

# Union Calendar No. 334

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

# H. R. 4425

[Report No. 106-614]

Making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2000

Mr. HOBSON, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole on the State of the Union and ordered to be printed

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## A BILL

Making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the following sums are appropriated, out of any  
4       money in the Treasury not otherwise appropriated for  
5       military construction, family housing, and base realign-

1 ment and closure functions administered by the Depart-  
2 ment of Defense, for the fiscal year ending September 30,  
3 2001, and for other purposes, namely:

4                   MILITARY CONSTRUCTION, ARMY

5       For acquisition, construction, installation, and equip-  
6 ment of temporary or permanent public works, military  
7 installations, facilities, and real property for the Army as  
8 currently authorized by law, including personnel in the  
9 Army Corps of Engineers and other personal services nec-  
10 essary for the purposes of this appropriation, and for con-  
11 struction and operation of facilities in support of the func-  
12 tions of the Commander in Chief, \$869,950,000, to re-  
13 main available until September 30, 2005: *Provided*, That  
14 of this amount, not to exceed \$99,961,000 shall be avail-  
15 able for study, planning, design, architect and engineer  
16 services, and host nation support, as authorized by law,  
17 unless the Secretary of Defense determines that additional  
18 obligations are necessary for such purposes and notifies  
19 the Committees on Appropriations of both Houses of Con-  
20 gress of his determination and the reasons therefor.

21                   MILITARY CONSTRUCTION, NAVY

22       For acquisition, construction, installation, and equip-  
23 ment of temporary or permanent public works, naval in-  
24 stallations, facilities, and real property for the Navy as  
25 currently authorized by law, including personnel in the

1 Naval Facilities Engineering Command and other per-  
2 sonal services necessary for the purposes of this appropria-  
3 tion, \$891,380,000, to remain available until September  
4 30, 2005: *Provided*, That of this amount, not to exceed  
5 \$67,502,000 shall be available for study, planning, design,  
6 architect and engineer services, as authorized by law, un-  
7 less the Secretary of Defense determines that additional  
8 obligations are necessary for such purposes and notifies  
9 the Committees on Appropriations of both Houses of Con-  
10 gress of his determination and the reasons therefor.

11           MILITARY CONSTRUCTION, AIR FORCE

12       For acquisition, construction, installation, and equip-  
13 ment of temporary or permanent public works, military  
14 installations, facilities, and real property for the Air Force  
15 as currently authorized by law, \$703,903,000, to remain  
16 available until September 30, 2005: *Provided*, That of this  
17 amount, not to exceed \$56,949,000 shall be available for  
18 study, planning, design, architect and engineer services,  
19 as authorized by law, unless the Secretary of Defense de-  
20 termines that additional obligations are necessary for such  
21 purposes and notifies the Committees on Appropriations  
22 of both Houses of Congress of his determination and the  
23 reasons therefor.

## 1           MILITARY CONSTRUCTION, DEFENSE-WIDE

2                   (INCLUDING TRANSFER OF FUNDS)

3           For acquisition, construction, installation, and equip-  
4 ment of temporary or permanent public works, installa-  
5 tions, facilities, and real property for activities and agen-  
6 cies of the Department of Defense (other than the military  
7 departments), as currently authorized by law,  
8 \$800,314,000, to remain available until September 30,  
9 2005: *Provided*, That such amounts of this appropriation  
10 as may be determined by the Secretary of Defense may  
11 be transferred to such appropriations of the Department  
12 of Defense available for military construction or family  
13 housing as he may designate, to be merged with and to  
14 be available for the same purposes, and for the same time  
15 period, as the appropriation or fund to which transferred:  
16 *Provided further*, That of the amount appropriated, not  
17 to exceed \$77,505,000 shall be available for study, plan-  
18 ning, design, architect and engineer services, as authorized  
19 by law, unless the Secretary of Defense determines that  
20 additional obligations are necessary for such purposes and  
21 notifies the Committees on Appropriations of both Houses  
22 of Congress of his determination and the reasons therefor.

