, 2008.”.

12 (2) CLERICAL AMENDMENT.—The table of sec-
 13 tions at the beginning of chapter 5 of such title is
 14 amended by adding at the end the following new
 15 item:

“331. Bonus to encourage Army personnel to refer other persons for enlistment
 in the Army.”.

16 (b) REPEAL OF SUPERSEDED AUTHORITY.—Section
 17 645 of the National Defense Authorization Act for Fiscal
 18 Year 2006 (Public Law 109–163), as amended, is re-
 19 pealed.

20 (c) PAYMENT OF BONUSES UNDER SUPERSEDED
 21 AUTHORITY.—Any bonus payable under section 645 of the
 22 National Defense Authorization Act for Fiscal Year 2006,
 23 as amended, as of the day before the date of the enactment
 24 of this Act shall remain payable after that date in accord-

1 ance with the provisions of such section as in effect on
2 such day.

3 **SEC. 623. AUTHORITY TO PAY BONUS TO ENCOURAGE DE-**
4 **PARTMENT OF DEFENSE PERSONNEL TO**
5 **REFER OTHER PERSONS FOR APPOINTMENT**
6 **AS OFFICERS TO SERVE IN HEALTH PROFES-**
7 **SIONS.**

8 (a) IN GENERAL.—Chapter 5 of title 37, United
9 States Code, as amended by section 622 of this Act, is
10 further amended by adding at the end the following new
11 section:

12 **“§ 331a. Bonus to encourage Department of Defense**
13 **personnel to refer other persons for ap-**
14 **pointment as officers to serve in health**
15 **professions**

16 “(a) AUTHORITY TO PAY BONUS.—

17 “(1) AUTHORITY.—The appropriate Secretary
18 may pay a bonus under this section to an individual
19 referred to in paragraph (2) who refers to a military
20 recruiter a person who has not previously served
21 and, after such referral, takes an oath of enlistment
22 that leads to appointment as a commissioned officer,
23 or accepts an appointment as a commissioned offi-
24 cer, in an armed force in a health profession des-

1 ignated by the appropriate Secretary for purposes of
2 this section.

3 “(2) INDIVIDUALS ELIGIBLE FOR BONUS.—Sub-
4 ject to subsection (c), the following individuals are
5 eligible for a referral bonus under this section:

6 “(A) A member of the armed forces in a
7 regular component of the armed forced.

8 “(B) A member of the armed forces in a
9 reserve component of the armed forced.

10 “(C) A member of the armed forces in a
11 retired status, including a member under 60
12 years of age who, but for age, would be eligible
13 for retired or retainer pay.

14 “(D) A civilian employee of a military de-
15 partment or the Department of Defense.

16 “(b) REFERRAL.—For purposes of this section, a re-
17 ferral for which a bonus may be paid under subsection
18 (a) occurs—

19 “(1) when the individual concerned contacts a
20 military recruiter on behalf of a person interested in
21 taking an oath of enlistment that leads to appoint-
22 ment as a commissioned officer, or accepting an ap-
23 pointment as a commissioned officer, as applicable,
24 in an armed force in a health profession; or

1 “(2) when a person interested in taking an oath
 2 of enlistment that leads to appointment as a com-
 3 missioned officer, or accepting an appointment as a
 4 commissioned officer, as applicable, in an armed
 5 force in a health profession contacts a military re-
 6 cruiter and informs the recruiter of the role of the
 7 individual concerned in initially recruiting the per-
 8 son.

9 “(c) CERTAIN REFERRALS INELIGIBLE.—

10 “(1) REFERRAL OF IMMEDIATE FAMILY.—A
 11 member of the armed forces may not be paid a
 12 bonus under subsection (a) for the referral of an im-
 13 mediate family member.

14 “(2) MEMBERS IN RECRUITING ROLES.—A
 15 member of the armed forces serving in a recruiting
 16 or retention assignment, or assigned to other duties
 17 regarding which eligibility for a bonus under sub-
 18 section (a) could (as determined by the appropriate
 19 Secretary) be perceived as creating a conflict of in-
 20 terest, may not be paid a bonus under subsection
 21 (a).

22 “(3) JUNIOR RESERVE OFFICERS’ TRAINING
 23 CORPS INSTRUCTORS.—A member of the armed
 24 forces detailed under subsection (c)(1) of section
 25 2031 of title 10 to serve as an administrator or in-

1 structor in the Junior Reserve Officers' Training
2 Corps program or a retired member of the armed
3 forces employed as an administrator or instructor in
4 the program under subsection (d) of such section
5 may not be paid a bonus under subsection (a).

6 “(d) AMOUNT OF BONUS.—The amount of the bonus
7 payable for a referral under subsection (a) may not exceed
8 \$2,000. The amount shall be payable as provided in sub-
9 section (e).

10 “(e) PAYMENT.—A bonus payable for a referral of
11 a person under subsection (a) shall be paid as follows:

12 “(1) Not more than \$1,000 shall be paid upon
13 the execution by the person of an agreement to serve
14 as an officer in a health profession in an armed
15 force for not less than 3 years,

16 “(2) Not more than \$1,000 shall be paid upon
17 the completion by the person of the initial period of
18 military training as an officer.

19 “(f) RELATION TO PROHIBITION ON BOUNTIES.—
20 The referral bonus authorized by this section is not a
21 bounty for purposes of section 514(a) of title 10.

22 “(g) COORDINATION WITH RECEIPT OF RETIRED
23 PAY.—A bonus paid under this section to a member of
24 the armed forces in a retired status is in addition to any

1 compensation to which the member is entitled under title
 2 10, 37, or 38, or any other provision of law.

3 “(h) APPROPRIATE SECRETARY DEFINED.—In this
 4 section, the term ‘appropriate Secretary’ means—

5 “(1) the Secretary of the Army, with respect to
 6 matters concerning the Army;

7 “(2) the Secretary of the Navy, with respect to
 8 matters concerning the Navy, the Marine Corps, and
 9 the Coast Guard when it is operating as a service in
 10 the Navy;

11 “(3) the Secretary of the Air Force, with re-
 12 spect to matters concerning the Air Force; and

13 “(4) the Secretary of Defense, with respect to
 14 personnel of the Department of Defense.

15 “(i) DURATION OF AUTHORITY.—A bonus may not
 16 be paid under subsection (a) with respect to any referral
 17 that occurs after December 31, 2008.”.

18 (b) CLERICAL AMENDMENT.—The table of sections
 19 at the beginning of chapter 5 of such title, as so amended,
 20 is further amended by adding at the end the following new
 21 item:

“331a. Bonus to encourage Department of Defense personnel to refer other persons for appointment as officers to serve in health professions.”.

1 **SEC. 624. ACCESSION BONUS FOR PARTICIPANTS IN ARMED**
2 **FORCES HEALTH PROFESSIONS SCHOLAR-**
3 **SHIP AND FINANCIAL ASSISTANCE PROGRAM.**

4 (a) ACCESSION BONUS AUTHORIZED.—Section 2127
5 of title 10, United States Code, is amended by adding at
6 the end the following new subsection:

7 “(f)(1) In order to increase participation in the pro-
8 gram, the Secretary of Defense may pay a person who
9 signs an agreement under section 2122 of this title an ac-
10 cession bonus of not more than \$20,000.

11 “(2) An accession bonus paid a person under this
12 subsection is in addition to any other amounts payable to
13 the person under this subchapter.

14 “(3) In the case of an individual who is paid an acces-
15 sion bonus under this subsection, but fails to commence
16 or complete the obligated service required of the person
17 under this subchapter, the repayment provisions of section
18 303a(e) of title 37 shall apply to the accession bonus paid
19 the person under this subsection.”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 subsection (a) shall take effect on October 1, 2007, and
22 shall apply with respect to agreements signed under sub-
23 chapter I of chapter 105 of title 10, United States Code,
24 on or after that date.

**Subtitle C—Travel and
Transportation Allowances**

**SEC. 641. PAYMENT OF EXPENSES OF TRAVEL TO THE
UNITED STATES FOR OBSTETRICAL PURPOSES OF DEPENDENTS LOCATED IN VERY
REMOTE LOCATIONS OUTSIDE THE UNITED
STATES.**

Section 1040 of title 10, United States Code, is amended—

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

(2) by inserting after subsection (b) the following new subsection (c):

“(c) The Secretary of Defense may pay the travel expenses and related expenses of a dependent of a member of the uniformed services assigned to a very remote location outside the United States, as determined by the Secretary, for travel for obstetrical purposes to a location in the United States.”.

SEC. 642. PAYMENT OF MOVING EXPENSES FOR JUNIOR RESERVE OFFICERS’ TRAINING CORPS INSTRUCTORS IN HARD-TO-FILL POSITIONS.

Section 2031 of title 10, United States Code, is amended by adding at the end the following new subsection:

1 “(f)(1) When determined by the Secretary of the mili-
2 tary department concerned to be in the national interest
3 and agreed upon by the institution concerned, the institu-
4 tion may reimburse the moving expenses of a Junior Re-
5 serve Officers’ Training Corps instructor who executes a
6 written agreement to serve a minimum of two years of
7 employment at the institution in a position that is hard-
8 to-fill for geographic or economic reasons and as deter-
9 mined by the Secretary concerned.

10 “(2) Any reimbursement of an instructor under para-
11 graph (1) is in addition to the minimum instructor pay
12 otherwise payable to the instructor.

13 “(3) The Secretary concerned shall reimburse an in-
14 stitution making a reimbursement under paragraph (1) in
15 an amount equal to the amount of the reimbursement paid
16 by the institution under that paragraph. Any reimburse-
17 ment under this paragraph shall be made from funds ap-
18 propriated for that purpose.

19 “(4) The payment of reimbursements under para-
20 graphs (1) and (3) shall be subject to regulations pre-
21 scribed by the Secretary of Defense for purposes of this
22 subsection.”.

**Subtitle D—Retired Pay and
Survivor Benefits**

**SEC. 651. MODIFICATION OF SCHEME FOR PAYMENT OF
DEATH GRATUITY PAYABLE WITH RESPECT
TO MEMBERS OF THE ARMED FORCES.**

(a) IN GENERAL.—Subsection (a) of section 1477 of title 10, United States Code, is amended by striking all that follows “on the following list:” and inserting the following:

“(1) To any individual designated by the person in writing.

“(2) If there is no person so designated, to the surviving spouse of the person.

“(3) If there is none of the above, to the children (as prescribed by subsection (b)) of the person and the descendants of any deceased children by representation.

“(4) If there is none of the above, to the parents (as prescribed by subsection (c)) of the person or the survivor of them.

“(5) If there is none of the above, to the duly appointed executor or administrator of the estate of the person.

“(6) If there is none of the above, to other next of kin of the person entitled under the laws of domi-

1 cile of the person at the time of the person's
2 death.”.

3 (b) CONFORMING AMENDMENTS.—Such section is
4 further amended—

5 (1) in subsection (b), by striking “Subsection
6 (a)(2)” in the matter preceding paragraph (1) and
7 inserting “Subsection (a)(3)”;

8 (2) by striking (c) and inserting the following
9 new subsection (c):

10 “(c) For purposes of subsection (a)(4), parents in-
11 clude fathers and mothers through adoption. However,
12 only one father and one mother may be recognized in any
13 case, and preference shall be given to those who exercised
14 a parental relationship on the date, or most nearly before
15 the date, on which the decedent entered a status described
16 in section 1475 or 1476 of this title.”; and

17 (3) by striking subsection (d).

18 (c) EFFECTIVE DATE.—The amendments made by
19 this section shall take effect on the date of the enactment
20 of this Act.

21 (d) APPLICABILITY.—Notwithstanding subsection
22 (c), the provisions of section 1477 of title 10, United
23 States Code, as in effect on the day before the date of
24 the enactment of this Act, shall continue to apply to each

1 member of the Armed Forces covered by such section until
 2 the earlier of the following—

3 (1) the date on which such member makes the
 4 designation contemplated by paragraph (1) of sec-
 5 tion 1477(a) of such title (as amended by subsection
 6 (a) of this section); or

7 (2) January 1, 2008.

8 (e) REGULATIONS.—

9 (1) IN GENERAL.—Not later than December 1,
 10 2007, the Secretary of Defense shall prescribe regu-
 11 lations to implement the amendments to section
 12 1477 of title 10, United States Code, made by sub-
 13 section (a).

14 (2) ELEMENTS.—The regulations required by
 15 paragraph (1) shall include forms for the making of
 16 the designation contemplated by paragraph (1) of
 17 section 1477(a) of title 10, United States Code (as
 18 amended by subsection (a)), and instructions for
 19 members of the Armed Forces in the filling out of
 20 such forms.

21 **SEC. 652. ANNUITIES FOR GUARDIANS OR CARETAKERS OF**
 22 **DEPENDENT CHILDREN UNDER SURVIVOR**
 23 **BENEFIT PLAN.**

24 (a) ELECTION.—Section 1448(b) of title 10, United
 25 States Code, is amended—

1 (1) in the subsection caption, by striking “AND
2 FORMER SPOUSE” and inserting “, FORMER
3 SPOUSE, AND GUARDIAN OR CARETAKER”; and

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

6 “(6) GUARDIAN OR CARETAKER COVERAGE.—

7 “(A) GENERAL RULE.—A person who is
8 not married and has one or more dependent
9 children upon becoming eligible to participate in
10 the Plan may elect to provide an annuity under
11 the Plan to a natural person (other than a nat-
12 ural person with an insurable interest in the
13 person under paragraph (1) or a former spouse)
14 who acts as a guardian or caretaker to such
15 child or children. In the case of a person pro-
16 viding a reserve-component annuity, such an
17 election shall include a designation under sub-
18 section (e).

19 “(B) TERMINATION OF COVERAGE.—Sub-
20 paragraphs (B) through (E) of paragraph (1)
21 shall apply to an election under subparagraph
22 (A) of this paragraph in the same manner as
23 such subparagraphs apply to an election under
24 subparagraph (A) of paragraph (1).

1 “(C) ELECTION OF NEW BENEFICIARY
 2 UPON DEATH OF PREVIOUS BENEFICIARY.—
 3 Subparagraph (G) of paragraph (1) shall apply
 4 to an election under subparagraph (A) of this
 5 paragraph in the same manner as such sub-
 6 paragraph (G) applies to an election under sub-
 7 paragraph (A) of paragraph (1), except that
 8 any new beneficiary elected under such sub-
 9 paragraph (G) by reason of this subparagraph
 10 shall be a guardian or caretaker of the depend-
 11 ent child or children of the person making such
 12 election.”.

13 (b) PAYMENT OF ANNUITY.—Section 1450 of such
 14 title is amended—

15 (1) in subsection (a), by adding at the end the
 16 following new paragraph:

17 “(5) GUARDIAN OR CARETAKER COVERAGE.—
 18 The natural person designated under section
 19 1448(b)(6) of this title, unless the election to pro-
 20 vide an annuity to the natural person has been
 21 changed as provided in subsection (f).”; and

22 (2) in the subsection caption of subsection (f),
 23 by striking “OR FORMER SPOUSE” and inserting “,
 24 FORMER SPOUSE, OR GUARDIAN OR CARETAKER”.

1 (c) AMOUNT OF ANNUITY.—Section 1451(b) of such
2 title is amended—

3 (1) in the subsection caption, by inserting “OR
4 GUARDIAN OR CARETAKER” after “INSURABLE IN-
5 TEREST”; and

6 (2) by inserting “or 1450(a)(5)” after
7 “1450(a)(4)” each place it appears in paragraphs
8 (1) and (2).

9 (d) REDUCTION IN RETIRED PAY.—Section 1452(c)
10 of such title is amended—

11 (1) in the subsection caption, by inserting “OR
12 GUARDIAN OR CARETAKER” after “INSURABLE IN-
13 TEREST”; and

14 (2) by inserting “or 1450(a)(5)” after
15 “1450(a)(4)” each place it appears in paragraphs
16 (1) and (3).

17 **SEC. 653. EXPANSION OF COMBAT-RELATED SPECIAL COM-**
18 **PENSATION ELIGIBILITY FOR CHAPTER 61**
19 **MILITARY RETIREES.**

20 (a) ELIGIBILITY.—Subsection (c) of section 1413a of
21 title 10, United States Code, is amended by striking “enti-
22 tled to retired pay who—” and all that follows and insert-
23 ing “who—

24 “(1) is entitled to retired pay (other than by
25 reason of section 12731b of this title); and

1 “(2) has a combat-related disability.”.

2 (b) COMPUTATION.—Paragraph (3) of subsection (b)
3 of such section is amended—

4 (1) by designating the text of that paragraph as
5 subparagraph (A), realigning that text so as to be
6 indented 4 ems from the left margin, and inserting
7 before “In the case of” the following heading: “IN
8 GENERAL.—”; and

9 (2) by adding at the end the following new sub-
10 paragraph:

11 “(B) SPECIAL RULE FOR RETIREES WITH
12 FEWER THAN 20 YEARS OF SERVICE.—In the
13 case of an eligible combat-related disabled uni-
14 formed services retiree who is retired under
15 chapter 61 of this title with fewer than 20
16 years of creditable service, the amount of the
17 payment under paragraph (1) for any month
18 shall be reduced by the amount (if any) by
19 which the amount of the member’s retired pay
20 under chapter 61 of this title exceeds the
21 amount equal to 2½ percent of the member’s
22 years of creditable service multiplied by the
23 member’s retired pay base under section
24 1406(b)(1) or 1407 of this title, whichever is
25 applicable to the member.”.

1 (c) EFFECTIVE DATE.—The amendments made by
 2 this section shall take effect on January 1, 2008, and shall
 3 apply to payments for months beginning on or after that
 4 date.

5 **SEC. 654. CLARIFICATION OF APPLICATION OF RETIRED**
 6 **PAY MULTIPLIER PERCENTAGE TO MEMBERS**
 7 **OF THE UNIFORMED SERVICES WITH OVER 30**
 8 **YEARS OF SERVICE.**

9 (a) COMPUTATION OF RETIRED AND RETAINER PAY
 10 FOR MEMBERS OF NAVAL SERVICE.—The table in section
 11 6333(a) of title 10, United States Code, is amended in
 12 Column 2 of Formula A by striking “75 percent” and in-
 13 serting “Retired pay multiplier prescribed under section
 14 1409 for the years of service that may be credited to him
 15 under section 1405.”.

16 (b) RETIRED PAY FOR CERTAIN MEMBERS RE-
 17 CALLED TO ACTIVE DUTY.—The table in section 1402(a)
 18 of such title is amended by striking Column 3.

19 (c) EFFECTIVE DATE.—The amendments made by
 20 subsections (a) and (b) shall take effect on January 1,
 21 2007, and shall apply with respect to retired pay and re-
 22 tainer pay payable on or after that date.

1 **SEC. 655. COMMENCEMENT OF RECEIPT OF NON-REGULAR**
2 **SERVICE RETIRED PAY BY MEMBERS OF THE**
3 **READY RESERVE ON ACTIVE FEDERAL STA-**
4 **TUS OR ACTIVE DUTY FOR SIGNIFICANT PE-**
5 **RIODS.**

6 (a) REDUCED ELIGIBILITY AGE.—Section 12731 of
7 title 10, United States Code, is amended—

8 (1) in subsection (a), by striking paragraph (1)
9 and inserting the following:

10 “(1) has attained the eligibility age applicable
11 under subsection (f) to that person;”; and

12 (2) by adding at the end the following new sub-
13 section:

14 “(f)(1) Subject to paragraph (2), the eligibility age
15 for purposes of subsection (a)(1) is 60 years of age.

16 “(2)(A) In the case of a person who as a member
17 of the Ready Reserve serves on active duty or performs
18 active service described in subparagraph (B) after the date
19 of the enactment of this subsection, the eligibility age for
20 purposes of subsection (a)(1) shall be reduced below 60
21 years of age by three months for each aggregate of 90
22 days on which such person so performs in any fiscal year
23 after such date, subject to subparagraph (C). A day of
24 duty may be included in only one aggregate of 90 days
25 for purposes of this subparagraph.

1 “(B)(i) Service on active duty described in this sub-
 2 paragraph is service on active duty pursuant to a call or
 3 order to active duty under a provision of law referred to
 4 in section 101(a)(13)(B) or under section 12301(d) of this
 5 title. Such service does not include service on active duty
 6 pursuant to a call or order to active duty under section
 7 12310 of this title.

8 “(ii) Active service described in this subparagraph is
 9 also service under a call to active service authorized by
 10 the President or the Secretary of Defense under section
 11 502(f) of title 32 for purposes of responding to a national
 12 emergency declared by the President or supported by Fed-
 13 eral funds.

14 “(C) The eligibility age for purposes of subsection
 15 (a)(1) may not be reduced below 50 years of age for any
 16 person under subparagraph (A).”.

17 (b) CONTINUATION OF AGE 60 AS MINIMUM AGE
 18 FOR ELIGIBILITY OF NON-REGULAR SERVICE RETIREES
 19 FOR HEALTH CARE.—Section 1074(b) of such title is
 20 amended—

21 (1) by inserting “(1)” after “(b)”; and

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

24 “(2) Paragraph (1) does not apply to a member or
 25 former member entitled to retired pay for non-regular

1 service under chapter 1223 of this title who is under 60
2 years of age.”.

3 (c) ADMINISTRATION OF RELATED PROVISIONS OF
4 LAW OR POLICY.—With respect to any provision of law,
5 or of any policy, regulation, or directive of the executive
6 branch that refers to a member or former member of the
7 uniformed services as being eligible for, or entitled to, re-
8 tired pay under chapter 1223 of title 10, United States
9 Code, but for the fact that the member or former member
10 is under 60 years of age, such provision shall be carried
11 out with respect to that member or former member by
12 substituting for the reference to being 60 years of age a
13 reference to having attained the eligibility age applicable
14 under subsection (f) of section 12731 of title 10, United
15 States Code (as added by subsection (a)), to such member
16 or former member for qualification for such retired pay
17 under subsection (a) of such section.

18 **Subtitle E—Education Benefits**

19 **SEC. 671. TUITION ASSISTANCE FOR OFF-DUTY TRAINING** 20 **OR EDUCATION.**

21 (a) CLARIFICATION OF APPLICABILITY OF CURRENT
22 AUTHORITY TO COMMISSIONED OFFICERS ON ACTIVE
23 DUTY.—Subsection (b) of section 2007 of title 10, United
24 States Code, is amended—

25 (1) in paragraph (1)—

1 (A) by inserting “(other than a member of
 2 the Ready Reserve)” after “active duty” the
 3 first place it appears; and

4 (B) by striking “or full-time National
 5 Guard duty” both places it appears; and

6 (2) in paragraph (2)(B), by inserting “for
 7 which ordered to active duty” after “active duty
 8 service”.

9 (b) AUTHORITY TO PAY TUITION ASSISTANCE TO
 10 MEMBERS OF THE READY RESERVE.—

11 (1) IN GENERAL.—Subsection (c) of such sec-
 12 tion is amended to read as follows:

13 “(c)(1) Subject to paragraphs (3)(A) and (4), the
 14 Secretary of a military department may pay the charges
 15 of an educational institution for the tuition or expenses
 16 described in subsection (a) of a member of the Selected
 17 Reserve.

18 “(2) Subject to paragraphs (3)(B) and (4), the Sec-
 19 retary of a military department may pay the charges of
 20 an educational institution for the tuition or expenses de-
 21 scribed in subsection (a) of a member of the Individual
 22 Ready Reserve who has a military occupational specialty
 23 designated by the Secretary for purposes of this sub-
 24 section.

1 “(3)(A) The Secretary of a military department may
 2 not pay charges under paragraph (1) for tuition or ex-
 3 penses of an officer of the Selected Reserve unless the offi-
 4 cer agrees to remain a member of the Selected Reserve
 5 for at least four years after completion of the education
 6 or training for which the charges are paid.

7 “(B) The Secretary of a military department may not
 8 pay charges under paragraph (2) for tuition or expenses
 9 of an officer of the Individual Ready Reserve unless the
 10 officer agrees to remain in the Selected Reserve or Indi-
 11 vidual Ready Reserve for at least four years after comple-
 12 tion of the education or training for which the charges
 13 are paid.

14 “(4) The Secretary of a military department may re-
 15 quire enlisted members of the Selected Reserve or Indi-
 16 vidual Ready Reserve to agree to serve for up to four years
 17 in the Selected Reserve or Individual Ready Reserve, as
 18 the case may be, after completion of education or training
 19 for which tuition or expenses are paid under paragraph
 20 (1) or (2), as applicable.”.

21 (2) REPEAL OF SUPERSEDED PROVISION.—

22 Such section is further amended—

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

24 (B) by redesignating subsections (e) and

25 (f) as subsections (d) and (e), respectively.

1 (3) REPAYMENT OF UNEARNED BENEFIT.—

2 Subsection (e) of such section, as redesignated by
3 paragraph (2) of this subsection, is amended—

4 (A) by inserting “(1)” after “(e)”; and

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

7 “(2) If a member of the Ready Reserve who enters
8 into an agreement under subsection (c) does not complete
9 the period of service specified in the agreement, the mem-
10 ber shall be subject to the repayment provisions of section
11 303a(e) of title 37.”.

12 (c) REGULATIONS.—Such section is further amended
13 by adding at the end the following new subsection:

14 “(f) This section shall be administered under regula-
15 tions prescribed by the Secretary of Defense and the Sec-
16 retary of Homeland Security for the Coast Guard when
17 it is not operating as a service in the Navy.”.

18 **SEC. 672. EXPANSION OF SELECTED RESERVE EDUCATION**

19 **LOAN REPAYMENT PROGRAM.**

20 (a) ADDITIONAL LOANS ELIGIBLE FOR REPAY-
21 MENT.—Paragraph (1) of subsection (a) of section 16301
22 of title 10, United States Code, is amended—

23 (1) in subparagraph (B), by striking “or” at
24 the end;

1 (2) in subparagraph (C), by striking the period
2 at the end and inserting “; or”; and

3 (3) by adding at the end the following new sub-
4 paragraph:

5 “(D) any loan incurred for educational purposes
6 made by a lender that is—

7 “(i) an agency or instrumentality of a
8 State;

9 “(ii) a financial or credit institution (in-
10 cluding an insurance company) that is subject
11 to examination and supervision by an agency of
12 the United States or any State;

13 “(iii) a pension fund approved by the Sec-
14 retary for purposes of this section; or

15 “(iv) a nonprofit private entity designated
16 by a State, regulated by such State, and ap-
17 proved by the Secretary for purposes of this
18 section.”.

19 (b) ELIGIBILITY OF OFFICERS.—Such subsection is
20 further amended—

21 (1) in paragraph (2)—

22 (A) by striking “Except as provided in
23 paragraph (3), the Secretary” and inserting
24 “The Secretary”; and

1 (B) by striking “an enlisted member of the
 2 Selected Reserve of the Ready Reserve of an
 3 armed force in a reserve component and mili-
 4 tary specialty” and inserting “a member of the
 5 Selected Reserve of the Ready Reserve of an
 6 armed force in a reserve component and officer
 7 program or military specialty”; and
 8 (2) by striking paragraph (3).

9 (c) CONFORMING AMENDMENT.—The heading of
 10 such section is amended to read as follows:

11 **“§ 16301. Education loan repayment program: mem-**
 12 **bers of the Selected Reserve”.**

13 (d) CLERICAL AMENDMENT.—The table of sections
 14 at the beginning of chapter 1609 of such title is amended
 15 by striking the item relating to section 16301 and insert-
 16 ing the following new item:

“16301. Education loan repayment program: members of the Selected Reserve.”.

17 **Subtitle F—Other Matters**

18 **SEC. 681. ENHANCEMENT OF AUTHORITIES ON INCOME RE-**
 19 **PLACEMENT PAYMENTS FOR RESERVES EX-**
 20 **PERIENCING EXTENDED AND FREQUENT MO-**
 21 **BILIZATION FOR ACTIVE-DUTY SERVICE.**

22 (a) CLARIFICATION OF GENERAL AUTHORITY.—Sub-
 23 section (a) of section 910 of title 37, United States Code,
 24 is amended by inserting “, when the total monthly military

1 compensation of the member is less than the average
2 monthly civilian income” after “by the Secretary”.

3 (b) ELIGIBILITY.—Subsection (b) of such section is
4 amended to read as follows:

5 “(b) ELIGIBILITY.—Subject to subsection (c), a re-
6 serve component member is entitled to a payment under
7 this section for any full month of active duty of the mem-
8 ber—

9 “(1) while on active duty under an involuntary
10 mobilization order, following the date on which the
11 member—

12 “(A) completes 18 continuous months of
13 service on active duty under such an order;

14 “(B) completes 730 cumulative days of
15 service on active duty under such an order dur-
16 ing the previous 1,826 days; or

17 “(C) is involuntarily mobilized for service
18 on active duty for a period of 180 days or more
19 within 180 days following the member’s separa-
20 tion from a previous period of involuntary ac-
21 tive duty for period of 180 days or more; or

22 “(2) while retained on active duty under sub-
23 paragraph (A) or (B) of section 12301(h)(1) of title
24 10 because of an injury or illness incurred or aggra-
25 vated while deployed to an area designated for spe-

1 cial pay under section 310 of this title after becom-
 2 ing entitled to income replacement pay under para-
 3 graph (1).”.

4 (c) TERMINATION.—Subsection (g) of such section is
 5 amended to read as follows:

6 “(g) TERMINATION OF AUTHORITY.—Payment under
 7 this section shall only be made for service performed on
 8 or before December 31, 2008.”.

9 **SEC. 682. OVERSEAS NATURALIZATION OF MILITARY FAM-**
 10 **ILY MEMBERS.**

11 (a) IN GENERAL.—Section 319 of the Immigration
 12 and Nationality Act (8 U.S.C. 1430) is amended by add-
 13 ing at the end the following new subsection:

14 “(e) Any person who is lawfully admitted for perma-
 15 nent residence, is the spouse or child of a member of the
 16 Armed Forces, and is authorized to accompany such mem-
 17 ber and reside in a foreign country with the member pur-
 18 suant to the member’s official orders, and who is so ac-
 19 companying and residing with the member (in marital
 20 union if a spouse), may be naturalized upon compliance
 21 with all the requirements of this title except that the per-
 22 son’s residence and physical presence in such foreign coun-
 23 try shall be treated as residence and physical presence in
 24 the United States or any State for the purpose of satis-
 25 fying the requirements of section 316 or 322 for natu-

1 ralization and for the purpose of satisfying the require-
 2 ments of section 101(a)(13)(C)(i) or (ii).”.

3 (b) OVERSEAS NATURALIZATION AUTHORITY.—Sec-
 4 tion 1701(d) of the National Defense Authorization Act
 5 for Fiscal Year 2004 (8 U.S.C. 1443a) is amended by in-
 6 serting “, and persons eligible to meet the residence or
 7 physical presence requirements for naturalization pursu-
 8 ant to subsection (e) of section 319 of the Immigration
 9 and Nationality Act (8 U.S.C. 1430),” after “Armed
 10 Forces”.

11 (c) EFFECTIVE DATE.—The amendments made by
 12 this section shall take effect on the date of enactment of
 13 this Act and apply to any application of naturalization
 14 pending before the Secretary of Homeland Security on or
 15 after the date of enactment.

16 **TITLE VII—HEALTH CARE** 17 **PROVISIONS**

18 **SEC. 701. INCLUSION OF TRICARE RETAIL PHARMACY PRO-** 19 **GRAM IN FEDERAL PROCUREMENT OF PHAR-** 20 **MACEUTICALS.**

21 (a) IN GENERAL.—Section 1074g of title 10, United
 22 States Code, is amended—

23 (1) by redesignating subsections (f) and (g) as
 24 subsections (g) and (h), respectively; and

1 (2) by inserting after subsection (e) the fol-
2 lowing new subsection (f):

3 “(f) PROCUREMENT OF PHARMACEUTICALS BY
4 TRICARE RETAIL PHARMACY PROGRAM.—With respect
5 to any prescription filled on or after October 1, 2007, the
6 TRICARE retail pharmacy program shall be treated as
7 an element of the Department of Defense for purposes of
8 the procurement of drugs by Federal agencies under sec-
9 tion 8126 of title 38 to the extent necessary to ensure
10 that pharmaceuticals paid for by the Department of De-
11 fense that are provided by pharmacies under the program
12 to eligible covered beneficiaries under this section are sub-
13 ject to the pricing standards in such section 8126.”.

14 (b) REGULATIONS.—The Secretary of Defense shall,
15 after consultation with the other administering Secretaries
16 under chapter 55 of title 10, United States Code, modify
17 the regulations under subsection (h) of section 1074g of
18 title 10, United States Code (as redesignated by sub-
19 section (a)(1) of this section), to implement the require-
20 ments of subsection (f) of section 1074g of title 10, United
21 States Code (as amended by subsection (a)(2) of this sec-
22 tion). The Secretary shall so modify such regulations not
23 later than December 31, 2007.

1 **SEC. 702. SURVEYS ON CONTINUED VIABILITY OF TRICARE**

2 **STANDARD AND TRICARE EXTRA.**

3 (a) REQUIREMENT FOR SURVEYS.—

4 (1) IN GENERAL.—The Secretary of Defense
5 shall conduct surveys of health care providers and
6 beneficiaries who use TRICARE in the United
7 States to determine, utilizing a reconciliation of the
8 responses of providers and beneficiaries to such sur-
9 veys, each of the following:

10 (A) How many health care providers in
11 TRICARE Prime service areas selected under
12 paragraph (3)(A) are accepting new patients
13 under each of TRICARE Standard and
14 TRICARE Extra.

15 (B) How many health care providers in ge-
16 ographic areas in which TRICARE Prime is not
17 offered are accepting patients under each of
18 TRICARE Standard and TRICARE Extra.

19 (C) The availability of mental health care
20 providers in TRICARE Prime service areas se-
21 lected under paragraph (3)(C) and in geo-
22 graphic areas in which TRICARE Prime is not
23 offered.

24 (2) BENCHMARKS.—The Secretary shall estab-
25 lish for purposes of the surveys required by para-
26 graph (1) benchmarks for primary care and specialty

1 care providers, including mental health care pro-
2 viders, to be utilized to determine the adequacy of
3 health care providers to beneficiaries eligible for
4 TRICARE.

5 (3) SCOPE OF SURVEYS.—The Secretary shall
6 carry out the surveys required by paragraph (1) as
7 follows:

8 (A) In the case of the surveys required by
9 subparagraph (A) of that paragraph, in at least
10 20 TRICARE Prime service areas in the
11 United States in each of fiscal years 2008
12 through 2011.

13 (B) In the case of the surveys required by
14 subparagraph (B) of that paragraph, in 20 geo-
15 graphic areas in which TRICARE Prime is not
16 offered and in which significant numbers of
17 beneficiaries who are members of the Selected
18 Reserve reside.

19 (C) In the case of the surveys required by
20 subparagraph (C) of that paragraph, in at least
21 40 geographic areas.

22 (4) PRIORITY FOR SURVEYS.—In prioritizing
23 the areas which are to be surveyed under paragraph
24 (1), the Secretary shall—

1 (A) consult with representatives of
2 TRICARE beneficiaries and health care and
3 mental health care providers to identify loca-
4 tions where TRICARE Standard beneficiaries
5 are experiencing significant levels of access-to-
6 care problems under TRICARE Standard or
7 TRICARE Extra; and

8 (B) give a high priority to surveying health
9 care and mental health care providers in such
10 areas.

11 (5) INFORMATION FROM PROVIDERS.—The sur-
12 veys required by paragraph (1) shall include ques-
13 tions seeking to determine from health care and
14 mental health care providers the following:

15 (A) Whether the provider is aware of the
16 TRICARE program.

17 (B) What percentage of the provider's cur-
18 rent patient population uses any form of
19 TRICARE.

20 (C) Whether the provider accepts patients
21 for whom payment is made under the medicare
22 program for health care and mental health care
23 services.

24 (D) If the provider accepts patients re-
25ferred to in subparagraph (C), whether the pro-

1 vider would accept additional such patients who
2 are not in the provider's current patient popu-
3 lation.

4 (6) INFORMATION FROM BENEFICIARIES.—The
5 surveys required by paragraph (1) shall include
6 questions seeking information to determine from
7 TRICARE beneficiaries whether they have difficul-
8 ties in finding health care and mental health care
9 providers willing to provide services under
10 TRICARE Standard or TRICARE Extra.

11 (b) SUPERVISION.—

12 (1) SUPERVISING OFFICIAL.—The Secretary
13 shall designate a senior official of the Department of
14 Defense to take the actions necessary for achieving
15 and maintaining participation of health care and
16 mental health care providers in TRICARE Standard
17 and TRICARE Extra throughout TRICARE in a
18 number that is adequate to ensure the viability of
19 TRICARE Standard for TRICARE beneficiaries.

20 (2) DUTIES.—The official designated under
21 paragraph (1) shall have the following duties:

22 (A) To make recommendations to the Sec-
23 retary for purposes of subsection (a)(2) on ap-
24 propriate benchmarks for measuring the ade-
25 quacy of health care and mental health care

1 providers in TRICARE Prime service areas and
2 geographic areas in the United States in which
3 TRICARE Prime is not offered.

4 (B) To educate health care and mental
5 health care providers about TRICARE Stand-
6 ard and TRICARE Extra.

7 (C) To encourage health care and mental
8 health care providers to accept patients under
9 TRICARE Standard and TRICARE Extra.

10 (D) To ensure that TRICARE bene-
11 ficiaries have the information necessary to lo-
12 cate TRICARE Standard and TRICARE Extra
13 providers readily.

14 (E) To recommend adjustments in
15 TRICARE Standard provider payment rates
16 that the official considers necessary to ensure
17 adequate availability of TRICARE Standard
18 providers for TRICARE Standard beneficiaries.

19 (c) GAO REVIEW.—

20 (1) ONGOING REVIEW.—The Comptroller Gen-
21 eral shall, on an ongoing basis, review—

22 (A) the processes, procedures, and analysis
23 used by the Department of Defense to deter-
24 mine the adequacy of the number of health care
25 and mental health care providers—

1 (i) that currently accept TRICARE
2 Standard or TRICARE Extra beneficiaries
3 as patients under TRICARE Standard in
4 each TRICARE area as of the date of
5 completion of the review; and

6 (ii) that would accept TRICARE
7 Standard or TRICARE Extra beneficiaries
8 as new patients under TRICARE Standard
9 or TRICARE Extra, as applicable, within
10 a reasonable time after the date of comple-
11 tion of the review; and

12 (B) the actions taken by the Department
13 of Defense to ensure ready access of TRICARE
14 Standard beneficiaries to health care and men-
15 tal health care under TRICARE Standard in
16 each TRICARE area, including any pending or
17 resolved requests for waiver of payment limits
18 in order to improve access to health care or
19 mental health care in a specific geographic
20 area.

21 (2) REPORTS.—The Comptroller General shall
22 submit to the Committees on Armed Services of the
23 Senate and the House of Representatives on a bi-an-
24 nual basis a report on the results of the review

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

3 (A) An analysis of the adequacy of the sur-
4 veys under subsection (a).

5 (B) An identification of any impediments
6 to achieving adequacy of availability of health
7 care and mental health care under TRICARE
8 Standard or TRICARE Extra.

9 (C) An assessment of the adequacy of De-
10 partment of Defense education programs to in-
11 form health care and mental health care pro-
12 viders about TRICARE Standard and
13 TRICARE Extra.

14 (D) An assessment of the adequacy of De-
15 partment of Defense initiatives to encourage
16 health care and mental health care providers to
17 accept patients under TRICARE Standard and
18 TRICARE Extra.

19 (E) An assessment of the adequacy of in-
20 formation available to TRICARE Standard
21 beneficiaries to facilitate access by such bene-
22 ficiaries to health care and mental health care
23 under TRICARE Standard and TRICARE
24 Extra.

1 (F) An assessment of any need for adjust-
2 ment of health care and mental health care pro-
3 vider payment rates to attract participation in
4 TRICARE Standard by appropriate numbers of
5 health care and mental health care providers.

6 (d) EFFECTIVE DATE.—This section shall take effect
7 on October 1, 2007.

8 (e) REPEAL OF SUPERSEDED REQUIREMENTS AND
9 AUTHORITY.—Section 723 of the National Defense Au-
10 thorization Act for Fiscal Year 2004 (10 U.S.C. 1073
11 note) is repealed, effective as of October 1, 2007.

12 (f) DEFINITIONS.—In this section:

13 (1) The term “TRICARE Extra” means the
14 option of the TRICARE program under which
15 TRICARE Standard beneficiaries may obtain dis-
16 counts on cost-sharing as a result of using
17 TRICARE network providers.

18 (2) The term “TRICARE Prime” means the
19 managed care option of the TRICARE program.