## 23           MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

24           For construction, acquisition, expansion, rehabilita-  
25 tion, and conversion of facilities for the training and ad-

1 ministration of the Army National Guard, and contribu-  
2 tions therefor, as authorized by chapter 1803 of title 10,  
3 United States Code, and Military Construction Authoriza-  
4 tion Acts, \$137,603,000, to remain available until Sep-  
5 tember 30, 2005.

6       MILITARY CONSTRUCTION, AIR NATIONAL GUARD

7       For construction, acquisition, expansion, rehabilita-  
8 tion, and conversion of facilities for the training and ad-  
9 ministration of the Air National Guard, and contributions  
10 therefor, as authorized by chapter 1803 of title 10, United  
11 States Code, and Military Construction Authorization  
12 Acts, \$110,585,000, to remain available until September  
13 30, 2005.

14       MILITARY CONSTRUCTION, ARMY RESERVE

15       For construction, acquisition, expansion, rehabilita-  
16 tion, and conversion of facilities for the training and ad-  
17 ministration of the Army Reserve as authorized by chapter  
18 1803 of title 10, United States Code, and Military Con-  
19 struction Authorization Acts, \$115,854,000, to remain  
20 available until September 30, 2005.

21       MILITARY CONSTRUCTION, NAVAL RESERVE

22                               (INCLUDING RESCISSIONS)

23       For construction, acquisition, expansion, rehabilita-  
24 tion, and conversion of facilities for the training and ad-  
25 ministration of the reserve components of the Navy and

1 Marine Corps as authorized by chapter 1803 of title 10,  
2 United States Code, and Military Construction Authoriza-  
3 tion Acts, \$53,004,000, to remain available until Sep-  
4 tember 30, 2005: *Provided further*, That the funds appro-  
5 priated for “Military Construction, Naval Reserve” under  
6 Public Law 105–45, \$2,400,000 is hereby rescinded.

7       MILITARY CONSTRUCTION, AIR FORCE RESERVE

8       For construction, acquisition, expansion, rehabilita-  
9 tion, and conversion of facilities for the training and ad-  
10 ministration of the Air Force Reserve as authorized by  
11 chapter 1803 of title 10, United States Code, and Military  
12 Construction Authorization Acts, \$43,748,000, to remain  
13 available until September 30, 2005.

14               NORTH ATLANTIC TREATY ORGANIZATION

15                       SECURITY INVESTMENT PROGRAM

16       For the United States share of the cost of the North  
17 Atlantic Treaty Organization Security Investment Pro-  
18 gram for the acquisition and construction of military fa-  
19 cilities and installations (including international military  
20 headquarters) and for related expenses for the collective  
21 defense of the North Atlantic Treaty Area as authorized  
22 in Military Construction Authorization Acts and section  
23 2806 of title 10, United States Code, \$177,500,000, to  
24 remain available until expended.

## 1 FAMILY HOUSING, ARMY

2 For expenses of family housing for the Army for con-  
3 struction, including acquisition, replacement, addition, ex-  
4 pansion, extension and alteration and for operation and  
5 maintenance, including debt payment, leasing, minor con-  
6 struction, principal and interest charges, and insurance  
7 premiums, as authorized by law, as follows: for Construc-  
8 tion, \$198,505,000, to remain available until September  
9 30, 2005; for Operation and Maintenance, and for debt  
10 payment, \$953,744,000; in all \$1,152,249,000.

## 11 FAMILY HOUSING, NAVY AND MARINE CORPS

12 For expenses of family housing for the Navy and Ma-  
13 rine Corps for construction, including acquisition, replace-  
14 ment, addition, expansion, extension and alteration and  
15 for operation and maintenance, including debt payment,  
16 leasing, minor construction, principal and interest  
17 charges, and insurance premiums, as authorized by law,  
18 as follows: for Construction, \$419,584,000, to remain  
19 available until September 30, 2005; for Operation and  
20 Maintenance, and for debt payment, \$879,208,000; in all  
21 \$1,298,792,000.

## 22 FAMILY HOUSING, AIR FORCE

23 For expenses of family housing for the Air Force for  
24 construction, including acquisition, replacement, addition,  
25 expansion, extension and alteration and for operation and

1 maintenance, including debt payment, leasing, minor con-  
2 struction, principal and interest charges, and insurance  
3 premiums, as authorized by law, as follows: for Construc-  
4 tion, \$241,384,000, to remain available until September  
5 30, 2005; for Operation and Maintenance, and for debt  
6 payment, \$820,879,000; in all \$1,062,263,000.

7           FAMILY HOUSING, DEFENSE-WIDE

8           For expenses of family housing for the activities and  
9 agencies of the Department of Defense (other than the  
10 military departments) for construction, including acquisi-  
11 tion, replacement, addition, expansion, extension and al-  
12 teration, and for operation and maintenance, leasing, and  
13 minor construction, as authorized by law, for Operation  
14 and Maintenance, \$44,886,000.

15           BASE REALIGNMENT AND CLOSURE ACCOUNT

16           For deposit into the Department of Defense Base  
17 Closure Account 1990 established by section 2906(a)(1)  
18 of the Department of Defense Authorization Act, 1991  
19 (Public Law 101–510), \$1,174,369,000, to remain avail-  
20 able until expended: *Provided*, That not more than  
21 \$865,318,000 of the funds appropriated herein shall be  
22 available solely for environmental restoration, unless the  
23 Secretary of Defense determines that additional obliga-  
24 tions are necessary for such purposes and notifies the



1 Committees on Appropriations of both Houses of Congress  
2 of his determination and the reasons therefor.

3                                   GENERAL PROVISIONS

4           SEC. 101. None of the funds appropriated in Military  
5 Construction Appropriations Acts shall be expended for  
6 payments under a cost-plus-a-fixed-fee contract for con-  
7 struction, where cost estimates exceed \$25,000, to be per-  
8 formed within the United States, except Alaska, without  
9 the specific approval in writing of the Secretary of Defense  
10 setting forth the reasons therefor.

11          SEC. 102. Funds appropriated to the Department of  
12 Defense for construction shall be available for hire of pas-  
13 senger motor vehicles.

14          SEC. 103. Funds appropriated to the Department of  
15 Defense for construction may be used for advances to the  
16 Federal Highway Administration, Department of Trans-  
17 portation, for the construction of access roads as author-  
18 ized by section 210 of title 23, United States Code, when  
19 projects authorized therein are certified as important to  
20 the national defense by the Secretary of Defense.

21          SEC. 104. None of the funds appropriated in this Act  
22 may be used to begin construction of new bases inside the  
23 continental United States for which specific appropria-  
24 tions have not been made.

1        SEC. 105. No part of the funds provided in Military  
2 Construction Appropriations Acts shall be used for pur-  
3 chase of land or land easements in excess of 100 percent  
4 of the value as determined by the Army Corps of Engi-  
5 neers or the Naval Facilities Engineering Command, ex-  
6 cept: (1) where there is a determination of value by a Fed-  
7 eral court; (2) purchases negotiated by the Attorney Gen-  
8 eral or his designee; (3) where the estimated value is less  
9 than \$25,000; or (4) as otherwise determined by the Sec-  
10 retary of Defense to be in the public interest.

11        SEC. 106. None of the funds appropriated in Military  
12 Construction Appropriations Acts shall be used to: (1) ac-  
13 quire land; (2) provide for site preparation; or (3) install  
14 utilities for any family housing, except housing for which  
15 funds have been made available in annual Military Con-  
16 struction Appropriations Acts.

17        SEC. 107. None of the funds appropriated in Military  
18 Construction Appropriations Acts for minor construction  
19 may be used to transfer or relocate any activity from one  
20 base or installation to another, without prior notification  
21 to the Committees on Appropriations.

22        SEC. 108. No part of the funds appropriated in Mili-  
23 tary Construction Appropriations Acts may be used for  
24 the procurement of steel for any construction project or  
25 activity for which American steel producers, fabricators,

1 and manufacturers have been denied the opportunity to  
2 compete for such steel procurement.