20 (3) The term “TRICARE Prime service area”
21 means a geographic area designated by the Depart-
22 ment of Defense in which managed care support
23 contractors develop a managed care network under
24 TRICARE Prime.

1 (4) The term “TRICARE Standard” means the
 2 option of the TRICARE program that is also known
 3 as the Civilian Health and Medical Program of the
 4 Uniformed Services, as defined in section 1072(4) of
 5 title 10, United States Code.

6 (5) The term “United States” means the
 7 United States (as defined in section 101(a) of title
 8 10, United States Code), its possessions (as defined
 9 in such section), and the Commonwealth of Puerto
 10 Rico.

11 **TITLE VIII—ACQUISITION POL-**
 12 **ICY, ACQUISITION MANAGE-**
 13 **MENT, AND RELATED MAT-**
 14 **TERS**

15 **Subtitle A—Provisions Relating to**
 16 **Major Defense Acquisition Pro-**
 17 **grams**

18 **SEC. 801. SUBSTANTIAL SAVINGS UNDER MULTIYEAR CON-**
 19 **TRACTS.**

20 (a) DEFINITION IN REGULATIONS OF SUBSTANTIAL
 21 SAVINGS UNDER MULTIYEAR CONTRACTS.—

22 (1) IN GENERAL.—Not later than 60 days after
 23 the date of the enactment of this Act, the Secretary
 24 of Defense shall modify the regulations prescribed
 25 pursuant to subsection (b)(2)(A) of section 2306b of

1 title 10, United States Code, to define the term
2 “substantial savings” for purposes of subsection
3 (a)(1) of such section. Such regulations shall specify
4 that—

5 (A) savings that exceed 10 percent of the
6 total anticipated costs of carrying out a pro-
7 gram through annual contracts shall be consid-
8 ered to be substantial;

9 (B) savings that exceed 5 percent of the
10 total anticipated costs of carrying out a pro-
11 gram through annual contracts, but do not ex-
12 ceed 10 percent of such costs, shall not be con-
13 sidered to be substantial unless the Secretary
14 determines in writing that an exceptionally
15 strong case has been made with regard to the
16 findings required by paragraphs (2) through (6)
17 of section 2306b(a) of such title; and

18 (C) savings that do not exceed 5 percent of
19 the total anticipated costs of carrying out a pro-
20 gram through annual contracts shall not be
21 considered to be substantial.

22 (2) EFFECTIVE DATE.—The modification re-
23 quired by paragraph (1) shall apply with regard to
24 any multiyear contract that is authorized after the

1 date that is 60 days after the date of the enactment
2 of this Act.

3 (b) REPORT ON BASIS FOR DETERMINATION.—Sec-
4 tion 2306b(i)(3) of title 10, United States Code, is amend-
5 ed by inserting before the period at the end the following:
6 “after the head of the agency concerned submits to the
7 congressional defense committees a report on the specific
8 facts supporting the determination of the head of that
9 agency under subsection (a)”.

10 (c) REPORTS ON SAVINGS ACHIEVED.—

11 (1) REPORTS REQUIRED.—Not later than Janu-
12 ary 15 of 2008, 2009, and 2010, the Secretary shall
13 submit to the congressional defense committees a re-
14 port on the savings achieved through the use of
15 multiyear contracts that were entered under the au-
16 thority of section 2306b of title 10, United States
17 Code, and the performance of which was completed
18 in the preceding fiscal year.

19 (2) ELEMENTS.—Each report under paragraph
20 (1) shall specify, for each multiyear contract covered
21 by such report—

22 (A) the savings that the Department of
23 Defense estimated it would achieve through the
24 use of the multiyear contract at the time such
25 contract was awarded; and

1 (B) the best estimate of the Department
 2 on the savings actually achieved under such
 3 contract.

4 **SEC. 802. CHANGES TO MILESTONE B CERTIFICATIONS.**

5 Section 2366a of title 10, United States Code, is
 6 amended—

7 (1) in subsection (a), by inserting “, after re-
 8 ceiving a business case analysis,” after “the mile-
 9 stone decision authority” in the matter preceding
 10 paragraph (1);

11 (2) by redesignating subsections (b), (c), (d),
 12 and (e) as subsections (c), (d), (e), and (f), respec-
 13 tively;

14 (3) by inserting after subsection (a) the fol-
 15 lowing new subsection (b):

16 “(b) CHANGES TO CERTIFICATION.—(1) The pro-
 17 gram manager for a major defense acquisition program
 18 that has received certification under subsection (a) shall
 19 immediately notify the milestone decision authority of any
 20 changes to the program that are—

21 “(A) inconsistent with such certification; or

22 “(B) deviate significantly from the material
 23 provided to the milestone decision authority in sup-
 24 port of such certification.

1 “(2) Upon receipt of information under paragraph
2 (1), the milestone decision authority may withdraw the
3 certification concerned or rescind Milestone B approval (or
4 Key Decision Point B approval in the case of a space pro-
5 gram) if the milestone decision authority determines that
6 such action is in the best interest of the national security
7 of the United States.”;

8 (4) in subsection (c), as redesignated by para-
9 graph (1)—

10 (A) by inserting “(1)” before “The certifi-
11 cation”; and

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

14 “(2) Any information provided to the milestone deci-
15 sion authority pursuant to subsection (b) shall be summa-
16 rized in the first Selected Acquisition Report submitted
17 under section 2432 of this title after such information is
18 received by the milestone decision authority.”; and

19 (5) in subsection (e), as so redesignated, by
20 striking “subsection (c)” and inserting “subsection
21 (d)”.

1 **SEC. 803. COMPTROLLER GENERAL REPORT ON DEPART-**
2 **MENT OF DEFENSE ORGANIZATION AND**
3 **STRUCTURE FOR MAJOR DEFENSE ACQUISI-**
4 **TION PROGRAMS.**

5 (a) **REPORT REQUIRED.**—Not later than one year
6 after the date of the enactment of this Act, the Comp-
7 troller General of the United States shall submit to the
8 congressional defense committees a report on potential
9 modifications of the organization and structure of the De-
10 partment of Defense for major defense acquisition pro-
11 grams.

12 (b) **ELEMENTS.**—The report required by subsection
13 (a) shall include the results of a review, conducted by the
14 Comptroller General for purposes of the report, regarding
15 the feasibility and advisability of, at a minimum, the fol-
16 lowing:

17 (1) Establishing system commands within each
18 military department, each of which commands would
19 be headed by a 4-star general or flag officer, to
20 whom the program managers and program executive
21 officers for major defense acquisition programs
22 would report.

23 (2) Revising the acquisition process for major
24 defense acquisition programs by establishing shorter,
25 more frequent acquisition program milestones.

1 (3) Requiring certifications of program status
2 to the defense acquisition executive and Congress
3 prior to milestone approval for major defense acqui-
4 sition programs.

5 (4) Establishing a new office (to be known as
6 the “Office of Independent Assessment”) to provide
7 independent cost estimates and performance esti-
8 mates for major defense acquisition programs.

9 (5) Establishing a milestone system for major
10 defense acquisition programs utilizing the following
11 milestones (or such other milestones as the Comp-
12 troller General considers appropriate for purposes of
13 the review):

14 (A) MILESTONE 0.—The time for the de-
15 velopment and approval of a mission need state-
16 ment for a major defense acquisition program.

17 (B) MILESTONE 1.—The time for the de-
18 velopment and approval of a capability need
19 definition for a major defense acquisition pro-
20 gram, including development and approval of a
21 certification statement on the characteristics re-
22 quired for the system under the program and a
23 determination of the priorities among such
24 characteristics.

1 (C) MILESTONE 2.—The time for tech-
2 nology development and assessment for a major
3 defense acquisition program, including develop-
4 ment and approval of a certification statement
5 on technology maturity of elements under the
6 program.

7 (D) MILESTONE 3.—The time for system
8 development and demonstration for a major de-
9 fense acquisition program, including develop-
10 ment and approval of a certification statement
11 on design proof of concept.

12 (E) MILESTONE 4.—The time for final de-
13 sign, production prototyping, and testing of a
14 major defense acquisition program, including
15 development and approval of a certification
16 statement on cost, performance, and schedule in
17 advance of initiation of low-rate production of
18 the system under the program.

19 (F) MILESTONE 5.—The time for limited
20 production and field testing of the system under
21 a major defense acquisition program.

22 (G) MILESTONE 6.—The time for initiation
23 of full-rate production of the system under a
24 major defense acquisition program.

1 (6) Requiring the Milestone Decision Authority
2 for a major defense acquisition program to specify,
3 at the time of Milestone B approval, or Key Decision
4 Point B approval, as applicable, the period of time
5 that will be required to deliver an initial operational
6 capability to the relevant combatant commanders.

7 (7) Establishing a materiel solutions process for
8 addressing identified gaps in critical warfighting ca-
9 pabilities, under which process the Under Secretary
10 of Defense for Acquisition, Technology, and Logis-
11 tics circulates among the military departments and
12 appropriate Defense Agencies a request for pro-
13 posals for technologies and systems to address such
14 gaps.

15 (8) Modifying the role played by chiefs of staff
16 of the Armed Forces in the requirements, resource
17 allocation, and acquisition processes.

18 (c) CONSULTATION.—In conducting the review re-
19 quired under subsection (b) for the report required by sub-
20 section (a), the Comptroller General shall obtain the views
21 of the following:

22 (1) Senior acquisition officials currently serving
23 in the Department of Defense.

24 (2) Individuals who formerly served as senior
25 acquisition officials in the Department of Defense.

1 (3) Participants in previous reviews of the orga-
 2 nization and structure of the Department of Defense
 3 for the acquisition of major weapon systems, includ-
 4 ing the President's Blue Ribbon Commission on De-
 5 fense Management in 1986.

6 (4) Other experts on the acquisition of major
 7 weapon systems.

8 (5) Appropriate experts in the Government Ac-
 9 countability Office.

10 **SEC. 804. INVESTMENT STRATEGY FOR MAJOR DEFENSE**
 11 **ACQUISITION PROGRAMS.**

12 (a) REPORT REQUIRED.—Not later than 180 days
 13 after the date of the enactment of this Act, the Secretary
 14 of Defense shall submit to the congressional defense com-
 15 mittees a report on the strategies of the Department of
 16 Defense for the allocation of funds and other resources
 17 under major defense acquisition programs.

18 (b) ELEMENTS.—The report required by subsection
 19 (a) shall address, at a minimum, Department of Defense
 20 organizations, procedures, and approaches for the fol-
 21 lowing purposes:

22 (1) To establish priorities among needed capa-
 23 bilities under major defense acquisition programs,
 24 and to assess the resources (including funds, tech-

1 nologies, time, and personnel) needed to achieve
2 such capabilities.

3 (2) To balance cost, schedule, and requirements
4 for major defense acquisition programs to ensure the
5 most efficient use of Department of Defense re-
6 sources.

7 (3) To ensure that the budget, requirements,
8 and acquisition processes of the Department of De-
9 fense work in a complementary manner to achieve
10 desired results.

11 (c) ROLE OF TRI-CHAIR COMMITTEE IN RESOURCE
12 ALLOCATION.—

13 (1) IN GENERAL.—The report required by sub-
14 section (a) shall also address the role of the com-
15 mittee described in paragraph (2) in the resource al-
16 location process for major defense acquisition pro-
17 grams.

18 (2) COMMITTEE.—The committee described in
19 this paragraph is a committee (to be known as the
20 “Tri-Chair Committee”) composed of the following:

21 (A) The Under Secretary of Defense for
22 Acquisition, Technology, and Logistics, who is
23 one of the chairs of the committee.

1 (B) The Vice Chairman of the Joint Chiefs
2 of Staff, who is one of the chairs of the com-
3 mittee.

4 (C) The Director of Program Analysis and
5 Evaluation, who is one of the chairs of the com-
6 mittee.

7 (D) Any other appropriate officials of the
8 Department of Defense, as jointly agreed upon
9 by the Under Secretary and the Vice Chairman.

10 (d) RECOMMENDATIONS.—The report required by
11 subsection (a) shall include any recommendations, includ-
12 ing recommendations for legislative action, that the Sec-
13 retary considers appropriate to improve the organizations,
14 procedures, and approaches described in the report.

15 **SEC. 805. REPORT ON IMPLEMENTATION OF RECOMMENDA-**
16 **TIONS ON TOTAL OWNERSHIP COST FOR**
17 **MAJOR WEAPON SYSTEMS.**

18 (a) REPORT REQUIRED.—Not later than 180 days
19 after the date of the enactment of this Act, the Secretary
20 of Defense shall submit to the congressional defense com-
21 mittees a report on the extent of the implementation of
22 the recommendations set forth in the February 2003 re-
23 port of the Government Accountability Office entitled
24 “Setting Requirements Differently Could Reduce Weapon
25 Systems’ Total Ownership Costs”.

1 (b) ELEMENTS.—The report required by subsection
2 (a) shall include the following:

3 (1) For each recommendation described in sub-
4 section (a) that has been implemented, or that the
5 Secretary plans to implement—

6 (A) a summary of all actions that have
7 been taken to implement such recommendation;
8 and

9 (B) a schedule, with specific milestones,
10 for completing the implementation of such rec-
11 ommendation.

12 (2) For each recommendation that the Sec-
13 retary has not implemented and does not plan to im-
14 plement—

15 (A) the reasons for the decision not to im-
16 plement such recommendation; and

17 (B) a summary of any alternative actions
18 the Secretary plans to take to address the pur-
19 poses underlying such recommendation.

20 (3) A summary of any additional actions the
21 Secretary has taken or plans to take to ensure that
22 total ownership cost is appropriately considered in
23 the requirements process for major weapon systems.

1 **Subtitle B—Amendments Relating**
 2 **to General Contracting Authori-**
 3 **ties, Procedures, and Limita-**
 4 **tions**

5 **SEC. 821. ENHANCED COMPETITION REQUIREMENTS FOR**
 6 **TASK AND DELIVERY ORDER CONTRACTS.**

7 (a) **LIMITATION ON SINGLE AWARD CONTRACTS.—**

8 Section 2304a(d) of title 10, United States Code, is
 9 amended—

10 (1) by redesignating paragraph (3) as para-
 11 graph (4); and

12 (2) by inserting after paragraph (2) the fol-
 13 lowing new paragraph (3):

14 “(3) No task or delivery order contract in an amount
 15 estimated to exceed \$100,000,000 (including all options)
 16 may be awarded to a single contractor unless the head
 17 of the agency determines in writing that—

18 “(A) because of the size, scope, or method of
 19 performance of the requirement, it would not be
 20 practical to award multiple task or delivery order
 21 contracts;

22 “(B) the task or delivery orders expected under
 23 the contract are so integrally related that only a sin-
 24 gle contractor can reasonably perform the work;

1 “(C) the contract provides only for firm, fixed
2 price task orders or delivery orders for—

3 “(i) products for which unit prices are es-
4 tablished in the contract; or

5 “(ii) services for which prices are estab-
6 lished in the contract for the specific tasks to
7 be performed; or

8 “(D) only one contractor is qualified and capa-
9 ble of performing the work at a reasonable price to
10 the government.”.

11 (b) ENHANCED COMPETITION FOR ORDERS IN EX-
12 CESS OF \$5,000,000.—Section 2304c of such title is
13 amended—

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

16 (2) by inserting after subsection (c) the fol-
17 lowing new subsection (d):

18 “(d) ENHANCED COMPETITION FOR ORDERS IN EX-
19 CESS OF \$5,000,000.—In the case of a task or delivery
20 order in excess of \$5,000,000, the requirement to provide
21 all contractors a fair opportunity to be considered under
22 subsection (b) is not met unless all such contractors are
23 provided, at a minimum—

1 “(1) a notice of the task or delivery order that
 2 includes a clear statement of the agency’s require-
 3 ments;

4 “(2) a reasonable period of time to provide a
 5 proposal in response to the notice;

6 “(3) disclosure of the significant factors and
 7 subfactors, including cost or price, that the agency
 8 expects to consider in evaluating such proposals, and
 9 their relative importance;

10 “(4) in the case of an award that is to be made
 11 on a best value basis, a written statement docu-
 12 menting the basis for the award and the relative im-
 13 portance of quality and price or cost factors; and

14 “(5) an opportunity for a post-award debriefing
 15 consistent with the requirements of section
 16 2305(b)(5) of this title.”; and

17 (3) by striking subsection (e), as redesignated
 18 by paragraph (1), and inserting the following new
 19 subsection (e):

20 “(e) PROTESTS.—(1) A protest is not authorized in
 21 connection with the issuance or proposed issuance of a
 22 task or delivery order except for—

23 “(A) a protest on the ground that the order in-
 24 creases the scope, period, or maximum value of the
 25 contract under which the order is issued; or

1 “(B) a protest of an order valued in excess of
2 \$5,000,000.

3 “(2) Notwithstanding section 3556 of title 31, the
4 Comptroller General of the United States shall have exclu-
5 sive jurisdiction of a protest authorized under paragraph
6 (1)(B).”.

7 (c) EFFECTIVE DATES.—

8 (1) SINGLE AWARD CONTRACTS.—The amend-
9 ments made by subsection (a) shall take effect on
10 the date that is 60 days after the date of the enact-
11 ment of this Act, and shall apply with respect to any
12 contract awarded on or after such date.

13 (2) ORDERS IN EXCESS OF \$5,000,000.—The
14 amendments made by subsection (b) shall take effect
15 on the date that is 60 days after the date of the en-
16 actment of this Act, and shall apply with respect to
17 any task or delivery order awarded on or after such
18 date.

19 **SEC. 822. CLARIFICATION OF RULES REGARDING THE PRO-**
20 **CUREMENT OF COMMERCIAL ITEMS.**

21 (a) TREATMENT OF SUBSYSTEMS, COMPONENTS,
22 AND SPARE PARTS AS COMMERCIAL ITEMS.—

23 (1) IN GENERAL.—Section 2379 of title 10,
24 United States Code, is amended—

1 (A) by striking subsection (b) and insert-
2 ing the following new subsection (b):

3 “(b) TREATMENT OF SUBSYSTEMS AS COMMERCIAL
4 ITEMS.—A subsystem of a major weapon system shall be
5 treated as a commercial item and purchased under proce-
6 dures established for the procurement of commercial items
7 only if—

8 “(1) the subsystem is intended for a major
9 weapon system that is being purchased, or has been
10 purchased, under procedures established for the pro-
11 curement of commercial items in accordance with
12 the requirements of subsection (a);

13 “(2) the Secretary of Defense determines
14 that—

15 “(A) the subsystem is a commercial item,
16 as defined in section 4(12) of the Office of Fed-
17 eral Procurement Policy Act (41 U.S.C.
18 403(12)); and

19 “(B) the treatment of the subsystem as a
20 commercial item is necessary to meet national
21 security objectives; or

22 “(3) the contractor demonstrates that it has
23 sold, leased, or licensed the subsystem or an item
24 that is the same as the subsystem, but for modifica-
25 tions described in subparagraphs (B) and (C) of sec-

1 tion 4(12) of the Office of Federal Procurement Pol-
 2 icy Act, in significant quantities to the general pub-
 3 lic.”;

4 (B) by redesignating subsections (c) and
 5 (d) as subsections (e) and (f), respectively; and

6 (C) by inserting after subsection (b) the
 7 following new subsections (c) and (d):

8 “(c) TREATMENT OF COMPONENTS AND SPARE
 9 PARTS AS COMMERCIAL ITEMS.—A component or spare
 10 part for a major weapon system may be treated as a com-
 11 mercial item, and purchased under procedures established
 12 for the procurement of commercial items, only if—

13 “(1) the component or spare part is intended
 14 for—

15 “(A) a major weapon system that is being
 16 purchased, or has been purchased, under proce-
 17 dures established for the procurement of com-
 18 mercial items in accordance with the require-
 19 ments of subsection (a); or

20 “(B) a subsystem of a major weapon sys-
 21 tem that is being purchased, or has been pur-
 22 chased, under procedures established for the
 23 procurement of commercial items in accordance
 24 with the requirements of subsection (b); or

1 “(2) the contractor demonstrates that it has
2 sold, leased, or licensed the component or spare
3 part, or an item that is the same as the component
4 or spare part, but for modifications described in sub-
5 paragraphs (B) and (C) of section 4(12) of the Of-
6 fice of Federal Procurement Policy Act, in signifi-
7 cant quantities to the general public.

8 “(d) PRICE INFORMATION.—In the case of any major
9 weapon system, subsystem, component, or spare part pur-
10 chased under procedures established for the procurement
11 of commercial items under the authority of this section,
12 the contractor shall provide data other than certified cost
13 or pricing data, including information on prices at which
14 the same item or similar items have previously been sold
15 to the general public, that is adequate for evaluating,
16 through price analysis, the reasonableness of the price of
17 the contract, subcontract, or modification of the contract
18 or subcontract pursuant to which such major weapon sys-
19 tem, subsystem, component or spare part, as the case may
20 be, will be purchased.”.

21 (2) CONFORMING AMENDMENT TO TECHNICAL
22 DATA PROVISION.—Section 2321(f)(2) of such title
23 is amended by striking “(whether or not under a
24 contract for commercial items)” and inserting
25 “(other than technical data for a subsystem, compo-

1 nent, or spare part that is determined to be a com-
 2 mercial item in accordance with the requirements of
 3 section 2379 of this title)’’.

4 (b) SALES OF COMMERCIAL ITEMS TO NONGOVERN-
 5 MENTAL ENTITIES.—Not later than 180 days after the
 6 date of the enactment of this Act, the Secretary of Defense
 7 shall modify the regulations of the Department of Defense
 8 on the procurement of commercial items in order to clarify
 9 that the terms “general public” and “nongovernmental en-
 10 tities” in such regulations do not include the following:

11 (1) The Federal Government or a State, local,
 12 or foreign government.

13 (2) A contractor or subcontractor acting on be-
 14 half of the Federal Government or a State, local, or
 15 foreign government.

16 (c) HARMONIZATION OF THRESHOLDS FOR COST OR
 17 PRICING DATA.—Section 2306a(b)(3)(A) of title 10,
 18 United States Code, is amended by striking “\$500,000”
 19 and inserting “the amount specified in subsection
 20 (a)(1)(A)(i), as adjusted from time to time under sub-
 21 section (a)(7),”.

22 **SEC. 823. CLARIFICATION OF RULES REGARDING THE PRO-**
 23 **CUREMENT OF COMMERCIAL SERVICES.**

24 Notwithstanding section 8002(d) of the Federal Ac-
 25 quisition Streamlining Act of 1994 (41 U.S.C. 264 note),

1 the Secretary of Defense shall modify the regulations of
 2 the Department of Defense on procurements for or on be-
 3 half of the Department of Defense in order to prohibit
 4 the use of time and materials contracts or labor-hour con-
 5 tracts to purchase as commercial items any category of
 6 commercial services other than the following:

7 (1) Commercial services procured for support of
 8 a commercial item, as described in section 4(12)(E)
 9 of the Office of Federal Procurement Policy Act (41
 10 U.S.C. 403(12)(E)).

11 (2) Emergency repair services.

12 **SEC. 824. MODIFICATION OF COMPETITION REQUIRE-**
 13 **MENTS FOR PURCHASES FROM FEDERAL**
 14 **PRISON INDUSTRIES.**

15 (a) MODIFICATION OF COMPETITION REQUIRE-
 16 MENTS.—

17 (1) IN GENERAL.—Section 2410n of title 10,
 18 United States Code, is amended by striking sub-
 19 sections (a) and (b) and inserting the following new
 20 subsections (a) and (b):

21 “(a) PRODUCTS FOR WHICH FEDERAL PRISON IN-
 22 DUSTRIES DOES NOT HAVE SIGNIFICANT MARKET
 23 SHARE.—(1) Before purchasing a product listed in the
 24 latest edition of the Federal Prison Industries catalog
 25 under section 4124(d) of title 18 for which Federal Prison

1 Industries does not have a significant market share, the
2 Secretary of Defense shall conduct market research to de-
3 termine whether the product is comparable to products
4 available from the private sector that best meet the needs
5 of the Department in terms of price, quality, and time of
6 delivery.

7 “(2) If the Secretary determines that a Federal Pris-
8 on Industries product described in paragraph (1) is not
9 comparable in price, quality, or time of delivery to prod-
10 ucts of the private sector that best meets the needs of the
11 Department in terms of price, quality, and time of deliv-
12 ery, the Secretary shall use competitive procedures for the
13 procurement of the product, or shall make an individual
14 purchase under a multiple award contract in accordance
15 with the competition requirements applicable to such con-
16 tract. In conducting such a competition, the Secretary
17 shall consider a timely offer from Federal Prison Indus-
18 tries.

19 “(b) PRODUCTS FOR WHICH FEDERAL PRISON IN-
20 DUSTRIES HAS SIGNIFICANT MARKET SHARE.—(1) The
21 Secretary of Defense may purchase a product listed in the
22 latest edition of the Federal Prison Industries catalog for
23 which Federal Prison Industries has a significant market
24 share only if the Secretary uses competitive procedures for
25 the procurement of the product or makes an individual

1 purchase under a multiple award contract in accordance
 2 with the competition requirements applicable to such con-
 3 tract. In conducting such a competition, the Secretary
 4 shall consider a timely offer from Federal Prison Indus-
 5 tries.

6 “(2) For purposes of this subsection, Federal Prison
 7 Industries shall be treated as having a significant share
 8 of the market for a product if the Secretary, in consulta-
 9 tion with the Administrator of Federal Procurement Pol-
 10 icy, determines that the Federal Prison Industries’ share
 11 of the Department of Defense market for the category of
 12 products including such product is greater than 5 per-
 13 cent.”.

14 (2) EFFECTIVE DATE.—The amendment made
 15 by subsection (a) shall take effect 60 days after the
 16 date of the enactment of this Act.

17 (b) LIST OF PRODUCTS FOR WHICH FEDERAL PRIS-
 18 ON INDUSTRIES HAS SIGNIFICANT MARKET SHARE.—

19 (1) INITIAL LIST.—Not later than 60 days after
 20 the date of the enactment of this Act, the Secretary
 21 of Defense shall publish a list of product categories
 22 for which Federal Prison Industries’ share of the
 23 Department of Defense market is greater than 5
 24 percent, based on the most recent fiscal year for
 25 which data is available.

1 (2) MODIFICATION.—The Secretary may modify
 2 the list published under paragraph (1) at any time
 3 if the Secretary determines that new data require
 4 adding a product category to the list or omitting a
 5 product category from the list.

6 (3) CONSULTATION.—The Secretary shall carry
 7 out this subsection in consultation with the Adminis-
 8 trator for Federal Procurement Policy.

9 **SEC. 825. FIVE-YEAR EXTENSION OF AUTHORITY TO CARRY**
 10 **OUT CERTAIN PROTOTYPE PROJECTS.**

11 Section 845(i) of the National Defense Authorization
 12 Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is amend-
 13 ed by striking “September 30, 2008” and inserting “Sep-
 14 tember 30, 2013”.

15 **SEC. 826. MULTIYEAR PROCUREMENT AUTHORITY FOR**
 16 **ELECTRICITY FROM RENEWABLE ENERGY**
 17 **SOURCES.**

18 (a) MULTIYEAR PROCUREMENT AUTHORIZED.—
 19 Chapter 141 of title 10, United States Code, is amended
 20 by adding at the end the following new section:

21 **“§ 2410q. Multiyear procurement authority: purchase**
 22 **of electricity from renewable energy**
 23 **sources**

24 “(a) MULTIYEAR CONTRACTS AUTHORIZED.—Sub-
 25 ject to subsection (b), the Secretary of Defense may enter

1 into contracts for a period not to exceed 10 years for the
 2 purchase of electricity from sources of renewable energy,
 3 as that term is defined in section 203(b)(2) of the Energy
 4 Policy Act of 2005 (42 U.S.C. 15852(b)(2)).

5 “(b) LIMITATIONS ON CONTRACTS FOR PERIODS IN
 6 EXCESS OF FIVE YEARS.—The Secretary may exercise
 7 the authority in subsection (a) to enter a contract for a
 8 period in excess of five years only if the Secretary deter-
 9 mines, on the basis of a business case prepared by the
 10 Department of Defense that—

11 “(1) the proposed purchase of electricity under
 12 such contract is cost effective for the Department of
 13 Defense; and

14 “(2) it would not be possible to purchase elec-
 15 tricity from the source in an economical manner
 16 without the use of a contract for a period in excess
 17 of five years.”.

18 (b) CLERICAL AMENDMENT.—The table of sections
 19 at the beginning of chapter 141 of such title is amended
 20 by adding at the end the following new item:

“2410q. Multiyear procurement authority: purchase of electricity from renewable
 energy sources.”.

1 **Subtitle C—Acquisition Policy and**
2 **Management**

3 **SEC. 841. JOINT REQUIREMENTS OVERSIGHT COUNCIL.**

4 (a) ADVISORS.—Section 181 of title 10, United
5 States Code, is amended—

6 (1) by redesignating subsection (c) as sub-
7 section (d); and

8 (2) by inserting after subsection (b) the fol-
9 lowing new subsection (c):

10 “(c) ADVISORS.—The Under Secretary of Defense for
11 Acquisition, Technology, and Logistics and the Under Sec-
12 retary of Defense (Comptroller) shall serve as advisors to
13 the Council on matters within their authority and exper-
14 tise.”.

15 (b) CONSULTATION.—Section 2433(e)(2) of such title
16 is amended by inserting “, after consultation with the
17 Joint Requirements Oversight Council regarding program
18 requirements,” after “Secretary of Defense” in the matter
19 preceding subparagraph (A).

20 **SEC. 842. MANAGEMENT STRUCTURE FOR THE PROCURE-**
21 **MENT OF CONTRACT SERVICES.**

22 (a) AUTHORITY TO ESTABLISH CONTRACT SUPPORT
23 ACQUISITION CENTERS.—Subsection (b) of section 2330
24 of title 10, United States Code, is amended by adding at
25 the end the following new paragraph:

1 “(4) Each senior official responsible for the manage-
2 ment of acquisition of contract services is authorized to
3 establish a center (to be known as a ‘Contract Support
4 Acquisition Center’) to act as executive agent for the ac-
5 quisition of contract services. Any center so established
6 shall be subject to the provisions of subsection (c).”.

7 (b) DIRECTION, STAFF, AND SUPPORT.—Such sec-
8 tion is further amended—

9 (1) by redesignating subsection (c) as sub-
10 section (d); and

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

13 “(c) DIRECTION, STAFF, AND SUPPORT OF CON-
14 TRACT SUPPORT ACQUISITION CENTERS.—(1) The Con-
15 tract Support Acquisition Center established by a senior
16 official responsible for the management of acquisition of
17 contract services under subsection (b)(4) shall be subject
18 to the direction, supervision, and oversight of such senior
19 official.

20 “(2) The Secretary of Defense or the Secretary of
21 the military department concerned may transfer to a Con-
22 tract Support Acquisition Center any personnel under the
23 authority of such Secretary whose principal duty is the
24 acquisition of contract services.

1 “(3)(A) Except as provided in subparagraph (E), the
2 Secretary of Defense may accept from the head of a de-
3 partment or agency outside the Department of Defense
4 a transfer to any Contract Support Acquisition Center
5 under subsection (b)(4) of all or part of any organizational
6 unit of such other department or agency that is primarily
7 engaged in the acquisition of contract services if, during
8 the most recent year for which data is available before
9 such transfer, more than 50 percent of the contract serv-
10 ices acquired by such organizational unit (as determined
11 on the basis of cost) were acquired on behalf of the De-
12 partment of Defense.

13 “(B) The head of a department or agency outside the
14 Department of Defense may transfer in accordance with
15 this paragraph an organizational unit that is authorized
16 to be accepted under subparagraph (A).

17 “(C) A transfer under this paragraph may be made
18 and accepted only pursuant to a memorandum of under-
19 standing entered into by the head of the department or
20 agency making the transfer and the Secretary of Defense.

21 “(D) A transfer of an organizational unit under this
22 paragraph shall include the transfer of the personnel of
23 such organizational unit, the assets of such organizational
24 unit, and the contracts of such organizational unit, to the

1 extent provided in the memorandum of understanding gov-
2 erning the transfer of the unit.

3 “(E) This paragraph does not authorize a transfer
4 of the multiple award schedule program of the General
5 Services Administration as described in section
6 2302(2)(C) of this title.”.

7 **SEC. 843. SPECIFICATION OF AMOUNTS REQUESTED FOR**
8 **PROCUREMENT OF CONTRACT SERVICES.**

9 (a) SPECIFICATION OF AMOUNTS REQUESTED.—The
10 budget justification materials submitted to Congress in
11 support of the budget of the Department of Defense for
12 any fiscal year after fiscal year 2008 shall identify clearly
13 and separately the amounts requested in each budget ac-
14 count for the procurement of contract services.

15 (b) CONTRACT SERVICES DEFINED.—In this section,
16 the term “contract services”—

17 (1) means services from contractors; but

18 (2) excludes services relating to research and
19 development and services relating to military con-
20 struction.

21 **SEC. 844. DEPARTMENT OF DEFENSE ACQUISITION WORK-**
22 **FORCE DEVELOPMENT FUND.**

23 (a) PURPOSE.—The purpose of this section is to en-
24 sure that the Department of Defense acquisition work-
25 force has the capacity, in both personnel and skills, needed

1 to properly perform its mission, provide appropriate over-
2 sight of contractor performance, and ensure that the De-
3 partment receives the best value for the expenditure of
4 public resources.

5 (b) DEPARTMENT OF DEFENSE ACQUISITION WORK-
6 FORCE DEVELOPMENT FUND.—

7 (1) ESTABLISHMENT.—The Secretary of De-
8 fense shall establish a fund to be known as the “De-
9 partment of Defense Acquisition Workforce Fund”
10 (in this section referred to as the “Fund”) to pro-
11 vide funds for the recruitment, training, and reten-
12 tion of acquisition personnel of the Department of
13 Defense for the purpose of this section.

14 (2) MANAGEMENT.—The Fund shall be man-
15 aged by a senior official of the Department of De-
16 fense designated by the Secretary for that purpose.

17 (c) ELEMENTS.—

18 (1) IN GENERAL.—The Fund shall consist of
19 amounts as follows:

20 (A) Amounts credited to the Fund under
21 paragraph (2).

22 (B) Any other amounts appropriated to,
23 credited to, or deposited into the Fund by law.

24 (2) CREDITS TO THE FUND.—(A) There shall
25 be credited to the Fund an amount equal to the ap-

1 applicable percentage for a fiscal year of all amounts
2 expended by the Department of Defense in such fis-
3 cal year for contract services, other than services re-
4 lating to research and development and services re-
5 lating to military construction.

6 (B) Not later than 30 days after the end of the
7 first fiscal year quarter of fiscal year 2008, and 30
8 days after the end of each fiscal year quarter there-
9 after, the head of each military department and De-
10 fense Agency shall remit to the Secretary of Defense
11 an amount equal to the applicable percentage for
12 such fiscal year of the amount expended by such
13 military department or Defense Agency, as the case
14 may be, during such fiscal year quarter for services
15 covered by subparagraph (A). Any amount so remit-
16 ted shall be credited to the Fund under subpara-
17 graph (A).

18 (C) For purposes of this paragraph, the appli-
19 cable percentage for a fiscal year is a percentage as
20 follows:

21 (i) For fiscal year 2008, 0.5 percent.

22 (ii) For fiscal year 2009, 1 percent.

23 (iii) For fiscal year 2010, 1.5 percent.

24 (iv) For any fiscal year after fiscal year
25 2010, 2 percent.

1 (d) AVAILABILITY OF FUNDS.—

2 (1) IN GENERAL.—Subject to the provisions of
3 this subsection, amounts in the Fund shall be avail-
4 able to the Secretary of Defense for expenditure, or
5 for transfer to a military department or Defense
6 Agency, for the recruitment, training, and retention
7 of acquisition personnel of the Department of De-
8 fense for the purpose of this section, including for
9 the provision of training and retention incentives to
10 the acquisition workforce of the Department as of
11 the date of the enactment of this Act.

12 (2) LIMITATION ON PAYMENTS TO OR FOR CON-
13 TRACTORS.—Amounts in the Fund shall not be
14 available for payments to contractors or contractor
15 employees, other than for the purpose of providing
16 training to Department of Defense employees.

17 (3) PROHIBITION ON PAYMENT OF BASE SAL-
18 ARY OF CURRENT EMPLOYEES.—Amounts in the
19 Fund may not be used to pay the base salary of any
20 person who is an employee of the Department as of
21 the date of the enactment of this Act.

22 (4) DURATION OF AVAILABILITY.—Amounts
23 credited to the Fund under subsection (c)(2) shall
24 remain available for expenditure in the fiscal year

1 for which credited and the two succeeding fiscal
2 years.

3 (e) ANNUAL REPORT.—Not later than 60 days after
4 the end of each fiscal year beginning with fiscal year 2008,
5 the Secretary of Defense shall submit to the congressional
6 defense committees a report on the operation of the Fund
7 during such fiscal year. Each report shall include, for the
8 fiscal year covered by such report, the following:

9 (1) A statement of the amounts remitted to the
10 Secretary for crediting to the Fund for such fiscal
11 year by each military department and Defense Agen-
12 cy, and a statement of the amounts credited to the
13 Fund for such fiscal year.

14 (2) A description of the expenditures made
15 from the Fund (including expenditures following a
16 transfer of amounts in the Fund to a military de-
17 partment or Defense Agency) in such fiscal year, in-
18 cluding the purpose of such expenditures.

19 (3) A description and assessment of improve-
20 ments in the Department of Defense acquisition
21 workforce resulting from such expenditures.

22 (4) A statement of the balance remaining in the
23 Fund at the end of such fiscal year.

1 (f) DEFENSE AGENCY DEFINED.—In this section,
 2 the term “Defense Agency” has the meaning given that
 3 term in section 101(a) of title 10, United States Code.

4 (g) EXPEDITED HIRING AUTHORITY.—

5 (1) IN GENERAL.—For purposes of sections
 6 3304, 5333, and 5753 of title 5, United States
 7 Code, the Secretary of Defense may—

8 (A) designate any category of acquisition
 9 positions within the Department of Defense as
 10 shortage category positions; and

11 (B) utilize the authorities in such sections
 12 to recruit and appoint highly qualified persons
 13 directly to positions so designated.

14 (2) SUNSET.—The Secretary may not appoint a
 15 person to a position of employment under this sub-
 16 section after September 30, 2012.

17 **SEC. 845. INVENTORIES AND REVIEWS OF CONTRACTS FOR**
 18 **SERVICES BASED ON COST OR TIME OF PER-**
 19 **FORMANCE.**

20 (a) PREPARATION OF LISTS OF ACTIVITIES UNDER
 21 CONTRACTS FOR SERVICES.—

22 (1) PREPARATION OF LISTS.—Not later than
 23 the end of the third quarter of each fiscal year be-
 24 ginning with fiscal year 2008, the Secretary of each
 25 military department and the head of each Defense

1 Agency shall submit to the Secretary of Defense a
2 list of the activities performed during the preceding
3 fiscal year pursuant to contracts for services for or
4 on behalf of such military department or Defense
5 Agency, as the case may be, under which the con-
6 tractor is paid on the basis of the cost or time of
7 performance, rather than specific tasks performed or
8 results achieved.

9 (2) LIST ELEMENTS.—The entry for an activity
10 on a list under paragraph (1) shall include, for the
11 fiscal year covered by such entry, the following:

12 (A) The fiscal year for which the activity
13 first appeared on a list under this section.

14 (B) The number of full-time contractor
15 employees (or its equivalent) paid for the per-
16 formance of the activity.

17 (C) A determination whether the contract
18 pursuant to which the activity is performed is
19 a personal services contract.

20 (D) The name of the Federal official re-
21 sponsible for the management of the contract
22 pursuant to which the activity is performed.

23 (E) With respect to a list for a fiscal year
24 after fiscal year 2008, information on plans and

1 written determinations made pursuant to sub-
2 section (c)(2).

3 (b) PUBLIC AVAILABILITY OF LISTS.—Not later than
4 30 days after the date on which lists are required to be
5 submitted to the Secretary of Defense under subsection
6 (a), the Secretary shall—

7 (1) transmit to the congressional defense com-
8 mittees a copy of the lists so submitted to the Sec-
9 retary;

10 (2) make such lists available to the public; and

11 (3) publish in the Federal Register a notice
12 that such lists are available to the public.