3 SEC. 109. None of the funds available to the Depart-  
4 ment of Defense for military construction or family hous-  
5 ing during the current fiscal year may be used to pay real  
6 property taxes in any foreign nation.

7 SEC. 110. None of the funds appropriated in Military  
8 Construction Appropriations Acts may be used to initiate  
9 a new installation overseas without prior notification to  
10 the Committees on Appropriations.

11 SEC. 111. None of the funds appropriated in Military  
12 Construction Appropriations Acts may be obligated for ar-  
13 chitect and engineer contracts estimated by the Govern-  
14 ment to exceed \$500,000 for projects to be accomplished  
15 in Japan, in any NATO member country, or in countries  
16 bordering the Arabian Gulf, unless such contracts are  
17 awarded to United States firms or United States firms  
18 in joint venture with host nation firms.

19 SEC. 112. None of the funds appropriated in Military  
20 Construction Appropriations Acts for military construc-  
21 tion in the United States territories and possessions in the  
22 Pacific and on Kwajalein Atoll, or in countries bordering  
23 the Arabian Gulf, may be used to award any contract esti-  
24 mated by the Government to exceed \$1,000,000 to a for-  
25 eign contractor: *Provided*, That this section shall not be

1 applicable to contract awards for which the lowest respon-  
 2 sive and responsible bid of a United States contractor ex-  
 3 ceeds the lowest responsive and responsible bid of a for-  
 4 eign contractor by greater than 20 percent: *Provided fur-*  
 5 *ther*, That this section shall not apply to contract awards  
 6 for military construction on Kwajalein Atoll for which the  
 7 lowest responsive and responsible bid is submitted by a  
 8 Marshallese contractor.

9       SEC. 113. The Secretary of Defense is to inform the  
 10 appropriate committees of Congress, including the Com-  
 11 mittees on Appropriations, of the plans and scope of any  
 12 proposed military exercise involving United States per-  
 13 sonnel 30 days prior to its occurring, if amounts expended  
 14 for construction, either temporary or permanent, are an-  
 15 ticipated to exceed \$100,000.

16       SEC. 114. Not more than 20 percent of the appro-  
 17 priations in Military Construction Appropriations Acts  
 18 which are limited for obligation during the current fiscal  
 19 year shall be obligated during the last 2 months of the  
 20 fiscal year.

21                                   (TRANSFER OF FUNDS)

22       SEC. 115. Funds appropriated to the Department of  
 23 Defense for construction in prior years shall be available  
 24 for construction authorized for each such military depart-  
 25 ment by the authorizations enacted into law during the  
 26 current session of Congress.

1           SEC. 116. For military construction or family housing  
2 projects that are being completed with funds otherwise ex-  
3 pired or lapsed for obligation, expired or lapsed funds may  
4 be used to pay the cost of associated supervision, inspec-  
5 tion, overhead, engineering and design on those projects  
6 and on subsequent claims, if any.

7           SEC. 117. Notwithstanding any other provision of  
8 law, any funds appropriated to a military department or  
9 defense agency for the construction of military projects  
10 may be obligated for a military construction project or  
11 contract, or for any portion of such a project or contract,  
12 at any time before the end of the fourth fiscal year after  
13 the fiscal year for which funds for such project were ap-  
14 propriated if the funds obligated for such project: (1) are  
15 obligated from funds available for military construction  
16 projects; and (2) do not exceed the amount appropriated  
17 for such project, plus any amount by which the cost of  
18 such project is increased pursuant to law.

19                           (TRANSFER OF FUNDS)

20           SEC. 118. During the 5-year period after appropria-  
21 tions available to the Department of Defense for military  
22 construction and family housing operation and mainte-  
23 nance and construction have expired for obligation, upon  
24 a determination that such appropriations will not be nec-  
25 essary for the liquidation of obligations or for making au-  
26 thorized adjustments to such appropriations for obliga-

1 tions incurred during the period of availability of such ap-  
2 propriations, unobligated balances of such appropriations  
3 may be transferred into the appropriation “Foreign Cur-  
4 rency Fluctuations, Construction, Defense” to be merged  
5 with and to be available for the same time period and for  
6 the same purposes as the appropriation to which trans-  
7 ferred.

8       SEC. 119. The Secretary of Defense is to provide the  
9 Committees on Appropriations of the Senate and the  
10 House of Representatives with an annual report by Feb-  
11 ruary 15, containing details of the specific actions pro-  
12 posed to be taken by the Department of Defense during  
13 the current fiscal year to encourage other member nations  
14 of the North Atlantic Treaty Organization, Japan, Korea,  
15 and United States allies bordering the Arabian Gulf to as-  
16 sume a greater share of the common defense burden of  
17 such nations and the United States.

18                                   (TRANSFER OF FUNDS)

19       SEC. 120. During the current fiscal year, in addition  
20 to any other transfer authority available to the Depart-  
21 ment of Defense, proceeds deposited to the Department  
22 of Defense Base Closure Account established by section  
23 207(a)(1) of the Defense Authorization Amendments and  
24 Base Closure and Realignment Act (Public Law 100–526)  
25 pursuant to section 207(a)(2)(C) of such Act, may be  
26 transferred to the account established by section

1 2906(a)(1) of the Department of Defense Authorization  
2 Act, 1991, to be merged with, and to be available for the  
3 same purposes and the same time period as that account.

4 SEC. 121. No funds appropriated pursuant to this  
5 Act may be expended by an entity unless the entity agrees  
6 that in expending the assistance the entity will comply  
7 with sections 2 through 4 of the Act of March 3, 1933  
8 (41 U.S.C. 10a–10c, popularly known as the “Buy Amer-  
9 ican Act”).

10 SEC. 122. (a) In the case of any equipment or prod-  
11 ucts that may be authorized to be purchased with financial  
12 assistance provided under this Act, it is the sense of the  
13 Congress that entities receiving such assistance should, in  
14 expending the assistance, purchase only American-made  
15 equipment and products.

16 (b) In providing financial assistance under this Act,  
17 the Secretary of the Treasury shall provide to each recipi-  
18 ent of the assistance a notice describing the statement  
19 made in subsection (a) by the Congress.

20 (TRANSFER OF FUNDS)

21 SEC. 123. Subject to 30 days prior notification to the  
22 Committees on Appropriations, such additional amounts  
23 as may be determined by the Secretary of Defense may  
24 be transferred to the Department of Defense Family  
25 Housing Improvement Fund from amounts appropriated  
26 for construction in “Family Housing” accounts, to be

1 merged with and to be available for the same purposes  
2 and for the same period of time as amounts appropriated  
3 directly to the Fund: *Provided*, That appropriations made  
4 available to the Fund shall be available to cover the costs,  
5 as defined in section 502(5) of the Congressional Budget  
6 Act of 1974, of direct loans or loan guarantees issued by  
7 the Department of Defense pursuant to the provisions of  
8 subchapter IV of chapter 169, title 10, United States  
9 Code, pertaining to alternative means of acquiring and im-  
10 proving military family housing and supporting facilities.

11       SEC. 124. None of the funds appropriated or made  
12 available by this Act may be obligated for Partnership for  
13 Peace Programs in the New Independent States of the  
14 former Soviet Union.

15       SEC. 125. (a) Not later than 60 days before issuing  
16 any solicitation for a contract with the private sector for  
17 military family housing the Secretary of the military de-  
18 partment concerned shall submit to the congressional de-  
19 fense committees the notice described in subsection (b).

20       (b)(1) A notice referred to in subsection (a) is a no-  
21 tice of any guarantee (including the making of mortgage  
22 or rental payments) proposed to be made by the Secretary  
23 to the private party under the contract involved in the  
24 event of—



1 (A) the closure or realignment of the installa-  
2 tion for which housing is provided under the con-  
3 tract;

4 (B) a reduction in force of units stationed at  
5 such installation; or

6 (C) the extended deployment overseas of units  
7 stationed at such installation.

8 (2) Each notice under this subsection shall specify  
9 the nature of the guarantee involved and assess the extent  
10 and likelihood, if any, of the liability of the Federal Gov-  
11 ernment with respect to the guarantee.