13 (c) REVIEW AND PLANNING REQUIREMENTS.—

14 (1) REVIEW OF LISTS.—Within a reasonable
15 time after the date on which a notice of the public
16 availability of a list is published under subsection
17 (b)(3), the Secretary of the military department or
18 head of the Defense Agency concerned shall—

19 (A) review the contracts and activities in-
20 cluded on the list;

21 (B) ensure that—

22 (i) each contract on the list that is a
23 personal services contract has been entered
24 into, and is being performed, in accordance

1 with applicable statutory and regulatory
2 requirements;

3 (ii) the activities on the list do not in-
4 clude any inherently governmental func-
5 tions; and

6 (iii) to the maximum extent prac-
7 ticable, the activities on the list do not in-
8 clude any functions closely associated with
9 inherently governmental functions; and

10 (C) for each activity on the list, either—

11 (i) develop a plan to convert the activ-
12 ity to performance by Federal employees,
13 convert the contract to a performance-
14 based contract, or terminate the activity;
15 or

16 (ii) make a written determination that
17 it is not practicable for the military depart-
18 ment or Defense Agency, as the case may
19 be, to take any of the actions otherwise re-
20 quired under clause (i).

21 (2) ELEMENTS OF DETERMINATION.—A written
22 determination pursuant to subparagraph (B)(ii)
23 shall be accompanied by—

24 (A) a statement of the basis for the deter-
25 mination; and

1 (B) a description of the resources that will
2 be made available to ensure adequate planning,
3 management, and oversight for each contract
4 covered by the determination.

5 (d) CHALLENGES TO LISTS.—

6 (1) IN GENERAL.—An interested party may
7 submit to the Secretary of the military department
8 or head of the Defense Agency concerned a challenge
9 to the omission of a particular activity from, or the
10 inclusion of a particular activity on, a list made
11 available to the public under subsection (b).

12 (2) INTERESTED PARTY DEFINED.—In this
13 subsection, the term “interested party”, with respect
14 to an activity referred to in subsection (a), means—

15 (A) the contractor performing the activity;

16 (B) an officer or employee of an organiza-
17 tion within the military department or Defense
18 Agency concerned that is responsible for the
19 performance of the activity; or

20 (C) the head of any labor organization re-
21 ferred to in section 7103(a)(4) of title 5, United
22 States Code, that includes within its member-
23 ship officers or employees or an organization
24 described in subparagraph (B).

1 (3) DEADLINE FOR CHALLENGE.—A challenge
2 to a list shall be submitted under paragraph (1) not
3 later than 30 days after the date of the publication
4 of the notice of public availability of the list under
5 subsection (b)(3).

6 (4) RESOLUTION OF CHALLENGE.—Not later
7 than 30 days of the receipt by the Secretary of a
8 military department or head of a Defense Agency of
9 a challenge to a list under this subsection, an official
10 designated by the Secretary of the military depart-
11 ment or the head of the Defense Agency, as the case
12 may be, shall—

13 (A) determine whether or not the challenge
14 is valid; and

15 (B) submit to the interested party con-
16 cerned a written notification of the determina-
17 tion, together with a discussion of the rationale
18 for the determination.

19 (5) ACTION FOLLOWING DETERMINATION OF
20 VALID CHALLENGE.—If the Secretary of a military
21 department or head of a Defense Agency determines
22 under paragraph (4)(A) that a challenge under this
23 subsection to a list under this section is valid, such
24 official shall—

1 (A) notify the Secretary of Defense of the
2 determination; and

3 (B) adjust the next list submitted by such
4 official under subsection (a) after the date of
5 the determination to reflect the resolution of
6 the challenge.

7 (e) RULES OF CONSTRUCTION.—

8 (1) NO AUTHORIZATION OF PERFORMANCE OF
9 PERSONAL SERVICES.—Nothing in this section shall
10 be construed to authorize the performance of per-
11 sonal services by a contractor except where expressly
12 authorized by a provision of statute other than this
13 section.

14 (2) NO PUBLIC-PRIVATE COMPETITION FOR
15 CONVERSION OF PERFORMANCE OF CERTAIN FUNC-
16 TIONS.—No public-private competition may be re-
17 quired under this section, Office of Management and
18 Budget Circular A-76, or any other provision of law
19 or regulation before a function closely associated
20 with inherently governmental functions is converted
21 to performance by Federal employees.

22 (f) DEFINITIONS.—In this section:

23 (1) The term “Defense Agency” has the mean-
24 ing given that term in section 101(a) of title 10,
25 United States Code.

1 (2) The term “function closely associated with
2 inherently governmental functions” has the meaning
3 given that term in section 2383(b)(3) of title 10,
4 United States Code.

5 (3) The term “inherently governmental func-
6 tions” has the meaning given that term in section
7 2383(b)(2) of title 10, United States Code.

8 (4) The term “personal services contract”
9 means a contract under which, as a result of its
10 terms or conditions or the manner of its administra-
11 tion during performance, contractor personnel are
12 subject to the relatively continuous supervision and
13 control of one or more Government officers or em-
14 ployees, except that the giving of an order for a spe-
15 cific article or service, with the right to reject the
16 finished product or result, is not the type of super-
17 vision or control that makes a contract a personal
18 services contract.

19 **SEC. 846. INTERNAL CONTROLS FOR PROCUREMENTS ON**
20 **BEHALF OF THE DEPARTMENT OF DEFENSE**
21 **BY CERTAIN NON-DEFENSE AGENCIES.**

22 (a) LIMITATION ON PROCUREMENTS ON BEHALF OF
23 DEPARTMENT OF DEFENSE.—Except as provided in sub-
24 section (b), no official of the Department of Defense may
25 place an order, make a purchase, or otherwise procure

1 property or services for the Department of Defense in an
2 amount in excess of \$100,000 through a non-defense
3 agency in any fiscal year if—

4 (1) the head of the non-defense agency has not
5 certified that the non-defense agency will comply
6 with defense procurement requirements during that
7 fiscal year;

8 (2) in the case of a covered non-defense agency
9 that has been determined under this section to be
10 not compliant with defense procurement require-
11 ments, such determination has not been terminated
12 in accordance with subsection (c); or

13 (3) in the case of a covered non-defense agency
14 for which a memorandum of understanding is re-
15 quired by subsection (e)(4), the Inspector General of
16 the Department of Defense and the Inspector Gen-
17 eral of the non-defense agency have not yet entered
18 into such a memorandum of understanding.

19 (b) EXCEPTION FOR PROCUREMENTS OF NECESSARY
20 PROPERTY AND SERVICES.—

21 (1) IN GENERAL.—The limitation in subsection
22 (a) shall not apply to the procurement of property
23 and services on behalf of the Department of Defense
24 by a non-defense agency during any fiscal year for
25 which there is in effect a written determination of

1 the Under Secretary of Defense for Acquisition,
2 Technology, and Logistics that it is necessary in the
3 interest of the Department of Defense to procure
4 property and services through the non-defense agen-
5 cy during such fiscal year.

6 (2) SCOPE OF PARTICULAR EXCEPTION.—A
7 written determination with respect to a non-defense
8 agency under paragraph (1) shall apply to any cat-
9 egory of procurements through the non-defense
10 agency that is specified in the determination.

11 (c) TERMINATION OF APPLICABILITY OF CERTAIN
12 LIMITATION.—In the event the limitation under sub-
13 section (a)(2) applies to a covered non-defense agency, the
14 limitation shall cease to apply to the non-defense agency
15 on the date on which the Inspector General of the Depart-
16 ment of Defense and the Inspector General of the non-
17 defense agency jointly—

18 (1) determine that the non-defense agency is
19 compliant with defense procurement requirements;
20 and

21 (2) notify the Secretary of Defense of that de-
22 termination.

23 (d) COMPLIANCE WITH DEFENSE PROCUREMENT
24 REQUIREMENTS.—For the purposes of this section, a non-
25 defense agency is compliant with defense procurement re-

1 requirements if the procurement policies, procedures, and
2 internal controls of the non-defense agency applicable to
3 the procurement of products and services on behalf of the
4 Department of Defense, and the manner in which they are
5 administered, are adequate to ensure the compliance of
6 the non-defense agency with the requirements of laws and
7 regulations (including applicable Department of Defense
8 financial management regulations) that apply to procure-
9 ments of property and services made directly by the De-
10 partment of Defense.

11 (e) INSPECTORS GENERAL REVIEWS AND DETER-
12 MINATIONS.—

13 (1) IN GENERAL.—For each covered non-de-
14 fense agency, the Inspector General of the Depart-
15 ment of Defense and the Inspector General of such
16 non-defense agency shall, not later than the date
17 specified in paragraph (2), jointly—

18 (A) review—

19 (i) the procurement policies, proce-
20 dures, and internal controls of such non-
21 defense agency that are applicable to the
22 procurement of property and services on
23 behalf of the Department by such non-de-
24 fense agency; and

1 (ii) the administration of such poli-
2 cies, procedures, and internal controls; and

3 (B) determine in writing whether such
4 non-defense agency is or is not compliant with
5 defense procurement requirements.

6 (2) DEADLINE FOR REVIEWS AND DETERMINA-
7 TIONS.—The reviews and determinations required by
8 paragraph (1) shall take place as follows:

9 (A) In the case of the General Services Ad-
10 ministration, by not later than March 15, 2010.

11 (B) In the case of each of the Department
12 of the Treasury, the Department of the Inte-
13 rior, and the National Aeronautics and Space
14 Administration, by not later than March 15,
15 2011.

16 (C) In the case of each of the Department
17 of Veterans Affairs and the National Institutes
18 of Health, by not later than March 15, 2012.

19 (3) SEPARATE REVIEWS AND DETERMINA-
20 TIONS.—The Inspector General of the Department
21 of Defense and the Inspector General of a covered
22 non-defense agency may by joint agreement conduct
23 separate reviews of the procurement of property and
24 services on behalf of the Department of Defense that
25 are conducted by separate business units, or under

1 separate governmentwide acquisition contracts, of
2 the non-defense agency. If such separate reviews are
3 conducted, the Inspectors General shall make a sep-
4 arate determination under paragraph (1)(B) with re-
5 spect to each such separate review.

6 (4) MEMORANDA OF UNDERSTANDING FOR RE-
7 VIEWS AND DETERMINATIONS.—Not later than one
8 year before a review and determination is required
9 under this subsection with respect to a covered non-
10 defense agency, the Inspector General of the Depart-
11 ment of Defense and the Inspector General of the
12 covered non-defense agency shall enter into a memo-
13 randum of understanding with each other to carry
14 out such review and determination.

15 (f) TREATMENT OF PROCUREMENTS FOR FISCAL
16 YEAR PURPOSES.—For the purposes of this section, a
17 procurement shall be treated as being made during a par-
18 ticular fiscal year to the extent that funds are obligated
19 by the Department of Defense for the procurement in that
20 fiscal year.

21 (g) RESOLUTION OF DISAGREEMENTS.—If the In-
22 spector General of the Department of Defense and the In-
23 spector General of a covered non-defense agency are un-
24 able to agree on a joint determination under subsection
25 (c) or (e), a determination by the Inspector General of

1 the Department of Defense under such subsection shall
2 be conclusive for the purposes of this section.

3 (h) DEFINITIONS.—In this section:

4 (1) The term “covered non-defense agency”
5 means each of the following:

6 (A) The General Services Administration.

7 (B) The Department of the Treasury.

8 (C) The Department of the Interior.

9 (D) The National Aeronautics and Space
10 Administration.

11 (E) The Department of Veterans Affairs.

12 (F) The National Institutes of Health.

13 (2) The term “governmentwide acquisition con-
14 tract”, with respect to a covered non-defense agency,
15 means a task or delivery order contract that—

16 (A) is entered into by the non-defense
17 agency; and

18 (B) may be used as the contract under
19 which property or services are procured for one
20 or more other departments or agencies of the
21 Federal Government.

1 **Subtitle D—Department of Defense**
2 **Contractor Matters**

3 **SEC. 861. PROTECTION FOR CONTRACTOR EMPLOYEES**
4 **FROM REPRISAL FOR DISCLOSURE OF CER-**
5 **TAIN INFORMATION.**

6 (a) INCREASED PROTECTION FROM REPRISAL.—
7 Subsection (a) of section 2409 of title 10, United States
8 Code, is amended—

9 (1) by striking “disclosing to a Member of Con-
10 gress or an authorized official of an agency or the
11 Department of Justice” and inserting “disclosing to
12 a Member of Congress, a representative of a com-
13 mittee of Congress, an Inspector General, the Gov-
14 ernment Accountability Office, a Department of De-
15 fense employee responsible for contract oversight or
16 management, or an authorized official of an agency
17 or the Department of Justice, including in the case
18 of a disclosure made in the ordinary course of an
19 employee’s duties,”; and

20 (2) by striking “information relating to a sub-
21 stantial violation of law related to a contract” and
22 inserting “information that the employee reasonably
23 believes is evidence of gross mismanagement of a
24 Department of Defense contract, a gross waste of
25 Department of Defense funds, a substantial and spe-

1 cific danger to public health or safety, or a violation
2 of law related to a Department of Defense con-
3 tract”.

4 (b) ACCELERATION OF SCHEDULE FOR DENYING RE-
5 LIEF OR PROVIDING REMEDY.—Subsection (c) of such
6 section is amended—

7 (1) in paragraph (1)—

8 (A) by inserting after “(1)” the following:

9 “Not later than 90 days after receiving an In-
10 specter General report pursuant to subsection
11 (b), the head of the agency concerned shall de-
12 termine whether the contractor concerned has
13 subjected the complainant to a reprisal prohib-
14 ited under subsection (a).”; and

15 (B) by adding at the end the following new
16 subparagraphs:

17 “(D) In the event the disclosure relates to a
18 cost-plus contract, prohibit the contractor from re-
19 ceiving one or more award fee payments to which
20 the contractor would otherwise be eligible until such
21 time as the contractor takes the actions ordered by
22 the head of the agency pursuant to subparagraphs
23 (A) through (C).

1 “(E) Take the reprisal into consideration in any
2 past performance evaluation of the contractor for
3 the purpose of a contract award.”;

4 (2) by redesignating paragraph (3) as para-
5 graph (4); and

6 (3) by inserting after paragraph (2) the fol-
7 lowing new paragraph:

8 “(3)(A) In the case of a disclosure that relates to a
9 contract covered under subsection (f), not later than 90
10 days after receipt of a written determination under para-
11 graph (1), a complainant who is aggrieved by the deter-
12 mination or by an action that the agency head has taken
13 or failed to take pursuant to such determination may
14 bring an action at law or equity for de novo review to seek
15 compensatory damages and other relief available under
16 this section in the appropriate district court of the United
17 States, which shall have jurisdiction over such an action
18 without regard to the amount in controversy. Such an ac-
19 tion shall, at the request of either party to the action, be
20 tried by the court with a jury.

21 “(B) In the event that a determination by an agency
22 head pursuant to paragraph (1) has not been made within
23 15 months after a complaint is submitted under sub-
24 section (b), and such delay is not shown to be due to the
25 bad faith of the complainant, the complainant shall be

1 deemed to have exhausted the complainant's administra-
 2 tive remedies with respect to the complaint and may bring
 3 an action at law or equity described under subparagraph
 4 (A).”.

5 (c) LEGAL BURDEN OF PROOF.—Such section is fur-
 6 ther amended—

7 (1) by redesignating subsection (e) as sub-
 8 section (g); and

9 (2) by inserting after subsection (d) the fol-
 10 lowing new subsection:

11 “(e) LEGAL BURDEN OF PROOF.—The legal burdens
 12 of proof specified in section 1221(e) of title 5 shall be con-
 13 trolling for the purposes of any investigation conducted
 14 by an inspector general, decision by the head of an agency,
 15 or hearing to determine whether discrimination prohibited
 16 under this section has occurred.”.

17 (d) REQUIREMENT TO NOTIFY EMPLOYEES OF
 18 RIGHTS RELATED TO PROTECTION FROM REPRISAL.—
 19 Such section, as amended by subsection (c), is further
 20 amended by inserting after subsection (e) the following
 21 new subsection:

22 “(f) NOTICE OF RIGHTS RELATED TO PROTECTION
 23 FROM REPRISAL.—

24 “(1) IN GENERAL.—Each Department of De-
 25 fense contract in excess of \$5,000,000, other than a

1 contract for the purchase of commercial items, shall
 2 include a clause requiring the contractor to ensure
 3 that all employees of the contractor who are working
 4 on Department of Defense contracts are notified
 5 of—

6 “(A) their rights under this section;

7 “(B) the fact that the restrictions imposed
 8 by any employee contract, employee agreement,
 9 or non-disclosure agreement may not supersede,
 10 conflict with, or otherwise alter the employee
 11 rights provided for under this section; and

12 “(C) the telephone number for the whistle-
 13 blower hotline of the Inspector General of the
 14 Department of Defense.

15 “(2) FORM OF NOTICE.—The notice required by
 16 paragraph (1) shall be made by posting the required
 17 information at a prominent place in each workplace
 18 where employees working on the contract regularly
 19 work.”.

20 **SEC. 862. REQUIREMENTS FOR DEFENSE CONTRACTORS**
 21 **RELATING TO CERTAIN FORMER DEPART-**
 22 **MENT OF DEFENSE OFFICIALS.**

23 (a) REQUIREMENTS.—

24 (1) IN GENERAL.—Chapter 141 of title 10,
 25 United States Code, as amended by section 826 of

1 this Act, is further amended by adding at the end
2 the following new section:

3 **“§ 2410r. Defense contractors: requirements con-**
4 **cerning former Department of Defense of-**
5 **ficials**

6 “(a) IN GENERAL.—Each contract for the procure-
7 ment of goods or services in excess of \$10,000,000, other
8 than a contract for the procurement of commercial items,
9 that is entered into by the Department of Defense shall
10 include a provision under which the contractor agrees to
11 submit to the Secretary of Defense, not later than April
12 1 of each year such contract is in effect, a written report
13 setting forth the information required by subsection (b).

14 “(b) REPORT INFORMATION.—Except as provided in
15 subsection (c), a report by a contractor under subsection
16 (a) shall—

17 “(1) list the name of each person who—

18 “(A) is a former officer or employee of the
19 Department of Defense or a former or retired
20 member of the armed forces who served—

21 “(i) in an Executive Schedule position
22 under subchapter II of chapter 53 of title
23 5;

1 “(ii) in a position in the Senior Exec-
2 utive Service under subchapter VIII of
3 chapter 53 of title 5;

4 “(iii) in a general or flag officer posi-
5 tion compensated at a rate of pay for
6 grade 0–7 or above under section 201 of
7 title 37; or

8 “(iv) as a program manager, deputy
9 program manager, procuring contracting
10 officer, administrative contracting officer,
11 source selection authority, member of the
12 source selection evaluation board, or chief
13 of a financial or technical evaluation team
14 for a contract with a value in excess of
15 \$10,000,000; and

16 “(B) during the preceding calendar year
17 was provided compensation by the contractor, if
18 such compensation was first provided by the
19 contractor not more than two years after such
20 officer, employee, or member left service in the
21 Department of Defense; and

22 “(2) in the case of each person listed under
23 paragraph (1)—

24 “(A) identify the agency in which such per-
25 son was employed or served on active duty dur-

1 ing the last two years of such person’s service
2 with the Department of Defense;

3 “(B) state such person’s job title and iden-
4 tify each major defense system, if any, on which
5 such person performed any work with the De-
6 partment of Defense during the last two years
7 of such person’s service with the Department;
8 and

9 “(C) state such person’s current job title
10 with the contractor and identify each major de-
11 fense system on which such person has per-
12 formed any work on behalf of the contractor.

13 “(c) DUPLICATE INFORMATION NOT REQUIRED.—
14 An annual report submitted by a contractor pursuant to
15 subsection (b) need not provide information with respect
16 to any former officer or employee of the Department of
17 Defense or former or retired member of the armed forces
18 if such information has already been provided in a pre-
19 vious annual report filed by such contractor under this
20 section.”.

21 (2) CLERICAL AMENDMENT.—The table of sec-
22 tions at the beginning of chapter 141 of such title,
23 as so amended, is further amended by adding at the
24 end the following new item:

“2410r. Defense contractors: requirements concerning former Department of
Defense officials.”.

1 (b) EFFECTIVE DATE.—The amendments made by
2 subsection (a) shall take effect on the date of the enact-
3 ment of this Act, and shall apply with respect to contracts
4 entered into on or after that date.

5 **SEC. 863. REPORT ON CONTRACTOR ETHICS PROGRAMS OF**
6 **MAJOR DEFENSE CONTRACTORS.**

7 (a) REPORT REQUIRED.—Not later than one year
8 after the date of the enactment of this Act, the Comp-
9 troller General of the United States shall submit to the
10 Committees on Armed Services of the Senate and the
11 House of Representatives a report on the internal ethics
12 programs of major defense contractors.

13 (b) ELEMENTS.—The report required by subsection
14 (a) shall address, at a minimum—

15 (1) the extent to which major defense contrac-
16 tors have internal ethics programs in place;

17 (2) the extent to which the ethics programs de-
18 scribed in paragraph (1) include—

19 (A) the availability of internal mechanisms,
20 such as hotlines, for contractor employees to re-
21 port conduct that may violate applicable re-
22 quirements of law or regulation;

23 (B) notification to contractor employees of
24 the availability of external mechanisms, such as
25 the hotline of the Inspector General of the De-

1 partment of Defense, for the reporting of con-
2 duct that may violate applicable requirements of
3 law or regulation;

4 (C) notification to contractor employees of
5 their right to be free from reprisal for dis-
6 closing a substantial violation of law related to
7 a contract, in accordance with section 2409 of
8 title 10, United States Code;

9 (D) ethics training programs for con-
10 tractor officers and employees;

11 (E) internal audit or review programs to
12 identify and address conduct that may violate
13 applicable requirements of law or regulation;

14 (F) self-reporting requirements, under
15 which contractors report conduct that may vio-
16 late applicable requirements of law or regula-
17 tion to appropriate government officials;

18 (G) disciplinary action for contractor em-
19 ployees whose conduct is determined to have
20 violated applicable requirements of law or regu-
21 lation; and

22 (H) appropriate management oversight to
23 ensure the successful implementation of such
24 ethics programs;

1 (3) the extent to which the Department of De-
2 fense monitors or approves the ethics programs of
3 major defense contractors; and

4 (4) the advantages and disadvantages of legisla-
5 tion requiring that defense contractors develop inter-
6 nal ethics programs and requiring that specific ele-
7 ments be included in such ethics programs.

8 (c) ACCESS TO INFORMATION.—In accordance with
9 the contract clause required pursuant to section 2313(c)
10 of title 10, United States Code, each major defense con-
11 tractor shall provide the Comptroller General access to in-
12 formation requested by the Comptroller General that is
13 within the scope of the report required by this section.

14 (d) MAJOR DEFENSE CONTRACTOR DEFINED.—In
15 this section, the term “major defense contractor” means
16 any company that received more than \$500,000,000 in
17 contract awards from the Department of Defense during
18 fiscal year 2006.

19 **SEC. 864. REPORT ON DEPARTMENT OF DEFENSE CON-**
20 **TRACTING WITH CONTRACTORS OR SUB-**
21 **CONTRACTORS EMPLOYING MEMBERS OF**
22 **THE SELECTED RESERVE.**

23 (a) STUDY REQUIRED.—The Secretary of Defense
24 shall conduct a study on contracting with the Department
25 of Defense by actual and potential contractors and sub-

1 contractors of the Department who employ members of
2 the Selected Reserve of the reserve components of the
3 Armed Forces.

4 (b) ELEMENTS.—The study required by subsection
5 (a) shall address the following:

6 (1) The extent to which actual and potential
7 contractors and subcontractors of the Department,
8 including small businesses, employ members of the
9 Selected Reserve.

10 (2) The extent to which actual and potential
11 contractors and subcontractors of the Department
12 have been or are likely to be disadvantaged in the
13 performance of contracts with the Department, or in
14 competition for new contracts with the Department,
15 when employees who are such members are mobi-
16 lized as part of a United States military operation
17 overseas.

18 (3) Any actions that, in the view of the Sec-
19 retary, should be taken to address any such dis-
20 advantage, including—

21 (A) the extension of additional time for the
22 performance of contracts to contractors and
23 subcontractors of the Department who employ
24 members of the Selected Reserve who are mobi-

1 lized as part of a United States military oper-
 2 ation overseas; and

3 (B) the provision of assistance in forming
 4 contracting relationships with other entities to
 5 ameliorate the temporary loss of qualified per-
 6 sonnel.

7 (c) REPORT.—Not later than one year after the date
 8 of the enactment of this Act, the Secretary shall submit
 9 to Congress a report on the study required by this section.
 10 The report shall set forth the findings and recommenda-
 11 tions of the Secretary as a result of the study.

12 (d) REPEAL OF SUPERSEDED AUTHORITY.—Section
 13 819 of the National Defense Authorization Act for Fiscal
 14 Year 2006 (Public Law 109–163; 119 Stat. 3385; 10
 15 U.S.C. 2305 note) is repealed.

16 **Subtitle E—Other Matters**

17 **SEC. 871. CONTRACTORS PERFORMING PRIVATE SECURITY**

18 **FUNCTIONS IN AREAS OF COMBAT OPER-**

19 **ATIONS.**

20 (a) REGULATIONS ON CONTRACTORS PERFORMING
 21 PRIVATE SECURITY FUNCTIONS.—

22 (1) IN GENERAL.—Not later than 120 days
 23 after the date of the enactment of this Act, the Sec-
 24 retary of Defense shall prescribe regulations on the
 25 selection, training, equipping, and conduct of per-

1 sonnel performing private security functions under a
2 covered contract or covered subcontract in an area
3 of combat operations.

4 (2) ELEMENTS.—The regulations prescribed
5 under subsection (a) shall, at a minimum, estab-
6 lish—

7 (A) a process for registering, processing,
8 and accounting for personnel performing pri-
9 vate security functions in an area of combat op-
10 erations;

11 (B) a process for authorizing and account-
12 ing for weapons to be carried by, or available to
13 be used by, personnel performing private secu-
14 rity functions in an area of combat operations;

15 (C) a process for the reporting of all inci-
16 dents in which—

17 (i) a weapon is discharged by per-
18 sonnel performing private security func-
19 tions in an area of combat operations; or

20 (ii) personnel performing private secu-
21 rity functions in an area of combat oper-
22 ations are killed or injured;

23 (D) a process for investigating—

24 (i) incidents reported pursuant to sub-
25 paragraph (C); and

1 (ii) incidents of alleged misconduct by
2 personnel performing private security func-
3 tions in an area of combat operations;

4 (E) qualification, training, screening, and
5 security requirements for personnel performing
6 private security functions in an area of combat
7 operations;

8 (F) guidance to the commanders of the
9 combatant commands on the issuance of—

10 (i) orders, directives, and instructions
11 to contractors and subcontractors per-
12 forming private security functions relating
13 to force protection, security, health, safety,
14 or relations and interaction with locals;
15 and

16 (ii) rules of engagement for personnel
17 performing private security functions in an
18 area of combat operations; and

19 (G) a process by which a commander of a
20 combatant command may request an action de-
21 scribed in subsection (b)(3).

22 (b) CONTRACT CLAUSE ON CONTRACTORS PER-
23 FORMING PRIVATE SECURITY FUNCTIONS.—

24 (1) REQUIREMENT UNDER FAR.—Not later
25 than 180 days after the date of the enactment of

1 this Act, the Federal Acquisition Regulation issued
2 in accordance with section 25 of the Office of Fed-
3 eral Procurement Policy Act (41 U.S.C. 421) shall
4 be revised to require the insertion into each covered
5 contract and covered subcontract of a contract
6 clause addressing the selection, training, equipping,
7 and conduct of personnel performing private security
8 functions under such contract or subcontract.

9 (2) **CLAUSE REQUIREMENT.**—The contract
10 clause required by paragraph (1) shall require, at a
11 minimum, that the contractor or subcontractor con-
12 cerned shall—

13 (A) comply with Department of Defense
14 procedures for—

15 (i) registering, processing, and ac-
16 counting for personnel performing private
17 security functions in an area of combat op-
18 erations;

19 (ii) authorizing and accounting of
20 weapons to be carried by, or available to be
21 used by, personnel performing private se-
22 curity functions in an area of combat oper-
23 ations; and

24 (iii) the reporting of incidents in
25 which—

1 (I) a weapon is discharged by
2 personnel performing private security
3 functions in an area of combat oper-
4 ations; or

5 (II) personnel performing private
6 security functions in an area of com-
7 bat operations are killed or injured;

8 (B) ensure that all personnel performing
9 private security functions under such contract
10 or subcontract comply with—

11 (i) qualification, training, screening,
12 and security requirements established by
13 the Secretary of Defense for personnel per-
14 forming private security functions in an
15 area of combat operations;

16 (ii) applicable laws and regulations of
17 the United States and the host country,
18 and applicable treaties and international
19 agreements, regarding the performance of
20 the functions of the contractor or subcon-
21 tractor;

22 (iii) orders, directives, and instruc-
23 tions issued by the applicable commander
24 of a combatant command relating to force

1 protection, security, health, safety, or rela-
2 tions and interaction with locals; and

3 (iv) rules of engagement issued by the
4 applicable commander of a combatant com-
5 mand for personnel performing private se-
6 curity functions in an area of combat oper-
7 ations; and

8 (C) cooperate with any investigation con-
9 ducted by the Department of Defense pursuant
10 to subsection (a)(2)(D) by providing access to
11 employees of the contractor or subcontractor, as
12 the case may be, and relevant information in
13 the possession of the contractor or subcon-
14 tractor, as the case may be, regarding the inci-
15 dent concerned.

16 (3) NONCOMPLIANCE OF PERSONNEL WITH
17 CLAUSE.—The contracting officer for a covered con-
18 tract or subcontract may direct the contractor or
19 subcontractor, at its own expense, to remove or re-
20 place any personnel performing private security
21 functions in an area of combat operations who vio-
22 late or fail to comply with applicable requirements of
23 the clause required by this subsection. If the viola-
24 tion or failure to comply is significant or repeated,

1 the contract or subcontract may be terminated for
2 default.

3 (4) APPLICABILITY.—The contract clause re-
4 quired by this subsection shall be included in all cov-
5 ered contracts and covered subcontracts awarded on
6 or after the date that is 180 days after the date of
7 the enactment of this Act. Federal agencies shall
8 make best efforts to provide for the inclusion of the
9 contract clause required by this subsection in cov-
10 ered contracts and covered subcontracts awarded be-
11 fore such date.

12 (c) AREAS OF COMBAT OPERATIONS.—

13 (1) DESIGNATION.—The Secretary of Defense
14 shall designate the areas constituting an area of
15 combat operations for purposes of this section by not
16 later than 120 days after the date of the enactment
17 of this Act.

18 (2) PARTICULAR AREAS.—Iraq and Afghanistan
19 shall be included in the areas designated as an area
20 of combat operations under paragraph (1).

21 (3) ADDITIONAL AREAS.—The Secretary may
22 designate any additional area as an area constituting
23 an area of combat operations for purposes of this
24 section if the Secretary determines that the presence
25 or potential of combat operations in such area war-

1 rants designation of such area as an area of combat
2 operations for purposes of this section.

3 (4) MODIFICATION OR ELIMINATION OF DES-
4 IGNATION.—The Secretary may modify or cease the
5 designation of an area under this subsection as an
6 area of combat operations if the Secretary deter-
7 mines that combat operations are no longer ongoing
8 in such area.

9 (d) DEFINITIONS.—In this section:

10 (1) The term “covered contract” means a con-
11 tract of a Federal agency for the performance of
12 services in an area of combat operations, as des-
13 ignated by the Secretary of Defense under sub-
14 section (c).

15 (2) The term “covered subcontract” means a
16 subcontract for the performance of private security
17 functions at any tier under a covered contract.

18 (3) The term “private security functions”
19 means activities engaged in by a contractor or sub-
20 contractor under a covered contract or subcontract
21 as follows:

22 (A) Guarding of personnel, facilities, or
23 property of a Federal agency, the contractor or
24 subcontractor, or a third party.

1 (B) Any other activity for which personnel
2 are required to carry weapons in the perform-
3 ance of their duties.

4 **SEC. 872. ENHANCED AUTHORITY TO ACQUIRE PRODUCTS**
5 **AND SERVICES PRODUCED IN IRAQ AND AF-**
6 **GHANISTAN.**

7 (a) IN GENERAL.—In the case of a product or service
8 to be acquired in support of military operations or stability
9 operations in Iraq or Afghanistan (including security,
10 transition, reconstruction, and humanitarian relief activi-
11 ties) for which the Secretary of Defense makes a deter-
12 mination described in subsection (b), the Secretary may
13 conduct a procurement in which—

14 (1) competition is limited to products or serv-
15 ices that are from Iraq or Afghanistan;

16 (2) procedures other than competitive proce-
17 dures are used to award a contract to a particular
18 source or sources from Iraq or Afghanistan; or

19 (3) a preference is provided for products or
20 services that are from Iraq or Afghanistan.

21 (b) DETERMINATION.—A determination described in
22 this subsection is a determination by the Secretary that—

23 (1) the product or service concerned is to be
24 used only by the military forces, police, or other se-
25 curity personnel of Iraq or Afghanistan; or

1 (2) it is in the national security interest of the
2 United States to limit competition, use procedures
3 other than competitive procedures, or provide a pref-
4 erence as described in subsection (a) because—

5 (A) such limitation, procedure, or pref-
6 erence is necessary to provide a stable source of
7 jobs in Iraq or Afghanistan; and

8 (B) such limitation, procedure, or pref-
9 erence will not adversely affect—

10 (i) military operations or stability op-
11 erations in Iraq or Afghanistan; or

12 (ii) the United States industrial base.

13 (c) PRODUCTS, SERVICES, AND SOURCES FROM IRAQ
14 OR AFGHANISTAN.—For the purposes of this section:

15 (1) A product is from Iraq or Afghanistan if it
16 is mined, produced, or manufactured in Iraq or Af-
17 ghanistan.

18 (2) A service is from Iraq or Afghanistan if it
19 is performed in Iraq or Afghanistan by citizens or
20 permanent resident aliens of Iraq or Afghanistan.

21 (3) A source is from Iraq or Afghanistan if it—

22 (A) is located in Iraq or Afghanistan; and

23 (B) offers products or services that are
24 from Iraq or Afghanistan.

1 **SEC. 873. DEFENSE SCIENCE BOARD REVIEW OF DEPART-**
2 **MENT OF DEFENSE POLICIES AND PROCE-**
3 **DURES FOR THE ACQUISITION OF INFORMA-**
4 **TION TECHNOLOGY.**

5 (a) REVIEW REQUIRED.—Not later than 90 days
6 after the date of the enactment of this Act, the Secretary
7 of Defense shall direct the Defense Science Board to carry
8 out a review of Department of Defense policies and proce-
9 dures for the acquisition of information technology.

10 (b) MATTERS TO BE ADDRESSED.—The matters ad-
11 dressed by the review required by subsection (a) shall in-
12 clude the following:

13 (1) Department of Defense policies and proce-
14 dures for acquiring national security systems, busi-
15 ness information systems, and other information
16 technology.

17 (2) The roles and responsibilities in imple-
18 menting such policies and procedures of—

19 (A) the Under Secretary of Defense for
20 Acquisition, Technology, and Logistics;

21 (B) the Chief Information Officer of the
22 Department of Defense;

23 (C) the Director of the Business Trans-
24 formation Agency;

25 (D) the service acquisition executives;

1 (E) the chief information officers of the
2 military departments;

3 (F) Defense Agency acquisition officials;
4 and

5 (G) the information officers of the Defense
6 Agencies.

7 (3) The application of such policies and proce-
8 dures to information technologies that are an inte-
9 gral part of weapons or weapon systems.

10 (4) The requirements of the Clinger-Cohen Act
11 (division E of Public Law 104–106) and the Paper-
12 work Reduction Act of 1995 regarding performance-
13 based and results-based management, capital plan-
14 ning, and investment control in the acquisition of in-
15 formation technology.

16 (5) Department of Defense policies and proce-
17 dures for maximizing the usage of commercial infor-
18 mation technology while ensuring the security of the
19 microelectronics, software, and networks of the De-
20 partment.

21 (6) The suitability of Department of Defense
22 acquisition regulations, including Department of De-
23 fense Directive 5000.1 and the accompanying mile-
24 stones, to the acquisition of information technology
25 systems.

1 (7) The adequacy and transparency of perform-
2 ance metrics currently used by the Department of
3 Defense for the acquisition of information tech-
4 nology systems.

5 (8) The effectiveness of existing statutory and
6 regulatory reporting requirements for the acquisition
7 of information technology systems.

8 (c) REPORT REQUIRED.—Not later than one year
9 after the date of enactment of this Act, the Secretary shall
10 submit to the congressional defense committees a report
11 on the results of the review required by subsection (a).
12 The report shall include the findings and recommenda-
13 tions of the Defense Science Board pursuant to the review,
14 including such recommendations for legislative or adminis-
15 trative action as the Board considers appropriate, together
16 with any comments the Secretary considers appropriate.

17 **SEC. 874. ENHANCEMENT AND EXTENSION OF ACQUISITION**
18 **AUTHORITY FOR THE UNIFIED COMBATANT**
19 **COMMAND FOR JOINT WARFIGHTING EX-**
20 **PERIMENTATION.**

21 (a) SUSTAINMENT OF EQUIPMENT.—

22 (1) IN GENERAL.—Subsection (a) of section
23 167a of title 10, United States Code, is amended by
24 striking “and acquire” and inserting “, acquire, and
25 sustain”.

1 (2) CONFORMING AMENDMENT.—Subsection (d)
2 of such section is amended in the matter preceding
3 paragraph (1) by striking “or acquisition” and in-
4 serting “, acquisition, or sustainment”.

5 (b) TWO-YEAR EXTENSION.—Subsection (f) of such
6 section is amended—

7 (1) by striking “through 2008” and inserting
8 “through 2010”; and

9 (2) by striking “September 30, 2008” and in-
10 serting “September 30, 2010”.

11 **SEC. 875. REPEAL OF REQUIREMENT FOR IDENTIFICATION**
12 **OF ESSENTIAL MILITARY ITEMS AND MILI-**
13 **TARY SYSTEM ESSENTIAL ITEM BREAKOUT**
14 **LIST.**

15 Section 813 of the National Defense Authorization
16 Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat.
17 1543) is repealed.

1 **TITLE IX—DEPARTMENT OF DE-**
2 **FENSE ORGANIZATION AND**
3 **MANAGEMENT**

4 **Subtitle A—Department of Defense**
5 **Management**

6 **SEC. 901. REPEAL OF LIMITATION ON MAJOR DEPARTMENT**
7 **OF DEFENSE HEADQUARTERS ACTIVITIES**
8 **PERSONNEL.**

9 (a) REPEAL.—Section 130a of title 10, United States
10 Code, is repealed.

11 (b) CLERICAL AMENDMENT.—The table of sections
12 at the beginning of chapter 3 of such title is amended by
13 striking the item relating to section 130a.

14 **SEC. 902. CHIEF MANAGEMENT OFFICERS OF THE DEPART-**
15 **MENT OF DEFENSE.**

16 (a) SERVICE OF DEPUTY SECRETARY OF DEFENSE
17 AS CHIEF MANAGEMENT OFFICER OF DEPARTMENT OF
18 DEFENSE.—Section 132 of title 10, United States Code,
19 is amended—

20 (1) by redesignating subsection (c) as sub-
21 section (d); and

22 (2) by inserting after subsection (b) the fol-
23 lowing new subsection (c):

24 “(c)(1) The Deputy Secretary—

1 “(A) serves as the Chief Management Officer of
2 the Department of Defense; and

3 “(B) is the principal adviser to the Secretary of
4 Defense on matters relating to the management of
5 the Department of Defense, including the develop-
6 ment, approval, implementation, integration, and
7 oversight of policies, procedures, processes, and sys-
8 tems for the management of the Department of De-
9 fense that relate to the performance of the following
10 functions:

11 “(i) Planning and budgeting, including
12 performance measurement.

13 “(ii) Acquisition.

14 “(iii) Logistics.

15 “(iv) Facilities, installations, and environ-
16 ment.

17 “(v) Financial management.

18 “(vi) Human resources and personnel.

19 “(vii) Management of information re-
20 sources, including information technology, net-
21 works, and telecommunications functions.

22 “(2) In carrying out the duties of Chief Management
23 Officer of the Department of Defense, the Deputy Sec-
24 retary shall—

1 “(A) develop and maintain a departmentwide
2 strategic plan for business reform identifying key
3 initiatives to be undertaken by the Department of
4 Defense and its components, together with related
5 resource needs;

6 “(B) establish performance goals and measures
7 for improving and evaluating the overall economy,
8 efficiency, and effectiveness of the business oper-
9 ations of the Department of Defense;

10 “(C) monitor the progress of the Department of
11 Defense and its components in meeting performance
12 goals and measures established pursuant to subpara-
13 graph (B);

14 “(D) review and approve plans and budgets for
15 business reform, including any proposed changes to
16 policies, procedures, processes, and systems, to en-
17 sure the compatibility of such plans and budgets
18 with the strategic plan for business reform estab-
19 lished pursuant to subparagraph (A);

20 “(E) oversee the development of, and review
21 and approve, all budget requests for defense busi-
22 ness systems, including the information to be sub-
23 mitted to Congress under section 2222(h) of this
24 title; and

1 “(F) subject to the authority, direction, and
2 control of the Secretary of Defense, perform the re-
3 sponsibilities of the Secretary under section 2222 of
4 this title.

5 “(3) The Deputy Secretary exercises the authority of
6 the Secretary of Defense in the performance of the duties
7 of Chief Management Officer of the Department of De-
8 fense under this subsection subject to the authority, direc-
9 tion, and control of the Secretary. The exercise of that
10 authority is binding on the Secretaries of the military de-
11 partments and the heads of the other elements and compo-
12 nents of the Department of Defense.”.

13 (b) DEPUTY CHIEF MANAGEMENT OFFICER.—

14 (1) IN GENERAL.—Chapter 4 of such title is
15 amended by inserting after section 133b the fol-
16 lowing new section:

17 **“§ 133c. Under Secretary of Defense for Management**
18 **(Deputy Chief Management Officer)**

19 “(a) There is an Under Secretary of Defense for
20 Management (Deputy Chief Management Officer), ap-
21 pointed from civilian life by the President, by and with
22 the advice and consent of the Senate, from among persons
23 who have—

1 “(1) extensive executive level leadership and
2 management experience in the public or private sec-
3 tor;

4 “(2) strong leadership skills;

5 “(3) a demonstrated ability to manage large
6 and complex organizations; and

7 “(4) a record of achieving positive operational
8 results.

9 “(b) The Under Secretary of Defense for Manage-
10 ment (Deputy Chief Management Officer) shall assist the
11 Deputy Secretary of Defense in the performance of his
12 duties as Chief Management Officer. The Under Secretary
13 of Defense for Management (Deputy Chief Management
14 Officer) shall act for, and exercise the powers of, the Chief
15 Management Officer when the Deputy Secretary is absent
16 or disabled or there is no Deputy Secretary.

17 “(c)(1) With respect to all matters for which he has
18 responsibility by law or by direction of the Secretary of
19 Defense, the Under Secretary of Defense for Management
20 (Deputy Chief Management Officer) takes precedence in
21 the Department of Defense after the Secretary of Defense
22 and the Deputy Secretary of Defense.

23 “(2) With respect to all matters other than matters
24 for which he has responsibility by law or by direction of
25 the Secretary of Defense, the Under Secretary takes prec-

1 edence in the Department of Defense after the Secretaries
 2 of the military departments and the Under Secretary of
 3 Defense for Acquisition, Technology, and Logistics.”.

4 (2) CLERICAL AMENDMENT.—The table of sec-
 5 tions at the beginning of such chapter is amended
 6 by inserting after the item relating to section 133b
 7 the following new item:

“133c. Under Secretary of Defense for Management (Deputy Chief Management Officer).”.

8 (3) EXECUTIVE SCHEDULE LEVEL III.—Section
 9 5314 of title 5, United States Code, is amended by
 10 inserting after the item relating to the Under Sec-
 11 retary of Defense for Intelligence the following new
 12 item:

13 “Under Secretary of Defense for Management
 14 (Deputy Chief Management Officer).”.

15 (4) PLACEMENT IN OSD.—Section 131(b)(2) of
 16 title 10, United States Code, is amended—

17 (A) by redesignating subparagraphs (B)
 18 through (E) as subparagraphs (C) through (F),
 19 respectively; and

20 (B) by inserting after subparagraph (A)
 21 the following new subparagraph (B):

22 “(B) The Under Secretary of Defense for
 23 Management (Deputy Chief Management Offi-
 24 cer).”.

1 (5) CONFORMING AMENDMENT.—Section
 2 134(c) of such title is amended by striking “the Sec-
 3 retary of Defense” and all that follows and inserting
 4 “the Under Secretary of Defense for Management
 5 (Deputy Chief Management Officer).”.

6 (c) CHIEF MANAGEMENT OFFICERS OF THE MILI-
 7 TARY DEPARTMENTS.—

8 (1) DEPARTMENT OF THE ARMY.—Section
 9 3015 of title 10, United States Code, is amended by
 10 adding at the end the following new subsection:

11 “(c)(1) The Under Secretary serves as the Chief
 12 Management Officer of the Department of the Army.

13 “(2) The Under Secretary is the principal adviser to
 14 the Secretary of the Army on matters relating to the man-
 15 agement of the Department of the Army, including the
 16 development, approval, implementation, integration, and
 17 oversight of policies, procedures, processes, and systems
 18 for the management of the Department of the Army that
 19 relate to the performance of the following functions:

20 “(A) Planning and budgeting, including per-
 21 formance measurement.

22 “(B) Acquisition.

23 “(C) Logistics.

24 “(D) Facilities, installations, and environment.

25 “(E) Financial management.

1 “(F) Human resources and personnel.

2 “(G) Management of information resources, in-
3 cluding information technology, networks, and tele-
4 communications functions.

5 “(3) Subject to the direction and oversight of the
6 Chief Management Officer and Deputy Chief Management
7 Officer of the Department of Defense, the Under Sec-
8 retary shall be responsible for—

9 “(A) developing and maintaining a strategic
10 plan for business reform that identifies key initia-
11 tives to be undertaken by the Department of the
12 Army for business reform, together with related re-
13 source needs;

14 “(B) establishing performance goals and meas-
15 ures for improving and evaluating the overall econ-
16 omy, efficiency, and effectiveness of the business op-
17 erations of the Department of the Army;

18 “(C) monitoring the progress of the Depart-
19 ment of the Army and its components in meeting the
20 performance goals and measures established pursu-
21 ant to subparagraph (B);

22 “(D) reviewing and approving the plans and
23 budgets of the Department of the Army for business
24 reform, including any proposed changes to policies,
25 procedures, processes, and systems, to ensure the

1 compatibility of such plans and budgets with the
2 strategic plan for business reform established pursu-
3 ant to subparagraph (A); and

4 “(E) overseeing the development of, and review-
5 ing and approving, all budget requests for defense
6 business systems by the Department of the Army,
7 including the information to be submitted to Con-
8 gress under section 2222(h) of this title.”.

9 (2) DEPARTMENT OF THE NAVY.—Section 5015
10 of such title is amended by adding at the end the
11 following new subsection:

12 “(c)(1) The Under Secretary serves as the Chief
13 Management Officer of the Department of the Navy.

14 “(2) The Under Secretary is the principal adviser to
15 the Secretary of the Navy on matters relating to the man-
16 agement of the Department of the Navy, including the de-
17 velopment, approval, implementation, integration, and
18 oversight of policies, procedures, processes, and systems
19 for the management of the Department of the Navy that
20 relate to the performance of the following functions:

21 “(A) Planning and budgeting, including per-
22 formance measurement.

23 “(B) Acquisition.

24 “(C) Logistics.

25 “(D) Facilities, installations, and environment.

1 “(E) Financial management.

2 “(F) Human resources and personnel.

3 “(G) Management of information resources, in-
4 cluding information technology, networks, and tele-
5 communications functions.

6 “(3) Subject to the direction and oversight of the
7 Chief Management Officer and Deputy Chief Management
8 Officer of the Department of Defense, the Under Sec-
9 retary shall be responsible for—

10 “(A) developing and maintaining a strategic
11 plan for business reform that identifies key initia-
12 tives to be undertaken by the Department of the
13 Navy for business reform, together with related re-
14 source needs;

15 “(B) establishing performance goals and meas-
16 ures for improving and evaluating the overall econ-
17 omy, efficiency, and effectiveness of the business op-
18 erations of the Department of the Navy;

19 “(C) monitoring the progress of the Depart-
20 ment of the Navy and its components in meeting the
21 performance goals and measures established pursu-
22 ant to subparagraph (B);

23 “(D) reviewing and approving the plans and
24 budgets of the Department of the Navy for business
25 reform, including any proposed changes to policies,

1 procedures, processes, and systems, to ensure the
2 compatibility of such plans and budgets with the
3 strategic plan for business reform established pursu-
4 ant to subparagraph (A); and

5 “(E) overseeing the development of, and review-
6 ing and approving, all budget requests for defense
7 business systems by the Department of the Navy, in-
8 cluding the information to be submitted to Congress
9 under section 2222(h) of this title.”.

10 (3) DEPARTMENT OF THE AIR FORCE.—Section
11 8015 of such title is amended by adding at the end
12 the following new subsection:

13 “(c)(1) The Under Secretary serves as the Chief
14 Management Officer of the Department of the Air Force.

15 “(2) The Under Secretary is the principal adviser to
16 the Secretary of the Air Force on matters relating to the
17 management of the Department of the Air Force, includ-
18 ing the development, approval, implementation, integra-
19 tion, and oversight of policies, procedures, processes, and
20 systems for the management of the Department of the Air
21 Force that relate to the performance of the following func-
22 tions:

23 “(A) Planning and budgeting, including per-
24 formance measurement.

25 “(B) Acquisition.

1 “(C) Logistics.

2 “(D) Facilities, installations, and environment.

3 “(E) Financial management.

4 “(F) Human resources and personnel.

5 “(G) Management of information resources, in-
6 cluding information technology, networks, and tele-
7 communications functions.

8 “(3) Subject to the direction and oversight of the
9 Chief Management Officer and Deputy Chief Management
10 Officer of the Department of Defense, the Under Sec-
11 retary shall be responsible for—

12 “(A) developing and maintaining a strategic
13 plan for business reform that identifies key initia-
14 tives to be undertaken by the Department of the Air
15 Force for business reform, together with related re-
16 source needs;

17 “(B) establishing performance goals and meas-
18 ures for improving and evaluating the overall econ-
19 omy, efficiency, and effectiveness of the business op-
20 erations of the Department of the Air Force;

21 “(C) monitoring the progress of the Depart-
22 ment of the Air Force and its components in meet-
23 ing the performance goals and measures established
24 pursuant to subparagraph (B);

1 “(D) reviewing and approving the plans and
 2 budgets of the Department of the Air Force for
 3 business reform, including any proposed changes to
 4 policies, procedures, processes, and systems, to en-
 5 sure the compatibility of such plans and budgets
 6 with the strategic plan for business reform estab-
 7 lished pursuant to subparagraph (A); and

8 “(E) overseeing the development of, and review-
 9 ing and approving, all budget requests for defense
 10 business systems by the Department of the Air
 11 Force, including the information to be submitted to
 12 Congress under section 2222(h) of this title.”.

13 (d) MATTERS RELATING TO FINANCIAL MANAGE-
 14 MENT MODERNIZATION EXECUTIVE COMMITTEE.—Sec-
 15 tion 185(a) of title 10, United States Code, is amended—

16 (1) in paragraph (2)—

17 (A) by redesignating subparagraphs (A)
 18 through (E) as subparagraphs (C) though (G),
 19 respectively; and

20 (B) by inserting before subparagraph (C),
 21 as redesignated by subparagraph (A) of this
 22 paragraph, the following new subparagraphs:

23 “(A) The Deputy Secretary of Defense, who
 24 shall be the chairman of the committee.

1 “(B) The Under Secretary of Defense for Man-
 2 agement (Deputy Chief Management Officer), who
 3 shall act as the chairman of the committee in the
 4 absence of the Deputy Secretary of Defense.”; and

5 (C) in subparagraph (C), as so redesign-
 6 nated, by striking “, who shall be the chairman
 7 of the committee”; and

8 (2) in paragraph (3), by inserting “the Under
 9 Secretary of Defense for Management (Deputy Chief
 10 Management Officer),” after “the Deputy Secretary
 11 of Defense,”.

12 (e) MATTERS RELATING TO DEFENSE BUSINESS
 13 SYSTEM MANAGEMENT COMMITTEE.—Section 186 of
 14 such title is amended—

15 (1) in subsection (a)—

16 (A) by redesignating paragraphs (2)
 17 through (7) as paragraphs (3) through (8), re-
 18 spectively; and

19 (B) by inserting after paragraph (1) the
 20 following new paragraph (2):

21 “(2) The Under Secretary of Defense for Man-
 22 agement (Deputy Chief Management Officer).”; and

23 (2) in subsection (b), by striking the second
 24 sentence and inserting the following new sentence:

25 “The Under Secretary of Defense for Management

1 (Deputy Chief Management Officer) shall serve as
 2 the vice chairman of the committee, and shall act as
 3 the chairman of the committee in the absence of the
 4 Deputy Secretary of Defense.”.

5 (f) MANAGEMENT OF DEFENSE BUSINESS TRANS-
 6 FORMATION AGENCY.—Section 192(e)(2) of such title is
 7 amended by striking “that the Agency” and all that fol-
 8 lows and inserting “that the Director of the Agency shall
 9 report directly to the Under Secretary of Defense for Man-
 10 agement (Deputy Chief Management Officer).”.

11 **SEC. 903. MODIFICATION OF BACKGROUND REQUIREMENT**
 12 **OF INDIVIDUALS APPOINTED AS UNDER SEC-**
 13 **RETARY OF DEFENSE FOR ACQUISITION,**
 14 **TECHNOLOGY, AND LOGISTICS.**

15 Section 133(a) of title 10, United States Code, is
 16 amended by striking “in the private sector”.

17 **SEC. 904. DEPARTMENT OF DEFENSE BOARD OF ACTU-**
 18 **ARIES.**

19 (a) ESTABLISHMENT.—

20 (1) IN GENERAL.—Chapter 7 of title 10, United
 21 States Code, is amended by inserting after section
 22 182 the following new section:

23 **“§ 183. Department of Defense Board of Actuaries**

24 **“(a) IN GENERAL.—**There shall be in the Depart-
 25 **ment of Defense a Department of Defense Board of Actu-**

aries (hereinafter in this section referred to as the
'Board').

“(b) MEMBERS.—(1) The Board shall consist of
three members who shall be appointed by the Secretary
of Defense from among qualified professional actuaries
who are members of the Society of Actuaries.

“(2) The members of the Board shall serve for a term
of 15 years, except that a member of the Board appointed
to fill a vacancy occurring before the end of the term for
which the member's predecessor was appointed shall only
serve until the end of such term. A member may serve
after the end of the member's term until the member's
successor takes office.

“(3) A member of the Board may be removed by the
Secretary of Defense only for misconduct or failure to per-
form functions vested in the Board.

“(4) A member of the Board who is not an employee
of the United States is entitled to receive pay at the daily
equivalent of the annual rate of basic pay of the highest
rate of basic pay then currently being paid under the Gen-
eral Schedule of subchapter III of chapter 53 of title 5
for each day the member is engaged in the performance
of the duties of the Board and is entitled to travel ex-
penses, including a per diem allowance, in accordance with
section 5703 of that title in connection with such duties.

1 “(c) DUTIES.—The Board shall have the following
2 duties:

3 “(1) To review valuations of the Department of
4 Defense Military Retirement Fund in accordance
5 with section 1465(c) of this title and submit to the
6 President and Congress, not less often than once
7 every four years, a report on the status of that
8 Fund, including such recommendations for modifica-
9 tions to the funding or amortization of that Fund as
10 the Board considers appropriate and necessary to
11 maintain that Fund on a sound actuarial basis.

12 “(2) To review valuations of the Department of
13 Defense Education Benefits Fund in accordance
14 with section 2006(e) of this title and make rec-
15 ommendations to the President and Congress on
16 such modifications to the funding or amortization of
17 that Fund as the Board considers appropriate to
18 maintain that Fund on a sound actuarial basis.

19 “(3) To review valuations of such other funds
20 as the Secretary of Defense shall specify for pur-
21 poses of this section and make recommendations to
22 the President and Congress on such modifications to
23 the funding or amortization of such funds as the
24 Board considers appropriate to maintain such funds
25 on a sound actuarial basis.

1 “(d) RECORDS.—The Secretary of Defense shall en-
 2 sure that the Board has access to such records regarding
 3 the funds referred to in subsection (c) as the Board shall
 4 require to determine the actuarial status of such funds.

5 “(e) REPORTS.—(1) The Board shall submit to the
 6 Secretary of Defense on an annual basis a report on the
 7 actuarial status of each of the following:

8 “(A) The Department of Defense Military Re-
 9 tirement Fund.

10 “(B) The Department of Defense Education
 11 Benefits Fund.

12 “(C) Each other fund specified by Secretary
 13 under subsection (c)(3).

14 “(2) The Board shall also furnish its advice and opin-
 15 ion on matters referred to it by the Secretary.”.

16 (2) CLERICAL AMENDMENT.—The table of sec-
 17 tions at the beginning of chapter 7 of such title is
 18 amended by inserting after the item relating to sec-
 19 tion 182 the following new item:

“183. Department of Defense Board of Actuaries.”.

20 (3) INITIAL SERVICE AS BOARD MEMBERS.—
 21 Each member of the Department of Defense Retire-
 22 ment Board of Actuaries or the Department of De-
 23 fense Education Benefits Board of Actuaries as of
 24 the date of the enactment of this Act shall serve as
 25 an initial member of the Department of Defense

1 Board of Actuaries under section 183 of title 10,
 2 United States Code (as added by paragraph (1)),
 3 from that date until the date otherwise provided for
 4 the completion of such individual's term as a mem-
 5 ber of the Department of Defense Retirement Board
 6 of Actuaries or the Department of Defense Edu-
 7 cation Benefits Board of Actuaries, as the case may
 8 be, unless earlier removed by the Secretary of De-
 9 fense.

10 (b) TERMINATION OF EXISTING BOARDS OF ACTU-
 11 ARIES.—

12 (1) DEPARTMENT OF DEFENSE RETIREMENT
 13 BOARD OF ACTUARIES.—(A) Section 1464 of title
 14 10, United States Code, is repealed.

15 (B) The table of sections at the beginning of
 16 chapter 74 of such title is amended by striking the
 17 item relating to section 1464.

18 (2) DEPARTMENT OF DEFENSE EDUCATION
 19 BENEFITS BOARD OF ACTUARIES.—Section 2006 of
 20 such title is amended—

21 (A) in subsection (c)(1), by striking “sub-
 22 section (g)” and inserting “subsection (f)”;

23 (B) by striking subsection (e);

1 (C) by redesignating subsections (f), (g),
 2 and (h) as subsections (e), (f), and (g), respec-
 3 tively;

4 (D) in subsection (e), as redesignated by
 5 subparagraph (C), by striking “subsection (g)”
 6 in paragraph (5) and inserting “subsection (f)”;
 7 and

8 (E) in subsection (f), as so redesignated—

9 (i) in paragraph (2)(A), by striking
 10 “subsection (f)(3)” and inserting “sub-
 11 section (e)(3)”; and

12 (ii) in paragraph (2)(B), by striking
 13 “subsection (f)(4)” and inserting “sub-
 14 section (e)(4)”.

15 (c) CONFORMING AMENDMENTS.—

16 (1) Section 1175(h)(4) of title 10, United
 17 States Code, is amended by striking “Retirement”
 18 the first place it appears.

19 (2) Section 1460(b) of such title is amended by
 20 striking “Retirement”.

21 (3) Section 1466(c)(3) of such title is amended
 22 by striking “Retirement”.

23 (4) Section 12521(6) of such title is amended
 24 by striking “Department of Defense Education Ben-
 25 efits Board of Actuaries referred to in section

1 2006(e)(1) of this title” and inserting “Department
2 of Defense Board of Actuaries under section 183 of
3 this title”.

4 **SEC. 905. ASSISTANT SECRETARIES OF THE MILITARY DE-**
5 **PARTMENTS FOR ACQUISITION MATTERS;**
6 **PRINCIPAL MILITARY DEPUTIES.**

7 (a) DEPARTMENT OF THE ARMY.—Section 3016(b)
8 of title 10, United States Code, is amended by adding at
9 the end the following new paragraph:

10 “(5)(A) One of the Assistant Secretaries shall be the
11 Assistant Secretary of the Army for Acquisition, Tech-
12 nology, and Logistics. The principal duty of the Assistant
13 Secretary shall be the overall supervision of acquisition,
14 technology, and logistics matters of the Department of the
15 Army.

16 “(B) The Assistant Secretary shall have a Principal
17 Deputy, who shall be a lieutenant general of the Army
18 on active duty. The Principal Deputy shall be appointed
19 from among officers who have significant experience in the
20 areas of acquisition and program management.”.

21 (b) DEPARTMENT OF THE NAVY.—Section 5016(b)
22 of such title is amended by adding at the end the following
23 new paragraph:

24 “(4)(A) One of the Assistant Secretaries shall be the
25 Assistant Secretary of the Navy for Research, Develop-

1 ment, and Acquisition. The principal duty of the Assistant
2 Secretary shall be the overall supervision of research, de-
3 velopment, and acquisition matters of the Department of
4 the Navy.

5 “(B) The Assistant Secretary shall have a Principal
6 Deputy, who shall be a vice admiral of the Navy or a lieu-
7 tenant general of the Marine Corps on active duty. The
8 Principal Deputy shall be appointed from among officers
9 who have significant experience in the areas of acquisition
10 and program management.”.

11 (c) DEPARTMENT OF THE AIR FORCE.—Section
12 8016(b) of such title is amended by adding at the end
13 the following new paragraph:

14 “(4)(A) One of the Assistant Secretaries shall be the
15 Assistant Secretary of the Air Force for Acquisition. The
16 principal duty of the Assistant Secretary shall be the over-
17 all supervision of acquisition matters of the Department
18 of the Air Force.

19 “(B) The Assistant Secretary shall have a Principal
20 Deputy, who shall be a lieutenant general of the Air Force
21 on active duty. The Principal Deputy shall be appointed
22 from among officers who have significant experience in the
23 areas of acquisition and program management.”.

24 (d) DUTY OF PRINCIPAL MILITARY DEPUTIES TO IN-
25 FORM SERVICE CHIEFS ON MAJOR DEFENSE ACQUI-

1 TION PROGRAMS.—Each Principal Deputy to a service ac-
 2 quisition executive shall be responsible for keeping the
 3 Chief of Staff of the Armed Force concerned informed of
 4 the progress of major defense acquisition programs.

5 (e) EXCLUSION OF PRINCIPAL MILITARY DEPUTIES
 6 FROM DISTRIBUTION AND STRENGTH IN GRADE LIMITA-
 7 TIONS.—

8 (1) DISTRIBUTION.—Section 525(b) of such
 9 title is amended by adding at the end the following
 10 new paragraph:

11 “(9)(A) An officer while serving in a position speci-
 12 fied in subparagraph (B) is in addition to the number that
 13 would otherwise be permitted for that officer’s armed force
 14 for the grade of lieutenant general or vice admiral, as ap-
 15 plicable.

16 “(B) A position specified in this subparagraph is each
 17 position as follows:

18 “(i) Principal Deputy to the Assistant Secretary
 19 of the Army for Acquisition, Logistics, and Tech-
 20 nology.

21 “(ii) Principal Deputy to the Assistant Sec-
 22 retary of the Navy for Research, Development, and
 23 Acquisition.

24 “(iii) Principal Deputy to the Assistant Sec-
 25 retary of the Air Force for Acquisition.”.

1 (2) AUTHORIZED STRENGTH.—Section 526 of
2 such title is amended by adding at the end the fol-
3 lowing new subsection:

4 “(g) EXCLUSION OF PRINCIPAL DEPUTIES TO AS-
5 SISTANT SECRETARIES OF THE MILITARY DEPARTMENTS
6 FOR ACQUISITION MATTERS.—The limitations of this sec-
7 tion do not apply to a general or flag officer who is covered
8 by the exclusion under section 525(b)(9) of this title.”.

9 **SEC. 906. FLEXIBLE AUTHORITY FOR NUMBER OF ARMY**
10 **DEPUTY CHIEFS OF STAFF AND ASSISTANT**
11 **CHIEFS OF STAFF.**

12 Subsection (b) of section 3035 of title 10, United
13 States Code, is amended to read as follows:

14 “(b) The Secretary of the Army shall prescribe the
15 number of Deputy Chiefs of Staff and Assistant Chiefs
16 of Staff. The aggregate number of such positions may not
17 exceed eight positions.”.

18 **SEC. 907. SENSE OF CONGRESS ON TERM OF OFFICE OF**
19 **THE DIRECTOR OF OPERATIONAL TEST AND**
20 **EVALUATION.**

21 It is the sense of Congress that the term of office
22 of the Director of Operational Test and Evaluation of the
23 Department of Defense should be not less than five years.

1 **Subtitle B—Space Matters**

2 **SEC. 921. SPACE POSTURE REVIEW.**

3 (a) REQUIREMENT FOR COMPREHENSIVE REVIEW.—

4 In order to clarify the national security space policy and
5 strategy of the United States for the near term, the Sec-
6 retary of Defense and the Director of National Intelligence
7 shall jointly conduct a comprehensive review of the space
8 posture of the United States over the posture review pe-
9 riod.

10 (b) ELEMENTS OF REVIEW.—The review conducted
11 under subsection (a) shall include, for the posture review
12 period, the following:

13 (1) The definition, policy, requirements, and ob-
14 jectives for each of the following:

15 (A) Space situational awareness.

16 (B) Space control.

17 (C) Space superiority, including defensive
18 and offensive counterspace.

19 (D) Force enhancement and force applica-
20 tion.

21 (E) Space-based intelligence and surveil-
22 lance and reconnaissance from space.

23 (F) Any other matter the Secretary con-
24 siders relevant to understanding the space pos-
25 ture of the United States.

1 (2) A description of current and planned space
2 acquisition programs that are in acquisition cat-
3 egories 1 and 2, including how each such program
4 will address the policy, requirements, and objectives
5 described under each of subparagraphs (A) through
6 (F) of paragraph (1).

7 (3) A description of future space systems and
8 technology development (other than such systems
9 and technology in development as of the date of the
10 enactment of this Act) necessary to address the pol-
11 icy, requirements, and objectives described under
12 each of subparagraphs (A) through (F) of paragraph
13 (1).

14 (4) An assessment of the relationship among
15 the following:

16 (A) United States military space policy.

17 (B) National security space policy.

18 (C) National security space objectives.

19 (D) Arms control policy.

20 (5) An assessment of the effect of the military
21 and national security space policy of the United
22 States on the proliferation of weapons capable of
23 targeting objects in space or objects on Earth from
24 space.

25 (c) REPORT.—

9 (3) COMMITTEES.—The congressional commit-
10 tees specified in this paragraph are—

(B) the Committee on Armed Services and
the Permanent Select Committee on Intelligence
of the House of Representatives.

(d) POSTURE REVIEW PERIOD DEFINED.—In this section, the term “posture review period” means the 10-year period beginning on February 1, 2009.

20 SEC. 922. ADDITIONAL REPORT ON OVERSIGHT OF ACQUI-
21 SITION FOR DEFENSE SPACE PROGRAMS.

Section 911(b)(1) of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314; 116 Stat. 2621) is amended by inserting “, and March 15, 2008,” after “March 15, 2003,”.

Subtitle C—Other Matters

SEC. 931. DEPARTMENT OF DEFENSE CONSIDERATION OF EFFECT OF CLIMATE CHANGE ON DEPART- MENT FACILITIES, CAPABILITIES, AND MIS- SIONS.

Section 118 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(g) CONSIDERATION OF EFFECT OF CLIMATE CHANGE ON DEPARTMENT FACILITIES, CAPABILITIES, AND MISSIONS.—(1) The first national security strategy and national defense strategy prepared after the date of the enactment of this subsection shall include guidance for military planners—

“(A) to assess the risks of projected climate change to current and future missions of the armed forces;

“(B) to update defense plans based on these assessments, including working with allies and partners to incorporate climate mitigation strategies, capacity building, and relevant research and development; and

“(C) to develop the capabilities needed to reduce future impacts.

1 “(2) The first quadrennial defense review prepared
2 after the date of the enactment of this subsection shall
3 also examine the capabilities of the armed forces to re-
4 spond to the consequences of climate change, in particular,
5 preparedness for natural disasters from extreme weather
6 events and other missions the armed forces may be asked
7 to support inside the United States and overseas.

8 “(3) For planning purposes to comply with the re-
9 quirements of this subsection, the Secretary of Defense
10 shall use—

11 “(A) the mid-range projections of the fourth as-
12 sessment report of the Intergovernmental Panel on
13 Climate Change;

14 “(B) subsequent mid-range consensus climate
15 projections if more recent information is available
16 when the next national security strategy, national
17 defense strategy, or quadrennial defense review, as
18 the case may be, is conducted; and

19 “(C) findings of appropriate and available esti-
20 mations or studies of the anticipated strategic, so-
21 cial, political, and economic effects of global climate
22 change and the implications of such effects on the
23 national security of the United States.

1 “(4) The Secretary shall ensure that this subsection
2 is implemented in a manner that does not have a negative
3 impact on national security.

4 “(5) In this subsection, the term ‘national security
5 strategy’ means the annual national security strategy re-
6 port of the President under section 108 of the National
7 Security Act of 1947 (50 U.S.C. 404a).”.

8 **SEC. 932. BOARD OF REGENTS FOR THE UNIFORMED SERV-**
9 **ICES UNIVERSITY OF THE HEALTH SCIENCES.**

10 (a) APPOINTMENTS.—

11 (1) IN GENERAL.—Section 2113 of title 10,
12 United States Code, is amended—

13 (A) in subsection (a)(1), by striking “by
14 the President, by and with the advice and con-
15 sent of the Senate” and inserting “by the Sec-
16 retary of Defense”; and

17 (B) in subsection (b)—

18 (i) in paragraph (1), by adding “and”
19 at the end;

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

21 (iii) by redesignating paragraph (3) as
22 paragraph (2).

23 (2) CHAIRMAN.—Subsection (c) of such section
24 is amended by striking “the President” and insert-
25 ing “the Secretary”.

1 (b) STATUTORY REDESIGNATION OF DEAN AS PRESI-
2 DENT.—

3 (1) Section 2113 of such title is further amend-
4 ed by striking “Dean” each place it appears in sub-
5 sections (d) and (f)(1) and inserting “President”.

6 (2) Section 2114(e) of such title is amended by
7 striking “Dean” each place it appears in paragraphs
8 (3) and (5).

9 (c) COMPENSATION OF MEMBERS FOR PERFORM-
10 ANCE OF DUTIES.—Subsection (e) of section 2113 of such
11 title is further amended by striking “but not exceeding
12 \$100 per diem”.

13 **SEC. 933. UNITED STATES MILITARY CANCER INSTITUTE.**

14 (a) ESTABLISHMENT.—Chapter 104 of title 10,
15 United States Code, is amended by adding at the end the
16 following new section:

17 **“§ 2117. United States Military Cancer Institute**

18 “(a) ESTABLISHMENT.—The Secretary of Defense
19 shall establish in the University the United States Military
20 Cancer Institute. The Institute shall be established pursu-
21 ant to regulations prescribed by the Secretary.

22 “(b) PURPOSES.—The purposes of the Institute are
23 as follows:

24 “(1) To establish and maintain a clearinghouse
25 of data on the incidence and prevalence of cancer

1 among members and former members of the armed
2 forces.

3 “(2) To conduct research that contributes to
4 the detection or treatment of cancer among the
5 members and former members of the armed forces.

6 “(c) HEAD OF INSTITUTE.—The Director of the
7 United States Military Cancer Institute is the head of the
8 Institute. The Director shall report to the President of the
9 University regarding matters relating to the Institute.

10 “(d) ELEMENTS.—(1) The Institute is composed of
11 clinical and basic scientists in the Department of Defense
12 who have an expertise in research, patient care, and edu-
13 cation relating to oncology and who meet applicable cri-
14 teria for affiliation with the Institute.

15 “(2) The components of the Institute include military
16 treatment and research facilities that meet applicable cri-
17 teria and are designated as affiliates of the Institute.

18 “(e) RESEARCH.—(1) The Director of the United
19 States Military Cancer Institute shall carry out research
20 studies on the following:

21 “(A) The epidemiological features of cancer, in-
22 cluding assessments of the carcinogenic effect of ge-
23 netic and environmental factors, and of disparities in
24 health, inherent or common among populations of

1 various ethnic origins within the members of the
2 armed forces.

3 “(B) The prevention and early detection of can-
4 cer among members and former members of the
5 armed forces.

6 “(C) Basic, translational, and clinical investiga-
7 tion matters relating to the matters described in
8 subparagraphs (A) and (B).

9 “(2) The research studies under paragraph (1) shall
10 include complementary research on oncologic nursing.

11 “(f) COLLABORATIVE RESEARCH.—The Director of
12 the United States Military Cancer Institute shall carry out
13 the research studies under subsection (e) in collaboration
14 with other cancer research organizations and entities se-
15 lected by the Institute for purposes of the research studies.

16 “(g) ANNUAL REPORT.—(1) Not later than Novem-
17 ber 1 each year, the Director of the United States Military
18 Cancer Institute shall submit to the President of the Uni-
19 versity a report on the current status of the research stud-
20 ies being carried out by the Institute under subsection (e).

21 “(2) Not later than 60 days after receiving a report
22 under paragraph (1), the President of the University shall
23 transmit such report to the Secretary of Defense and to
24 Congress.”.

1 (b) CLERICAL AMENDMENT.—The table of sections
2 at the beginning of chapter 104 of such title is amended
3 by adding at the end the following new item:

“2117. United States Military Cancer Institute.”.

4 **SEC. 934. WESTERN HEMISPHERE CENTER FOR EXCEL-**
5 **LENCE IN HUMAN RIGHTS.**

6 (a) CENTER AUTHORIZED.—The Secretary of De-
7 fense may establish and operate a center to be known as
8 the Western Hemisphere Center for Excellence in Human
9 Rights.

10 (b) MISSIONS.—The missions of the Center shall be
11 as follows:

12 (1) To provide and facilitate education, train-
13 ing, research, strategic planning, and reform on the
14 integration of respect for human rights into all as-
15 pects of military operations, doctrine, education, ju-
16 dicial systems, and other internal control mecha-
17 nisms, and into the relations of the military with
18 civil society, including the development of programs
19 to combat the growing phenomenon of trafficking in
20 persons.

21 (2) To sponsor conferences, symposia, seminars,
22 academic exchanges, and courses, as well as special
23 projects such as studies, reviews, design of curricula,
24 and evaluations, on the matters covered by para-
25 graph (1).

1 (3) In carrying out its other mission, to place
2 special emphasis on the implementation of reforms
3 that result in measurable improvements in respect
4 for human rights in the provision of effective secu-
5 rity.

6 (c) FORMULATION AND EXECUTION OF PRO-
7 GRAMS.—

8 (1) CONCURRENCE OF SECRETARY OF STATE.—

9 The Secretary of Defense may carry out this section
10 only with the concurrence of the Secretary of State.

11 (2) FORMULATION AND EXECUTION OF PRO-
12 GRAMS.—The Secretary of Defense and the Sec-
13 retary of State shall—

14 (A) jointly formulate any program or other
15 activities undertaken under this section; and

16 (B) shall coordinate with one another,
17 under procedures that they jointly establish, to
18 ensure appropriate implementation of such pro-
19 grams and activities, including in a manner
20 that—

21 (i) incorporates appropriate vetting
22 procedures, irrespective of the source of
23 funding for the activity; and

24 (ii) avoids duplication with existing
25 programs.

1 (d) JOINT OPERATION WITH EDUCATIONAL INSTI-
2 TUTIONS AND NONGOVERNMENTAL ORGANIZATIONS AU-
3 THORIZED.—The Secretary of Defense may enter into
4 agreements with appropriate officials of institutions of
5 higher education and nongovernmental organizations to
6 provide for the joint operation of the Center by the Sec-
7 retary and such entities. Any such agreement may provide
8 for the institution or organization concerned to furnish
9 necessary administrative services for the Center, including
10 administration and allocation of funds.

11 (e) ACCEPTANCE OF GIFTS AND DONATIONS.—

12 (1) ACCEPTANCE AUTHORIZED.—Except as
13 provided in paragraph (2), the Secretary of Defense
14 may accept, on behalf of the Center, gifts and dona-
15 tions to be used to defray the costs of the Center or
16 to enhance the operation of the Center. Any such
17 gift or donation may be accepted from any State or
18 local government, any foreign government, any foun-
19 dation or other charitable organization (including
20 any that is organized or operates under the laws of
21 a foreign country), or any other private source in the
22 United States or a foreign country.

23 (2) LIMITATION.—The Secretary may not ac-
24 cept a gift or donation under paragraph (1) if ac-

1 ceptance of the gift or donation would compromise
2 or appear to compromise—

3 (A) the ability of the Department of De-
4 fense, any employee of the Department, or
5 members of the Armed Forces to carry out any
6 responsibility or duty of the Department in a
7 fair and objective manner; or

8 (B) the integrity of any program of the
9 Department or of any person involved in such
10 a program.

11 (3) CREDITING.—Amounts accepted as a gift or
12 donation under paragraph (1) shall be credited to
13 the appropriation available to the Department of De-
14 fense for the Western Hemisphere Center for Excel-
15 lence in Human Rights. Amounts so credited shall
16 be merged with the appropriation to which credited,
17 and shall be available to the Center for the same
18 purposes, and subject to the same conditions and
19 limitations, as amounts in the appropriation with
20 which merged.

21 (4) ANNUAL REPORT.—Not later than January
22 31 each year, the Secretary shall submit to the con-
23 gressional defense committees a report on the gifts
24 or donations accepted under paragraph (1) during
25 the preceding year. Each report shall include, for the

1 year covered by such report, a description of each
 2 gift of donation so accepted, including—

3 (A) the source of the gift or donation;

4 (B) the amount of the gift or donation;

5 and

6 (C) the use of the gift or donation.

7 **SEC. 935. INCLUSION OF COMMANDERS OF WESTERN HEMI-**
 8 **SPHERE COMBATANT COMMANDS IN BOARD**
 9 **OF VISITORS OF WESTERN HEMISPHERE IN-**
 10 **STITUTE FOR SECURITY COOPERATION.**

11 Subparagraph (F) of section 2166(e)(1) of title 10,
 12 United States Code, is amended to read as follows:

13 “(F) The commanders of the combatant com-
 14 mands having geographic responsibility for the
 15 Western Hemisphere, or the designees of those offi-
 16 cers.”.

17 **SEC. 936. COMPTROLLER GENERAL ASSESSMENT OF PRO-**
 18 **POSED REORGANIZATION OF THE OFFICE OF**
 19 **THE UNDER SECRETARY OF DEFENSE FOR**
 20 **POLICY.**

21 (a) **ASSESSMENT REQUIRED.**—Not later than March
 22 1, 2008, the Comptroller General of the United States
 23 shall submit to the congressional defense committees a re-
 24 port containing an assessment of the proposed reorganiza-
 25 tion of the office of the Under Secretary of Defense for

1 Policy, including an assessment with respect to the mat-
2 ters set forth in subsection (b).

3 (b) MATTERS TO BE ASSESSED.—The matters to be
4 included in the assessment required by subsection are as
5 follows:

6 (1) Whether the proposed reorganization of the
7 office will further the stated purposes of the pro-
8 posed reorganization in the short-and long-term,
9 namely whether the proposed reorganization will en-
10 hance the ability of the Department of Defense—

11 (A) to address current security priorities,
12 including the war in Iraq and the global war on
13 terrorism in Afghanistan and elsewhere;

14 (B) to manage geopolitical defense rela-
15 tionships; and

16 (C) to anticipate future strategic shifts.

17 (2) Whether, and to what extent, the proposed
18 reorganization adheres to generally accepted prin-
19 ciples of effective organization such as establishing
20 clear goals, identifying clear lines of authority and
21 accountability, and developing an effective human
22 capital strategy.

23 (3) The extent to which the Department has de-
24 veloped detailed implementation plans for the pro-

1 posed reorganization, and the current status of the
2 implementation of all aspects of the reorganization.

3 (4) The extent to which the Department has
4 worked to mitigate congressional concerns and ad-
5 dress other challenges that have arisen since the
6 proposed reorganization was announced.

7 (5) Whether the Department plans to evaluate
8 progress in achieving the stated goals of the pro-
9 posed reorganization and what metrics, if any, the
10 Department has established to assess the results of
11 the reorganization.

12 (6) The impact of the large span of responsibil-
13 ities for the Assistant Secretary of Defense for Spe-
14 cial Operations and Low Intensity Conflict under the
15 proposed reorganization on the ability of the Assist-
16 ant Secretary to carry out the principal duties of the
17 Assistant Secretary under law.

18 (7) The impact of the large span of responsi-
19 bility for the Assistant Secretary of Defense for Spe-
20 cial Operations and Low Intensity Conflict under the
21 proposed reorganization, including responsibility
22 under the proposed reorganization for each of the
23 following:

24 (A) Strategic capabilities.

25 (B) Forces transformation.

1 (C) Major budget programs.

2 (8) The relationship between any global war on
3 terrorism task force that reports directly to the
4 Under Secretary of Defense for Policy, the Assistant
5 Secretary of Defense for Special Operations and
6 Low Intensity Conflict, and the Principal Deputy
7 Under Secretary of Defense for Policy in managing
8 policy on combating terrorism.

9 (9) The impact of the large span of responsibil-
10 ities for the proposed Deputy Assistant Secretary of
11 Defense for Counternarcotics, Counterproliferation,
12 and Global Threats under the proposed reorganiza-
13 tion.

14 (10) The impact of the proposed reorganization
15 on counternarcotics program execution.

16 (11) The unique placement under the proposed
17 reorganization of both functional and regional issue
18 responsibilities under the single proposed Assistant
19 Secretary of Defense for Homeland Defense and
20 Americas' Security Affairs.

21 (12) The differentiation between the respon-
22 sibilities of the proposed Deputy Assistant Secretary
23 of Defense for Building Partnership Capacity Strat-
24 egy and the proposed Deputy Assistant Secretary of
25 Defense for Security Cooperation Options under the

1 proposed reorganization, and the relationship be-
2 tween such officials.

3 **TITLE X—GENERAL PROVISIONS**

4 **Subtitle A—Financial Matters**

5 **SEC. 1001. GENERAL TRANSFER AUTHORITY.**

6 (a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—

7 (1) AUTHORITY.—Upon determination by the
8 Secretary of Defense that such action is necessary in
9 the national interest, the Secretary may transfer
10 amounts of authorizations made available to the De-
11 partment of Defense in this division for fiscal year
12 2008 between any such authorizations for that fiscal
13 year (or any subdivisions thereof). Amounts of au-
14 thorizations so transferred shall be merged with and
15 be available for the same purposes as the authoriza-
16 tion to which transferred.

17 (2) LIMITATION.—Except as provided in para-
18 graph (3), the total amount of authorizations that
19 the Secretary may transfer under the authority of
20 this section may not exceed \$5,000,000,000.

21 (3) EXCEPTION FOR TRANSFERS BETWEEN
22 MILITARY PERSONNEL AUTHORIZATIONS.—A trans-
23 fer of funds between military personnel authoriza-
24 tions under title IV shall not be counted toward the
25 dollar limitation in paragraph (2).

1 (b) LIMITATIONS.—The authority provided by this
2 section to transfer authorizations—

3 (1) may only be used to provide authority for
4 items that have a higher priority than the items
5 from which authority is transferred; and

6 (2) may not be used to provide authority for an
7 item that has been denied authorization by Con-
8 gress.

9 (c) EFFECT ON AUTHORIZATION AMOUNTS.—A
10 transfer made from one account to another under the au-
11 thority of this section shall be deemed to increase the
12 amount authorized for the account to which the amount
13 is transferred by an amount equal to the amount trans-
14 ferred.

15 (d) NOTICE TO CONGRESS.—The Secretary shall
16 promptly notify Congress of each transfer made under
17 subsection (a).

18 **SEC. 1002. AUTHORIZATION OF ADDITIONAL EMERGENCY**
19 **SUPPLEMENTAL APPROPRIATIONS FOR FIS-**
20 **CAL YEAR 2007.**

21 Amounts authorized to be appropriated to the De-
22 partment of Defense for fiscal year 2007 in the John War-
23 ner National Defense Authorization Act for Fiscal Year
24 2007 (Public Law 109–364) are hereby adjusted, with re-
25 spect to any such authorized amount, by the amount by

1 which appropriations pursuant to such authorization are
2 increased by a supplemental appropriation or by a transfer
3 of funds, or decreased by a rescission, or any thereof, pur-
4 suant to the U.S. Troop Readiness, Veterans' Care,
5 Katrina Recovery, and Iraq Accountability Appropriations
6 Act, 2007 (Public Law 110–28).

7 **SEC. 1003. MODIFICATION OF FISCAL YEAR 2007 GENERAL**
8 **TRANSFER AUTHORITY.**

9 Section 1001(a) of the John Warner National De-
10 fense Authorization Act for Fiscal Year 2007 (Public Law
11 109–364; 120 Stat. 2371) is amended by adding at the
12 end the following new paragraph:

13 “(3) EXCEPTION FOR CERTAIN TRANSFERS.—
14 The following transfers of funds shall be not be
15 counted toward the limitation in paragraph (2) on
16 the amount that may be transferred under this sec-
17 tion:

18 “(A) The transfer of funds to the Iraq Se-
19 curity Forces Fund under reprogramming
20 FY07–07–R PA.

21 “(B) The transfer of funds to the Joint
22 Improvised Explosive Device Defeat Fund
23 under reprogramming FY07–11 PA.

24 “(C) The transfer of funds back from the
25 accounts referred to in subparagraphs (A) and

1 (B) to restore the sources used in the
2 reprogrammings referred to in such subpara-
3 graphs.”.

4 **SEC. 1004. UNITED STATES CONTRIBUTION TO NATO COM-**
5 **MON-FUNDED BUDGETS IN FISCAL YEAR 2008.**

6 (a) FISCAL YEAR 2008 LIMITATION.—The total
7 amount contributed by the Secretary of Defense in fiscal
8 year 2008 for the common-funded budgets of NATO may
9 be any amount up to, but not in excess of, the amount
10 specified in subsection (b) (rather than the maximum
11 amount that would otherwise be applicable to those con-
12 tributions under the fiscal year 1998 baseline limitation).

13 (b) TOTAL AMOUNT.—The amount of the limitation
14 applicable under subsection (a) is the sum of the following:

15 (1) The amounts of unexpended balances, as of
16 the end of fiscal year 2007, of funds appropriated
17 for fiscal years before fiscal year 2008 for payments
18 for those budgets.

19 (2) The amount specified in subsection (c)(1).

20 (3) The amount specified in subsection (c)(2).

21 (4) The total amount of the contributions au-
22 thorized to be made under section 2501.

23 (c) AUTHORIZED AMOUNTS.—Amounts authorized to
24 be appropriated by titles II and III of this Act are avail-

1 able for contributions for the common-funded budgets of
2 NATO as follows:

3 (1) Of the amount provided in section 201(1),
4 \$1,031,000 for the Civil Budget.

5 (2) Of the amount provided in section 301(1),
6 \$362,159,000 for the Military Budget.

7 (d) DEFINITIONS.—For purposes of this section:

8 (1) COMMON-FUNDED BUDGETS OF NATO.—
9 The term “common-funded budgets of NATO”
10 means the Military Budget, the Security Investment
11 Program, and the Civil Budget of the North Atlantic
12 Treaty Organization (and any successor or addi-
13 tional account or program of NATO).

14 (2) FISCAL YEAR 1998 BASELINE LIMITATION.—
15 The term “fiscal year 1998 baseline limitation”
16 means the maximum annual amount of Department
17 of Defense contributions for common-funded budgets
18 of NATO that is set forth as the annual limitation
19 in section 3(2)(C)(ii) of the resolution of the Senate
20 giving the advice and consent of the Senate to the
21 ratification of the Protocols to the North Atlantic
22 Treaty of 1949 on the Accession of Poland, Hun-
23 gary, and the Czech Republic (as defined in section
24 4(7) of that resolution), approved by the Senate on
25 April 30, 1998.

1 **SEC. 1005. FINANCIAL MANAGEMENT TRANSFORMATION**
2 **INITIATIVE FOR THE DEFENSE AGENCIES.**

3 (a) FINANCIAL MANAGEMENT TRANSFORMATION
4 INITIATIVE.—

5 (1) IN GENERAL.—The Director of the Busi-
6 ness Transformation Agency of the Department of
7 Defense shall carry out an initiative for financial
8 management transformation in the Defense Agen-
9 cies. The initiative shall be known as the “Defense
10 Agencies Initiative” (in this section referred to as
11 the “Initiative”).

12 (2) SCOPE OF AUTHORITY.—In carrying out the
13 Initiative, the Director of the Business Trans-
14 formation Agency may require the heads of the De-
15 fense Agencies to carry out actions that are within
16 the purpose and scope of the Initiative.

17 (b) PURPOSES.—The purposes of Initiative shall be
18 as follows:

19 (1) To eliminate or replace financial manage-
20 ment systems of the Defense Agencies that are du-
21 plicative, redundant, or fail to comply with the
22 standards set forth in subsection (d).

23 (2) To transform the budget, finance, and ac-
24 counting operations of the Defense Agencies to en-
25 able the Defense Agencies to achieve accurate and
26 reliable financial information needed to support fi-

1 nancial accountability and effective and efficient
2 management decisions.

3 (c) REQUIRED ELEMENTS.—The Initiative shall in-
4 clude, to the maximum extent practicable—

5 (1) the utilization of commercial, off-the-shelf
6 technologies and web-based solutions;

7 (2) a standardized technical environment and
8 an open and accessible architecture; and

9 (3) the implementation of common business
10 processes, shared services, and common data struc-
11 tures.

12 (d) STANDARDS.—In carrying out the Initiative, the
13 Director of the Business Transformation Agency shall en-
14 sure that the Initiative is consistent with—

15 (1) the requirements of the Business Enterprise
16 Architecture and Transition Plan developed pursu-
17 ant to section 2222 of title 10, United States Code;

18 (2) the Standard Financial Information Struc-
19 ture of the Department of Defense;

20 (3) the Federal Financial Management Im-
21 provement Act of 1996 (and the amendments made
22 by that Act); and

23 (4) other applicable requirements of law and
24 regulation.

1 (e) SCOPE.—The Initiative shall be designed to pro-
2 vide, at a minimum, capabilities in the major process areas
3 for both general fund and working capital fund operations
4 of the Defense Agencies as follows:

5 (1) Budget formulation.

6 (2) Budget to report, including general ledger
7 and trial balance.

8 (3) Procure to pay, including commitments, ob-
9 ligations, and accounts payable.

10 (4) Order to fulfill, including billing and ac-
11 counts receivable.

12 (5) Cost accounting.

13 (6) Acquire to retire (account management).

14 (7) Time and attendance and employee entitle-
15 ment.

16 (8) Grants financial management.

17 (f) PROGRAM CONTROL.—In carrying out the Initia-
18 tive, the Director of the Business Transformation Agency
19 shall establish—

20 (1) a board (to be known as the “Configuration
21 Control Board”) to manage scope and cost changes
22 to the Initiative; and

23 (2) a program management office (to be known
24 as the “Program Management Office”) to control
25 and enforce assumptions made in the acquisition

1 plan, the cost estimate, and the system integration
2 contract for the Initiative, as directed by the Con-
3 figuration Control Board.

4 (g) PLAN ON DEVELOPMENT AND IMPLEMENTATION
5 OF INITIATIVE.—Not later than six months after the date
6 of the enactment of this Act, the Director of the Business
7 Transformation Agency shall submit to the congressional
8 defense committees a plan for the development and imple-
9 mentation of the Initiative. The plan shall provide for the
10 implementation of an initial capability under the Initiative
11 as follows:

12 (1) In at least one Defense Agency by not later
13 than eight months after the date of the enactment
14 of this Act.

15 (2) In not less than six Defense Agencies by
16 not later than 18 months after the date of the enact-
17 ment of this Act.

18 **SEC. 1006. REPEAL OF REQUIREMENT FOR TWO-YEAR**
19 **BUDGET CYCLE FOR THE DEPARTMENT OF**
20 **DEFENSE.**

21 Section 1405 of the Department of Defense Author-
22 ization Act, 1986 (Public Law 99–145; 99 Stat. 744; 31
23 U.S.C. 1105 note) is repealed.

1 **SEC. 1007. EXTENSION OF PERIOD FOR TRANSFER OF**
2 **FUNDS TO FOREIGN CURRENCY FLUCTUA-**
3 **TIONS, DEFENSE ACCOUNT.**

4 Section 2779 of title 10, United States Code, is
5 amended—

6 (1) in subsection (a)(2), by striking “second fis-
7 cal year” and inserting “fifth fiscal year”; and

8 (2) in subsection (d)(2), by striking “second fis-
9 cal year” and inserting “fifth fiscal year”.

10 **Subtitle B—Counter-Drug**
11 **Activities**

12 **SEC. 1011. EXPANSION OF DEPARTMENT OF DEFENSE AU-**
13 **THORITY TO PROVIDE SUPPORT FOR**
14 **COUNTER-DRUG ACTIVITIES TO CERTAIN AD-**
15 **DITIONAL FOREIGN GOVERNMENTS.**

16 Section 1033(b) of the National Defense Authoriza-
17 tion Act for Fiscal Year 1998 (Public Law 105–85; 111
18 Stat. 1881), as amended by section 1021(b) of the Na-
19 tional Defense Authorization Act for Fiscal Year 2004
20 (Public Law 108–136; 117 Stat. 1593) and section
21 1022(b) of the John Warner National Defense Authoriza-
22 tion Act for Fiscal Year 2007 (Public Law 109–364; 120
23 Stat. 2382), is further amended by adding at the end the
24 following new paragraphs:

25 “(17) The Government of the Dominican Re-
26 public.

1 “(18) The Government of Mexico.”.

2 **Subtitle C—Miscellaneous**
3 **Authorities and Limitations**

4 **SEC. 1021. ENHANCEMENT OF AUTHORITY TO PAY RE-**
5 **WARDS FOR ASSISTANCE IN COMBATING TER-**
6 **RORISM.**

7 (a) INCREASE IN AMOUNT OF REWARD.—Subsection
8 (b) of section 127b of title 10, United States Code, is
9 amended by inserting “, or \$5,000,000 during fiscal year
10 2008” after “\$200,000”.

11 (b) DELEGATION OF AUTHORITY TO COMMANDERS
12 OF COMBATANT COMMANDS.—Subsection (c)(1)(B) of
13 such title is amended by inserting “, or \$1,000,000 during
14 fiscal year 2008” after “\$50,000”.

15 (c) CONSULTATION WITH SECRETARY OF STATE IN
16 AWARD.—Subsection (d)(2) of such section is amended by
17 inserting “, or \$2,000,000 during fiscal year 2008” after
18 “\$100,000”.

19 **SEC. 1022. REPEAL OF MODIFICATION OF AUTHORITIES RE-**
20 **LATING TO THE USE OF THE ARMED FORCES**
21 **IN MAJOR PUBLIC EMERGENCIES.**

22 (a) REPEAL.—

23 (1) IN GENERAL.—Section 333 of title 10,
24 United States Code, as amended by section 1076 of
25 the John Warner National Defense Authorization

1 Act for Fiscal Year 2007 (Public Law 109–364; 120
2 Stat. 2404), is amended to read as such section read
3 on October 16, 2006, which is the day before the
4 date of the enactment of the John Warner National
5 Defense Authorization Act for Fiscal Year 2007.

6 (2) CONFORMING CLERICAL AMENDMENTS.—

7 (A) The heading of such section 333, as so amend-
8 ed, is amended to read as such heading read on Oc-
9 tober 16, 2006.

10 (B) The item relating to such section 333 in
11 the table of sections at the beginning of chapter 15
12 of such title, as so amended, is amended to read as
13 such item read on October 16, 2006.

14 (C) The heading of chapter 15 of such title, as
15 so amended, is amended to read as such heading
16 read on October 16, 2006.

17 (D) The item relating to chapter 15 of such
18 title in the tables of chapters at the beginning of
19 subtitle A of such title, and at the beginning of part
20 I of such subtitle, as so amended, is amended to
21 read as such item read on October 16, 2006.

22 (b) OTHER CONFORMING AMENDMENTS.—

23 (1) CONFORMING REPEAL.—(A) Section 2567
24 of title 10, United States Code, is repealed.

1 (B) The table of sections at the beginning of
 2 chapter 152 of such title is amended by striking the
 3 item relating to section 2567.

4 (2) ADDITIONAL AMENDMENT.—Section
 5 12304(c)(1) of such title, as amended by section
 6 1076 of the John Warner National Defense Author-
 7 ization Act for Fiscal Year 2007, is amended to read
 8 as such section read on October 16, 2006.

9 **SEC. 1023. PROCEDURES FOR COMBATANT STATUS REVIEW**
 10 **TRIBUNALS; MODIFICATION OF MILITARY**
 11 **COMMISSION AUTHORITIES.**

12 (a) DETERMINATION OF STATUS OF CERTAIN COM-
 13 BATANTS.—Subsection (b) of section 1005 of the Detainee
 14 Treatment Act of 2005 (title X of Public Law 109–148;
 15 10 U.S.C. 801 note) is amended to read as follows:

16 “(b) DETERMINATION OF STATUS OF CERTAIN COM-
 17 BATANTS.—

18 “(1) IN GENERAL.—The Secretary of Defense
 19 shall determine the status of each detainee described
 20 in paragraph (2) through a Combatant Status Re-
 21 view Tribunal (in this subsection referred to as a
 22 ‘Tribunal’) conducted in accordance with the re-
 23 quirements of this subsection.

24 “(2) COVERED DETAINEES.—

1 “(A) IN GENERAL.—A detainee described
2 in this paragraph is a detainee who—

3 “(i) is held by the Department of De-
4 fense as an unlawful enemy combatant on
5 or after the date of the enactment of the
6 National Defense Authorization Act for
7 Fiscal Year 2008; and

8 “(ii) has been detained by the United
9 States for a period of more than two years.

10 “(B) UNLAWFUL ENEMY COMBATANT DE-
11 FINED.—In this subsection, the term ‘unlawful
12 enemy combatant’ has the meaning given such
13 term in section 948a(1) of title 10, United
14 States Code.

15 “(3) STANDARD OF PROOF.—A Tribunal shall
16 determine whether or not a detainee is an unlawful
17 enemy combatant by a preponderance of the evi-
18 dence. Weight shall be accorded to evidence based on
19 the credibility, reliability, and probative value of the
20 evidence.

21 “(4) PROCEDURES.—Not later than 120 days
22 after the date of the enactment of the National De-
23 fense Authorization Act for Fiscal Year 2008, the
24 Secretary shall prescribe procedures for Tribunals

1 under this subsection. Such procedures shall ensure,
 2 at a minimum, that—

3 “(A) the President of a Tribunal is a mili-
 4 tary judge—

5 “(i) who shall meet the qualification
 6 requirements of section 948j(b) of title 10,
 7 United States Code, and

8 “(ii) who shall rule on all questions of
 9 law and exclude evidence that would not
 10 have probative value to a reasonable per-
 11 son;

12 “(B) each detainee is represented in the
 13 same manner as provided for the accused before
 14 a military commission under section 949c of
 15 title 10, United States Code;

16 “(C) each detainee is afforded a reasonable
 17 opportunity to obtain witnesses and other evi-
 18 dence, including a process to compel witnesses
 19 to appear and testify and to compel the produc-
 20 tion of other evidence, ~~that is similar to that~~
 21 ~~provided for defense counsel in a military com-~~
 22 ~~mission under section 949j of title 10, United~~
 23 ~~States Code; that is consistent with the proce-~~
 24 ~~dures to obtain witnesses and other evidence~~

1 *under section 949j of title 10, United States*
2 *Code;*

3 “(D) each detainee is permitted to present
4 evidence in his defense, to cross-examine the
5 witnesses who testify against him, and to exam-
6 ine and respond to evidence admitted against
7 him, while providing for the handling of classi-
8 fied information in a manner so that—

9 “(i) counsel for the detainee is pro-
10 vided access to the relevant classified evi-
11 dence, including both evidence admitted
12 against the detainee and any potentially
13 exculpatory evidence, consistent with the
14 procedures for the protection of classified
15 information in section 949d(f) of title 10,
16 United States Code; and

17 “(ii) the detainee is provided access—

18 “(I) to all unclassified evidence;

19 and

20 “(II) to ~~a summary~~ *an unclassi-*
21 *fied summary* of the classified evi-
22 dence admitted against the detainee
23 that is sufficiently specific to provide
24 the detainee a fair opportunity to re-

1 spond, with the assistance of counsel,
2 to such evidence;

3 “(E) in making a determination of status
4 of any such detainee, a Tribunal may not con-
5 sider a statement that was obtained through
6 methods that amount to torture; and

7 “(F) in making a determination of status
8 of a detainee, a Tribunal may not consider a
9 statement in which the degree of coercion is dis-
10 puted unless—

11 “(i) the totality of the circumstances
12 renders the statement reliable and pos-
13 sessing sufficient probative value;

14 “(ii) the interests of justice would best
15 be served by admission of the statement
16 into evidence; and

17 “(iii) the Tribunal determines that—

18 “(I) the alleged coercion was inci-
19 dent to the lawful conduct of military
20 operations at the point of apprehen-
21 sion;

22 “(II) the statement was vol-
23 untary; or

24 “(III) the interrogation methods
25 used to obtain the statement do not

1 amount to cruel, inhuman, or degrad-
2 ing treatment prohibited by section
3 1003 of this Act.

4 “(5) SCHEDULING.—The Secretary shall ensure
5 that a Tribunal is scheduled for a detainee described
6 in paragraph (2) not later than 180 days after the
7 date on which a Tribunal becomes required for such
8 detainee under paragraph (1), except that—

9 “(A) the Secretary shall schedule a Tri-
10 bunal for a detainee who is eligible for such a
11 Tribunal on the date of the enactment of the
12 National Defense Authorization Act for Fiscal
13 Year 2008 not later than one year after the
14 date on which procedures are required to be
15 prescribed by paragraph (4); and

16 “(B) the Secretary shall not be required to
17 schedule a Tribunal for—

18 “(i) a detainee upon whom charges
19 have been served in accordance with sec-
20 tion 948s of title 10, United States Code,
21 until after final judgment has been reached
22 on such charges; or

23 “(ii) a detainee who has been con-
24 victed by a military commission under

1 chapter 47A of such title of an offense
 2 under subchapter VII of that chapter.”.

3 (b) MODIFICATIONS OF MILITARY COMMISSION AU-
 4 THORITIES.—

5 (1) ENEMY COMBATANT STATUS.—Paragraph
 6 (1) of section 948a of title 10, United States Code,
 7 is amended to read as follows:

8 “(1) UNLAWFUL ENEMY COMBATANT.—The
 9 term ‘unlawful enemy combatant’ means a person
 10 who is not a lawful enemy combatant who—

11 “(A) has engaged in hostilities against the
 12 United States;

13 “(B) has purposefully and materially sup-
 14 ported hostilities against the United States
 15 (other than hostilities engaged in by lawful
 16 enemy combatants); or

17 “(C) has been a knowing and active partic-
 18 ipant in an organization that engaged in hos-
 19 tilities against the United States.”.

20 (2) REPEAL OF DISPOSITIVE NATURE OF PRE-
 21 VIOUS CSRT DETERMINATIONS.—Section 948d of
 22 such title is amended—

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

24 (B) by redesignating subsection (d) as sub-
 25 section (c).

1 (3) STATEMENTS OBTAINED THROUGH CRUEL,
2 INHUMAN, OR DEGRADING TREATMENT.—Section
3 948r of such title is amended—

4 (A) by striking subsections (c) and (d);
5 and

6 (B) by adding after subsection (b) the fol-
7 lowing new subsection (c):

8 “(c) STATEMENTS OBTAINED THROUGH CRUEL, IN-
9 HUMAN, OR DEGRADING TREATMENT.—A statement in
10 which the degree of coercion is disputed may be admitted
11 if the military judge finds that—

12 “(1) the totality of the circumstances renders
13 the statement reliable and possessing sufficient pro-
14 bative value;

15 “(2) the interests of justice would best be
16 served by admission of the statement into evidence;
17 and

18 “(3) one of the following circumstances is met:

19 “(A) The alleged coercion was incident to
20 the lawful conduct of military operations at the
21 point of apprehension.

22 “(B) The statement was voluntary.

23 “(C) The interrogation methods used to
24 obtain the statement do not amount to cruel,
25 inhuman, or degrading treatment prohibited by

1 section 1003 of the Detainee Treatment Act of
2 2005 (42 U.S.C. 2000dd).”.

3 (4) ADMITTANCE OF HEARSAY EVIDENCE.—
4 Subparagraph (E) of section 949a(b)(2) of such title
5 is amended to read as follows:

6 “(E) Hearsay evidence not otherwise admissible
7 under the rules of evidence applicable in trial by
8 general courts-martial may be admitted in a trial by
9 military commission if—

10 “(i) the proponent of the evidence makes
11 known to the adverse party, sufficiently in ad-
12 vance of trial or hearing to provide the adverse
13 party with a fair opportunity to meet the evi-
14 dence, the proponent’s intention to offer the
15 evidence, and the particulars of the evidence
16 (including information on the circumstances
17 under which the evidence was obtained); and

18 “(ii) the military judge finds that the total-
19 ity of the circumstances render the evidence
20 more probative on the point for which it is of-
21 fered than other evidence which the proponent
22 can procure through reasonable efforts, taking
23 into consideration the unique circumstances of
24 the conduct of military and intelligence oper-
25 ations during hostilities.”.

1 (5) TECHNICAL AND CONFORMING AMEND-
2 MENTS.—

3 (A) TECHNICAL AMENDMENT.—The head-
4 ing of section 950j of such title is amended by
5 striking “**Finality or**” and inserting “**Final-**
6 **ity of**”.

7 (B) CLERICAL AMENDMENT.—The table of
8 sections at the beginning of subchapter VI of
9 chapter 47A of such title is amended to read as
10 follows:

“950j. Finality of proceedings, findings, and sentences.”.

11 **SEC. 1024. GIFT ACCEPTANCE AUTHORITY.**

12 (a) PERMANENT AUTHORITY TO ACCEPT GIFTS ON
13 BEHALF OF THE WOUNDED.—Section 2601(b) of title 10,
14 United States Code, is amended by striking paragraph (4).

15 (b) LIMITATION ON SOLICITATION OF GIFTS.—The
16 Secretary of Defense shall prescribe regulations imple-
17 menting sections 2601 and 2608 of title 10, United States
18 Code, that prohibit the solicitation of any gift under such
19 sections by any employee of the Department of Defense
20 if the nature or circumstances of such solicitation would
21 compromise the integrity or the appearance of integrity
22 of any program of the Department of Defense or of any
23 individual involved in such program.

1 **SEC. 1025. EXPANSION OF COOPERATIVE AGREEMENT AU-**
2 **THORITY FOR MANAGEMENT OF CULTURAL**
3 **RESOURCES.**

4 (a) IN GENERAL.—Subsection (a) of section 2684 of
5 title 10, United States Code, is amended to read as fol-
6 lows:

7 “(a) AUTHORITY.—(1) The Secretary of Defense or
8 the Secretary of a military department may enter into a
9 cooperative agreement with a State or local government,
10 tribal government, or other entity for any purpose as fol-
11 lows:

12 “(A) For the preservation, management, main-
13 tenance, and improvement of cultural resources.

14 “(B) For the conduct of research regarding cul-
15 tural resources.

16 “(2) To be covered under a cooperative agreement
17 under this subsection, cultural resources shall be located—

18 “(A) on a military installation; or

19 “(B) off a military installation, but only if the
20 cooperative agreement directly relieves or eliminates
21 current or anticipated restrictions that would or
22 might restrict, impede, or otherwise interfere
23 (whether directly or indirectly) with current or an-
24 ticipated military training, testing, or operations on
25 the installation.

1 “(3) Activities under a cooperative agreement under
 2 this subsection shall be subject to the availability of funds
 3 to carry out the cooperative agreement.”.

4 (b) INCLUSION OF INDIAN SACRED SITES IN CUL-
 5 TURAL RESOURCES.—Subsection (c) of such section is
 6 amended by adding at the end the following new para-
 7 graph:

8 “(5) An Indian sacred site, as the that term is
 9 defined in section 1(b)(iii) of Executive Order
 10 13007.”.

11 **SEC. 1026. MINIMUM ANNUAL PURCHASE AMOUNTS FOR**
 12 **AIRLIFT FROM CARRIERS PARTICIPATING IN**
 13 **THE CIVIL RESERVE AIR FLEET.**

14 (a) IN GENERAL.—Chapter 931 of title 10, United
 15 States Code, is amended by adding at the end the fol-
 16 lowing new section:

17 **“§ 9515. Airlift services: minimum annual purchase**
 18 **amount for carriers participating in Civil**
 19 **Reserve Air Fleet**

20 “(a) IN GENERAL.—The Secretary of Defense may
 21 award to air carriers participating in the Civil Reserve Air
 22 Fleet on a fiscal year basis a one-year contract for airlift
 23 services with a minimum purchase amount determined in
 24 accordance with this section.

1 “(b) MINIMUM PURCHASE AMOUNT.—(1) The aggre-
2 gate amount of the minimum purchase amount for all con-
3 tracts awarded under subsection (a) for a fiscal year shall
4 be based on forecast needs, but may not exceed the
5 amount equal to 80 percent of the annual average expendi-
6 ture of the Department of Defense for airlift during the
7 five-fiscal year period ending in the fiscal year before the
8 fiscal year for which such contracts are awarded.

9 “(2) In calculating the annual average expenditure
10 of the Department of Defense for airlift for purposes of
11 paragraph (1), the Secretary of Defense shall omit from
12 the calculation any fiscal year exhibiting unusually high
13 demand for airlift if the Secretary determines that the
14 omission of such fiscal year from the calculation will result
15 in a more accurate forecast of anticipated airlift for pur-
16 poses of that paragraph.

17 “(3) The aggregate amount of the minimum purchase
18 amount for all contracts awarded under subsection (a) for
19 a fiscal year, as determined under paragraph (1), shall
20 be allocated among all carriers awarded contracts under
21 that subsection for such fiscal year in proportion to the
22 commitments of such carriers to the Civil Reserve Air
23 Fleet for such fiscal year.

24 “(c) ADJUSTMENT TO MINIMUM PURCHASE AMOUNT
25 FOR PERIODS OF UNAVAILABILITY OF AIRLIFT.—In de-

1 terminating the minimum purchase amount payable under
2 a contract under subsection (a) for airlift provided by a
3 carrier during the fiscal year covered by such contract,
4 the Secretary of Defense may adjust the amount allocated
5 to the carrier under subsection (b)(3) to take into account
6 periods during such fiscal year when services of the carrier
7 are unavailable for usage by the Department of Defense,
8 including during periods of refused business or suspended
9 operations or when the carrier is placed in nonuse status
10 pursuant to section 2640 of this title for safety issues.

11 “(d) DISTRIBUTION OF AMOUNTS.—If any amount
12 available under this section for the minimum purchase of
13 airlift from a carrier for a fiscal year under a contract
14 under subsection (a) is not utilized to purchase airlift from
15 the carrier in such fiscal year, such amount shall be pro-
16 vided to the carrier before the first day of the following
17 fiscal year.

18 “(e) TRANSFER OF FUNDS.—At the beginning of
19 each fiscal year, the Secretary of each military department
20 shall transfer to the transportation working capital fund
21 a percentage of the total amount anticipated to be re-
22 quired in such fiscal year for payment of minimum pur-
23 chase amounts under all contracts awarded under sub-
24 section (a) for such fiscal year equivalent to the percent-
25 age of the anticipated use of airlift by such military de-

1 partment during such fiscal year from all carriers under
 2 contracts awarded under subsection (a) for such fiscal
 3 year.

4 “(f) AVAILABILITY OF AIRLIFT.—(1) From the total
 5 amount of airlift available for a fiscal year under all con-
 6 tracts awarded under subsection (a) for such fiscal year,
 7 a military department shall be entitled to obtain a percent-
 8 age of such airlift equivalent to the percentage of the con-
 9 tribution of the military department to the transportation
 10 working capital fund for such fiscal year under subsection
 11 (e).

12 “(2) A military department may transfer any entitle-
 13 ment to airlift under paragraph (1) to any other military
 14 department or to any other agency, element, or component
 15 of the Department of Defense.

16 “(g) SUNSET.—The authorities in this section shall
 17 expire on December 31, 2015.”.

18 (b) CLERICAL AMENDMENT.—The table of sections
 19 at the beginning of chapter 931 of such title is amended
 20 by adding at the end the following new item:

“9515. Airlift services: minimum annual purchase amount for carriers partici-
 pating in Civil Reserve Air Fleet.”.

21 **SEC. 1027. PROVISION OF AIR FORCE SUPPORT AND SERV-**
 22 **ICES TO FOREIGN MILITARY AND STATE AIR-**
 23 **CRAFT.**

24 (a) PROVISION OF SUPPORT AND SERVICES.—

1 (1) IN GENERAL.—Section 9626 of title 10,
2 United States Code, is amended to read as follows:

3 **“§ 9626. Aircraft supplies and services: foreign mili-**
4 **tary or other state aircraft**

5 “(a) PROVISION OF SUPPLIES AND SERVICES ON RE-
6 IMBURSABLE BASIS.—(1) The Secretary of the Air Force
7 may, under such regulations as the Secretary may pre-
8 scribe and when in the best interests of the United States,
9 provide any of the supplies or services described in para-
10 graph (2) to military and other state aircraft of a foreign
11 country, on a reimbursable basis without an advance of
12 funds, if similar supplies and services are furnished on a
13 like basis to military aircraft and other state aircraft of
14 the United States by the foreign country.

15 “(2) The supplies and services described in this para-
16 graph are supplies and services as follows:

17 “(A) Routine airport services, including landing
18 and takeoff assistance, servicing aircraft with fuel,
19 use of runways, parking and servicing, and loading
20 and unloading of baggage and cargo.

21 “(B) Miscellaneous supplies, including Air
22 Force-owned fuel, provisions, spare parts, and gen-
23 eral stores, but not including ammunition.

24 “(b) PROVISION OF ROUTINE AIRPORT SERVICES ON
25 NON-REIMBURSABLE BASIS.—(1) Routine airport serv-

1 ices may be provided under this section at no cost to a
 2 foreign country under circumstances as follows:

3 “(A) If such services are provided by Air Force
 4 personnel and equipment without direct cost to the
 5 Air Force.

6 “(B) If such services are provided under an
 7 agreement with the foreign country that provides for
 8 the reciprocal furnishing by the foreign country of
 9 routine airport services to military and other state
 10 aircraft of the United States without reimbursement.

11 “(2) If routine airport services are provided under
 12 this section by a working-capital fund activity of the Air
 13 Force under section 2208 of this title and such activity
 14 is not reimbursed directly for the costs incurred by the
 15 activity in providing such services by reason of paragraph
 16 (1)(B), the working-capital fund activity shall be reim-
 17 bursed for such costs out of funds currently available to
 18 the Air Force for operation and maintenance.”.

19 (2) CLERICAL AMENDMENT.—The table of sec-
 20 tions at the beginning of chapter 939 of such title
 21 is amended by striking the item relating to section
 22 9626 and inserting the following new item:

“9626. Aircraft supplies and services: foreign military or other state aircraft.”.

23 (b) CONFORMING AMENDMENT.—Section 9629(3) of
 24 such title is amended by striking “for aircraft of a foreign
 25 military or air attaché”.

1 **SEC. 1028. PARTICIPATION IN STRATEGIC AIRLIFT CAPA-**
2 **BILITY PARTNERSHIP.**

3 (a) AUTHORITY TO PARTICIPATE IN PARTNER-
4 SHIP.—The Secretary of Defense may—

5 (1) enter into a multilateral memorandum of
6 understanding authorizing the Strategic Airlift Ca-
7 pability Partnership to conduct activities necessary
8 to accomplish its purpose, including—

9 (A) the acquisition, equipping, ownership,
10 and operation of strategic airlift aircraft; and

11 (B) the acquisition or transfer of airlift
12 and airlift-related services and supplies among
13 members of the Strategic Airlift Capability
14 Partnership, or between the Partnership and
15 non-member countries or international organi-
16 zations, on a reimbursable basis or by replace-
17 ment-in-kind or exchange of airlift or airlift-re-
18 lated services of an equal value; and

19 (2) pay from funds available to the Department
20 of Defense for such purpose the United States equi-
21 table share of the recurring and non-recurring costs
22 of the activities and operations of the Strategic Air-
23 lift Capability Partnership, including costs associ-
24 ated with procurement of aircraft components and
25 spare parts, maintenance, facilities, and training,
26 and the costs of claims.

1 (b) AUTHORITIES UNDER PARTNERSHIP.—In car-
2 rying out the memorandum of understanding entered into
3 under subsection (a), the Secretary of Defense may do the
4 following:

5 (1) Waive reimbursement of the United States
6 for the cost of the functions performed by Depart-
7 ment of Defense personnel with respect to the Stra-
8 tegic Airlift Capability Partnership as follows:

9 (A) Auditing.

10 (B) Quality assurance.

11 (C) Inspection.

12 (D) Contract administration.

13 (E) Acceptance testing.

14 (F) Certification services.

15 (G) Planning, programming, and manage-
16 ment services.

17 (2) Waive the imposition of any surcharge for
18 administrative services provided by the United
19 States that would otherwise be chargeable against
20 the Strategic Airlift Capability Partnership.

21 (3) Pay the salaries, travel, lodging, and sub-
22 sistence expenses of Department of Defense per-
23 sonnel assigned for duty to the Strategic Airlift Ca-
24 pability Partnership without seeking reimbursement
25 or cost-sharing for such expenses.

1 (c) CREDITING OF RECEIPTS.—Any amount received
2 by the United States in carrying out the memorandum of
3 understanding entered into under subsection (a) shall be
4 credited, as elected by the Secretary of Defense, to the
5 following:

6 (1) The appropriation, fund, or account used in
7 incurring the obligation for which such amount is re-
8 ceived.

9 (2) An appropriation, fund, or account cur-
10 rently providing funds for the purposes for which
11 such obligation was made.

12 (d) AUTHORITY TO TRANSFER AIRCRAFT.—

13 (1) IN GENERAL.—The Secretary of Defense is
14 authorized to transfer one strategic airlift aircraft to
15 the Strategic Airlift Capability Partnership in ac-
16 cordance with the terms and conditions of the
17 memorandum of understanding entered into under
18 subsection (a).

19 (2) REPORT.—Not later than 30 days before
20 the date on which the Secretary transfers a strategic
21 airlift aircraft under paragraph (1), the Secretary
22 shall submit to the congressional defense committees
23 a report on the strategic airlift aircraft to be trans-
24 ferred, including the type of strategic airlift aircraft

1 to be transferred and the tail registration or serial
2 number of such aircraft.

3 (e) STRATEGIC AIRLIFT CAPABILITY PARTNERSHIP
4 DEFINED.—In this section the term “Strategic Airlift Ca-
5 pability Partnership” means the strategic airlift capability
6 consortium established by the United States and other
7 participating countries.

8 **SEC. 1029. RESPONSIBILITY OF THE AIR FORCE FOR FIXED-**
9 **WING SUPPORT OF ARMY INTRA-THEATER**
10 **LOGISTICS.**

11 The Secretary of Defense shall, acting through the
12 Chairman of the Joint Chiefs of Staff, prescribe directives
13 or instructions to provide that the Air Force shall have
14 responsibility for the missions and functions of fixed-wing
15 support for Army intra-theater logistics.

16 **SEC. 1030. PROHIBITION ON SALE OF PARTS FOR F-14**
17 **FIGHTER AIRCRAFT.**

18 (a) PROHIBITION ON SALE BY DEPARTMENT OF DE-
19 FENSE.—

20 (1) IN GENERAL.—Except as provided in para-
21 graph (2), the Department of Defense may not sell
22 (whether directly or indirectly) any parts for F-14
23 fighter aircraft, whether through the Defense Re-
24 utilization and Marketing Service or through another
25 agency or element of the Department.

1 (2) EXCEPTION.—Paragraph (1) shall not
 2 apply with respect to the sale of parts for F–14
 3 fighter aircraft to a museum or similar organization
 4 located in the United States that is involved in the
 5 preservation of F–14 fighter aircraft for historical
 6 purposes.

7 (b) PROHIBITION ON EXPORT LICENSE.—No license
 8 for the export of parts for F–14 fighter aircraft to a non-
 9 United States person or entity may be issued by the
 10 United States Government.

11 **Subtitle D—Reports**

12 **SEC. 1041. RENEWAL OF SUBMITTAL OF PLANS FOR** 13 **PROMPT GLOBAL STRIKE CAPABILITY.**

14 Section 1032(b)(1) of the National Defense Author-
 15 ization Act for Fiscal Year 2004 (Public Law 108–136;
 16 117 Stat. 1605; 10 U.S.C. 113 note) is amended by insert-
 17 ing “and each of 2007, 2008, and 2009,” after “2004,
 18 2005, and 2006,”.

19 **SEC. 1042. REPORT ON THREATS TO THE UNITED STATES** 20 **FROM UNGOVERNED AREAS.**

21 (a) REPORT REQUIRED.—Not later than 120 days
 22 after the date of the enactment of this Act, the Secretary
 23 of Defense and the Secretary of State shall jointly, in co-
 24 ordination with the Director of National Intelligence, sub-
 25 mit to Congress a report on the threats posed to the

1 United States from ungoverned areas, including the
2 threats to the United States from terrorist groups and in-
3 dividuals located in such areas who direct their activities
4 against the United States and its allies.

5 (b) ELEMENTS.—The report required by subsection
6 (a) shall include the following:

7 (1) A description of the intelligence capabilities
8 and skills required by the United States Government
9 to support United States policy aimed at managing
10 the threats described in subsection (a), including,
11 specifically, the technical, linguistic, and analytical
12 capabilities and the skills required by the Depart-
13 ment of Defense and the Department of State.

14 (2) An assessment of the extent to which the
15 Department of Defense and the Department of State
16 possess the capabilities described in paragraph (1)
17 as well as the necessary resources and organization
18 to support United States policy aimed at managing
19 the threats described in subsection (a).

20 (3) A description of the extent to which the im-
21 plementation of Department of Defense Directive
22 3000.05, entitled “Military Support for Stability,
23 Security, Transition, and Reconstruction Oper-
24 ations”, will support United States policy for man-
25 aging such threats.

1 (4) A description of the actions, if any, to be
2 taken to improve the capabilities and skills of the
3 Department of Defense and the Department of State
4 described in paragraph (1), and the schedule for im-
5 plementing any actions so described.

6 **SEC. 1043. STUDY ON NATIONAL SECURITY INTERAGENCY**
7 **SYSTEM.**

8 (a) **STUDY REQUIRED.**—The Secretary of Defense
9 shall enter into an agreement with an independent, non-
10 profit, non-partisan organization to conduct a study on the
11 national security interagency system.

12 (b) **REPORT.**—The agreement entered into under
13 subsection (a) shall require the organization to submit to
14 Congress and the President a report containing the results
15 of the study conducted pursuant to such agreement and
16 any recommendations for changes to the national security
17 interagency system (including legislative or regulatory
18 changes) identified by the organization as a result of the
19 study.

20 (c) **SUBMITTAL DATE.**—The agreement entered into
21 under subsection (a) shall require the organization to sub-
22 mit the report required under subsection (a) not later than
23 180 days after the date on which the Secretary makes
24 funds available to the organization under subsection (e)
25 for purposes of the study.

1 (d) NATIONAL SECURITY INTERAGENCY SYSTEM DE-
 2 FINED.—In this section, the term “national security inter-
 3 agency system” means the structures, mechanisms, and
 4 processes by which the departments, agencies, and ele-
 5 ments of the Federal Government that have national secu-
 6 rity missions coordinate and integrate their policies, capa-
 7 bilities, expertise, and activities to accomplish such mis-
 8 sions.

9 (e) FUNDING.—

10 (1) IN GENERAL.—Of the amount authorized to
 11 be appropriated by section 301(5) for operation and
 12 maintenance for Defense-wide activities, not more
 13 than \$3,000,000 may be available to carry out this
 14 section.

15 (2) MATCHING FUNDING REQUIREMENT.—The
 16 amount provided by the Secretary for the agreement
 17 entered into under subsection (a) may not exceed the
 18 value of contributions (whether money or in-kind
 19 contributions) obtained and provided by the organi-
 20 zation for the study from non-government sources.

21 **Subtitle E—Other Matters**

22 **SEC. 1061. REVISED NUCLEAR POSTURE REVIEW.**

23 (a) REQUIREMENT FOR COMPREHENSIVE REVIEW.—
 24 In order to clarify United States nuclear deterrence policy
 25 and strategy for the near term, the Secretary of Defense

1 shall conduct a comprehensive review of the nuclear pos-
2 ture of the United States for the next 5 to 10 years. The
3 Secretary shall conduct the review in consultation with the
4 Secretary of Energy and the Secretary of State.

5 (b) ELEMENTS OF REVIEW.—The nuclear posture re-
6 view shall include the following elements:

7 (1) The role of nuclear forces in United States
8 military strategy, planning, and programming.

9 (2) The policy requirements and objectives for
10 the United States to maintain a safe, reliable, and
11 credible nuclear deterrence posture.

12 (3) The relationship among United States nu-
13 clear deterrence policy, targeting strategy, and arms
14 control objectives.

15 (4) The role that missile defense capabilities
16 and conventional strike forces play in determining
17 the role and size of nuclear forces.

18 (5) The levels and composition of the nuclear
19 delivery systems that will be required for imple-
20 menting the United States national and military
21 strategy, including any plans for replacing or modi-
22 fying existing systems.

23 (6) The nuclear weapons complex that will be
24 required for implementing the United States na-

(7) The active and inactive nuclear weapons stockpile that will be required for implementing the United States national and military strategy, including any plans for replacing or modifying warheads.

(d) SENSE OF CONGRESS.—It is the sense of Congress that the nuclear posture review conducted under this section should be used as a basis for establishing future United States arms control objectives and negotiating positions.

Section 1051 of the National Defense Authorization
Act for Fiscal Year 2006 (Public Law 109–163; 119 Stat.
3431) is repealed.

1 **SEC. 1063. COMMUNICATIONS WITH THE COMMITTEES ON**
2 **ARMED SERVICES OF THE SENATE AND THE**
3 **HOUSE OF REPRESENTATIVES.**

4 (a) REQUESTS OF COMMITTEES.—The Director of
5 the National Counterterrorism Center, the Director of a
6 national intelligence center, or the head of any depart-
7 ment, agency, or element of the intelligence community
8 shall, not later than 15 days after receiving a request from
9 the Committee on Armed Services of the Senate or the
10 Committee on Armed Services of the House of Represent-
11 atives for any intelligence assessment, report, estimate,
12 legal opinion, or other intelligence information relating to
13 matters within the jurisdiction of such Committee, make
14 available to such committee such assessment, report, esti-
15 mate, legal opinion, or other information, as the case may
16 be.

17 (b) ASSERTION OF PRIVILEGE.—In response to a re-
18 quest covered by subsection (a), the Director of the Na-
19 tional Counterterrorism Center, the Director of a national
20 intelligence center, or the head of any department, agency,
21 or element of the intelligence community shall provide the
22 document or information covered by such request unless
23 the President certifies that such document or information
24 is not being provided because the President is asserting
25 a privilege pursuant to the Constitution of the United
26 States.

1 (c) INDEPENDENT TESTIMONY OF INTELLIGENCE
2 OFFICIALS.—No officer, department, agency, or element
3 within the Executive branch shall have any authority to
4 require the head of any department, agency, or element
5 of the intelligence community, or any designate of such
6 a head—

7 (1) to receive permission to testify before the
8 Committee on Armed Services of the Senate or the
9 Committee on Armed Services of the House of Rep-
10 resentatives; or

11 (2) to submit testimony, legislative rec-
12 ommendations, or comments to any officer or agency
13 of the Executive branch for approval, comments, or
14 review prior to the submission of such recommenda-
15 tions, testimony, or comments to the Committee on
16 Armed Services of the Senate or the Committee on
17 Armed Services of the House of Representatives if
18 such testimony, legislative recommendations, or com-
19 ments include a statement indicating that the views
20 expressed therein are those of the head of the de-
21 partment, agency, or element of the intelligence com-
22 munity that is making the submission and do not
23 necessarily represent the views of the Administra-
24 tion.

1 **SEC. 1064. REPEAL OF STANDARDS FOR DISQUALIFICATION**
 2 **FROM ISSUANCE OF SECURITY CLEARANCES**
 3 **BY THE DEPARTMENT OF DEFENSE.**

4 (a) ~~REPEAL.~~—Section 986 of title 10, United States
 5 Code, is repealed.

6 (b) ~~CLERICAL AMENDMENT.~~—The table of sections
 7 at the beginning of chapter 49 of such title is amended
 8 by striking the item relating to section 986.

9 **SEC. 1065. ADVISORY PANEL ON DEPARTMENT OF DEFENSE**
 10 **CAPABILITIES FOR SUPPORT OF CIVIL AU-**
 11 **THORITIES AFTER CERTAIN INCIDENTS.**

12 (a) ~~IN GENERAL.~~—The Secretary of Defense shall es-
 13 tablish an advisory panel to carry out an assessment of
 14 the capabilities of the Department of Defense to provide
 15 support to United States civil authorities in the event of
 16 a chemical, biological, radiological, nuclear, or high-yield
 17 explosive (CBRNE) incident.

18 (b) ~~PANEL MATTERS.~~—

19 (1) ~~IN GENERAL.~~—The advisory panel required
 20 by subsection (a) shall consist of individuals ap-
 21 pointed by the Secretary of Defense (in consultation
 22 with the Chairmen and Ranking Members of the
 23 Committees on Armed Services of the Senate and
 24 the House of Representatives) from among private
 25 citizens of the United States with expertise in the
 26 legal, operational, and organizational aspects of the

1 management of the consequences of a chemical, bio-
2 logical, radiological, nuclear, or high-yield explosive
3 incident.

4 (2) DEADLINE FOR APPOINTMENT.—All mem-
5 bers of the advisory panel shall be appointed under
6 this subsection not later than 30 days after the date
7 on which the Secretary enters into the contract re-
8 quired by subsection (c).

9 (3) INITIAL MEETING.—The advisory panel
10 shall conduct its first meeting not later than 30 days
11 after the date that all appointments to the panel
12 have been made under this subsection.

13 (4) PROCEDURES.—The advisory panel shall
14 carry out its duties under this section under proce-
15 dures established under subsection (c) by the feder-
16 ally funded research and development center with
17 which the Secretary contracts under that subsection.
18 Such procedures shall include procedures for the se-
19 lection of a chairman of the advisory panel from
20 among its members.

21 (c) SUPPORT OF FEDERALLY FUNDED RESEARCH
22 AND DEVELOPMENT CENTER.—

23 (1) IN GENERAL.—The Secretary of Defense
24 shall enter into a contract with a federally funded
25 research and development center for the provision of

1 support and assistance to the advisory panel re-
2 quired by subsection (a) in carrying out its duties
3 under this section. Such support and assistance shall
4 include the establishment of the procedures of the
5 advisory panel under subsection (b)(4).

6 (2) DEADLINE FOR CONTRACT.—The Secretary
7 shall enter into the contract required by this sub-
8 section not later than 60 days after the date of the
9 enactment of this Act.

10 (d) DUTIES OF PANEL.—The advisory panel required
11 by subsection (a) shall—

12 (1) evaluate the authorities and capabilities of
13 the Department of Defense to conduct operations in
14 support to United States civil authorities in the
15 event of a chemical, biological, radiological, nuclear,
16 or high-yield explosive incident, including the au-
17 thorities and capabilities of the military depart-
18 ments, the Defense Agencies, the combatant com-
19 mands, any supporting commands, and the reserve
20 components of the Armed Forces (including the Na-
21 tional Guard in a Federal and non-Federal status);

22 (2) assess the adequacy of existing plans and
23 programs of the Department of Defense for training
24 and equipping dedicated, special, and general pur-
25 poses forces for conducting operations described in

1 paragraph (1) across a broad spectrum of scenarios,
2 including current National Planning Scenarios as
3 applicable;

4 (3) assess policies, directives, and plans of the
5 Department of Defense in support of civilian au-
6 thorities in managing the consequences of a chem-
7 ical, biological, radiological, nuclear, or high-yield ex-
8 plosive incident;

9 (4) assess the adequacy of policies and struc-
10 tures of the Department of Defense for coordination
11 with other department and agencies of the Federal
12 Government, especially the Department of Homeland
13 Security, the Department of Energy, the Depart-
14 ment of Justice, and the Department of Health and
15 Human Services, in the provision of support de-
16 scribed in paragraph (1);

17 (5) assess the adequacy and currency of infor-
18 mation available to the Department of Defense,
19 whether directly or through other departments and
20 agencies of the Federal Government, from State and
21 local governments in circumstances where the De-
22 partment provides support described in paragraph
23 (1) because State and local response capabilities are
24 not fully adequate for a comprehensive response;

1 (6) assess the equipment capabilities and needs
2 of the Department of Defense to provide support de-
3 scribed in paragraph (1); and

4 (7) develop recommendations for modifying the
5 capabilities, plans, policies, equipment, and struc-
6 tures evaluated or assessed under this subsection in
7 order to improve the provision by the Department of
8 Defense of the support described in paragraph (1).

9 (e) COOPERATION OF OTHER AGENCIES.—

10 (1) IN GENERAL.—The advisory panel required
11 by subsection (a) may secure directly from the De-
12 partment of Defense, the Department of Homeland
13 Security, the Department of Energy, the Depart-
14 ment of Justice, the Department of Health and
15 Human Services, and any other department or agen-
16 cy of the Federal Government information that the
17 panel considers necessary for the panel to carry out
18 its duties.

19 (2) COOPERATION.—The Secretary of Defense,
20 the Secretary of Homeland Secretary, the Secretary
21 of Energy, the Attorney General, the Secretary of
22 Health and Human Services, and any other official
23 of the United States shall provide the advisory panel
24 with full and timely cooperation in carrying out its
25 duties under this section.

1 (f) REPORT.—Not later than 12 months after the
 2 date of the initial meeting of the advisory panel required
 3 by subsection (a), the advisory panel shall submit to the
 4 Secretary of Defense, and to the Committees on Armed
 5 Services of the Senate and the House of Representatives,
 6 a report on activities under this section. The report shall
 7 set forth—

8 (1) the findings, conclusions, and recommenda-
 9 tions of the advisory panel for improving the capa-
 10 bilities of the Department of Defense to provide sup-
 11 port to United States civil authorities in the event
 12 of a chemical, biological, radiological, nuclear, or
 13 high-yield explosive incident; and

14 (2) such other findings, conclusions, and rec-
 15 ommendations for improving the capabilities of the
 16 Department for homeland defense as the advisory
 17 panel considers appropriate.

18 **SEC. 1066. SENSE OF CONGRESS ON THE WESTERN HEMI-**
 19 **SPHERE INSTITUTE FOR SECURITY CO-**
 20 **OPERATION.**

21 It is the sense of Congress that—

22 (1) the education and training facility of the
 23 Department of Defense known as the Western
 24 Hemisphere Institute for Security Cooperation has
 25 the mission of providing professional education and

1 training to eligible military personnel, law enforce-
 2 ment officials, and civilians of nations of the West-
 3 ern Hemisphere that support the democratic prin-
 4 ciples set forth in the Charter of the Organization
 5 of American States, while fostering mutual knowl-
 6 edge, transparency, confidence, and cooperation
 7 among the participating nations and promoting
 8 democratic values and respect for human rights; and

9 (2) therefore, the Institute is an invaluable edu-
 10 cation and training facility which continues to foster
 11 a spirit of partnership and interoperability among
 12 the United States military and the militaries of par-
 13 ticipating nations.

14 **SEC. 1067. TECHNICAL AMENDMENTS TO TITLE 10, UNITED**
 15 **STATES CODE, ARISING FROM ENACTMENT**
 16 **OF THE INTELLIGENCE REFORM AND TER-**
 17 **RORISM PREVENTION ACT OF 2004.**

18 (a) REFERENCES TO HEAD OF INTELLIGENCE COM-
 19 MUNITY.—

20 (1) REFERENCES.—Title 10, United States
 21 Code, is amended by striking “Director of Central
 22 Intelligence” each place it appears in the following
 23 provisions and inserting “Director of National Intel-
 24 ligence”:

25 (A) Section 192(c)(2).

1 (B) Section 193.

2 (C) Section 201(a).

3 (D) Section 201(c)(1).

4 (E) Section 425(a).

5 (F) Section 426.

6 (G) Section 441.

7 (H) Section 443(d).

8 (I) Section 2273(b)(1).

9 (J) Section 2723(a).

10 (2) CAPTION AMENDMENTS.—Title 10, United
 11 States Code, is further amended by striking “DIREC-
 12 TOR OF CENTRAL INTELLIGENCE” each place it ap-
 13 pears in the heading of the following provisions and
 14 inserting “DIRECTOR OF NATIONAL INTEL-
 15 LIGENCE”:

16 (A) Section 441(c).

17 (B) Section 443(d).

18 (b) REFERENCES TO HEAD OF CENTRAL INTEL-
 19 LIGENCE AGENCY.—Title 10, United States Code, is fur-
 20 ther amended by striking “Director of Central Intel-
 21 ligence” each place it appears in the following provisions
 22 and inserting “Director of the Central Intelligence Agen-
 23 cy”:

24 (1) Section 431(b)(1).

25 (2) Section 444.

1 (3) Section 1089(g)(1).

2 (c) OTHER AMENDMENTS.—Section 201 of title 10,
3 United States Code, is further amended—

4 (1) in paragraph (1) of subsection (b), by strik-
5 ing “Before submitting” and all that follows and in-
6 serting “In the event of a vacancy in a position re-
7 ferred to in paragraph (2), the making by the Sec-
8 retary of Defense of a recommendation to the Presi-
9 dent regarding the appointment of an individual to
10 such position shall be governed by the provisions of
11 section 106(b) of the National Security Act of 1947
12 (50 U.S.C. 403–6(b)), relating to the concurrence of
13 the Director of National Intelligence in appoint-
14 ments to positions in the intelligence community.”;
15 and

16 (2) in subsection (c), by striking “National For-
17 eign Intelligence Program” and inserting “National
18 Intelligence Program”.

19 **SEC. 1068. ESTABLISHMENT OF NATIONAL FOREIGN LAN-**
20 **GUAGE COORDINATION COUNCIL.**

21 (a) ESTABLISHMENT.—There is established in the
22 Executive Office of the President a National Foreign Lan-
23 guage Coordination Council (in this section referred to as
24 the “Council”).

1 (b) MEMBERSHIP.—The Council shall consist of the
2 following members or their designees:

3 (1) The National Language Director, who shall
4 serve as the chairperson of the Council.

5 (2) The Secretary of Education.

6 (3) The Secretary of Defense.

7 (4) The Secretary of State.

8 (5) The Secretary of Homeland Security.

9 (6) The Attorney General.

10 (7) The Director of National Intelligence.

11 (8) The Secretary of Labor.

12 (9) The Director of the Office of Personnel
13 Management.

14 (10) The Director of the Office of Management
15 and Budget.

16 (11) The Secretary of Commerce.

17 (12) The Secretary of Health and Human Serv-
18 ices.

19 (13) The Secretary of the Treasury.

20 (14) The Secretary of Housing and Urban De-
21 velopment.

22 (15) The Secretary of Agriculture.

23 (16) The Chairman and President of the Ex-
24 port-Import Bank of the United States.

1 (17) The heads of such other Federal agencies
2 as the Council considers appropriate.

3 (c) RESPONSIBILITIES.—

4 (1) IN GENERAL.—The Council shall be
5 charged with—

6 (A) overseeing, coordinating, and imple-
7 menting the National Security Language Initia-
8 tive;

9 (B) developing a national foreign language
10 strategy, building upon the efforts of the Na-
11 tional Security Language Initiative, within 18
12 months after the date of the enactment of this
13 Act, in consultation with—

14 (i) State and local government agen-
15 cies;

16 (ii) academic sector institutions;

17 (iii) foreign language related interest
18 groups;

19 (iv) business associations;

20 (v) industry;

21 (vi) heritage associations; and

22 (vii) other relevant stakeholders;

23 (C) conducting a survey of the status of
24 Federal agency foreign language and area ex-

1 pertise and agency needs for such expertise;
2 and

3 (D) monitoring the implementation of such
4 strategy through—

5 (i) application of current and recently
6 enacted laws; and

7 (ii) the promulgation and enforcement
8 of rules and regulations.

9 (2) STRATEGY CONTENT.—The strategy devel-
10 oped under paragraph (1) shall include—

11 (A) recommendations for amendments to
12 title 5, United States Code, in order to improve
13 the ability of the Federal Government to recruit
14 and retain individuals with foreign language
15 proficiency and provide foreign language train-
16 ing for Federal employees;

17 (B) the long term goals, anticipated effect,
18 and needs of the National Security Language
19 Initiative;

20 (C) identification of crucial priorities
21 across all sectors;

22 (D) identification and evaluation of Fed-
23 eral foreign language programs and activities,
24 including—

1 (i) any duplicative or overlapping pro-
 2 grams that may impede efficiency;

3 (ii) recommendations on coordination;

4 (iii) program enhancements; and

5 (iv) allocation of resources so as to
 6 maximize use of resources;

7 (E) needed national policies and cor-
 8 responding legislative and regulatory actions in
 9 support of, and allocation of designated re-
 10 sources to, promising programs and initiatives
 11 at all levels (Federal, State, and local), espe-
 12 cially in the less commonly taught languages
 13 that are seen as critical for national security
 14 and global competitiveness during the next 20
 15 to 50 years;

16 (F) effective ways to increase public aware-
 17 ness of the need for foreign language skills and
 18 career paths in all sectors that can employ
 19 those skills, with the objective of increasing
 20 support for foreign language study among—

21 (i) Federal, State, and local leaders;

22 (ii) students;

23 (iii) parents;

24 (iv) elementary, secondary, and post-
 25 secondary educational institutions; and

1 (v) employers;

2 (G) recommendations for incentives for re-
3 lated educational programs, including foreign
4 language teacher training;

5 (H) coordination of cross-sector efforts, in-
6 cluding public-private partnerships;

7 (I) coordination initiatives to develop a
8 strategic posture for language research and rec-
9 ommendations for funding for applied foreign
10 language research into issues of national con-
11 cern;

12 (J) recommendations for assistance for—

13 (i) the development of foreign lan-
14 guage achievement standards; and

15 (ii) corresponding assessments for the
16 elementary, secondary, and postsecondary
17 education levels, including the National As-
18 sessment of Educational Progress in for-
19 eign languages;

20 (K) recommendations for development of—

21 (i) language skill-level certification
22 standards;

23 (ii) frameworks for pre-service and
24 professional development study for those
25 who teach foreign language;

1 (iii) suggested graduation criteria for
 2 foreign language studies and appropriate
 3 non-language studies, such as—

- 4 (I) international business;
- 5 (II) national security;
- 6 (III) public administration;
- 7 (IV) health care;
- 8 (V) engineering;
- 9 (VI) law;
- 10 (VII) journalism; and
- 11 (VIII) sciences;
- 12 (L) identification of and means for repli-
- 13 cating best practices at all levels and in all sec-
- 14 tors, including best practices from the inter-
- 15 national community; and
- 16 (M) recommendations for overcoming bar-
- 17 riers in foreign language proficiency.

18 (3) NATIONAL SECURITY LANGUAGE INITIA-
 19 TIVE.—The term “National Security Language Ini-
 20 tiative” means the comprehensive national plan of
 21 the President announced on January 5, 2006, and
 22 under the direction of the Secretaries of State, Edu-
 23 cation, and Defense and the Director of National In-
 24 telligence to expand foreign language education for
 25 national security purposes in the United States.

1 (d) SUBMISSION OF STRATEGY TO PRESIDENT AND
2 CONGRESS.—Not later than 18 months after the date of
3 enactment of this section, the Council shall prepare and
4 transmit to the President and the relevant committees of
5 Congress the strategy required under subsection (c).

6 (e) MEETINGS.—The Council may hold such meet-
7 ings, and sit and act at such times and places, as the
8 Council considers appropriate, but shall meet in formal
9 session at least 2 times a year. State and local government
10 agencies and other organizations (such as academic sector
11 institutions, foreign language-related interest groups,
12 business associations, industry, and heritage community
13 organizations) shall be invited, as appropriate, to public
14 meetings of the Council at least once a year.

15 (f) STAFF.—

16 (1) IN GENERAL.—The Director may—

17 (A) appoint, without regard to the provi-
18 sions of title 5, United States Code, governing
19 the competitive service, such personnel as the
20 Director considers necessary; and

21 (B) compensate such personnel without re-
22 gard to the provisions of chapter 51 and sub-
23 chapter III of chapter 53 of that title.

24 (2) DETAIL OF GOVERNMENT EMPLOYEES.—

25 Upon request of the Council, any Federal Govern-

1 ment employee may be detailed to the Council with-
2 out reimbursement, and such detail shall be without
3 interruption or loss of civil service status or privilege

4 (3) EXPERTS AND CONSULTANTS.—With the
5 approval of the Council, the Director may procure
6 temporary and intermittent services under section
7 3109(b) of title 5, United States Code.

8 (4) TRAVEL EXPENSES.—Council members and
9 staff shall be allowed travel expenses, including per
10 diem in lieu of subsistence, at rates authorized for
11 employees of agencies under subchapter I of chapter
12 57 of title 5, United States Code, while away from
13 their homes or regular places of business in the per-
14 formance of services for the Council.

15 (5) SECURITY CLEARANCE.—

16 (A) IN GENERAL.—Subject to subpara-
17 graph (B), the appropriate Federal agencies or
18 departments shall cooperate with the Council in
19 expeditiously providing to the Council members
20 and staff appropriate security clearances to the
21 extent possible pursuant to existing procedures
22 and requirements.

23 (B) EXCEPTION.—No person shall be pro-
24 vided with access to classified information

1 under this section without the appropriate re-
2 quired security clearance access.

3 (6) COMPENSATION.—The rate of pay for any
4 employee of the Council (including the Director)
5 may not exceed the rate payable for level V of the
6 Executive Schedule under section 5316 of title 5,
7 United States Code.

8 (g) POWERS.—

9 (1) DELEGATION.—Any member or employee of
10 the Council may, if authorized by the Council, take
11 any action that the Council is authorized to take in
12 this section.

13 (2) INFORMATION.—

14 (A) COUNCIL AUTHORITY TO SECURE.—

15 The Council may secure directly from any Fed-
16 eral agency such information, consistent with
17 Federal privacy laws, including The Family
18 Educational Rights and Privacy Act (20 U.S.C.
19 1232g) and Department of Education's General
20 Education Provisions Act (20 U.S.C. 1232(h)),
21 the Council considers necessary to carry out its
22 responsibilities.

23 (B) REQUIREMENT TO FURNISH RE-
24 QUESTED INFORMATION.—Upon request of the

1 Director, the head of such agency shall furnish
2 such information to the Council.

3 (3) DONATIONS.—The Council may accept, use,
4 and dispose of gifts or donations of services or prop-
5 erty.

6 (4) MAIL.—The Council may use the United
7 States mail in the same manner and under the same
8 conditions as other Federal agencies.

9 (h) CONFERENCES, NEWSLETTER, AND WEBSITE.—
10 In carrying out this section, the Council—

11 (1) may arrange Federal, regional, State, and
12 local conferences for the purpose of developing and
13 coordinating effective programs and activities to im-
14 prove foreign language education;

15 (2) may publish a newsletter concerning Fed-
16 eral, State, and local programs that are effectively
17 meeting the foreign language needs of the nation;
18 and

19 (3) shall create and maintain a website con-
20 taining information on the Council and its activities,
21 best practices on language education, and other rel-
22 evant information.

23 (i) ANNUAL REPORT.—

24 (1) REQUIREMENT.—Not later than 90 days
25 after the date of the enactment of this Act, and an-

1 nually thereafter, the Council shall prepare and
2 transmit to the President and the relevant commit-
3 tees of Congress a report that describes—

4 (A) the activities of the Council;

5 (B) the efforts of the Council to improve
6 foreign language education and training; and

7 (C) impediments to the use of a National
8 Foreign Language program, including any stat-
9 utory and regulatory restrictions.

10 (2) RELEVANT COMMITTEES.—For purposes of
11 paragraph (1), the relevant committees of Congress
12 include—

13 (A) in the House of Representatives—

14 (i) the Committee on Appropriations;

15 (ii) the Committee on Armed Services;

16 (iii) the Committee on Education and
17 Labor;

18 (iv) the Committee on Oversight and
19 Government Reform;

20 (v) the Committee on Small Business;

21 (vi) the Committee on Foreign Af-
22 fairs; and

23 (vii) the Permanent Select Committee
24 on Intelligence;

25 (B) in the Senate—

- 1 (i) the Committee on Appropriations;
- 2 (ii) the Committee on Armed Services;
- 3 (iii) the Committee on Health, Edu-
- 4 cation, Labor, and Pensions;
- 5 (iv) the Committee on Homeland Se-
- 6 curity and Governmental Affairs;
- 7 (v) the Committee on Foreign Rela-
- 8 tions; and
- 9 (vi) the Select Committee on Intel-
- 10 ligence.

11 (j) ESTABLISHMENT OF A NATIONAL LANGUAGE DI-
12 RECTOR.—

13 (1) IN GENERAL.—There is established a Na-
14 tional Language Director who shall be appointed by
15 the President. The National Language Director shall
16 be a nationally recognized individual with credentials
17 and abilities across the sectors to be involved with
18 creating and implementing long-term solutions to
19 achieving national foreign language and cultural
20 competency.

21 (2) RESPONSIBILITIES.—The National Lan-
22 guage Director shall—

23 (A) develop and monitor the implementa-
24 tion of a national foreign language strategy,

1 built upon the efforts of the National Security
2 Language Initiative, across all sectors;

3 (B) establish formal relationships among
4 the major stakeholders in meeting the needs of
5 the Nation for improved capabilities in foreign
6 languages and cultural understanding, including
7 Federal, State, and local government agencies,
8 academia, industry, labor, and heritage commu-
9 nities; and

10 (C) coordinate and lead a public informa-
11 tion campaign that raises awareness of public
12 and private sector careers requiring foreign lan-
13 guage skills and cultural understanding, with
14 the objective of increasing interest in and sup-
15 port for the study of foreign languages among
16 national leaders, the business community, local
17 officials, parents, and individuals.

18 (k) ENCOURAGEMENT OF STATE INVOLVEMENT.—

19 (1) STATE CONTACT PERSONS.—The Council
20 shall consult with each State to provide for the des-
21 ignation by each State of an individual to serve as
22 a State contact person for the purpose of receiving
23 and disseminating information and communications
24 received from the Council.

1 (2) STATE INTERAGENCY COUNCILS AND LEAD
 2 AGENCIES.—Each State is encouraged to establish a
 3 State interagency council on foreign language co-
 4 ordination or designate a lead agency for the State
 5 for the purpose of assuming primary responsibility
 6 for coordinating and interacting with the Council
 7 and State and local government agencies as nec-
 8 essary.

9 (1) CONGRESSIONAL NOTIFICATION.—The Council
 10 shall provide to Congress such information as may be re-
 11 quested by Congress, through reports, briefings, and other
 12 appropriate means.

13 **SEC. 1069. QUALIFICATIONS FOR PUBLIC AIRCRAFT STA-**
 14 **TUS OF AIRCRAFT UNDER CONTRACT WITH**
 15 **THE ARMED FORCES.**

16 (a) DEFINITION OF PUBLIC AIRCRAFT.—Section
 17 40102(a)(41)(E) of title 49, United States Code, is
 18 amended—

19 (1) by inserting “or an operational support
 20 service” after “transportation”; and

21 (2) by adding at the end the following new sen-
 22 tence: “The term ‘an operational support service’
 23 means a mission performed by an aircraft operator
 24 that uses fixed or rotary winged aircraft to provide
 25 a service other than transportation.”.

1 (b) ARMED FORCES OPERATIONAL MISSION.—Sec-
2 tion 40125(c) of such title is amended—

3 (1) in paragraph (1)(C), by inserting “or an
4 operational support service” after “transportation”;
5 and

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

8 “(3) COMPLIANCE WITH FEDERAL AVIATION
9 REGULATIONS.—If the Secretary of Defense (or the
10 Secretary of the department in which the Coast
11 Guard is operating) does not make a designation
12 under paragraph (1)(C) with regard to a chartered
13 aircraft, the transportation or operational support
14 service provided to the armed forces by such aircraft
15 shall be in compliance with the Federal Aviation
16 Regulations under title 14, Code of Federal Regula-
17 tions.”.

18 (c) TECHNICAL CORRECTIONS.—

19 (1) Section 40125(b) of such title is amended
20 by striking “40102(a)(37)” and inserting
21 “40102(a)(41)”.

22 (2) Section 40125(c)(1) of such title is amend-
23 ed by striking “40102(a)(37)(E)” appears and in-
24 serting “40102(a)(41)(E)”.

1 **TITLE XI—CIVILIAN PERSONNEL**
2 **MATTERS**

3 **SEC. 1101. COMPENSATION OF FEDERAL WAGE SYSTEM EM-**
4 **PLOYEES FOR CERTAIN TRAVEL HOURS.**

5 Section 5544(a) of title 5, United States Code, is
6 amended in the third sentence in the matter following
7 paragraph (3) by inserting “, including travel by the em-
8 ployee to such event and the return of the employee from
9 such event to the employee’s official duty station,” after
10 “event”.

11 **SEC. 1102. RETIREMENT SERVICE CREDIT FOR SERVICE AS**
12 **CADET OR MIDSHIPMAN AT A MILITARY**
13 **SERVICE ACADEMY.**

14 (a) CIVIL SERVICE RETIREMENT SYSTEM.—Section
15 8331(13) of title 5, United States Code, is amended by
16 striking “but” and inserting “and includes service as a
17 cadet at the United States Military Academy, the United
18 States Air Force Academy, or the United States Coast
19 Guard Academy, or as a midshipman at the United States
20 Naval Academy, but”.

21 (b) FEDERAL EMPLOYEES’ RETIREMENT SYSTEM.—
22 Section 8401(31) of such title is amended by striking
23 “but” and inserting “and includes service as a cadet at
24 the United States Military Academy, the United States
25 Air Force Academy, or the United States Coast Guard

1 Academy, or as a midshipman at the United States Naval
2 Academy, but”.

3 (c) APPLICABILITY.—The amendments made by this
4 section shall apply to—

5 (1) any annuity, eligibility for which is based
6 upon a separation occurring before, on, or after the
7 date of enactment of this Act; and

8 (2) any period of service as a cadet at the
9 United States Military Academy, the United States
10 Air Force Academy, or the United States Coast
11 Guard Academy, or as a midshipman at the United
12 States Naval Academy, occurring before, on, or after
13 the date of enactment of this Act.

14 **SEC. 1103. CONTINUATION OF LIFE INSURANCE COVERAGE**
15 **FOR FEDERAL EMPLOYEES CALLED TO AC-**
16 **TIVE DUTY.**

17 Section 8706(b) of title 5, United States Code, is
18 amended by adding at the end the following new para-
19 graph:

20 “(5) In the case of an employee enrolled in life insur-
21 ance under this chapter who is a member of a reserve com-
22 ponent of the armed forces called or ordered to active
23 duty, is placed on leave without pay to perform active duty
24 pursuant to such call or order, and serves on active duty
25 pursuant to such call or order for a period of more than

1 30 consecutive days, the life insurance of the employee
 2 under this chapter may continue for up to 24 months after
 3 discontinuance of pay by reason of the performance of
 4 such active duty.”.

5 **SEC. 1104. DEPARTMENT OF DEFENSE NATIONAL SECURITY**
 6 **PERSONNEL SYSTEM.**

7 (a) EXCLUSION OF WAGE-GRADE EMPLOYEES.—
 8 Subsection (b) of section 9902 of title 5, United States
 9 Code, is amended—

10 (1) by redesignating paragraphs (4), (5), and
 11 (6) as paragraphs (5), (6), and (7), respectively; and
 12 (2) by inserting after paragraph (3) the fol-
 13 lowing new paragraph (4):

14 “(4) not apply to any prevailing rate employees,
 15 as defined in section 5342(a)(2);”.

16 (b) CLARIFICATION OF REQUIREMENTS REGARDING
 17 LABOR-MANAGEMENT RELATIONS.—

18 (1) IN GENERAL.—Such section is further
 19 amended by striking subsection (m).

20 (2) CONFORMING AMENDMENTS.—Such section
 21 is further amended—

22 (A) in subsection (f)(1)(D)(i), by inserting
 23 “subject to the requirements of chapter 71,”
 24 before “develop a method”; and

25 (B) in subsection (g)(2)—

- 1 (i) in subparagraph (B), by inserting
 2 “and” at the end;
 3 (ii) in subparagraph (C), by striking
 4 “; and” and inserting a period; and
 5 (iii) by striking subparagraph (D).

6 (3) CONSTRUCTION OF PAY ESTABLISHMENT
 7 OR ADJUSTMENT.—Subsection (e) of such section is
 8 amended by adding at the end the following new
 9 paragraph:

10 “(6) Any rate of pay established or adjusted in ac-
 11 cordance with the requirements of this section shall be a
 12 matter covered by section 7103(a)(14)(C) of this title.”.

13 **SEC. 1105. AUTHORITY TO WAIVE LIMITATION ON PREMIUM**
 14 **PAY FOR FEDERAL CIVILIAN EMPLOYEES**
 15 **WORKING OVERSEAS UNDER AREAS OF**
 16 **UNITED STATES CENTRAL COMMAND.**

17 (a) WAIVER AUTHORITY.—

18 (1) IN GENERAL.—Notwithstanding section
 19 5547 of title 5, United States Code, during 2008,
 20 the head of an Executive agency (as that term is de-
 21 fined in section 105 of title 5, United States Code)
 22 may waive limitations on total compensation, includ-
 23 ing limitations on the aggregate of basic pay and
 24 premium pay payable in a calendar year, to an em-
 25 ployee who performs work while in an overseas loca-

1 tion that is in the area of responsibility of the Com-
2 mander of the United States Central Command in
3 direct support of, or directly related to—

4 (A) a military operation, including a con-
5 tingency operation; or

6 (B) an operation in response to a declared
7 emergency.

8 (2) LIMITATION.—The total compensation pay-
9 able to an employee pursuant to a waiver under this
10 subsection in a calendar year may not exceed
11 \$212,100.

12 (b) ADDITIONAL PAY NOT CONSIDERED BASIC
13 PAY.—To the extent that a waiver under subsection (a)
14 results in payment of additional premium pay of a type
15 that is normally creditable as basic pay for retirement or
16 any other purpose, such additional pay shall not be consid-
17 ered to be basic pay for any purpose, nor shall such addi-
18 tional pay be used in computing a lump-sum payment for
19 accumulated and accrued annual leave under section 5551
20 of title 5, United States Code.

21 (c) REGULATIONS.—The Director of the Office of
22 Personnel Management may prescribe regulations to en-
23 sure appropriate consistency among heads of Executive
24 agencies in the exercise of the authority granted by this
25 section.

1 **SEC. 1106. AUTHORITY FOR INCLUSION OF CERTAIN OF-**
2 **FICE OF DEFENSE RESEARCH AND ENGI-**
3 **NEERING POSITIONS IN EXPERIMENTAL PER-**
4 **SONNEL PROGRAM FOR SCIENTIFIC AND**
5 **TECHNICAL PERSONNEL.**

6 Section 1101(b)(1) of the Strom Thurmond National
7 Defense Authorization Act for Fiscal Year 1999 (5 U.S.C.
8 3104 note) is amended—

9 (1) in subparagraph (B), by striking “and” at
10 the end;

11 (2) in subparagraph (C), by adding “and” at
12 the end; and

13 (3) by adding after subparagraph (C) the fol-
14 lowing new subparagraph (D):

15 “(D) not more than a total of 20 scientific
16 and engineering positions in the Office of the
17 Director of Defense Research and Engineer-
18 ing;”.

1 **TITLE XII—MATTERS RELATING**
2 **TO FOREIGN NATIONS**
3 **Subtitle A—Assistance and**
4 **Training**

5 **SEC. 1201. AUTHORITY TO EQUIP AND TRAIN FOREIGN PER-**
6 **SONNEL TO ASSIST IN ACCOUNTING FOR**
7 **MISSING UNITED STATES PERSONNEL.**

8 (a) IN GENERAL.—Chapter 20 of title 10, United
9 States Code, is amended by adding at the end the fol-
10 lowing new section:

11 **“§ 408. Equipment and training of foreign personnel**
12 **to assist in Department of Defense ac-**
13 **counting for missing United States per-**
14 **sonnel**

15 “(a) IN GENERAL.—The Secretary of Defense may,
16 with the concurrence of the Secretary of State, provide
17 assistance to any foreign nation to assist the Department
18 of Defense with recovery of and accounting for missing
19 United States personnel.

20 “(b) TYPES OF ASSISTANCE.—The assistance pro-
21 vided under subsection (a) may include the following:

22 “(1) Equipment.

23 “(2) Supplies.

24 “(3) Services.

25 “(4) Training of personnel.

1 “(c) LIMITATION.—The amount of assistance pro-
2 vided under this section in any fiscal year may not exceed
3 \$1,000,000.

4 “(d) CONSTRUCTION WITH OTHER ASSISTANCE.—
5 The authority to provide assistance under this section is
6 in addition to any other authority to provide assistance
7 to foreign nations under law.

8 “(e) ANNUAL REPORTS.—(1) Not later than Decem-
9 ber 31 each year, the Secretary of Defense shall submit
10 to the congressional defense committees a report on the
11 assistance provided under this section during the fiscal
12 year ending in such year.

13 “(2) Each report under paragraph (1) shall include,
14 for the fiscal year covered by such report, the following:

15 “(A) A statement of each foreign nation pro-
16 vided assistance under this section.

17 “(B) For each nation so provided assistance, a
18 description of the type and amount of such assist-
19 ance.”.

20 “(b) CLERICAL AMENDMENT.—The table of sections
21 at the beginning of chapter 20 of such title is amended
22 by adding at the end the following new item:

 “408. Equipment and training of foreign personnel to assist in Department of
 Defense accounting for missing United States personnel.”.

23 “(c) EFFECTIVE DATE.—The amendments made by
24 this section shall take effect on October 1, 2007.

1 **SEC. 1202. EXTENSION AND ENHANCEMENT OF AUTHORITY**
2 **FOR SECURITY AND STABILIZATION ASSIST-**
3 **ANCE.**

4 (a) INCREASE IN AMOUNT OF AUTHORIZED ASSIST-
5 ANCE.—Subsection (b) of section 1207 of the National
6 Defense Authorization Act for Fiscal Year 2006 (Public
7 Law 109–163; 119 Stat. 3458) is amended by striking
8 “\$100,000,000” and inserting “\$200,000,000”.

9 (b) PROGRAM FOR ASSISTANCE.—Such section is fur-
10 ther amended—

11 (1) by redesignating subsections (d), (e), and
12 (f) as subsection (e), (f), and (g), respectively; and

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

15 “(d) FORMULATION AND IMPLEMENTATION OF PRO-
16 GRAM FOR ASSISTANCE.—The Secretary of State shall co-
17 ordinate with the Secretary of Defense in the formulation
18 and implementation of a program of reconstruction, secu-
19 rity, or stabilization assistance to a foreign country that
20 involves the provision of services or transfer of defense ar-
21 ticles or funds under subsection (a).”.

22 (c) ONE-YEAR EXTENSION.—Subsection (g) of such
23 section, as redesignated by subsection (b) of this section,
24 is amended by striking “September 30, 2007” and insert-
25 ing “September 30, 2008”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section shall take effect on October 1, 2007.

3 **SEC. 1203. COMMANDERS' EMERGENCY RESPONSE PRO-**
4 **GRAM.**

5 (a) AUTHORITY FOR FISCAL YEAR 2008.—During
6 fiscal year 2008, from funds made available to the Depart-
7 ment of Defense for operation and maintenance for such
8 fiscal year, not to exceed \$977,441,000 may be used by
9 the Secretary of Defense in such fiscal year to provide
10 funds—

11 (1) for the Commanders' Emergency Response
12 Program in Iraq for the purpose of enabling United
13 States military commanders in Iraq to respond to
14 urgent humanitarian relief and reconstruction re-
15 quirements within their areas of responsibility by
16 carrying out programs that will immediately assist
17 the Iraqi people; and

18 (2) for a similar program to assist the people
19 of Afghanistan.

20 (b) WAIVER AUTHORITY.—For purposes of exercising
21 the authority provided by this section or any other provi-
22 sion of law making funds available for the Commanders'
23 Emergency Response Program in Iraq or any similar pro-
24 gram to assist the people of Afghanistan, the Secretary
25 may waive any provision of law not contained in this sec-

1 tion that would (but for the waiver) prohibit, restrict,
2 limit, or otherwise constrain the exercise of that authority.

3 (c) QUARTERLY REPORTS.—Not later than 15 days
4 after the end of each fiscal-year quarter of fiscal year
5 2008, the Secretary shall submit to the congressional de-
6 fense committees a report regarding the source of funds
7 and the allocation and use of funds during that quarter
8 that were made available pursuant to the authority pro-
9 vided in this section or under any other provision of law
10 for the purposes of the programs referred to in subsection
11 (a).

12 (d) SUBMITTAL OF MODIFICATIONS OF GUIDANCE.—
13 In the event any modification is made after the date of
14 the enactment of this Act in the guidance issued to the
15 Armed Forces by the Under Secretary of Defense (Comp-
16 troller) on February 18, 2005, concerning the allocation
17 of funds through the Commanders' Emergency Response
18 Program in Iraq and any similar program to assist the
19 people of Afghanistan, the Secretary shall submit to the
20 congressional defense committees a copy of such modifica-
21 tion not later than 15 days after the date of such modifica-
22 tion.

1 **SEC. 1204. GOVERNMENT ACCOUNTABILITY OFFICE RE-**
2 **PORT ON GLOBAL PEACE OPERATIONS INI-**
3 **TIATIVE.**

4 (a) REPORT REQUIRED.—Not later than March 1,
5 2008, the Comptroller General of the United States shall
6 submit to the congressional defense committees, the Com-
7 mittee on Foreign Relations of the Senate, and the Com-
8 mittee on Foreign Affairs of the House of Representatives
9 a report assessing the Global Peace Operations Initiative.

10 (b) CONTENT.—The report required under subsection
11 (a) shall include the following:

12 (1) An assessment of whether, and to what ex-
13 tent, the Global Peace Operations Initiative has met
14 the goals set by the President at the inception of the
15 program in 2004.

16 (2) Which goals, if any, remain unfulfilled.

17 (3) A description of activities conducted by each
18 member state of the Group of Eight (G–8), includ-
19 ing the approximate cost of the activities, and the
20 approximate percentage of the total monetary value
21 of the activities conducted by each G–8 member, in-
22 cluding the United States, as well as efforts by the
23 President to seek contributions or participation by
24 other G–8 members.

25 (4) A description of any activities conducted by
26 non-G–8 members, or other organizations and insti-

1 tutions, as well as any efforts by the President to so-
2 licit contributions or participation.

3 (5) A description of the extent to which the
4 Global Peace Operations Initiative has had global
5 participation.

6 (6) A description of the administration of the
7 program by the Department of State and Depart-
8 ment of Defense, including—

9 (A) whether each Department should con-
10 centrate administration in one office or bureau,
11 and if so, which one;

12 (B) the extent to which the two Depart-
13 ments coordinate and the quality of their co-
14 ordination; and

15 (C) the extent to which contractors are
16 used and an assessment of the quality and
17 timeliness of the results achieved by the con-
18 tractors, and whether the United States Gov-
19 ernment might have achieved similar or better
20 results without contracting out functions.

21 (7) A description of the metrics, if any, that are
22 used by the President and the G–8 to measure
23 progress in implementation of the Global Peace Op-
24 erations Initiative, including—

1 (A) assessments of the quality and sustain-
2 ability of the training of individual soldiers and
3 units;

4 (B) the extent to which the G-8 and par-
5 ticipating countries maintain records or data-
6 bases of trained individuals and units and con-
7 duct inspections to measure and monitor the
8 continued readiness of such individuals and
9 units;

10 (C) the extent to which the individuals and
11 units are equipped and remain equipped to de-
12 ploy in peace operations; and

13 (D) the extent to which, the timeline by
14 which, and how individuals and units can be
15 mobilized for peace operations.

16 (8) The extent to which, the timeline by which,
17 and how individuals and units can be and are being
18 deployed to peace operations.

19 (9) An assessment of whether individuals and
20 units trained under the Global Peace Operations Ini-
21 tiative have been utilized in peace operations subse-
22 quent to receiving training under the Initiative,
23 whether they will be deployed to upcoming oper-
24 ations in Africa and elsewhere, and the extent to

1 which such individuals and units would be prepared
2 to deploy and participate in such peace operations.

3 (10) Recommendations as to whether participa-
4 tion in the Global Peace Operations Initiative should
5 require reciprocal participation by countries in peace
6 operations.

7 (11) Any additional measures that could be
8 taken to enhance the effectiveness of the Global
9 Peace Operations Initiative in terms of—

10 (A) achieving its stated goals; and

11 (B) ensuring that individuals and units
12 trained as part of the Initiative are regularly
13 participating in peace operations.

14 **Subtitle B—Other Authorities and** 15 **Limitations**

16 **SEC. 1211. COOPERATIVE OPPORTUNITIES DOCUMENTS**
17 **UNDER COOPERATIVE RESEARCH AND DE-**
18 **VELOPMENT AGREEMENTS WITH NATO OR-**
19 **GANIZATIONS AND OTHER ALLIED AND**
20 **FRIENDLY FOREIGN COUNTRIES.**

21 Section 2350a(e) of title 10, United States Code, is
22 amended—

23 (1) in paragraph (1)—

24 (A) by striking “(A)”;

1 (B) by striking “an arms cooperation op-
 2 portunities document” and inserting “a cooper-
 3 ative opportunities document before the first
 4 milestone or decision point”; and

5 (C) by striking subparagraph (B); and

6 (2) in paragraph (2), by striking “An arms co-
 7 operation opportunities document” and inserting “A
 8 cooperative opportunities document”.

9 **SEC. 1212. EXTENSION AND EXPANSION OF TEMPORARY**
 10 **AUTHORITY TO USE ACQUISITION AND**
 11 **CROSS-SERVICING AGREEMENTS TO LEND**
 12 **MILITARY EQUIPMENT FOR PERSONNEL PRO-**
 13 **TECTION AND SURVIVABILITY.**

14 (a) EXPANSION TO NATIONS ENGAGED IN CERTAIN
 15 PEACEKEEPING OPERATIONS.—Subsection (a) of section
 16 1202 of the John Warner National Defense Authorization
 17 Act for Fiscal Year 2007 (Public Law 109–364; 120 Stat.
 18 2412) is amended—

19 (1) in paragraph (1), by inserting “or partici-
 20 pating in combined operations with the United
 21 States as part of a peacekeeping operation under the
 22 Charter of the United Nations or another inter-
 23 national agreement” after “Iraq or Afghanistan”;
 24 and

1 (2) in paragraph (3) by inserting “, or in a
2 peacekeeping operation described in paragraph (1),
3 as applicable,” after “Iraq or Afghanistan”.

4 (b) ONE-YEAR EXTENSION.—Subsection (e) of such
5 section is amended by striking “September 30, 2008” and
6 inserting “September 30, 2009”.

7 (c) CONFORMING AMENDMENT.—The heading of
8 such section is amended by striking “**FOREIGN FORCES**
9 **IN IRAQ AND AFGHANISTAN**” and inserting “**CERTAIN**
10 **FOREIGN FORCES**”.

11 **SEC. 1213. ACCEPTANCE OF FUNDS FROM THE GOVERN-**
12 **MENT OF PALAU FOR COSTS OF MILITARY**
13 **CIVIC ACTION TEAMS.**

14 Section 104(a) of Public Law 99–658 (48 U.S.C.
15 1933(a)) is amended—

16 (1) by inserting “(1)” before “In recognition”;
17 and

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

20 “(2) The Secretary of Defense may accept from the
21 Government of Palau the amount available for the use of
22 the Government of Palau under paragraph (1). Any
23 amount so accepted by the Secretary under this paragraph
24 shall be credited to the appropriation or account available
25 to the Department of Defense for the Civic Action Team

1 with respect to which such amount is so accepted.
 2 Amounts so credited shall be merged with the appropria-
 3 tion or account to which credited, and shall be available
 4 to the Civic Action Team for the same purposes, and sub-
 5 ject to the same conditions and limitations, as the appro-
 6 priation or account with which merged.”.

7 **SEC. 1214. EXTENSION OF PARTICIPATION OF THE DEPART-**
 8 **MENT OF DEFENSE IN MULTINATIONAL MILI-**
 9 **TARY CENTERS OF EXCELLENCE.**

10 (a) EXTENSION OF PARTICIPATION.—Section 1205
 11 of the John Warner National Defense Authorization Act
 12 for Fiscal Year 2007 (Public Law 109–364; 120 Stat.
 13 2416) is amended—

14 (1) in subsection (a), by striking “fiscal year
 15 2007” and inserting “during fiscal years 2007 and
 16 2008”; and

17 (2) in subsection (e)(2), by inserting “or 2008”
 18 after “in fiscal year 2007”.

19 (b) REPORTING REQUIREMENTS.—Subsection (g) of
 20 such section is amended—

21 (1) in paragraph (1)—

22 (A) by striking “October 31, 2007,” and
 23 inserting “October 31 of each of 2007 and
 24 2008,”; and

1 (B) by striking “fiscal year 2007” and in-
2 serting “fiscal year 2007 or 2008, as applica-
3 ble”; and

4 (2) in paragraph (2)—

5 (A) in the matter preceding subparagraph
6 (A)—

7 (i) by striking “The report” and in-
8 serting “Each report”; and

9 (ii) by inserting “, for the fiscal year
10 covered by such report,” after “shall in-
11 clude”; and

12 (B) in subparagraph (A), by striking “fis-
13 cal year 2007”.

14 **SEC. 1215. LIMITATION ON ASSISTANCE TO THE GOVERN-**
15 **MENT OF THAILAND.**

16 (a) **LIMITATION.**—Notwithstanding any other provi-
17 sion of law, no funds authorized to be appropriated by this
18 Act may be obligated or expended to provide direct assist-
19 ance to the Government of Thailand unless the President
20 certifies to the congressional defense committees that a
21 democratically-elected government has taken office in
22 Thailand on or after October 1, 2007.

23 (b) **EXCEPTION.**—The limitation in subsection (a)
24 shall not apply with respect to funds as follows:

1 (1) Amounts authorized to be appropriated for
2 Overseas Humanitarian, Disaster, and Civic Aid.

3 (2) Amounts otherwise authorized to be appro-
4 priated by this Act and available for humanitarian
5 or emergency assistance for other nations.

6 (c) WAIVER.—The President may waive the limita-
7 tion in subsection (a) if the President certifies to the con-
8 gressional defense committees in writing that the waiver
9 of the limitation is in the national security interests of
10 the United States.

11 **SEC. 1216. PRESIDENTIAL REPORT ON POLICY OBJECTIVES**
12 **AND UNITED STATES STRATEGY REGARDING**
13 **IRAN.**

14 Not more than 75 percent of the amount authorized
15 to be appropriated by this Act and available for the Office
16 of the Under Secretary of Defense for Policy may be obli-
17 gated or expended for that purpose until the President
18 submits to Congress the report required by section
19 1213(b) of the John Warner National Defense Authoriza-
20 tion Act for Fiscal Year 2007 (Public Law 109–364; 120
21 Stat. 2422).

1 **SEC. 1217. LIMITATION ON AVAILABILITY OF CERTAIN**
 2 **FUNDS PENDING IMPLEMENTATION OF RE-**
 3 **QUIREMENTS REGARDING NORTH KOREA.**

4 Notwithstanding any other provision of law, no funds
 5 authorized to be appropriated for the Department of De-
 6 fense by this Act or any other Act for the provision of
 7 security and stabilization assistance as authorized by sec-
 8 tion 1207 of the National Defense Authorization Act for
 9 Fiscal Year 2006 (as amended by section 1202 of this
 10 Act) may be obligated or expended for that purpose until
 11 the President certifies to Congress that all the provisions
 12 of section 1211 of the John Warner National Defense Au-
 13 thorization Act for Fiscal Year 2007 (Public Law 109–
 14 163; 120 Stat. 2420) have been or are being carried out.

15 **Subtitle C—Reports**

16 **SEC. 1231. REPORTS ON UNITED STATES POLICY AND MILI-**
 17 **TARY OPERATIONS IN AFGHANISTAN.**

18 (a) **REPORTS REQUIRED.**—Not later than 60 days
 19 after the date of the enactment of this Act and every 180
 20 days thereafter through the end of fiscal year 2009, the
 21 President shall submit to the congressional defense com-
 22 mittees a report on United States policy and military oper-
 23 ations in Afghanistan.

24 (b) **ELEMENTS.**—Each report required by subsection
 25 (a) shall include the following:

1 (1) A comprehensive strategy, coordinated be-
2 tween and among the departments and agencies of
3 the United States Government, for achieving the ob-
4 jectives of United States policy and military oper-
5 ations in Afghanistan.

6 (2) A description of current and proposed ef-
7 forts to assist the Government of Afghanistan in in-
8 creasing the size and capability of the Afghan Secu-
9 rity Forces, including key criteria for measuring the
10 capabilities and readiness of the Afghan National
11 Army, the Afghan National Police, and other Afghan
12 security forces.

13 (3) A description of current and proposed ef-
14 forts of the United States Government to work with
15 coalition partners to strengthen the International
16 Security Assistance Force (ISAF) led by the North
17 Atlantic Treaty Organization (NATO) in Afghani-
18 stan, including efforts—

19 (A) to encourage North Atlantic Treaty
20 Organization members to make or fulfill com-
21 mitments to meet North Atlantic Treaty Orga-
22 nization mission requirements with respect to
23 the International Security Assistance Force;
24 and

1 (B) to remove national restrictions on the
2 use of forces of members of the North Atlantic
3 Treaty Organization deployed as part of the
4 International Security Assistance Force mis-
5 sion.

6 (4) A description of current and proposed ef-
7 forts to improve provincial governance and expand
8 economic development in the provinces of Afghani-
9 stan, including—

10 (A) a statement of the mission and objec-
11 tives of the Provincial Reconstruction Teams in
12 Afghanistan;

13 (B) a description of the number, funding
14 (including the sources of funding), staffing re-
15 quirements, and current staffing levels of the
16 Provincial Reconstruction Teams, set forth by
17 United States Government agency;

18 (C) an evaluation of the effectiveness of
19 each Provincial Reconstruction Team, including
20 each team under the command of the United
21 States and each team under the command of
22 the International Security Assistance Force, in
23 achieving its mission and objectives; and

24 (D) a description of the collaboration, if
25 any, between the United States Agency for

1 International Development and Special Oper-
2 ations Forces in such efforts, and an assess-
3 ment of the results of such collaboration.

4 (5) With respect to current counternarcotics ef-
5 forts in Afghanistan—

6 (A) a description of the counternarcotics
7 plan of the United States Government in Af-
8 ghanistan, including a statement of priorities
9 among United States counterdrug activities (in-
10 cluding interdiction, eradication, and alternative
11 livelihood programs) within that plan, and a de-
12 scription of the specific resources allocated for
13 each such activity;

14 (B) a description of the counternarcotics
15 roles and missions assumed by the local and
16 provincial governments of Afghanistan, the
17 Government of Afghanistan, particular depart-
18 ments and agencies of the United States Gov-
19 ernment, the International Security Assistance
20 Force, and other governments;

21 (C) a description of the extent, if any, to
22 which counternarcotics operations in or with re-
23 spect to Afghanistan have been determined to
24 constitute a United States military mission, and
25 the justification for that determination;

1 (D) a description of United States efforts
2 to destroy drug manufacturing facilities; and

3 (E) a description of United States efforts
4 to apprehend or eliminate major drug traf-
5 fickers in Afghanistan, and a description of the
6 extent to which such drug traffickers are cur-
7 rently assisting United States counterterrorist
8 efforts.

9 (6) A description of current and proposed ef-
10 forts to help the Government of Afghanistan fight
11 public corruption and strengthen the rule of law.

12 (7) A description of current and proposed diplo-
13 matic and other efforts to encourage and assist the
14 Government of Pakistan to eliminate safe havens for
15 Taliban, Al Qaeda, and other extremists within the
16 territory of Pakistan which threaten the stability of
17 Afghanistan, and an evaluation of the cooperation of
18 the Government of Pakistan in eliminating such safe
19 havens.

20 (c) FORM.—Each report required by subsection (a)
21 shall be submitted in unclassified form to the maximum
22 extent practicable, but may include a classified annex.

1 **SEC. 1232. STRATEGY FOR ENHANCING SECURITY IN AF-**
2 **GHANISTAN BY ELIMINATING SAFE HAVENS**
3 **FOR VIOLENT EXTREMISTS IN PAKISTAN.**

4 (a) FINDINGS.—Congress makes the following find-
5 ings:

6 (1) Since September 11, 2001, the Government
7 of Pakistan has been an important partner in help-
8 ing the United States remove the Taliban regime
9 from Afghanistan.

10 (2) In early September 2006, the Government
11 of Pakistan signed a peace agreement with pro-
12 Taliban militants in Miramshah, North Waziristan,
13 Pakistan. Under the agreement, local tribesmen in
14 North Waziristan agreed to halt cross-border move-
15 ment of pro-Taliban insurgents from the North
16 Waziristan area to Afghanistan and to remove all
17 foreigners who do not respect the peace and abide
18 by the agreement.

19 (3) In late September 2006, United States mili-
20 tary officials in Kabul, Afghanistan, reported two-
21 fold, and in cases three-fold, increases in the number
22 of cross-border attacks along the Afghanistan border
23 with Pakistan in the weeks following the signing of
24 the agreement referred to in paragraph (2).

25 (4) On February 13, 2007, Lieutenant General
26 Karl W. Eikenberry, the former commanding general

1 of Combined Forces Command—Afghanistan, stated
2 in a written statement to the Committee on Armed
3 Services of the House of Representatives that “Al
4 Qaeda and Taliban leadership presence inside Paki-
5 stan remains a significant problem that must be sat-
6 isfactorily addressed if we are to prevail in Afghani-
7 stan and if we are to defeat the global threat posed
8 by international terrorism”.

9 (5) On February 27, 2007, John McConnell,
10 the Director of National Intelligence, stated in a
11 written statement to the Committee on Armed Serv-
12 ices of the Senate that “[e]liminating the safehaven
13 that the Taliban and other extremists have found in
14 Pakistan’s tribal areas is not sufficient to end the
15 insurgency in Afghanistan but it is necessary”.

16 (b) STRATEGY RELATING TO PAKISTAN.—

17 (1) IN GENERAL.—Not later than 90 days after
18 the date of the enactment of this Act, the President
19 shall submit to the congressional defense committees
20 a report describing the long-term strategy of the
21 United States to engage with the Government of
22 Pakistan—

23 (A) to prevent the movement of Taliban,
24 Al Qaeda, and other violent extremist forces

1 across the border of Pakistan into Afghanistan;
2 and

3 (B) to eliminate safe havens for such
4 forces on the national territory of Pakistan.

5 (2) FORM.—The report shall be submitted in
6 unclassified form, but may include a classified
7 annex.

8 (c) LIMITATION ON AVAILABILITY OF DEPARTMENT
9 OF DEFENSE COALITION SUPPORT FUNDS FOR PAKI-
10 STAN.—

11 (1) LIMITATION.—For fiscal years 2008 and
12 2009, the Government of Pakistan may not be reim-
13 bursed in any fiscal year quarter for the provision to
14 the United States of logistical, military, or other
15 support utilizing funds appropriated or otherwise
16 made available by an Act making supplemental ap-
17 propriations for fiscal year 2007 for operations in
18 Iraq and Afghanistan, or any other Act, for the pur-
19 pose of making payments to reimburse key cooper-
20 ating nations for the provision to the United States
21 of such support unless the President certifies to the
22 congressional defense committees for such fiscal year
23 quarter that the Government of Pakistan is making
24 substantial and sustained efforts to eliminate safe
25 havens for the Taliban, Al Qaeda and other violent

1 extremists in areas under its sovereign control, in-
 2 cluding in the cities of Quetta and Chaman and in
 3 the Northwest Frontier Province and the Federally
 4 Administered Tribal Areas.

5 (2) CONTENT OF CERTIFICATION.—Each cer-
 6 tification submitted under paragraph (1) shall in-
 7 clude a detailed description of the efforts made by
 8 the Government of Pakistan to eliminate safe havens
 9 for the Taliban, Al Qaeda, and other violent extrem-
 10 ists in areas under its sovereign control.

11 (3) FORM.—Each certification submitted under
 12 paragraph (1) shall be submitted in unclassified
 13 form, but may include a classified annex.

14 (4) WAIVER.—The President may waive the
 15 limitation on reimbursements under paragraph (1)
 16 for a fiscal year quarter if the President determines
 17 and certifies to the congressional defense committees
 18 that it is important to the national security interest
 19 of the United States to do so.

20 **SEC. 1233. ONE-YEAR EXTENSION OF UPDATE ON REPORT**
 21 **ON CLAIMS RELATING TO THE BOMBING OF**
 22 **THE LABELLE DISCOTHEQUE.**

23 Section 1225(b)(2) of the National Defense Author-
 24 ization Act for Fiscal Year 2006 (Public Law 109–163;
 25 119 Stat. 3465) is amended by striking “Not later than

1 one year after enactment of this Act,” and inserting “Not
 2 later than each of January 6, 2007, and January 7,
 3 2008,”.

4 **TITLE XIII—COOPERATIVE**
 5 **THREAT REDUCTION WITH**
 6 **STATES OF THE FORMER SO-**
 7 **VIET UNION**

8 **SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT RE-**
 9 **DUCTION PROGRAMS AND FUNDS.**

10 (a) SPECIFICATION OF COOPERATIVE THREAT RE-
 11 Duction PROGRAMS.—For purposes of section 301 and
 12 other provisions of this Act, Cooperative Threat Reduction
 13 programs are the programs specified in section 1501(b)
 14 of the National Defense Authorization Act for Fiscal Year
 15 1997 (50 U.S.C. 2362 note), as amended by section 1303
 16 of this Act.

17 (b) FISCAL YEAR 2008 COOPERATIVE THREAT RE-
 18 Duction FUNDS DEFINED.—As used in this title, the
 19 term “fiscal year 2008 Cooperative Threat Reduction
 20 funds” means the funds appropriated pursuant to the au-
 21 thorization of appropriations in section 301 for Coopera-
 22 tive Threat Reduction programs.

23 (c) AVAILABILITY OF FUNDS.—Funds appropriated
 24 pursuant to the authorization of appropriations in section

1 301 for Cooperative Threat Reduction programs shall be
2 available for obligation for three fiscal years.

3 **SEC. 1302. FUNDING ALLOCATIONS.**

4 (a) FUNDING FOR SPECIFIC PURPOSES.—Of the
5 \$428,048,000 authorized to be appropriated to the De-
6 partment of Defense for fiscal year 2008 in section
7 301(19) for Cooperative Threat Reduction programs, the
8 following amounts may be obligated for the purposes spec-
9 ified:

10 (1) For strategic offensive arms elimination in
11 Russia, \$102,885,000.

12 (2) For nuclear weapons storage security in
13 Russia, \$22,988,000.

14 (3) For nuclear weapons transportation security
15 in Russia, \$37,700,000.

16 (4) For weapons of mass destruction prolifera-
17 tion prevention in the states of the former Soviet
18 Union, \$51,986,000.

19 (5) For biological weapons proliferation preven-
20 tion in the former Soviet Union, \$194,489,000.

21 (6) For chemical weapons destruction in Rus-
22 sia, \$1,000,000.

23 (7) For threat reduction outside the former So-
24 viet Union, \$10,000,000.

1 (8) For defense and military contacts,
2 \$8,000,000.

3 (9) For activities designated as Other Assess-
4 ments/Administrative Support, \$19,000,000.

5 (b) REPORT ON OBLIGATION OR EXPENDITURE OF
6 FUNDS FOR OTHER PURPOSES.—No fiscal year 2008 Co-
7 operative Threat Reduction funds may be obligated or ex-
8 pended for a purpose other than a purpose listed in para-
9 graphs (1) through (9) of subsection (a) until 30 days
10 after the date that the Secretary of Defense submits to
11 Congress a report on the purpose for which the funds will
12 be obligated or expended and the amount of funds to be
13 obligated or expended. Nothing in the preceding sentence
14 shall be construed as authorizing the obligation or expend-
15 iture of fiscal year 2008 Cooperative Threat Reduction
16 funds for a purpose for which the obligation or expendi-
17 ture of such funds is specifically prohibited under this title
18 or any other provision of law.

19 (c) LIMITED AUTHORITY TO VARY INDIVIDUAL
20 AMOUNTS.—

21 (1) IN GENERAL.—Subject to paragraph (2), in
22 any case in which the Secretary of Defense deter-
23 mines that it is necessary to do so in the national
24 interest, the Secretary may obligate amounts appro-
25 priated for fiscal year 2008 for a purpose listed in

1 paragraphs (1) through (9) of subsection (a) in ex-
 2 cess of the specific amount authorized for that pur-
 3 pose.

4 (2) NOTICE-AND-WAIT REQUIRED.—An obliga-
 5 tion of funds for a purpose stated in paragraphs (1)
 6 through (9) of subsection (a) in excess of the specific
 7 amount authorized for such purpose may be made
 8 using the authority provided in paragraph (1) only
 9 after—

10 (A) the Secretary submits to Congress no-
 11 tification of the intent to do so together with a
 12 complete discussion of the justification for
 13 doing so; and

14 (B) 15 days have elapsed following the
 15 date of the notification.

16 **SEC. 1303. SPECIFICATION OF COOPERATIVE THREAT RE-**
 17 **DUCTION PROGRAMS IN STATES OUTSIDE**
 18 **THE FORMER SOVIET UNION.**

19 Section 1501 of the National Defense Authorization
 20 Act for Fiscal Year 1997 (50 U.S.C. 2362 note) is amend-
 21 ed—

22 (1) in subsection (a), by striking “subsection
 23 (b)” and inserting “subsections (b) and (c)”; and

24 (2) by adding at the end the following new sub-
 25 section:

1 “(c) SPECIFIED PROGRAMS WITH RESPECT TO
 2 STATES OUTSIDE THE FORMER SOVIET UNION.—The
 3 programs referred to in subsection (a) are the following
 4 programs with respect to states that are not states of the
 5 former Soviet Union:

6 “(1) Programs to facilitate the elimination, and
 7 safe and secure transportation and storage, of bio-
 8 logical, or chemical weapons, materials, weapons
 9 components, or weapons-related materials.

10 “(2) Programs to prevent the proliferation of
 11 nuclear, chemical, or biological weapons, weapons
 12 components, and weapons-related military technology
 13 and expertise.

14 “(3) Programs to facilitate detection and re-
 15 porting of highly pathogenic diseases or other dis-
 16 eases that are associated with or that could be uti-
 17 lized as an early warning mechanism for disease out-
 18 breaks that could impact the Armed Forces of the
 19 United States or allies of the United States.”.

20 **SEC. 1304. MODIFICATION OF AUTHORITY TO USE COOPER-**
 21 **ATIVE THREAT REDUCTION FUNDS OUTSIDE**
 22 **THE FORMER SOVIET UNION.**

23 Section 1308 of the National Defense Authorization
 24 Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat.
 25 1662; 22 U.S.C. 5963) is amended—

(1) in subsection (a), by striking “the President” the second place it appears and inserting “the Secretary of Defense, with the concurrence of the Secretary of State,”; and

(2) in subsection (d)—

(A) in paragraph (1), by striking “the President” the second place it appears and inserting “the Secretary of Defense, with the concurrence of the Secretary of State,”; and

(B) in paragraph (2), by striking “the President” and inserting “the Secretary of Defense and the Secretary of State”.

SEC. 1305. REPEAL OF RESTRICTIONS ON ASSISTANCE TO STATES OF THE FORMER SOVIET UNION FOR COOPERATIVE THREAT REDUCTION.

(a) IN GENERAL.—

(1) SOVIET NUCLEAR THREAT REDUCTION ACT OF 1991.—The Soviet Nuclear Threat Reduction Act of 1991 (title II of Public Law 102–228; 22 U.S.C. 2551 note) is amended—

(A) by striking section 211; and

(B) in section 212, by striking “, consistent with the findings stated in section 211,”.

1 (2) COOPERATIVE THREAT REDUCTION ACT OF
2 1993.—Section 1203 of the Cooperative Threat Re-
3 duction Act of 1993 (22 U.S.C. 5952) is amended
4 by striking subsection (d).

5 (3) RUSSIAN CHEMICAL WEAPONS DESTRUC-
6 TION FACILITIES.—Section 1305 of the National De-
7 fense Authorization Act for Fiscal Year 2000 (Pub-
8 lic Law 106–65; 22 U.S.C. 5952 note) is repealed.

9 (4) CONFORMING REPEAL.—Section 1303 of
10 the Ronald W. Reagan National Defense Authoriza-
11 tion Act for Fiscal Year 2005 (Public Law 108–375;
12 22 U.S.C. 5952 note) is repealed.

13 (b) INAPPLICABILITY OF OTHER RESTRICTIONS.—
14 Section 502 of the Freedom for Russia and Emerging
15 Eurasian Democracies and Open Markets Support Act of
16 1992 (22 U.S.C. 5852) shall not apply to any Cooperative
17 Threat Reduction program.

18 **SEC. 1306. NATIONAL ACADEMY OF SCIENCES STUDY OF**
19 **PREVENTION OF PROLIFERATION OF BIO-**
20 **LOGICAL WEAPONS.**

21 (a) STUDY REQUIRED.—Not later than 60 days after
22 the date of the enactment of this Act, the Secretary of
23 Defense shall enter into an arrangement with the National
24 Academy of Sciences under which the Academy shall carry
25 out a study to identify areas for cooperation with states

1 other than states of the former Soviet Union under the
2 Cooperative Threat Reduction program of the Department
3 of Defense in the prevention of proliferation of biological
4 weapons.

5 (b) MATTERS TO BE INCLUDED IN STUDY.—The
6 Secretary shall provide for the study under subsection (a)
7 to include the following:

8 (1) An assessment of trends in the biological
9 sciences and biotechnology that will affect the capa-
10 bilities of governments of developing countries to
11 control the containment and use of dual-use tech-
12 nologies of potential interest to terrorist organiza-
13 tions or individuals with hostile intentions.

14 (2) An assessment of the approaches to cooper-
15 ative threat reduction used by the states of the
16 former Soviet Union that are of special relevance in
17 preventing the proliferation of biological weapons in
18 other areas of the world.

19 (3) A review of programs of the United States
20 Government and other governments, international
21 organizations, foundations, and other private sector
22 entities used in developing countries that are not
23 states of the former Soviet Union that may con-
24 tribute to the prevention of the proliferation of bio-
25 logical weapons.

1 (4) Recommendations on steps for integrating
2 activities of the Cooperative Threat Reduction pro-
3 gram relating to the prevention of the proliferation
4 of biological weapons with activities of other depart-
5 ments and agencies of the United States addressing
6 problems and opportunities in developing countries
7 that are not states of the former Soviet Union.

8 (c) REPORT.—

9 (1) IN GENERAL.—Not later than December 31,
10 2008, the Secretary shall submit to the Committee
11 on Armed Services of the Senate and the Committee
12 on Armed Services of the House of Representatives
13 a report on the study carried out under subsection
14 (a).

15 (2) MATTERS TO BE INCLUDED.—The report
16 under paragraph (1) shall include the following:

17 (A) The results of the study carried out
18 under subsection (a), including any report re-
19 ceived by the Secretary from the National
20 Academy of Sciences on the study.

21 (B) An assessment by the Secretary of the
22 study.

23 (C) A statement of the actions, if any, to
24 be undertaken by the Secretary to implement
25 any recommendations in the study.

1 (3) FORM.—The report under paragraph (1)
 2 shall be submitted in unclassified form, but may in-
 3 clude a classified annex.

4 (d) FUNDING.—Of the amount authorized to be ap-
 5 propriated by section 301(18) for Cooperative Threat Re-
 6 duction programs, not more than \$2,500,000 may be obli-
 7 gated or expended to carry out this section.

8 **TITLE XIV—OTHER**
 9 **AUTHORIZATIONS**
 10 **Subtitle A—Military Programs**

11 **SEC. 1401. WORKING CAPITAL FUNDS.**

12 Funds are hereby authorized to be appropriated for
 13 fiscal year 2008 for the use of the Armed Forces and other
 14 activities and agencies of the Department of Defense for
 15 providing capital for working capital and revolving funds
 16 in amounts as follows:

17 (1) For the Defense Working Capital Funds,
 18 \$102,446,000.

19 (2) For the Defense Working Capital Fund,
 20 Defense Commissary, \$1,250,300,000.

21 **SEC. 1402. NATIONAL DEFENSE SEALIFT FUND.**

22 Funds are hereby authorized to be appropriated for
 23 fiscal year 2008 for the National Defense Sealift Fund
 24 in the amount of \$1,044,194,000.

1 **SEC. 1403. DEFENSE HEALTH PROGRAM.**

2 Funds are hereby authorized to be appropriated for
3 the Department of Defense for fiscal year 2008 for ex-
4 penses, not otherwise provided for, for the Defense Health
5 Program, in the amount of \$22,543,124,000, of which—

6 (1) \$22,044,381,000 is for Operation and
7 Maintenance;

8 (2) \$136,482,000 is for Research, Development,
9 Test, and Evaluation; and

10 (3) \$362,261,000 is for Procurement.

11 **SEC. 1404. CHEMICAL AGENTS AND MUNITIONS DESTRUC-**
12 **TION, DEFENSE.**

13 (a) AUTHORIZATION OF APPROPRIATIONS.—Funds
14 are hereby authorized to be appropriated for the Depart-
15 ment of Defense for fiscal year 2008 for expenses, not oth-
16 erwise provided for, for Chemical Agents and Munitions
17 Destruction, Defense, in the amount of \$1,491,724,000,
18 of which—

19 (1) \$1,186,452,000 is for Operation and Main-
20 tenance;

21 (2) \$274,846,000 is for Research, Development,
22 Test, and Evaluation; and

23 (3) \$30,426,000 is for Procurement.

24 (b) USE.—Amounts authorized to be appropriated
25 under subsection (a) are authorized for—

1 (1) the destruction of lethal chemical agents
2 and munitions in accordance with section 1412 of
3 the Department of Defense Authorization Act, 1986
4 (50 U.S.C. 1521); and

5 (2) the destruction of chemical warfare materiel
6 of the United States that is not covered by section
7 1412 of such Act.

8 **SEC. 1405. DRUG INTERDICTION AND COUNTER-DRUG AC-**
9 **TIVITIES, DEFENSE-WIDE.**

10 Funds are hereby authorized to be appropriated for
11 the Department of Defense for fiscal year 2008 for ex-
12 penses, not otherwise provided for, for Drug Interdiction
13 and Counter-Drug Activities, Defense-wide, in the amount
14 of \$959,322,000.

15 **SEC. 1406. DEFENSE INSPECTOR GENERAL.**

16 Funds are hereby authorized to be appropriated for
17 the Department of Defense for fiscal year 2008 for ex-
18 penses, not otherwise provided for, for the Office of the
19 Inspector General of the Department of Defense, in the
20 amount of \$225,995,000, of which—

21 (1) \$224,995,000 is for Operation and Mainte-
22 nance; and

23 (2) \$1,000,000 is for Procurement.

1 **SEC. 1407. REDUCTION IN CERTAIN AUTHORIZATIONS DUE**
2 **TO SAVINGS FROM LOWER INFLATION.**

3 (a) REDUCTION.—The aggregate amount authorized
4 to be appropriated by this division is the amount equal
5 to the sum of all the amounts authorized to be appro-
6 priated by the provisions of this division reduced by
7 \$1,627,000,000, to be allocated as follows:

8 (1) PROCUREMENT.—The aggregate amount
9 authorized to be appropriated by title I is hereby re-
10 duced by \$601,000,000.

11 (2) RESEARCH, DEVELOPMENT, TEST, AND
12 EVALUATION.—The aggregate amount authorized to
13 be appropriated by title II is hereby reduced by
14 \$451,000,000.

15 (3) OPERATION AND MAINTENANCE.—The ag-
16 gregate amount authorized to be appropriated by
17 title III is hereby reduced by \$554,000,000.

18 (4) OTHER AUTHORIZATIONS.—The aggregate
19 amount authorized to be appropriated by title XIV
20 is hereby reduced by \$21,000,000.

21 (b) SOURCE OF SAVINGS.—Reductions required in
22 order to comply with subsection (a) shall be derived from
23 savings resulting from lower-than-expected inflation as a
24 result of the difference between the inflation assumptions
25 used in the Concurrent Resolution on the Budget for Fis-
26 cal Year 2008 when compared with the inflation assump-

1 tions used in the budget of the President for fiscal year
 2 2008, as submitted to Congress pursuant to section 1005
 3 of title 31, United States Code.

4 (c) ALLOCATION OF REDUCTIONS.—The Secretary of
 5 Defense shall allocate the reductions required by this sec-
 6 tion among the amounts authorized to be appropriated for
 7 accounts in titles I, II, III, and XIV to reflect the extent
 8 to which net savings from lower-than-expected inflations
 9 are allocable to amounts authorized to be appropriated to
 10 such accounts.

11 **Subtitle B—National Defense**

12 **Stockpile**

13 **SEC. 1411. DISPOSAL OF FERROMANGANESE.**

14 (a) DISPOSAL AUTHORIZED.—The Secretary of De-
 15 fense may dispose of up to 50,000 tons of ferromanganese
 16 from the National Defense Stockpile during fiscal year
 17 2008.

18 (b) CONTINGENT AUTHORITY FOR ADDITIONAL DIS-
 19 POSAL.—

20 (1) IN GENERAL.—If the Secretary of Defense
 21 completes the disposal of the total quantity of
 22 ferromanganese authorized for disposal by sub-
 23 section (a) before September 30, 2008, the Secretary
 24 of Defense may dispose of up to an additional

1 25,000 tons of ferromanganese from the National
2 Defense Stockpile before that date.

3 (2) ADDITIONAL AMOUNTS.—If the Secretary
4 completes the disposal of the total quantity of addi-
5 tional ferromanganese authorized for disposal by
6 paragraph (1) before September 30, 2008, the Sec-
7 retary may dispose of up to an additional 25,000
8 tons of ferromanganese from the National Defense
9 Stockpile before that date.

10 (c) CERTIFICATION.—The Secretary of Defense may
11 dispose of ferromanganese under the authority of para-
12 graph (1) or (2) of subsection (b) only if the Secretary
13 submits written certification to the Committee on Armed
14 Services of the Senate and the Committee on Armed Serv-
15 ices of the House of Representatives, not later than 30
16 days before the commencement of disposal under the ap-
17 plicable paragraph, that—

18 (1) the disposal of the additional
19 ferromanganese from the National Defense Stockpile
20 is in the interest of national defense;

21 (2) the disposal of the additional
22 ferromanganese will not cause disruption to the
23 usual markets of producers and processors of
24 ferromanganese in the United States; and

1 (3) the disposal of the additional
2 ferromanganese is consistent with the requirements
3 and purpose of the National Defense Stockpile.

4 (d) DELEGATION OF RESPONSIBILITY.—The Sec-
5 retary of Defense may delegate the responsibility of the
6 Secretary under subsection (c) to an appropriate official
7 within the Department of Defense.

8 (e) NATIONAL DEFENSE STOCKPILE DEFINED.—In
9 this section, the term “National Defense Stockpile” means
10 the stockpile provided for in section 4 of the Strategic and
11 Critical Materials Stock Piling Act (50 U.S.C. 98c).

12 **SEC. 1412. DISPOSAL OF CHROME METAL.**

13 (a) DISPOSAL AUTHORIZED.—The Secretary of De-
14 fense may dispose of up to 500 short tons of chrome metal
15 from the National Defense Stockpile during fiscal year
16 2008.

17 (b) CONTINGENT AUTHORITY FOR ADDITIONAL DIS-
18 POSAL.—

19 (1) IN GENERAL.—If the Secretary of Defense
20 completes the disposal of the total quantity of
21 chrome metal authorized for disposal by subsection
22 (a) before September 30, 2008, the Secretary of De-
23 fense may dispose of up to an additional 250 short
24 tons of chrome metal from the National Defense
25 Stockpile before that date.

1 (2) ADDITIONAL AMOUNTS.—If the Secretary
2 completes the disposal of the total quantity of addi-
3 tional chrome metal authorized for disposal by para-
4 graph (1) before September 30, 2008, the Secretary
5 may dispose of up to an additional 250 short tons
6 of chrome metal from the National Defense Stock-
7 pile before that date.

8 (c) CERTIFICATION.—The Secretary of Defense may
9 dispose of chrome metal under the authority of paragraph
10 (1) or (2) of subsection (b) only if the Secretary submits
11 written certification to the Committee on Armed Services
12 of the Senate and the Committee on Armed Services of
13 the House of Representatives, not later than 30 days be-
14 fore the commencement of disposal under the applicable
15 paragraph, that—

16 (1) the disposal of the additional chrome metal
17 from the National Defense Stockpile is in the inter-
18 est of national defense;

19 (2) the disposal of the additional chrome metal
20 will not cause disruption to the usual markets of
21 producers and processors of chrome metal in the
22 United States; and

23 (3) the disposal of the additional chrome metal
24 is consistent with the requirements and purpose of
25 the National Defense Stockpile.

1 (d) DELEGATION OF RESPONSIBILITY.—The Sec-
2 retary of Defense may delegate the responsibility of the
3 Secretary under subsection (c) to an appropriate official
4 within the Department of Defense.

5 (e) NATIONAL DEFENSE STOCKPILE DEFINED.—In
6 this section, the term “National Defense Stockpile” means
7 the stockpile provided for in section 4 of the Strategic and
8 Critical Materials Stock Piling Act (50 U.S.C. 98c).

9 **SEC. 1413. MODIFICATION OF RECEIPT OBJECTIVES FOR**
10 **PREVIOUSLY AUTHORIZED DISPOSALS FROM**
11 **THE NATIONAL DEFENSE STOCKPILE.**

12 (a) FISCAL YEAR 2000 DISPOSAL AUTHORITY.—
13 Paragraph (5) of section 3402(b) of the National Defense
14 Authorization Act for Fiscal Year 2000 (Public Law 106–
15 65; 50 U.S.C. 98d note), as amended by section 3302(b)
16 of the National Defense Authorization Act for Fiscal Year
17 2006 (Public Law 109–163; 119 Stat. 3546), is further
18 amended by striking “\$600,000,000 before” and inserting
19 “\$729,000,000 by”.

20 (b) FISCAL YEAR 1999 DISPOSAL AUTHORITY.—
21 Paragraph (7) of section 3303(a) of the Strom Thurmond
22 National Defense Authorization Act for Fiscal Year 1999
23 (Public Law 105–261; 50 U.S.C. 98d note), as amended
24 by section 3302(a) of the John Warner National Defense
25 Authorization Act for Fiscal Year 2007 (Public Law 109–

1 364; 120 Stat. 2513), is further amended to read as fol-
 2 lows:

3 “(7) \$1,469,102,000 by the end of fiscal year
 4 2015.”.

5 **Subtitle C—Civil Programs**

6 **SEC. 1421. ARMED FORCES RETIREMENT HOME.**

7 There is hereby authorized to be appropriated for fis-
 8 cal year 2008 from the Armed Forces Retirement Home
 9 Trust Fund the sum of \$61,624,000 for the operation of
 10 the Armed Forces Retirement Home.

11 **Subtitle D—Chemical** 12 **Demilitarization Matters**

13 **SEC. 1431. MODIFICATION OF TERMINATION REQUIREMENT** 14 **FOR CHEMICAL DEMILITARIZATION CITI-** 15 **ZENS’ ADVISORY COMMISSIONS.**

16 (a) MODIFICATION.—Subsection (h) of section 172 of
 17 the National Defense Authorization Act for Fiscal Year
 18 1993 (50 U.S.C. 1521 note) is amended by striking “after
 19 the stockpile located in that commission’s State has been
 20 destroyed” and inserting “upon the earlier of—

21 “(1) the completion of closure activities for the
 22 chemical agent destruction facility in the commis-
 23 sion’s State as required pursuant to regulations pro-
 24 mulgated by the Administrator of the Environmental

1 Protection Agency pursuant to the Solid Waste Dis-
2 posal Act (42 U.S.C. 6901 et seq.); or

3 “(2) the request of the Governor of the commis-
4 sion’s State.”.

5 (b) TECHNICAL AMENDMENTS.—Subsections (b), (f),
6 and (g) of such section are each amended by striking “As-
7 sistant Secretary of the Army (Research, Development,
8 and Acquisition)” and inserting “Assistant Secretary of
9 the Army (Acquisition, Logistics, and Technology)”.

10 **SEC. 1432. REPEAL OF CERTAIN QUALIFICATIONS RE-**
11 **QUIREMENT FOR DIRECTOR OF CHEMICAL**
12 **DEMILITARIZATION MANAGEMENT ORGANI-**
13 **ZATION.**

14 Section 1412(e)(3) of the Department of Defense Au-
15 thorization Act, 1986 (50 U.S.C. 1521(e)(3)) is amend-
16 ed—

17 (1) in subparagraph (A), by adding “and” at
18 the end;

19 (2) by striking subparagraph (B); and

20 (3) by redesignating subparagraph (C) as sub-
21 paragraph (B).

1 **SEC. 1433. SENSE OF CONGRESS ON COMPLETION OF DE-**
2 **STRUCTION OF UNITED STATES CHEMICAL**
3 **WEAPONS STOCKPILE.**

4 (a) FINDINGS.—Congress makes the following find-
5 ings:

6 (1) The Convention on the Prohibition of the
7 Development, Production, Stockpiling and Use of
8 Chemical Weapons and on Their Destruction, done
9 at Paris on January 13, 1993 (commonly referred to
10 as the “Chemical Weapons Convention”), requires
11 that destruction of the entire United States chemical
12 weapons stockpile be completed by not later than
13 April 29, 2007.

14 (2) In 2006, under the terms of the Chemical
15 Weapons Convention, the United States requested
16 and received a one-time, 5-year extension of its
17 chemical weapons destruction deadline to April 29,
18 2012.

19 (3) On April 10, 2006, the Secretary of De-
20 fense notified Congress that the United States would
21 not meet even the extended deadline under the
22 Chemical Weapons Convention for destruction of the
23 United States chemical weapons stockpile, but would
24 “continue working diligently to minimize the time to
25 complete destruction without sacrificing safety and
26 security” and would also “continue requesting re-

1 sources needed to complete destruction as close to
2 April 2012 as practicable”.

3 (4) Destroying the remaining stockpile of
4 United States chemical weapons is imperative for
5 public safety and homeland security, and doing so by
6 April 2012, in accordance with the current destruc-
7 tion deadline provided under the Chemical Weapons
8 Convention, is required by United States law.

9 (5) The elimination of chemical weapons any-
10 where they exist in the world, and the prevention of
11 their proliferation, is of utmost importance to the
12 national security of the United States.

13 (b) SENSE OF CONGRESS.—It is the sense of Con-
14 gress that—

15 (1) the United States is, and must remain,
16 committed to making every effort to safely dispose
17 of its entire chemical weapons stockpile by April
18 2012, the current destruction deadline provided
19 under the Chemical Weapons Convention, or as soon
20 thereafter as possible, and must carry out all of its
21 other obligations under the Convention; and

22 (2) the Secretary of Defense should make every
23 effort to plan for, and to request in the annual
24 budget of the President submitted to Congress ade-
25 quate funding to complete, the elimination of the

1 United States chemical weapons stockpile in accord-
2 ance with United States obligations under the Chem-
3 ical Weapons Convention and in a manner that will
4 protect public health, safety, and the environment,
5 as required by law.

6 (c) REPORTS REQUIRED.—

7 (1) IN GENERAL.—Not later than March 15,
8 2008, and every 180 days thereafter until the year
9 in which the United States completes the destruction
10 of its entire stockpile of chemical weapons under the
11 terms of the Chemical Weapons Convention, the Sec-
12 retary of Defense shall submit to the members and
13 committees of Congress referred to in paragraph (3)
14 a report on the implementation by the United States
15 of its chemical weapons destruction obligations
16 under the Chemical Weapons Convention.

17 (2) ELEMENTS.—Each report under paragraph
18 (1) shall include the following:

19 (A) The anticipated schedule at the time of
20 such report for the completion of destruction of
21 chemical agents, munitions, and materiel at
22 each chemical weapons demilitarization facility
23 in the United States.

24 (B) A description of the options and alter-
25 natives for accelerating the completion of chem-

1 ical weapons destruction at each such facility,
2 particularly in time to meet the destruction
3 deadline of April 29, 2012, currently provided
4 by the Chemical Weapons Convention.

5 (C) A description of the funding required
6 to achieve each of the options for destruction
7 described under subparagraph (B).

8 (D) A description of all actions being
9 taken by the United States to accelerate the de-
10 struction of its entire stockpile of chemical
11 weapons, agents, and materiel in order to meet
12 the current destruction deadline under the
13 Chemical Weapons Convention of April 29,
14 2012, or as soon thereafter as possible.

15 (3) MEMBERS AND COMMITTEES OF CON-
16 GRESS.—The members and committees of Congress
17 referred to in this paragraph are—

18 (A) the majority leader of the Senate, the
19 minority leader of the Senate, and the Commit-
20 tees on Armed Services and Appropriations of
21 the Senate; and

22 (B) the Speaker of the House of Rep-
23 resentatives, the majority leader of the House
24 of Representatives, the minority leader of the
25 House of Representatives, and the Committees

1 on Armed Services and Appropriations of the
2 House of Representatives.

3 **TITLE XV—OPERATION IRAQI**
4 **FREEDOM AND OPERATION**
5 **ENDURING FREEDOM**

6 **Subtitle A—Authorization of Addi-**
7 **tional War-Related Appropria-**
8 **tions**

9 **SEC. 1501. ARMY PROCUREMENT.**

10 Funds are hereby authorized to be appropriated for
11 fiscal year 2008 for procurement accounts of the Army
12 in amounts as follows:

- 13 (1) For aircraft procurement, \$890,786,000.
14 (2) For missiles, \$492,734,000.
15 (3) For weapons and tracked combat vehicles
16 procurement, \$1,249,177,000.
17 (4) For ammunition, \$303,000,000.
18 (5) For other procurement, \$10,310,055,000.

19 **SEC. 1502. NAVY AND MARINE CORPS PROCUREMENT.**

20 (a) NAVY.—Funds are hereby authorized to be appro-
21 priated for fiscal year 2008 for procurement accounts for
22 the Navy in amounts as follows:

- 23 (1) For aircraft procurement, \$2,263,018,000.
24 (2) For weapons procurement, \$251,281,000.
25 (3) For other procurement, \$814,311,000.

1 (b) MARINE CORPS.—Funds are hereby authorized to
2 be appropriated for fiscal year 2008 for the procurement
3 account for the Marine Corps in the amount of
4 \$4,236,140,000.

5 (c) NAVY AND MARINE CORPS AMMUNITION.—Funds
6 are hereby authorized to be appropriated for fiscal year
7 2008 for the procurement account for ammunition for the
8 Navy and the Marine Corps in the amount of
9 \$590,090,000.

10 **SEC. 1503. AIR FORCE PROCUREMENT.**

11 Funds are hereby authorized to be appropriated for
12 fiscal year 2008 for procurement accounts for the Air
13 Force in amounts as follows:

14 (1) For aircraft procurement, \$2,069,009,000.

15 (2) For ammunition, \$74,005,000.

16 (3) For missile procurement, \$1,800,000.

17 (4) For other procurement, \$4,163,450,000.

18 **SEC. 1504. DEFENSE-WIDE ACTIVITIES PROCUREMENT.**

19 Funds are hereby authorized to be appropriated for
20 fiscal year 2008 for the procurement account for Defense-
21 wide in the amount of \$593,768,000.

1 **SEC. 1505. RESEARCH, DEVELOPMENT, TEST, AND EVALUA-**
2 **TION.**

3 Funds are hereby authorized to be appropriated for
4 fiscal year 2008 for the use of the Department of Defense
5 for research, development, test, and evaluation as follows:

6 (1) For the Army, \$121,653,000.

7 (2) For the Navy, \$370,798,000.

8 (3) For the Air Force, \$922,791,000.

9 (4) For Defense-wide activities, \$535,087,000.

10 **SEC. 1506. OPERATION AND MAINTENANCE.**

11 Funds are hereby authorized to be appropriated for
12 fiscal year 2008 for the use of the Armed Forces for ex-
13 penses, not otherwise provided for, for operation and
14 maintenance, in amounts as follows:

15 (1) For the Army, \$45,519,264,000.

16 (2) For the Navy, \$5,190,000,000.

17 (3) For the Marine Corps, \$4,013,093,000.

18 (4) For the Air Force, \$10,532,630,000.

19 (5) For Defense-wide activities,
20 \$5,976,216,000.

21 (6) For the Army Reserve, \$158,410,000.

22 (7) For the Navy Reserve, \$69,598,000.

23 (8) For the Marine Corps Reserve,
24 \$68,000,000.

25 (9) For the Army National Guard,
26 \$466,150,000.

1 (10) For the Air National Guard, \$31,168,000.

2 **SEC. 1507. MILITARY PERSONNEL.**

3 There is hereby authorized to be appropriated for fis-
4 cal year 2008 for the Department of Defense for military
5 personnel in amounts as follows:

6 (1) For the Army, \$9,140,516,000.

7 (2) For the Navy, \$752,089,000.

8 (3) For the Marine Corps, \$817,475,000.

9 (4) For the Air Force, \$1,411,890,000.

10 (5) For the Army Reserve, \$235,000,000.

11 (6) For the Navy Reserve, \$70,000,000.

12 (7) For the Marine Corps Reserve,
13 \$15,420,000.

14 (8) For the Air Force Reserve, \$3,000,000.

15 (9) For the Army National Guard,
16 \$476,584,000.

17 **SEC. 1508. DEFENSE HEALTH PROGRAM.**

18 Funds are hereby authorized to be appropriated for
19 fiscal year 2008 for the Department of Defense for ex-
20 penses, not otherwise provided for, for the Defense Health
21 Program, in the amount of \$1,022,842,000, for operation
22 and maintenance.

1 **SEC. 1509. DRUG INTERDICTION AND COUNTER-DRUG AC-**
2 **TIVITIES, DEFENSE-WIDE.**

3 Funds are hereby authorized to be appropriated for
4 fiscal year 2008 for the Department of Defense for ex-
5 penses, not otherwise provided for, for Drug Interdiction
6 and Counter-Drug Activities, Defense-wide, in the amount
7 of \$257,618,000.

8 **SEC. 1510. JOINT IMPROVISED EXPLOSIVE DEVICE DEFEAT**
9 **FUND.**

10 (a) **AUTHORIZATION OF APPROPRIATION.**—Funds
11 are hereby authorized for fiscal year 2008 for the Joint
12 Improvised Explosive Device Defeat Fund in the amount
13 of \$4,500,000,000.

14 (b) **USE OF FUNDS.**—Funds appropriated pursuant
15 to subsection (a) shall be available to the Secretary of De-
16 fense for the purpose of allowing the Director of the Joint
17 Improvised Explosive Device Defeat Organization to inves-
18 tigate, develop, and provide equipment, supplies, services,
19 training, facilities, personnel, and funds to assist United
20 States forces in the defeat of improvised explosive devices.

21 (c) **TRANSFER AUTHORITY.**—

22 (1) **TRANSFERS AUTHORIZED.**—Amounts au-
23 thorized to be appropriated by subsection (a) may be
24 transferred from the Joint Improvised Explosive De-
25 vice Defeat Fund to any of the following accounts

1 and funds of the Department of Defense to accom-
2 plish the purposes provided in subsection (b):

3 (A) Military personnel accounts.

4 (B) Operation and maintenance accounts.

5 (C) Procurement accounts.

6 (D) Research, development, test, and eval-
7 uation accounts.

8 (E) Defense working capital funds.

9 (2) ADDITIONAL TRANSFER AUTHORITY.—The
10 transfer authority provided by paragraph (1) is in
11 addition to any other transfer authority available to
12 the Department of Defense.

13 (3) TRANSFERS BACK TO THE FUND.—Upon
14 determination that all or part of the funds trans-
15 ferred from the Joint Improvised Explosive Device
16 Defeat Fund under paragraph (1) are not necessary
17 for the purpose provided, such funds may be trans-
18 ferred back to the Joint Improvised Explosive Device
19 Defeat Fund.

20 (4) EFFECT ON AUTHORIZATION AMOUNTS.—A
21 transfer of an amount to an account under the au-
22 thority in paragraph (1) shall be deemed to increase
23 the amount authorized for such account by an
24 amount equal to the amount transferred.

1 (d) NOTICE TO CONGRESS.—Funds may not be obli-
2 gated from the Joint Improvised Explosive Device Defeat
3 Fund, or transferred under the authority provided in sub-
4 section (c)(1), until five days after the date on which the
5 Secretary of Defense notifies the congressional defense
6 committees in writing of the details of the proposed obliga-
7 tion or transfer.

8 (e) MANAGEMENT PLAN.—

9 (1) PLAN REQUIRED.—Not later than 60 days
10 after the date of the enactment of this Act, the Sec-
11 retary of Defense shall submit to the congressional
12 defense committees a plan for the intended manage-
13 ment and use of the Joint Improvised Explosive De-
14 vice Defeat Fund.

15 (2) MATTER TO BE INCLUDED.—The plan re-
16 quired by paragraph (1) shall include an update of
17 the plan required in the paragraph under the head-
18 ing “Joint Improvised Explosive Device Defeat
19 Fund” in chapter 2 of title I of the Emergency Sup-
20 plemental Appropriations Act for Defense, the Glob-
21 al War on Terror, and Hurricane Recovery, 2006
22 (Public Law 109–234; 120 Stat. 424), including
23 identification of—

24 (A) year-to-date transfers and obligations;
25 and

1 (B) projected transfers and obligations
2 through September 30, 2008.

3 (f) QUARTERLY REPORTS.—Not later than 30 days
4 after the end of each fiscal-year quarter, the Secretary of
5 Defense shall submit to the congressional defense commit-
6 tees a report summarizing the detail of any obligation or
7 transfer of funds from the Joint Improvised Explosive De-
8 vice Defeat Fund plan required by subsection (e).

9 (g) DURATION OF AUTHORITY.—Amounts appro-
10 priated to the Joint Improvised Explosive Device Defeat
11 Fund are available for obligation or transfer from the
12 Fund until September 30, 2009.

13 **SEC. 1511. IRAQ SECURITY FORCES FUND.**

14 (a) AUTHORIZATION OF APPROPRIATIONS.—Funds
15 are hereby authorized to be appropriated for fiscal year
16 2008 for the Iraq Security Forces Fund in the amount
17 of \$2,000,000,000.

18 (b) USE OF FUNDS.—

19 (1) IN GENERAL.—Funds appropriated pursu-
20 ant to subsection (a) shall be available to the Sec-
21 retary of Defense for the purpose of allowing the
22 Commander, Multi-National Security Transition
23 Command—Iraq, to provide assistance to the secu-
24 rity forces of Iraq.

1 (2) TYPES OF ASSISTANCE AUTHORIZED.—As-
 2 sistance provided under this section may include the
 3 provision of equipment, supplies, services, training,
 4 facility and infrastructure repair, renovation, con-
 5 struction, and funding.

6 (3) SECRETARY OF STATE CONCURRENCE.—As-
 7 sistance may be provided under this section only
 8 with the concurrence of the Secretary of State.

9 (c) AUTHORITY IN ADDITION TO OTHER AUTHORI-
 10 TIES.—The authority to provide assistance under this sec-
 11 tion is in addition to any other authority to provide assist-
 12 ance to foreign nations.

13 (d) TRANSFER AUTHORITY.—

14 (1) TRANSFERS AUTHORIZED.—Subject to
 15 paragraph (2), amounts authorized to be appro-
 16 priated by subsection (a) may be transferred from
 17 the Iraq Security Forces Fund to any of the fol-
 18 lowing accounts and funds of the Department of De-
 19 fense to accomplish the purposes provided in sub-
 20 section (b):

21 (A) Military personnel accounts.

22 (B) Operation and maintenance accounts.

23 (C) Procurement accounts.

24 (D) Research, development, test, and eval-
 25 uation accounts.

1 (E) Defense working capital funds.

2 (F) Overseas Humanitarian, Disaster, and
3 Civic Aid account.

4 (2) ADDITIONAL AUTHORITY.—The transfer au-
5 thority provided by paragraph (1) is in addition to
6 any other transfer authority available to the Depart-
7 ment of Defense.

8 (3) TRANSFERS BACK TO THE FUND.—Upon
9 determination that all or part of the funds trans-
10 ferred from the Iraq Security Forces Fund under
11 paragraph (1) are not necessary for the purpose pro-
12 vided, such funds may be transferred back to the
13 Iraq Security Forces Fund.

14 (4) EFFECT ON AUTHORIZATION AMOUNTS.—A
15 transfer of an amount to an account under the au-
16 thority in paragraph (1) shall be deemed to increase
17 the amount authorized for such account by an
18 amount equal to the amount transferred.

19 (e) NOTICE TO CONGRESS.—Funds may not be obli-
20 gated from the Iraq Security Forces Fund, or transferred
21 under the authority provided in subsection (d)(1), until
22 five days after the date on which the Secretary of Defense
23 notifies the congressional defense committees in writing
24 of the details of the proposed obligation or transfer.

25 (f) CONTRIBUTIONS.—

1 (1) AUTHORITY TO ACCEPT CONTRIBUTIONS.—

2 Subject to paragraph (2), the Secretary of Defense
3 may accept contributions of amounts to the Iraq Se-
4 curity Forces Fund for the purposes provided in
5 subsection (b) from any person, foreign government,
6 or international organization. Any amounts so ac-
7 cepted shall be credited to the Iraq Security Forces
8 Fund.

9 (2) LIMITATION.—The Secretary may not ac-
10 cept a contribution under this subsection if the ac-
11 ceptance of the contribution would compromise or
12 appear to compromise the integrity of any program
13 of the Department of Defense.

14 (3) USE.—Amounts accepted under this sub-
15 section shall be available for assistance authorized
16 by subsection (b), including transfer under sub-
17 section (d) for that purpose.

18 (4) NOTIFICATION.—The Secretary shall notify
19 the congressional defense committees in writing
20 upon the acceptance, and upon the transfer under
21 subsection (d), of any contribution under this sub-
22 section. Such notice shall specify the source and
23 amount of any amount so accepted and the use of
24 any amount so accepted.

1 (g) QUARTERLY REPORTS.—Not later than 30 days
2 after the end of each fiscal-year quarter, the Secretary of
3 Defense shall submit to the congressional defense commit-
4 tees a report summarizing the details of any obligation
5 or transfer of funds from the Iraq Security Forces Fund
6 during such fiscal-year quarter.

7 (h) DURATION OF AUTHORITY.—Amounts authorized
8 to be appropriated or contributed to the Fund during fis-
9 cal year 2008 are available for obligation or transfer from
10 the Iraq Security Forces Fund in accordance with this sec-
11 tion until September 30, 2009.

12 **SEC. 1512. AFGHANISTAN SECURITY FORCES FUND.**

13 (a) AUTHORIZATION OF APPROPRIATIONS.—Funds
14 are hereby authorized to be appropriated for fiscal year
15 2008 for the Afghanistan Security Forces Fund in the
16 amount of \$2,700,000,000.

17 (b) USE OF FUNDS.—

18 (1) IN GENERAL.—Funds authorized to be ap-
19 propriated by subsection (a) shall be available to the
20 Secretary of Defense for the purpose of allowing the
21 Commander, Office of Security Cooperation–Afghan-
22 istan, to provide assistance to the security forces of
23 Afghanistan.

24 (2) TYPES OF ASSISTANCE AUTHORIZED.—As-
25 sistance provided under this section may include the

1 provision of equipment, supplies, services, training,
2 facility and infrastructure repair, renovation, con-
3 struction, and funds.

4 (3) SECRETARY OF STATE CONCURRENCE.—As-
5 sistance may be provided under this section only
6 with the concurrence of the Secretary of State.

7 (c) AUTHORITY IN ADDITION TO OTHER AUTHORI-
8 TIES.—The authority to provide assistance under this sec-
9 tion is in addition to any other authority to provide assist-
10 ance to foreign nations.

11 (d) TRANSFER AUTHORITY.—

12 (1) TRANSFERS AUTHORIZED.—Subject to
13 paragraph (2), amounts authorized to be appro-
14 priated by subsection (a) may be transferred from
15 the Afghanistan Security Forces Fund to any of the
16 following accounts and funds of the Department of
17 Defense to accomplish the purposes provided in sub-
18 section (b):

19 (A) Military personnel accounts.

20 (B) Operation and maintenance accounts.

21 (C) Procurement accounts.

22 (D) Research, development, test, and eval-
23 uation accounts.

24 (E) Defense working capital funds.

1 (F) Overseas Humanitarian, Disaster, and
2 Civic Aid.

3 (2) ADDITIONAL AUTHORITY.—The transfer au-
4 thority provided by paragraph (1) is in addition to
5 any other transfer authority available to the Depart-
6 ment of Defense.

7 (3) TRANSFERS BACK TO FUND.—Upon a de-
8 termination that all or part of the funds transferred
9 from the Afghanistan Security Forces Fund under
10 paragraph (1) are not necessary for the purpose for
11 which transferred, such funds may be transferred
12 back to the Afghanistan Security Forces Fund.

13 (4) EFFECT ON AUTHORIZATION AMOUNTS.—A
14 transfer of an amount to an account under the au-
15 thority in paragraph (1) shall be deemed to increase
16 the amount authorized for such account by an
17 amount equal to the amount transferred.

18 (e) PRIOR NOTICE TO CONGRESS OF OBLIGATION OR
19 TRANSFER.—Funds may not be obligated from the Af-
20 ghanistan Security Forces Fund, or transferred under
21 subsection (d)(1), until five days after the date on which
22 the Secretary of Defense notifies the congressional defense
23 committees in writing of the details of the proposed obliga-
24 tion or transfer.

25 (f) CONTRIBUTIONS.—

1 (1) AUTHORITY TO ACCEPT CONTRIBUTIONS.—
2 Subject to paragraph (2), the Secretary of Defense
3 may accept contributions of amounts to the Afghani-
4 stan Security Forces Fund for the purposes provided
5 in subsection (b) from any person, foreign govern-
6 ment, or international organization. Any amounts so
7 accepted shall be credited to the Afghanistan Secu-
8 rity Forces Fund.

9 (2) LIMITATION.—The Secretary may not ac-
10 cept a contribution under this subsection if the ac-
11 ceptance of the contribution would compromise or
12 appear to compromise the integrity of any program
13 of the Department of Defense.

14 (3) USE.—Amounts accepted under this sub-
15 section shall be available for assistance authorized
16 by subsection (b), including transfer under sub-
17 section (d) for that purpose.

18 (4) NOTIFICATION.—The Secretary shall notify
19 the congressional defense committees in writing
20 upon the acceptance, and upon the transfer under
21 subsection (d), of any contribution under this sub-
22 section. Such notice shall specify the source and
23 amount of any amount so accepted and the use of
24 any amount so accepted.

1 (g) QUARTERLY REPORTS.—Not later than 30 days
2 after the end of each fiscal-year quarter, the Secretary of
3 Defense shall submit to the congressional defense commit-
4 tees a report summarizing the details of any obligation
5 or transfer of funds from the Afghanistan Security Forces
6 Fund during such fiscal-year quarter.

7 (h) DURATION OF AUTHORITY.—Amounts authorized
8 to be appropriated or contributed to the Fund during fis-
9 cal year 2008 are available for obligation or transfer from
10 the Afghanistan Security Forces Fund in accordance with
11 this section until September 30, 2009.

12 **SEC. 1513. IRAQ FREEDOM FUND.**

13 (a) IN GENERAL.—Funds are hereby authorized to
14 be appropriated for fiscal year 2008 for the Iraq Freedom
15 Fund in the amount of \$107,500,000.

16 (b) TRANSFER.—

17 (1) TRANSFER AUTHORIZED.—Subject to para-
18 graph (2), amounts authorized to be appropriated by
19 subsection (a) may be transferred from the Iraq
20 Freedom Fund to any accounts as follows:

21 (A) Operation and maintenance accounts
22 of the Armed Forces.

23 (B) Military personnel accounts.

24 (C) Research, development, test, and eval-
25 uation accounts of the Department of Defense.

1 (D) Procurement accounts of the Depart-
2 ment of Defense.

3 (E) Accounts providing funding for classi-
4 fied programs.

5 (F) The operating expenses account of the
6 Coast Guard.

7 (2) NOTICE TO CONGRESS.—A transfer may not
8 be made under the authority in paragraph (1) until
9 five days after the date on which the Secretary of
10 Defense notifies the congressional defense commit-
11 tees in writing of the transfer.

12 (3) TREATMENT OF TRANSFERRED FUNDS.—
13 Amounts transferred to an account under the au-
14 thority in paragraph (1) shall be merged with
15 amounts in such account and shall be made available
16 for the same purposes, and subject to the same con-
17 ditions and limitations, as amounts in such account.

18 (4) EFFECT ON AUTHORIZATION AMOUNTS.—A
19 transfer of an amount to an account under the au-
20 thority in paragraph (1) shall be deemed to increase
21 the amount authorized for such account by an
22 amount equal to the amount transferred.

23 **SEC. 1514. DEFENSE WORKING CAPITAL FUNDS.**

24 Funds are hereby authorized to be appropriated for
25 fiscal year 2008 for the use of the Armed Forces and other

1 activities and agencies of the Department of Defense for
2 providing capital for the Defense Working Capital Funds
3 in the amount of \$1,676,275,000.

4 **SEC. 1515. NATIONAL DEFENSE SEALIFT FUND.**

5 Funds are hereby authorized to be appropriated for
6 fiscal year 2008 for the National Defense Sealift Fund
7 in the amount of \$5,100,000.

8 **SEC. 1516. DEFENSE INSPECTOR GENERAL.**

9 Funds are hereby authorized to be appropriated for
10 fiscal year 2008 for the Department of Defense for ex-
11 penses, not otherwise provided for, for the Office of In-
12 spector General of the Department of Defense in the
13 amount of \$4,394,000, for Operation and Maintenance.

14 **Subtitle B—General Provisions**
15 **Relating to Authorizations**

16 **SEC. 1521. PURPOSE.**

17 The purpose of this title is to authorize additional
18 appropriations for the Department of Defense for fiscal
19 year 2008 for the incremental costs of Operation Iraqi
20 Freedom and Operation Enduring Freedom.

21 **SEC. 1522. TREATMENT AS ADDITIONAL AUTHORIZATIONS.**

22 The amounts authorized to be appropriated by this
23 title are in addition to amounts otherwise authorized to
24 be appropriated by this Act.

1 **SEC. 1523. SPECIAL TRANSFER AUTHORITY.**

2 (a) **AUTHORITY TO TRANSFER AUTHORIZATIONS.—**

3 (1) **AUTHORITY.**—Upon determination by the
4 Secretary of Defense that such action is necessary in
5 the national interest, the Secretary may transfer
6 amounts of authorizations made available to the De-
7 partment of Defense in this title for fiscal year 2008
8 between any such authorizations for that fiscal year
9 (or any subdivisions thereof). Amounts of authoriza-
10 tions so transferred shall be merged with and be
11 available for the same purposes as the authorization
12 to which transferred.

13 (2) **LIMITATION.**—The total amount of author-
14 izations that the Secretary may transfer under the
15 authority of this section may not exceed
16 \$3,500,000,000.

17 (b) **TERMS AND CONDITIONS.**—Transfers under this
18 section shall be subject to the same terms and conditions
19 as transfers under section 1001.

20 (c) **ADDITIONAL AUTHORITY.**—The transfer author-
21 ity provided by this section is in addition to the transfer
22 authority provided under section 1001.

1 **Subtitle C—Other Matters**

2 **SEC. 1531. LIMITATION ON AVAILABILITY OF FUNDS FOR**
3 **CERTAIN PURPOSES RELATING TO IRAQ.**

4 No funds appropriated pursuant to an authorization
5 of appropriations in this Act may be obligated or expended
6 for a purpose as follows:

7 (1) To establish any military installation or
8 base for the purpose of providing for the permanent
9 stationing of United States Armed Forces in Iraq.

10 (2) To exercise United States control of the oil
11 resources of Iraq.

12 **SEC. 1532. REIMBURSEMENT OF CERTAIN COALITION NA-**
13 **TIONS FOR SUPPORT PROVIDED TO UNITED**
14 **STATES MILITARY OPERATIONS.**

15 (a) **AUTHORITY.**—From funds made available for the
16 Department of Defense by section 1506 for operation and
17 maintenance, Defense-wide activities, the Secretary of De-
18 fense may reimburse any key cooperating nation for
19 logistical and military support provided by that nation to
20 or in connection with United States military operations
21 in Operation Iraqi Freedom or Operation Enduring Free-
22 dom.

23 (b) **AMOUNTS OF REIMBURSEMENT.**—

24 (1) **IN GENERAL.**—Reimbursement authorized
25 by subsection (a) may be made in such amounts as

1 the Secretary of Defense, with the concurrence of
2 the Secretary of State and in consultation with the
3 Director of the Office of Management and Budget,
4 may determine, based on documentation determined
5 by the Secretary of Defense to adequately account
6 for the support provided.

7 (2) STANDARDS.—Not later than 30 days after
8 the date of the enactment of this Act, the Secretary
9 of Defense shall prescribe standards for determining
10 the kinds of logistical and military support to the
11 United States that shall be considered reimbursable
12 under the authority in subsection (a). Such stand-
13 ards may not take effect until 15 days after the date
14 on which the Secretary submits to the congressional
15 defense committees a report setting forth such
16 standards.

17 (c) LIMITATIONS.—

18 (1) LIMITATION ON AMOUNT.—The total
19 amount of reimbursements made under the authority
20 in subsection (a) during fiscal year 2008 may not
21 exceed \$1,200,000,000.

22 (2) PROHIBITION ON CONTRACTUAL OBLIGA-
23 TIONS TO MAKE PAYMENTS.—The Secretary of De-
24 fense may not enter into any contractual obligation

1 to make a reimbursement under the authority in
2 subsection (a).

3 (d) NOTICE TO CONGRESS.—The Secretary of De-
4 fense shall—

5 (1) notify the congressional defense committees
6 not less than 15 days before making any reimburse-
7 ment under the authority in subsection (a); and

8 (2) submit to the congressional defense commit-
9 tees on a quarterly basis a report on any reimburse-
10 ments made under the authority in subsection (a)
11 during such quarter.

12 **SEC. 1533. LOGISTICAL SUPPORT FOR COALITION FORCES**
13 **SUPPORTING OPERATIONS IN IRAQ AND AF-**
14 **GHANISTAN.**

15 (a) AVAILABILITY OF FUNDS FOR LOGISTICAL SUP-
16 PORT.—Subject to the provisions of this section, amounts
17 available to the Department of Defense for fiscal year
18 2008 for operation and maintenance may be used to pro-
19 vide supplies, services, transportation (including airlift
20 and sealift), and other logistical support to coalition forces
21 supporting United States military and stabilization oper-
22 ations in Iraq and Afghanistan.

23 (b) REQUIRED DETERMINATION.—The Secretary
24 may provide logistical support under the authority in sub-

1 section (a) only if the Secretary determines that the coali-
2 tion forces to be provided the logistical support—

3 (1) are essential to the success of a United
4 States military or stabilization operation; and

5 (2) would not be able to participate in such op-
6 eration without the provision of the logistical sup-
7 port.

8 (c) COORDINATION WITH EXPORT CONTROL
9 LAWS.—Logistical support may be provided under the au-
10 thority in subsection (a) only in accordance with applicable
11 provisions of the Arms Export Control Act and other ex-
12 port control laws of the United States.

13 (d) LIMITATION ON VALUE.—The total amount of
14 logistical support provided under the authority in sub-
15 section (a) in fiscal year 2008 may not exceed
16 \$400,000,000.

17 (e) QUARTERLY REPORTS.—

18 (1) REPORTS REQUIRED.—Not later than 15
19 days after the end of each fiscal-year quarter of fis-
20 cal year 2008, the Secretary shall submit to the con-
21 gressional defense committees a report on the provi-
22 sion of logistical support under the authority in sub-
23 section (a) during such fiscal-year quarter.

1 (2) ELEMENTS.—Each report under paragraph
2 (1) shall include, for the fiscal-year quarter covered
3 by such report, the following:

4 (A) Each nation provided logistical support
5 under the authority in subsection (a).

6 (B) For each such nation, a description of
7 the type and value of logistical support so pro-
8 vided.

9 **SEC. 1534. COMPETITION FOR PROCUREMENT OF SMALL**
10 **ARMS SUPPLIED TO IRAQ AND AFGHANISTAN.**

11 (a) COMPETITION REQUIREMENT.—For the procure-
12 ment of pistols and other weapons described in subsection
13 (b), the Secretary of Defense shall ensure, consistent with
14 the provisions of section 2304 of title 10, United States
15 Code, that—

16 (1) full and open competition is obtained to the
17 maximum extent practicable;

18 (2) no responsible United States manufacturer
19 is excluded from competing for such procurements;
20 and

21 (3) products manufactured in the United States
22 are not excluded from the competition.

23 (b) PROCUREMENTS COVERED.—This section applies
24 to the procurement of the following:

1 (1) Pistols and other weapons less than 0.50
2 caliber for assistance to the Army of Iraq, the Iraqi
3 Police Forces, and other Iraqi security organiza-
4 tions.

5 (2) Pistols and other weapons less than 0.50
6 caliber for assistance to the Army of Afghanistan,
7 the Afghani Police Forces, and other Afghani secu-
8 rity organizations.

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1ST Session

S. 1548

A BILL

To authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, to prescribe military personnel strengths for such fiscal year, and for other purposes.

JUNE 29, 2007

Reported with amendments