12 (c) In this section, the term “congressional defense  
13 committees” means the following:

14 (1) The Committee on Armed Services and the  
15 Military Construction Subcommittee, Committee on  
16 Appropriations of the Senate.

17 (2) The Committee on Armed Services and the  
18 Military Construction Subcommittee, Committee on  
19 Appropriations of the House of Representatives.

20 (TRANSFER OF FUNDS)

21 SEC. 126. During the current fiscal year, in addition  
22 to any other transfer authority available to the Depart-  
23 ment of Defense, amounts may be transferred from the  
24 account established by section 2906(a)(1) of the Depart-  
25 ment of Defense Authorization Act, 1991, to the fund es-  
26 tablished by section 1013(d) of the Demonstration Cities

1 and Metropolitan Development Act of 1966 (42 U.S.C.  
2 3374) to pay for expenses associated with the Home-  
3 owners Assistance Program. Any amounts transferred  
4 shall be merged with and be available for the same pur-  
5 poses and for the same time period as the fund to which  
6 transferred.

7       SEC. 127. Notwithstanding this or any other provi-  
8 sion of law, funds appropriated in Military Construction  
9 Appropriations Acts for operations and maintenance of  
10 family housing shall be the exclusive source of funds for  
11 repair and maintenance of all family housing units, includ-  
12 ing flag and general officer quarters: *Provided*, That not  
13 more than \$25,000 per unit may be spent annually for  
14 the maintenance and repair of any general or flag officer  
15 quarters without 30 days advance prior notification of the  
16 appropriate committees of Congress: *Provided further*,  
17 That the Under Secretary of Defense (Comptroller) is to  
18 report annually to the Committees on Appropriations all  
19 operations and maintenance expenditures for each indi-  
20 vidual flag and general officer quarters for the prior fiscal  
21 year.

22       SEC. 128. The Army, Navy, Marine Corps, and Air  
23 Force are directed to submit to the appropriate commit-  
24 tees of the Congress by July 1, 2001, a Family Housing  
25 Master Plan demonstrating how they plan to meet the

1 year 2010 housing goals with traditional construction, op-  
2 eration and maintenance support, as well as privatization  
3 initiative proposals. Each plan shall include projected life  
4 cycle costs for family housing construction, basic allow-  
5 ance for housing, operation and maintenance, other associ-  
6 ated costs, and a time line for housing completions each  
7 year.

8 (TRANSFER OF FUNDS)

9 SEC. 129. During fiscal year 2001, in addition to any  
10 other transfer authority available to the Department of  
11 Defense, funds appropriated in the Military Construction  
12 Appropriations Act, 2000 (Public Law 106-52; 113 Stat.  
13 259) under the heading "MILITARY CONSTRUCTION,  
14 NAVAL RESERVE" and still unobligated may be trans-  
15 ferred to the account for "MILITARY CONSTRUCTION,  
16 NAVY". Amounts transferred under this section shall be  
17 merged with, and be available for the same period as, the  
18 amounts in the account to which transferred and shall be  
19 available to construct, under the authority of section 2805  
20 of title 10, United States Code, an elevated water storage  
21 tank at the Naval Support Activity Midsouth, Millington,  
22 Tennessee.

23 SEC. 130. Notwithstanding any other provision of  
24 law, the Secretary of the Navy is authorized to use funds  
25 received pursuant to section 2601 of title 10, United  
26 States Code, for the construction, improvement, repair,

1 and maintenance of the historic residences located at Ma-  
2 rine Corps Barracks, 8th and I Streets, Washington, DC:  
3 *Provided*, That the Secretary notifies the appropriate com-  
4 mittees of Congress thirty days in advance of the intended  
5 use of such funds.

6 This Act may be cited as the “Military Construction  
7 Appropriations Act, 2001”.



**Union Calendar No. 334**

106TH CONGRESS  
2D SESSION

**H. R. 4425**

**[Report No. 106-614]**

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**A BILL**

Making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes.

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MAY 11, 2000

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed