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Defense Policy-Bell, Robert

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Legislative Referral Memorandum. [partial] [CIA Act] (1 page)	02/19/1993	P3/b(3)

COLLECTION:

Clinton Presidential Records
National Security Council
Defense Policy and Arms Control (Robert Bell)
OA/Box Number: 44

FOLDER TITLE:

Chron File - April 1993 #1 [2]

2016-0152-F

vz4376

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

April 2, 1993

ACTION

MEMORANDUM FOR WILLIAM H. ITOH

THROUGH: ROBERT G. BELL *RGB*

FROM: RICHARD HOOKER *RH*

SUBJECT: Presidential Letters of Congratulation

John Podesta asked us to prepare letters of congratulations from the President to the officers nominated for promotion, reassignment or retirement in the grade of lieutenant general. These letters are at Tab A. Please note the corrections cited at Tab B.

Concurrence by: *in draft*
Keith Hahn

RECOMMENDATION

That you sign the memo at Tab I forwarding letters of congratulation to John Podesta.

Attachments

Tab I Memo to John Podesta
Tab A Letters of Congratulation
Tab B List of Nominees
Tab II Incoming Correspondence

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

MEMORANDUM FOR JOHN PODESTA

FROM: WILLIAM H. ITOH

SUBJECT: Letter of Congratulation

We have prepared letters of congratulations for officers nominated for promotion, reassignment or retirement in the grade of lieutenant general. Please note that the first six officers listed are not currently assigned to the Joint Staff.

Attachments

Tab A Letters of Congratulation

Tab B List of Nominees

THE WHITE HOUSE

WASHINGTON

Dear General Fairfield:

It is a pleasure to send my personal congratulations to you on the occasion of your nomination for promotion to Lieutenant General. Through long years of arduous service to our great nation, you have served courageously and faithfully in positions of ever-increasing responsibility and importance. The American people are indeed fortunate to be served by senior military leaders of your stature and accomplishments.

Hillary and I wish you every success as you take up your new duties. Good luck, and best wishes for your continued service to the nation.

Sincerely,

Major General John S. Fairfield, USAF
Commander, Air Force Communications
Command
Scott Air Force Base, Illinois 62225-6001

THE WHITE HOUSE

WASHINGTON

Dear General Thompson:

It is a pleasure to send my personal congratulations to you on the occasion of your nomination for promotion to Lieutenant General. Through long years of arduous service to our great nation, you have served courageously and faithfully in positions of ever-increasing responsibility and importance. The American people are indeed fortunate to be served by senior military leaders of your stature and accomplishments.

Hillary and I wish you every success as you take up your new duties. Good luck, and best wishes for your continued service to the nation.

Sincerely,

Major General Dale W. Thompson, Jr., USAF
Commander
Air Logistics Center
Hill Air Force Base, Utah 84056

THE WHITE HOUSE

WASHINGTON

Dear General Miller:

It is a pleasure to send my personal congratulations to you on the occasion of your nomination for promotion to Lieutenant General. Through long years of arduous service to our great nation, you have served courageously and faithfully in positions of ever-increasing responsibility and importance. The American people are indeed fortunate to be served by senior military leaders of your stature and accomplishments.

Hillary and I wish you every success as you take up your new duties. Good luck, and best wishes for your continued service to the nation.

Sincerely,

Major General John E. Miller, USA
Commanding General
101st Airborne Division (Air Assault)
and Fort Campbell
Fort Campbell, Kentucky 42223

THE WHITE HOUSE

WASHINGTON

Dear General Rhame:

It is a pleasure to send my personal congratulations to you on the occasion of your nomination for promotion to Lieutenant General. Through long years of arduous service to our great nation, you have served courageously and faithfully in positions of ever-increasing responsibility and importance. The American people are indeed fortunate to be served by senior military leaders of your stature and accomplishments.

Hillary and I wish you every success as you take up your new duties. Good luck, and best wishes for your continued service to the nation.

Sincerely,

Major General Thomas G. Rhame, USA
Chief, U.S. Military Training
Mission, Saudi Arabia
U.S. Central Command
Box 1, APO AE 09803

THE WHITE HOUSE

WASHINGTON

Dear General Ord:

It is a pleasure to send my personal congratulations to you on the occasion of your nomination for promotion to Lieutenant General. Through long years of arduous service to our great nation, you have served courageously and faithfully in positions of ever-increasing responsibility and importance. The American people are indeed fortunate to be served by senior military leaders of your stature and accomplishments.

Hillary and I wish you every success as you take up your new duties. Good luck, and best wishes for your continued service to the nation.

Sincerely,

Major General Robert L. Ord III, USA
Commanding General
25th Infantry Division (Light)
Schofield Barracks, Hawaii 96857

THE WHITE HOUSE

WASHINGTON

Dear General Otjen:

It is a pleasure to send my personal congratulations to you on the occasion of your nomination for promotion to Lieutenant General. Through long years of arduous service to our great nation, you have served courageously and faithfully in positions of ever-increasing responsibility and importance. The American people are indeed fortunate to be served by senior military leaders of your stature and accomplishments.

Hillary and I wish you every success as you take up your new duties. Good luck, and best wishes for your continued service to the nation.

Sincerely,

Major General John P. Otjen, USA
Deputy The Inspector General
for Investigations, Training and
Automation
Office of the Secretary of the Army
Washington, D.C. 20310-5000

THE WHITE HOUSE

WASHINGTON

Dear General Sheehan:

It is a pleasure to send my personal congratulations to you on the occasion of your nomination for promotion to Lieutenant General. Through long years of arduous service to our great nation, you have served courageously and faithfully in positions of ever-increasing responsibility and importance. The American people are indeed fortunate to be served by senior military leaders of your stature and accomplishments.

Hillary and I wish you every success as you take up your new duties. Good luck, and best wishes for your continued service to the nation.

Sincerely,

Major General John J. Sheehan, USMC
Director for Plans, Policy and
Joint Affairs
U.S. Atlantic Command
Norfolk, Virginia 23511-5100

THE WHITE HOUSE

WASHINGTON

Dear General Ryan:

It is a pleasure to send my personal congratulations to you on the occasion of your nomination for promotion to Lieutenant General. Through long years of arduous service to our great nation, you have served courageously and faithfully in positions of ever-increasing responsibility and importance. The American people are indeed fortunate to be served by senior military leaders of your stature and accomplishments.

Hillary and I wish you every success as you take up your new duties. Good luck, and best wishes for your continued service to the nation.

Sincerely,

Major General Michael E. Ryan, USAF
Vice Director for Strategic Plans
and Policy (J5)
The Joint Staff
Washington, D.C. 20318-0300

THE WHITE HOUSE

WASHINGTON

Dear General McCaffrey:

I would like to extend my warm congratulations to you on your nomination as the next Director of Strategy, Plans and Policy for the Joint Staff. Throughout your long career, you have served the nation with great courage and distinction in peace and war. I know you will add to your record of achievement and accomplishment as you take up this new challenge.

I also want to thank you for setting the record straight with the media with regard to the incident at the White House. I appreciate your continuing support very much.

Hillary and I wish you every success!

Sincerely,

Lieutenant General Barry R. McCaffrey
Assistant to the Chairman,
The Joint Chiefs of Staff
Washington, D.C. 20317-5000

THE WHITE HOUSE

WASHINGTON

Dear General RisCassi:

As you near the end of a long and distinguished career, I want to extend my personal thanks and warm congratulations to you for many years of faithful and distinguished service. For more than three decades, you have set a standard for achievement and accomplishment in peace and war. As Commander-in-Chief of U.S. and U.N. forces in Korea, your leadership and experience made great contributions to stability and peace in the Far East.

Hillary and I wish you every success and happiness as your remarkable military career draws to a close. Good luck, and God bless you!

Sincerely,

General Robert W. RisCassi, USA
Commander-in-Chief
United Nations Command and
U.S. Forces Korea
APO AP 96205

THE WHITE HOUSE

WASHINGTON

Dear General Brandtner:

As your long and distinguished career comes to a close, I want to extend my personal thanks and warm congratulations to you for many years of faithful and distinguished service. For more than three decades, you have set a standard for achievement and accomplishment in peace and war. The American people are indeed fortunate to have been served by an officer of your unique talents and abilities.

Hillary and I wish you every success and happiness as you complete your remarkable military career.

Sincerely,

Lieutenant General Martin L. Brandtner, USMC
Director for Operations (J3)
The Joint Staff
Washington, D.C. 20318-5000

THE WHITE HOUSE
WASHINGTON

Dear General Leland:

As your long and distinguished career comes to a close, I want to extend my personal thanks and warm congratulations to you for many years of faithful and distinguished service. For more than three decades, you have set a standard for achievement and accomplishment in peace and war. The American people are indeed fortunate to have been served by an officer of your unique talents and abilities.

Hillary and I wish you every success and happiness as you complete your remarkable military career.

Sincerely,

Lieutenant General Edwin S. Leland, Jr., USA
Director for Strategy, Plans and Policy (J5)
The Joint Staff
Washington, D.C. 20318-5000

Senior Military Nominations forwarded by DOD

- ♦ ^{General} Major John Fairfield, USAF, from the Joint Staff to the grade of Lieutenant General and assignment as Vice Commander Pacific Air Forces;
- ♦ Major General Dale Thompson, USAF, from the Joint Staff to the grade of Lieutenant General and assignment as Vice Commander, Air Force Material Command;
- ♦ Major General John Miller, USA, from the Joint Staff to the grade of Lieutenant General and assignment as Commander, U.S. Army Combined Arms Command;
- ♦ Major General Thomas Rhame, USA, from the Joint Staff to the grade of Lieutenant General and assignment as Director of the Defense Security Assistance Agency;
- ♦ Major General Robert Ord, USA, from the Joint Staff to the grade of Lieutenant General and assignment as Commanding General, U.S. Army Pacific;
- ♦ Major General John Otjen, USA, from the Joint Staff to the grade of Lieutenant General and assignment as Commanding General, First United States Army;
- ♦ Major General Michael Ryan, USAF, to the grade of Lieutenant General and assignment as Assistant to the Chairman, Joint Chiefs of Staff;
- ♦ Major General John Sheehan, U.S. Marine Corps, to the grade of the Lieutenant General and assignment as Director of Operations, Joint Staff;
- ♦ Lieutenant General Barry McCaffrey, USA, to the assignment as Director of Strategy Plans and Policy, Joint Staff;
- ♦ General Robert RisCassi, USA, Commander U.N. Forces, Korea to the retired list, but with a deferral of mandatory retirement until July 31, 1993;
- ♦ Lieutenant General Martin Brandtner, U.S. Marine Corps, to the retired list;
- ♦ Lieutenant General Edwin Leland, USA, to the retired list.

THE WHITE HOUSE

WASHINGTON

March 31, 1993

MEMORANDUM TO THE PRESIDENT

FROM: JOHN PODESTA *JP*
SUBJECT: MILITARY NOMINATIONS

The Defense Department has forwarded for your approval 12 senior military nominations. Most deal with assignments to and reassignments from the staff of the Joint Chiefs.

The list of nominations is attached.

The NSC has cleared these nominations, but I wanted to bring one to your attention. General McCaffrey was found in July, 1992, by the Army Inspector General to have improperly shipped government furniture as household goods. While this infraction was found to have been serious, it was not viewed as disqualifying by the Air Force or Secretary Aspin.

General McCaffrey has been in the news lately as the General who was treated with some disrespect by a "woman at the White House." In the view of George and our staff, the General has gone out of his way to tamp that story down. He has written a letter to the editor of the Wall Street Journal on the subject.

On military nominations we have followed the past Administrations' practices which are that, once you have approved the nomination, DOD informed the officer, a press release was issued from DOD and my office would send nomination papers to the Senate. For these senior officers, I think we might let the nominee know that you have approved their nomination by a letter from you or a phone call from the NSC or military office.

In McCaffrey's case, you may want to give him a call or I can have a letter prepared. Let me know how you want to handle his nomination.

☒ Approve
nomination
list

☐ Reject
nomination
list

☐ Discuss
nomination
list

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

April 2, 1993

ACTION

MEMORANDUM FOR WILLIAM H. ITOH

THROUGH: ROBERT G. BELL *RGB*FROM: RICHARD HOOKER *RH*

SUBJECT: DOD 103-001, Title VII (Sections 701-709)

We have reviewed sections 701-709 of the draft Defense bill (103-001). We recommend you concur with sections 701, 702, 703, 704, 707 and 708. (See section analyses at Tab II) We recommend nonconcurrence with sections 705, 706 and 709.

Section 705 authorizes the Defense Mapping Agency (DMA) to provide certain services, such as government quarters at Ft. Belvoir, to foreign military and civilian exchange students. Government quarters are routinely denied to foreign military exchange students who come to the U.S. under the auspices of the International Military Education and Training (IMET) program. U.S. officers serving in the Washington area are also typically denied government quarters on grounds of nonavailability. As the DMA program does not contribute significantly to military-to-military relationships, there is no strong justification to alter existing legislation concerning the program.

Section 706 deletes the statutory requirement to recoup non-recurring costs (i.e. research and development costs, amortized over time) for government-to-government foreign military sales. This would bring foreign military sales into line with the procedures now in use for commercial military sales, which do not require recoupment.

If approved, section 706 relieves wealthy potential buyers such as Japan or Saudi Arabia from their current obligation to share research and development costs when acquiring advanced US military technology. It also requires repeal of certain provisions of the Arms Export Control Act, which will engender significant congressional opposition, and contribute to perceptions that the Administration is easing controls on sale of arms to the developing world.

Section 709 allows overseas Military Assistance Advisory Groups (MAAGs) to take in cash payments from the governments of Japan, Kuwait and South Korea for use towards defense-related but non-DOD appropriated projects. MAAG operating funds are supplied in whole or in part through the Foreign Military Sales program. If approved, this provision could in effect create self-financing MAAG fund cites in these nations, a violation of section 566 of the Foreign Assistance Act which will face firm resistance from

the Foreign Operations Subcommittee of the House Appropriations Committee.

Concurrence by: Keith Hahn 

RECOMMENDATION

That you sign the review memo at Tab I.

Attachments

Tab I Review Memo to OMB

Tab II Draft Language and Section Analyses

NATIONAL SECURITY COUNCIL

WASHINGTON D.C. 20506

MEMORANDUM FOR RONALD K. PETERSON

FROM: WILLIAM H. ITOH

SUBJECT: DOD 103-001 (Title VII)

The National Security Council staff concurs with sections 701-704, 707 and 708 of the draft Defense bill, but nonconcurs with sections 705, 706 and 709.

Section 705 authorizes military quarters at Ft. Belvoir for foreign military and civilian students training with the Defense Mapping Agency. These services are not routinely provided for foreign students training in the U.S. under the auspices of the International Military Education and Training program, a more high visibility program which fosters close military-to-military relationships with current and future foreign military leaders. Government quarters are also typically not provided to U.S. officers serving in the Washington area due to nonavailability.

Section 706 conflicts with the Arms Export Control Act and will face serious congressional opposition. It also raises questions about easing controls on arms sales to governments in the developing world.

Section 709 is in conflict with the Foreign Assistance Act and will also face serious opposition in the Congress. It permits Military Assistance and Advisory Groups (MAAGs) in Japan, Korea and Kuwait to operate self-financing accounts through cash contributions from host governments. These accounts would not be subject to oversight procedures which normally apply to DOD appropriated funds.

16 **TITLE VII—MATTERS RELATING TO ALLIES AND OTHER NATIONS**
17 **SEC. 701. EXCHANGE OF PERSONNEL BETWEEN DEPARTMENT OF**
18 **DEFENSE AND FOREIGN DEFENSE DEPARTMENTS OR**
19 **MINISTRIES.**

20 (a) **AUTHORIZATION FOR PERSONNEL EXCHANGES.**—Chapter 53 of title 10, United
21 States Code, is amended by inserting after section 1051 the following new
22 section:

23 "§ 1052. Exchange of personnel of the Department of Defense with
24 foreign defense departments or universities

1 "(a) The Secretary of Defense may enter into agreements with the
2 governments of allied and friendly foreign countries for the exchange of military
3 and civilian personnel of the United States Department of Defense and such
4 personnel of the defense departments or ministries of such foreign governments.
5 Pursuant to these agreements, personnel of foreign defense departments or
6 ministries may be assigned to positions in the United States Department of
7 Defense, and personnel of the United States Department of Defense may be
8 assigned to positions in foreign defense departments or ministries. In the case
9 of agreements for the exchange of personnel engaged in research and
10 development activities, such agreements may provide for assignments to
11 positions in private industry which support the foreign defense departments or
12 ministries. The specific positions and the individuals to be assigned must be
13 acceptable to both governments. These agreements shall be based on the
14 principle of reciprocity such that each government will provide personnel of
15 essentially equal qualifications, training, and skill. Salary, per diem, cost of
16 living, travel, cost of language or other training, and other costs (except for cost
17 of temporary duty directed by the host government and costs incident to the
18 use of host government facilities in the performance of assigned duties) shall be
19 paid by each government for its own personnel in accordance with its laws and
20 regulations.

21 "(b) Personnel assigned to the United States and United States personnel
22 assigned to a foreign government under subsection (a) shall not be required to
23 take an oath of allegiance to their host nation and shall hold no official
24 capacity in the host nation.

1 "(c) The foregoing shall not limit the authority of the Secretaries of the
2 military departments to conclude agreements for the exchange of active duty
3 military personnel pursuant to proper legal authority upon the same conditions
4 of reciprocity and cost as specified herein and in conformance with such
5 regulations as the Secretary of Defense may promulgate."; and

6 (b) CLERICAL AMENDMENT.—The table of sections at the beginning of such
7 chapter is amended by inserting after the item relating to section 1051 the
8 following new item:

9 "1052. Exchange of personnel of the Department of Defense with foreign defense departments or
10 universities."

11 **SEC. 702. TRANSFER OF CERTAIN DEFENSE ARTICLES IN THE**
12 **WAR RESERVE ALLIES STOCKPILE TO THE REPUBLIC**
13 **OF KOREA.**

14 Notwithstanding section 514 of the Foreign Assistance Act of 1961 (22 U.S.C.
15 2321h), the Secretary of Defense is authorized to transfer to the Republic of
16 Korea, in return for concessions to be negotiated by the Secretary, all or any
17 part of obsolete or surplus (no longer used by the United States) equipment,
18 tanks, weapons, repair parts, and ammunition in the inventory of the
19 Department of Defense which is intended for use as reserve stocks for the
20 Republic of Korea and is located, or is subject to being located, in a stockpile
21 in the Republic of Korea on the date of enactment of this Act. The concessions
22 (including cash compensation, services, waiver of charges otherwise payable by
23 the United States, and other items of value) to be negotiated by the Secretary
24 shall not be less than the fair market value of the items transferred.

1 **SEC. 703. REPAIR AND BUYBACKS OF DEFENSE ARTICLES**
2 **PREVIOUSLY TRANSFERRED PURSUANT TO THE ARMS**
3 **EXPORT CONTROL ACT.**

4 (a) **AMENDMENT.**—Section 21 of the Arms Export Control Act (22 U.S.C. 2761)
5 is amended by adding at the end the following:

6 “(k) **REPAIR AND BUYBACKS.**—(1) Subject to paragraph (2) of this subsection,
7 the President may acquire from an eligible foreign country or international
8 organization a defense article, previously transferred to such country or
9 organization in accordance with this Act, when such a country or organization
10 proposes to transfer to the stocks of the Department of Defense—

11 “(A) a repairable not constituting an end item for replacement with a
12 repaired or new spare part or component of the same type that is available
13 in the stocks of the Department of Defense; or

14 “(B) a defense article, other than significant military equipment, which is
15 in fully functioning condition without need of repair or rehabilitation.

16 “(2) The authority of the President to acquire a defense article as provided in
17 paragraph (1) of this subsection is not subject to chapter 137 of title 10, United
18 States Code, or any other provision relating to the conclusion of contracts. The
19 following conditions apply to such authority—

20 “(A) the Department of Defense must have a requirement for such defense
21 article or must be acquiring the defense article for another eligible foreign
22 country or international organization pursuant to a Letter of Offer and
23 Acceptance implemented in accordance with this Act;

24 “(B) the Department of Defense must have available sufficient funds either

1 (i) authorized and appropriated for such purpose, or (ii) provided by another
2 eligible purchaser pursuant to a Letter of Offer and Acceptance implemented
3 in accordance with this Act;

4 "(C) the eligible foreign country or international organization receiving a
5 defense article after repair or replacement under subparagraph (1)(A) of this
6 subsection shall, upon return to and acceptance by the United States
7 Government of the repairable defense article, be charged the total cost
8 associated with the repair and replacement transaction;

9 "(D) the cost should be the same as that charged the United States Armed
10 Forces for a similar repair and replacement transaction, plus an
11 administrative surcharge in accordance with subsection (e)(1)(A) of this
12 section; and

13 "(E) upon acquisition and acceptance by the United States Government of
14 a defense article under subparagraph (1)(B) of this subsection, the
15 appropriate Foreign Military Sales account of the provider will be credited to
16 reflect the transaction."

17 (b) REGULATIONS.—Under the direction of the President, the Secretary of
18 Defense shall promulgate regulations to implement the provisions of this
19 section.

20 **SEC. 704. TRANSFER OF DEFENSE ARTICLES, EQUIPMENT, AND**
21 **SERVICES WITH REGARD TO POW/MIA ACTIVITIES.**

22 Section 575A of the Foreign Operations, Export Financing, and Related
23 Programs Appropriations Act, 1993 (Public Law 102-391; 106 Stat. 1633, 1684)
24 is amended—

1 (1) in subsection (a), by inserting "and in fiscal years 1994 and 1995" after
2 "fiscal year 1993"; and

3 (2) in subsection (b), by inserting ", Republic of Vietnam," after
4 "Cambodia".

5 **SEC. 705. AUTHORIZATION FOR TRAINING FOREIGN STUDENTS AT**
6 **DEFENSE MAPPING AGENCY.**

7 (a) Section 2795 of title 10, United States Code, is amended—

8 (1) by redesignating the existing matter as subsection (a); and

9 (2) by adding at the end the following new subsections:

10 "(b) Notwithstanding any other provision of law, the Secretary of Defense
11 may authorize the Defense Mapping Agency to provide training and training-
12 related support to a foreign country or international organization so long as
13 said support is declared to be in support of national security interests of the
14 United States or establishing and maintaining international mapping, charting
15 and geodesy standards which are consistent with the standards followed by the
16 Defense Mapping Agency.

17 "(c) Where such support results in training personnel of a foreign country,
18 such support shall be limited to tuition, room, board, military medical care,
19 United States Informational Program activities, retainable instruction materials,
20 and privileges consistent with the equivalent military rank or grade of the
21 personnel involved. In no case shall transportation, salary or incidental living
22 expenses be authorized."

23 **SEC. 706. RESTORATION OF EQUAL TREATMENT OF FOREIGN**

24 **MILITARY SALES AND DIRECT COMMERCIAL SALES IN**

NONRECURRING COST RECOUPMENT.

(a) ELIMINATION OF THE REQUIREMENT FOR RECOUPMENT OF NONRECURRING COST CHARGES.—Section 21(e) of the Arms Export Control Act (22 U.S.C. 2761(e)) is amended—

(1) by repealing subparagraph (1)(B);

(2) by adding at the end of subparagraph (1)(A) "and";

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

(4) by repealing paragraph (2); and

(5) by redesignating paragraph (3) as paragraph (2).

(b) EFFECTIVE DATE.—The provisions of subsection (a) of this section shall be effective for letters of offer for the sale of defense articles or for the sale of defense services issued pursuant to the Arms Export Control Act upon enactment of this Act.

SEC. 707. REPORT REQUIREMENT REPEALED.

Section 1002(d)(2)(A) of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 98 Stat. 2575), relating to a report on the status and cost of the United States commitment to NATO, is repealed.

SEC. 708. DEPOT MAINTENANCE SALES TO NATO.

Section 2350d of title 10, United States Code, pertaining to cooperative logistics support agreements with NATO countries, is amended—

(1) in subsection (e) by inserting "or a depot maintenance contract (except as provided in subsection (f))" after "Weapon System Partnership Agreement";

(2) by redesignating subsection (f) as subsection (g); and

(3) by inserting after subsection (e) the following new subsection:

1 “(f) DEPOT MAINTENANCE CONTRACTS.—Notwithstanding the requirements for full
 2 cost reimbursement in section 21 of the Arms Export Control Act (22 U.S.C.
 3 2761), the Secretary of Defense may enter into foreign military sales, on a fixed
 4 price or cost reimbursement basis, with NATO subsidiary bodies, including the
 5 NATO Maintenance and Supply Organization, to provide for
 6 performance of depot maintenance by activities of the Department of Defense.”.

7 SEC. 709. BURDEN SHARING CONTRIBUTIONS BY JAPAN, KUWAIT,
 8 AND THE REPUBLIC OF KOREA; PERMANENT
 9 AUTHORITY

10 (a) In General.—Subchapter II of chapter 138 of title 10, United States Code,
 11 is amended by adding at the end the following new section:

12 ^{2350j}
 12 “§ 2450j. Burden sharing contributions

13 “(a) AUTHORITY TO ACCEPT CONTRIBUTIONS.—Notwithstanding section 1306 of title
 14 31, United States Code, or any other similar provision of law, the Secretary of
 15 Defense may accept cash contributions from Japan, Kuwait, and the Republic of
 16 Korea for the purposes specified in subsection (c).

17 “(b) CREDITS.—Contributions accepted under subsection (a) shall be credited to
 18 appropriations, the Foreign Military Sales Trust Fund, and other funds of the
 19 United States. The contributions so credited shall be merged with the
 20 appropriations and funds to which they are credited.

21 “(c) AVAILABILITY OF CONTRIBUTIONS.—Contributions accepted under subsection
 22 (a) shall be available only for payment of the following costs:

- 23 (1) Compensation for local national employees.
 24 (2) Military construction projects.

(3) Supplies, services, and incidental personnel costs.

"(d) AUTHORIZATION OF MILITARY CONSTRUCTION.—Contributions credited under subsection (b) to an appropriation account of the Department of Defense may be used—

"(1) by the Secretary of Defense to carry out a military construction project that is consistent with the purposes for which the contribution was made and is not otherwise authorized by law; or

"(2) by the Secretary of a military department, with the approval of the Secretary of Defense, to carry out such a project.

"(e) NOTICE AND WAIT REQUIREMENTS.—(1) When a decision is made to carry out a military construction project under subsection (d), the Secretary of Defense shall submit a report to the congressional defense committees containing—

"(A) an explanation of the need for the project;

"(B) the then current estimate of the cost of the project; and

"(C) a justification for carrying out the project under that subsection.

"(2) The Secretary of Defense or the Secretary of a military department may not commence a military construction project under subsection (d) until the end of the 21 day period beginning on the date on which the Secretary of Defense submits the report under paragraph (1) regarding the project."

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter II of such chapter 138 is amended by adding at the end the following new item:

"2350j. Burden sharing contributions."

TITLE VII-MATTERS RELATING TO ALLIES AND OTHER NATIONS

Section 701. Exchange of Personnel Between Department of Defense and Foreign Defense Departments or Ministries.

Section 701 provides for the exchange of military and civilian personnel between the U.S. Department of Defense and the defense departments or ministries of allied and friendly nations. Specifically, section 701 provides the Department of Defense with the needed policy guidance for the implementation of a more detailed DoD Directive on the program. Section 701 provides a specific statutory framework for the establishment and conduct of these programs, and would clarify the framework so the Secretary of Defense may enter into these agreements. Section 701 clarifies the statutory framework for the establishment and conduct of exchange programs with allied and friendly governments.

Section 702. Transfer of Certain Defense Articles in the War Reserve Allies Stockpile to the Republic of Korea.

Section 702 authorizes the Secretary of Defense to transfer certain stockpiled weapons, tanks, and equipment located in the Republic of Korea to the government of the Republic of Korea in exchange for concessions at least equal to the fair market value of those weapons, tanks, and equipment. Section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), prohibits the transfer of war reserves stockpiled in a foreign country for future use by that country unless specifically authorized by legislation.

Section 703. Repair and Buybacks of Defense Articles Previously Transferred Pursuant to the Arms Export Control Act.

Section 703 amends section 2761 of the Arms Control Act (22 U.S.C. 2761) by adding the new paragraph (k), "Repairs and Buybacks". Paragraph (k) authorizes the President to acquire unserviceable, but repairable, defense articles from foreign governments or international organizations that are eligible to

purchase defense articles under the Arms Export Control Act. In exchange for the unserviceable article, the foreign entity would receive a similar article from the Department of Defense stocks. Paragraph (k) also authorizes the President to buy back items previously sold to a foreign government pursuant to the Foreign Military Sales program.

Section 704. Transfer of Defense Articles, Equipment, and Services with Regard to POW/MIA Activities.

The proposed legislation would amend the drawdown authority to include Vietnam as a country authorized to receive defense articles and services for the purpose of supporting our POW/MIA humanitarian efforts in those countries. The current legislation provides authority only for Cambodia and Laos. In addition, the current authority expires at the end of fiscal year 1993. The proposed amendment would extend this authority for fiscal years 1994 and 1995. The aggregate value of the drawdown authority for each year would remain at \$15 million per year, the same as for fiscal year 1993.

This amendment is critical to successful completion of our mission in Southeast Asia in order to obtain a fullest accounting of Vietnam War-era POW/MIAs. The Joint Task Force Full Accounting is making successful inroads with joint recovery and search efforts, which are projected through fiscal year 1995. Because of existing restrictions regarding Vietnam, our personnel have no legal authority to provide defense-related equipment and services to the Vietnamese required in order to successfully accomplish this high priority mission. Additionally, because DOD's mission is projected to last into the next fiscal year, and possibly into fiscal year 1995, authority for all three countries beyond fiscal year 1993 is essential.

Section 705. Authorization for Training Foreign Students at Defense Mapping Agency.

Section 705 amends chapter 167 of title 10, United States Code, to allow the Defense Mapping Agency to expend appropriated funds in support of training programs for foreign students in the Defense Mapping School. It is intended to make it clear that the Defense Mapping School may expend appropriated funds in support of tuition and living expenses on behalf of foreign coproduction partner students. This is a mutually beneficial situation which results in the Defense Mapping Agency mapping and charting standards becoming more widely accepted in the world mapping community.

DMA invites foreign nationals involved in mapping and charting in their own countries to attend the Defense mapping School to learn the procedures, standards and specifications used by DMA in its mapping and charting. These services are provided under authority of section 2795 of title 10 which states:

"The Secretary of Defense may authorize the Defense mapping Agency to exchange or furnish mapping, charting, and geodetic data, supplies and services to a foreign country or organization pursuant to an agreement for the production or exchange of such data." (emphasis added)

The training provided is considered to be one of the "services" available to our international co-production partners. While the students receive their salary and transportation expenses from their home country, they are placed in the military environment of Fort Belvoir to attend the Defense Mapping School. There they receive on-base housing, access to dining facilities and routine medical and dental care on a space available basis.

There is some uncertainty as to whether the expenditure of appropriated funds to house, feed and provide medical care in military facilities to these students is proper. Legislation would clarify that this is a proper use of appropriated funds.

Under the Security Assistance Training Program, the United States Informational Program provides the opportunity for foreign students to become familiar with the United States, its social, cultural, and political institutions, its people and their way of life. This section would institute a comparable opportunity for the foreign Defense mapping school students and may have some minor impact on the JSAT Informational Program. No judicial, Executive or administrative provisions would be overturned or affected by this change.

Section 706. Restoration of Equal Treatment of Foreign Military Sales and Direct Commercial Sales in Nonrecurring Cost Recoupment.

This section repeals the requirement in section 21(e) of the Arms Export Control Act (22 U.S.C. 2761(e)) to charge on government-to-government foreign military sales (FMS) a prorata recoupment for nonrecurring Department of Defense costs on sales of major defense equipment (MDE) in order to bring FMS in line with sales of MDE on a direct commercial basis.

The provisions being repealed represent the only statutory requirement to recoup nonrecurring costs on defense sales. In 1992, the Administration eliminated almost all non-statutory (i.e., policy) requirements to recoup nonrecurring costs on defense sales, including direct commercial sales (DCS) of MDE used for non-military purposes. Subsequently the Deputy Secretary of Defense eliminated the recoupment requirement on DoD contracts existing prior to October 7, 1992. This section completes the elimination of nonrecurring cost recoupment requirements and restores a consistent nonrecurring recoupment policy for FMS and DCS

Section 707. Report Requirement Repealed.

Section 705 repeals section 1002(d)(2)(A) of the Department of Defense Authorization Act, 1985. Section 1002(d)(2)(A) necessitated that the Department of Defense make a detailed written report to Congress by April 1 of each year of the status and cost of the United States forces for NATO as reflected in the Defense Planning Questionnaire Response, and in the defense budget request.

Section 708. Depot Maintenance in Nato Contracts.

Section 708 amends section 2350d of title 10 by adding a new subsection (f). Subsection (f) would authorize the Secretary of Defense to enter into contracts, on a fixed price or cost reimbursement basis to provide depot maintenance. Depot maintenance contracts would be made with NATO Maintenance and Supply Organizations or with NATO subsidiary bodies.

Section 709. Burdensharing Contributions by Japan, Kuwait, and the Republic of Korea; permanent authority.

Section 709 clarifies the authority of the Secretary of Defense to apply cash contributions from foreign governments not only to activities funded solely with DOD appropriations, but to those defense-related activities in the host countries which are funded, in whole or in part, by other than DOD appropriations. It makes the authority permanent and also eliminates the reporting requirement. It is noted that temporary authority has been authorized in the past few years for annual periods through the various departmental appropriations bills. The permanent authority of the current legislation would not preempt the Congress from reinserting a nullifying provision in subsequent foreign assistance appropriations or other bills such as section 566 of Public Law 102-391.

Under current law, cash contributions may only be credited to DOD appropriations. This limitation fails to take into account those activities whose operating expenses are partially funded by other means, such as security assistance offices in Korea or Japan which are funded with FMS trust funds. The proposed change is needed to clearly permit application of cash contributions to offset the expenses of operating these defense-related activities in these countries.

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Legislative Referral Memorandum. [partial] [CIA Act] (1 page)	02/19/1993	P3/b(3)

COLLECTION:

Clinton Presidential Records
National Security Council
Defense Policy and Arms Control (Robert Bell)
OA/Box Number: 44

FOLDER TITLE:

Chron File - April 1993 #1 [2]

2016-0152-F
vz4376

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

3120

SPECIAL

**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503**

February 19, 1993

LEGISLATIVE REFERRAL MEMORANDUM

**LRM #D-34
DRAFT #12**

TO: Legislative Liaison Officer -

ACDA - Barbara Starr - (202)647-8478 - 234 [001]
CIA - (b)(3)
GSA - Gerald L. Grant - (202)501-0563 - 237
JUSTICE - Faith Burton - (202)514-2141 - 217
NSC - William H. Itoh - (202)456-6534 - 249
STATE - Matt Winslow - (202)647-4463 - 225
TRANSPORTATION - Tom Herlihy - (202)366-4687 - 226
TREASURY - Richard S. Carro - (202)622-1146 - 228
COMMERCE - Michael A. Levitt - (202)482-3086 - 324
OPM - James N. Woodruff - (202)606-1424 - 331

FROM: RONALD K. PETERSON (for) *Ronald K. Peterson*
Assistant Director for Legislative Reference

OMB CONTACT: MIKE GOAD (395-7301)
Secretary's line (for simple responses): 395-6194

**SUBJECT: DEFENSE Draft Bill Department of Defense
Legislative Program for the First Session of
the 103d Congress (DOD 103-001)**

DEADLINE: MONDAY, March 15, 1993

COMMENTS: The Department of Defense proposed draft bill (DOD 103-001) is an omnibus bill consisting of more than 80 sections that would authorize various activities. Only title VII, as well as the transmittal letter and applicable sectional analyses, is attached.

OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

Please advise us if this item will affect direct spending or receipts for purposes of the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

CC:

R. Dotson
✓T. Stanners
J. Schuhart
T. Westby

B. Sasser
K. MacIntyre
B. Thierwechter
C. Vallina

draft

**DRAFT
FOR
OMB A-19
REVIEW**

Honorable Thomas S. Foley
Speaker of the House of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

Enclosed is a legislative proposal of the Department of Defense, "To authorize certain military activities of the Department of Defense, and for other purposes."

This proposal is part of the Department of Defense Legislative Program for the 103d Congress. The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this proposal for the consideration of Congress.

Purpose of the Proposal

The proposed legislation would provide needed authorities and revisions to existing authorities to better manage the Department of Defense. The specific purposes of the bill are explained in the enclosed sectional analysis.

Cost and Budget Data

Enactment of this proposal will cause no overall increases in the budgetary requirements of the Department of Defense. Savings made from the enactment of some proposals will offset the minimal costs of others. Specific costs are set forth in the sectional analysis.

Sincerely,

Enclosures:
Draft bill
Sectional Analysis

A BILL

To authorize certain military activities of the Department of Defense, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Department of Defense Legislative Program
5 for the First Session of the 103d Congress".

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

April 3, 1993

ACTION

MEMORANDUM FOR WILLIAM H. ITOH

THROUGH: ROBERT G. BELL *RB*

FROM: RICHARD HOOKER *RH*

SUBJECT: Draft Department of Defense Authorization Bill for
1993

We have reviewed the draft Defense Authorization bill and recommend that you approve it for clearance. The provisions attached to the bill are routine adjustments which reconcile certain inconsistencies between authorization and appropriations language, or improve the administrative efficiency or flexibility of certain Department programs.

Concurrence by: Keith Hahn *KH*

RECOMMENDATION

That you sign the memo at Tab I concurring with the draft bill.

Attachments

Tab I Memo of Concurrence

Tab II Draft Language

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

MEMORANDUM FOR RONALD K. PETERSON

FROM: WILLIAM H. ITOH

SUBJECT: Draft 1994 Defense Authorization Bill

The National Security Council staff concurs with the draft 1994 Defense Authorization Act as written.

A BILL

To authorize appropriations for fiscal year 1994 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1994, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That this Act may be cited as the "Department of Defense Authorization Act, 1994".

TITLE I-PROCUREMENT

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1994 for procurement for the Army as follows:

(1) For aircraft, \$_____.

(2) For missiles, \$_____.

(3) For weapons and tracked combat vehicles,
\$_____.

(4) For ammunition, \$_____.

(5) For other procurement, \$_____.

SEC. 102. NAVY AND MARINE CORPS.

Funds are hereby authorized to be appropriated for fiscal year 1994 for procurement for the Navy as follows:

(1) For aircraft, \$_____.

(2) For weapons, including missiles and torpedoes,
\$_____.

1 (3) For shipbuilding and conversion, \$_____.

2 (4) For other procurement, \$_____.

3 Funds are hereby authorized to be appropriated for fiscal
4 year 1994 for procurement for the Marine Corps in the amount
5 of \$_____.

6 **SEC. 103. AIR FORCE.**

7 Funds are hereby authorized to be appropriated for fiscal
8 year 1994 for procurement for the Air Force as follows:

9 (1) For aircraft, \$_____.

10 (2) For missiles, \$_____.

11 (3) For other procurement, \$_____.

12 **SEC. 104. DEFENSE-WIDE PROCUREMENT.**

13 Funds are hereby authorized to be appropriated for fiscal
14 year 1994 for defense-wide procurement in the amount of
15 \$_____.

16 **SEC. 105. DEFENSE INSPECTOR GENERAL.**

17 Funds are hereby authorized to be appropriated for fiscal
18 year 1994 for procurement for the Defense Inspector General in
19 the amount of \$_____.

20 **SEC. 106. DEFENSE HEALTH PROGRAM.**

21 Funds are hereby authorized to be appropriated for fiscal
22 year 1994 for procurement for the Defense Health Program in
23 the amount of \$_____.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

(a) Funds are hereby authorized to be appropriated for fiscal year 1994 for the destruction of lethal chemical weapons in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 747) in the amount of \$_____.

(b) The second sentence of section 1412 of the National Defense Authorization Act for Fiscal Year 1986 (Public Law 99-145; 99 Stat. 748) is repealed.

SEC. 108. REPEAL OF REQUIREMENT FOR SEPARATE BUDGET REQUEST FOR PROCUREMENT OF RESERVE EQUIPMENT.

Section 114(e) of title 10, United States Code, is repealed.

SEC. 109. MAKING CERTAIN AUTHORITY PROVIDED THE SECRETARY OF DEFENSE IN CONNECTION WITH THE NATO AIRBORNE WARNING AND CONTROL SYSTEM PERMANENT.

Section 2350a of title 10, United States Code, is amended by repealing subsection (d).

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

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1994 for the use of the Armed Forces for research, development, test, and evaluation, as follows:

(1) For the Army, \$_____.

(2) For the Navy, \$_____.

(3) For the Air Force, \$_____.

(4) For Defense-wide research, development, test, and evaluation, \$_____, of which--

(A) \$_____ is authorized for the activities of the Director, Test and Evaluation;

(B) \$_____ is authorized for the Director of Operational Test and Evaluation; and

(C) \$_____ is authorized for Chemical Agents and Munitions, Defense.

TITLE III-OPERATION AND MAINTENANCE

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1994 for the use of the Armed Forces of the United States 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, \$_____.

(2) For the Navy, \$_____.

(3) For the Marine Corps, \$_____.

(4) For the Air Force, \$_____.

(5) For Defense-wide operation and maintenance,

1 \$_____.

2 (6) For Medical Programs, Defense, \$_____.

3 (7) For the Army Reserve, \$_____.

4 (8) For the Naval Reserve, \$_____.

5 (9) For the Marine Corps Reserve, \$_____.

6 (10) For the Air Force Reserve, \$_____.

7 (11) For the Army National Guard, \$_____.

8 (12) For the Air National Guard, \$_____.

9 (13) For the National Board for the Promotion of Rifle
10 Practice, \$_____.

11 (14) For the Defense Inspector General, \$_____.

12 (15) For Drug Interdiction and Counter-drug Activities,
13 Defense-wide, \$_____.

14 (16) For the Court of Military Appeals, \$_____.

15 (17) For Environmental Restoration Defense-wide,

16 \$_____.

17 (15) For Defense-wide Global Cooperative Initiatives,
18 including humanitarian assistance covered by section 2551 of
19 title 10, United States Code, \$_____.

20 (16) For Chemical Agents and Munitions Destruction,
21 Defense-wide, \$_____.

22 (17) For Former Soviet Union Threat Reduction,

23 \$_____.

24 SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1994 for the use of the Armed Forces of the United States and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Business Operations Fund,

\$ _____.

(2) For the National Defense Sealift Fund,

\$ _____.

SEC. 303. ADDITIONAL ACTIVITIES INCLUDED IN DEFENSE BUSINESS OPERATIONS FUND.

Section 361(b)(3) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1338) is amended by inserting "the Defense Contract Audit Agency, the Defense Contract Management Command," immediately after "the Defense Finance and Accounting Service,".

SEC. 304. NATIONAL SECURITY EDUCATION TRUST FUND OBLIGATIONS.

During fiscal year 1994, \$_____, is authorized to be obligated from the National Security Education Trust Fund established by section 804(a) of the David L. Boren National Security Education Act of 1991 (Public Law 102-183; 105 Stat. 1271).

SEC. 305. AMENDMENT RELATING TO EMERGENCY AND EXTRAORDINARY

1 **EXPENSE AUTHORITY FOR DEFENSE INSPECTOR GENERAL.**

2 Section 127 of title 10, United States Code is amended by--

3 (a) by amending subsection (a)--

4 (1) by amending the first sentence of subsection (a)
5 by inserting ",the Defense Inspector General," immediately
6 after "the Secretary of Defense"; and

7 (2) by amending the second and third sentences of
8 subsection (a) by inserting "or the Defense Inspector

9 General" immediately after "the Secretary concerned"; and

10 (b) by amending subsection (b) by inserting ",by the Defense
11 Inspector General to any person in the Office of the
12 Inspector General," immediately after "the Department of
13 Defense".

14 **SEC. 306. REPEAL OF CEILING ON EMPLOYEES IN HEADQUARTERS AND**
15 **NON-MANAGEMENT HEADQUARTERS AND SUPPORT ACTIVITIES.**

16 Section 194 of title 10, United States Code, is repealed.

17 **SEC. 307. FLEXIBILITY IN ADMINISTERING REQUIREMENT FOR ANNUAL**
18 **4 PERCENT REDUCTION IN NUMBER OF CIVILIAN EMPLOYEES ASSIGNED**
19 **TO HEADQUARTERS AND HEADQUARTERS SUPPORT ACTIVITIES.**

20 (a) Section 906(a) of the National Defense Authorization
21 Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1622)
22 is amended by adding the following sentence at the end
23 thereof: "When the number of such personnel is reduced by
24 more than 4 percent during any fiscal year, the number of

1 personnel reductions in excess of such 4 percent reduction may
2 be counted as part of the 4 percent reduction required under
3 this section in determining the number of personnel reductions
4 required during any subsequent fiscal year."

5 (b) The amendment made to section 906(a) by subsection (a)
6 shall permit the inclusion of excess reductions taken during
7 fiscal years 1991, 1992, or 1993 in determining the number of
8 reductions required to be taken during fiscal years 1994 and
9 1995.

10 SEC. 308. NATIONAL DEFENSE STOCKPILE FUND MANAGEMENT
11 IMPROVEMENTS.

12 (a) During fiscal year 1994 and thereafter, sales of
13 stockpiled material in the National Defense Stockpile
14 Transaction Fund may be made in amounts not to exceed
15 \$500,000,000 in any fiscal year. Receipts from such sales may
16 be transferred to any appropriation available to the
17 Department of Defense to be merged with and to be available
18 for the same purposes and same time period as the
19 appropriation to which transferred.

20 (b) When determined to be necessary by the Secretary of
21 Defense, the Secretary may impose a moratorium on the
22 acquisition of new material for the National Defense Stockpile
23 for the purpose of reducing existing excess material in the
24 Stockpile.

**SEC. 309. CLARIFICATION OF AMENDMENTS TO CINC INITIATIVE FUND
LEGISLATION.**

The amendments made by section 934 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484; 102 Stat. 2477) to the provisions of section 166a of title 10, United States Code (relating to the CINC Initiative Fund) shall be effective for all purposes and shall supersede any conflicting provisions contained in section 9128 of the Department of Defense Appropriations Act, 1993 (Public Law 102-396; 102 Stat. 1935) (containing the text of the provisions of section 908 of S. 3114, 102nd Congress, 2nd Session, as passed by the Senate on September 19, 1993) of the Department of Defense Appropriations Act, 1993 which is hereby repealed.

TITLE IV--PERSONNEL AUTHORIZATIONS FOR FISCAL YEAR 1994

PART A--ACTIVE FORCES

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The armed forces are authorized strengths for active duty personnel as of September 30, 1994, as follows:

- (1) The Army, __, __.
- (2) The Navy, __, __.
- (3) The Marine Corps, __, __.
- (4) The Air Force, __, __.

PART B--RESERVE FORCES

SEC. 402. END STRENGTHS FOR SELECTED RESERVE.

(a) **IN GENERAL.**--The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1994, as follows:

- (1) The Army National Guard of the United States, __, __.
- (2) The Army Reserve, __, __.
- (3) The Naval Reserve, __, __.
- (4) The Marine Corps Reserve, __, __.
- (5) The Air National Guard of the United States, __, __.
- (6) The Air Force Reserve, __, __.
- (7) The Coast Guard Reserve, __, __.

(b) **WAIVER AUTHORITY.**--The Secretary of Defense may vary the end strength authorized by subsection (a) by not more than 2 percent.

(c) **ADJUSTMENTS.**--The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by--

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units

organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

SEC. 403. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Within the end strengths prescribed in section 402(b), the reserve components of the Armed Forces are authorized, as of September 30, 1994, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

- (1) The Army National Guard of the United States, __/____.
- (2) The Army Reserve, __/____.
- (3) The Naval Reserve, __/____.
- (4) The Marine Corps Reserve, __/____.
- (5) The Air National Guard of the United States, __/____.
- (6) The Air Force Reserve, ____.

1 SEC. 404. INCREASE IN NUMBER OF MEMBERS IN CERTAIN GRADES
2 AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

3 (a) SENIOR ENLISTED MEMBERS.

4 Effective on October 1, 1993, the table in section 517(b) of
5 title 10, United States Code, is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E-9.....	—	—	—	—
E-8.....	—	—	—	—

6 (b) OFFICERS.

7 Effective on October 1, 1993, the table in section 524(a) of
8 such title is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	—	—	—	—
Lieutenant Colonel or Commander	—	—	—	—
Colonel or Navy Captain	—	—	—	—

PART C--MILITARY TRAINING STUDENT LOADS

SEC. 403. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) **IN GENERAL.**--For fiscal year 1994, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, __, __.

(2) The Navy, __, __.

(3) The Marine Corps, __, __.

(4) The Air Force, __, __.

(5) The Defense Agencies, __, __.

(b) **ADJUSTMENTS.**--The average military training student loads authorized in subsection (a) shall be adjusted consistent with the end strengths authorized in parts A and B. The Secretary of Defense shall prescribe the manner in which such adjustments shall be apportioned.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503

1921
SPECIAL

March 26, 1993

LEGISLATIVE REFERRAL MEMORANDUM

LRM #D-88
DRAFT #69

TO: Legislative Liaison Officer -

ACDA - Barbara Starr - (202)647-8478 - 234
ENERGY - Bob Rabben - (202)586-6718 - 209
ONDCP - David Rivait - (202)467-9870 - 257
NSC - William H. Itoh - (202)456-6534 - 249
STATE - Matt Winslow - (202)647-4463 - 225
TRANSPORTATION - Tom Herlihy - (202)366-4687 - 226

FROM: RONALD K. PETERSON (for) *Ronald K. Peterson*
Assistant Director for Legislative Reference

OMB CONTACT: MIKE GOAD (395-7301)
Secretary's line (for simple responses): 395-6194

SUBJECT: DEFENSE Draft Bill Department of Defense
Authorization Act, 1994

DEADLINE: 12:00 NOON, THURSDAY, April 1, 1993

COMMENTS: If you do not respond by the deadline, we will assume
that your agency has no comment.

OMB requests the views of your agency on the above subject before
advising on its relationship to the program of the President, in
accordance with OMB Circular A-19.

Please advise us if this item will affect direct spending or
receipts for purposes of the the "Pay-As-You-Go" provisions of
Title XIII of the Omnibus Budget Reconciliation Act of 1990.

CC:
J. Schuhart
B. Thierwechter
K. MacIntyre
C. Vallina
T. Stanners
S. Dotson
J. Donahue

For 17pg

RESPONSE TO LEGISLATIVE REFERRAL MEMORANDUM

If your response to this request for views is simple (e.g., concur/no comment) we prefer that you respond by faxing us this response sheet. If the response is simple and you prefer to call, please call the branch-wide line shown below (NOT the analyst's line) to leave a message with a secretary.

You may also respond by (1) calling the analyst/attorney's direct line (you will be connected to voice mail if the analyst does not answer); (2) sending us a memo or letter; or (3) if you are an OASIS user in the Executive Office of the President, sending an E-mail message. Please include the LRM number shown above, and the subject shown below.

TO: **MIKE GOAD**
 Office of Management and Budget
 Fax Number: (202) 395-5691
 Analyst/Attorney's Direct Number: (202) 395-7301
 Branch-Wide Line (to reach secretary): (202) 395-6194

FROM: _____ (Date)
 _____ (Name)
 _____ (Agency)
 _____ (Telephone)

SUBJECT: **DEFENSE Draft Bill Department of Defense**
 Authorization Act, 1994

The following is the response of our agency to your request for views on the above-captioned subject:

_____ Concur
 _____ No objection
 _____ No comment
 _____ See proposed edits on pages _____
 _____ Other: _____
 _____ FAX RETURN of _____ pages, attached to this
 response sheet

Honorable Thomas S. Foley
Speaker of the House of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

There is forwarded herewith legislation, "To authorize appropriations for fiscal year 1994 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1994, and for other purposes."

This legislative proposal is part of the Department of Defense legislative program for the 103rd Congress and is needed to carry out the President's fiscal year 1994 budget plan. The Office of Management and Budget advises that there is no objection to the presentation of this proposal to the Congress and that its enactment would be in accord with the program of the President.

Title I provides procurement authorization for the Military Departments and for the Defense-wide procurement in amounts equal to the budget authority included in the President's budget for fiscal year 1994. It also includes a provision providing for the repeal of the requirement for a separate budget request for the procurement of Reserve equipment which is contained in section 114(e) of title 10, United States Code. In addition, a provision of this title makes the authority of section 2350e of title 10, to waive certain costs in connection with the NATO AWACS program permanent. That authority currently expires on September 30, 1993.

Title II provides for the authorization of each of the research, development, test, and evaluation appropriations for the Military Departments and for Defense-wide research, development, test, and evaluation in amounts equal to the budget authority included in the President's budget for fiscal year 1994.

Title III provides for authorization of the operation and maintenance appropriations of the Military Departments and for Defense-wide operation and maintenance in amounts equal to the budget authority included in the President's budget for fiscal years 1992 and 1994. Title III also includes appropriations for the purpose of providing capital for working-capital and revolving funds of the Department of Defense in amounts equal to the budget authority included in the President's budget for fiscal year 1994.

In addition to the foregoing, Title III also contains the following provisions. Section 303 provides for additional activities in the Defense Business Operations Fund. Section 304 authorizes obligations to be incurred in the National Security Education Trust Fund. Section 305 amends section 127 of title 10, United States Code, pertaining to emergency and extraordinary expenses, to add provisions covering the Defense Inspector General. Section 306 repeals the ceiling on employees in headquarters and non-management headquarters support activities contained in section 194 of title 10. Section 307 provides for flexibility in computing the number of personnel reductions required under the provisions of section 906(a) of the Fiscal Year 1991 Authorization Act by permitting personnel in excess of the 4 percent annual reduction to be counted in a succeeding fiscal year in reaching the required reduction. Section 308 contains provisions which will enhance the management of the National Defense Stockpile Transaction Fund.

Title IV prescribes the personnel strengths for the active forces and the Selected Reserve of each service in the numbers provided for by the budget authority and appropriations requested for the Department of Defense in the President's budget for fiscal year 1994. This title also prescribes the end strengths for reserve component members on full-time active duty or full-time National Guard duty for the purpose of administering the reserve forces and provides for an increase in the number of certain enlisted and commissioned personnel who may be serving on active duty in support of the reserve components. Finally, title IV provides for the average military training student loads in the numbers provided for this purpose in the President's budget for fiscal year 1994.

Enactment of this legislation is of great importance to the Department of Defense and the Department urges its speedy and favorable consideration.

Sincerely,

Enclosure

Draft bill

UNCLASSIFIED
NSC/RMO PROFILE

RECORD ID: 9302119
RECEIVED: 02 APR 93 08

TO: PETERSON, R

FROM: ITOH

DOC DATE: 03 APR 93
SOURCE REF:

KEYWORDS: DEFENSE POLICY

LEGISLATIVE REFERRAL

PERSONS:

SUBJECT: DOD DRAFT BILL 103-001 SECTION 101

ACTION: ITOH SGD MEMO

DUE DATE: 06 APR 93 STATUS: C

STAFF OFFICER: HOOKER

LOGREF:

FILES: PA

NSCP:

CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION

FOR CONCURRENCE

FOR INFO

BELL
EXECSEC
HOOKER

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSMEM

CLOSED BY: NSMEM

DOC 2 OF 2

UNCLASSIFIED

THE WHITE HOUSE

WASHINGTON

April 3, 1993

MEMORANDUM FOR RONALD K. PETERSON .

FROM: WILLIAM H. ITOH *W.H. Itoh*

SUBJECT: DOD 103-001, Section 101

The National Security Council Staff concurs with section 101 of the draft Defense bill (103-001).

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

April 2, 1993

ACTION

MEMORANDUM FOR WILLIAM H. ITOH

THROUGH: ROBERT G. BELL *RGB*FROM: RICHARD HOOKER *RH*

SUBJECT: Defense Draft Bill DOD 103-003, Section 101

Section 101 requests legislative authorization to donate excess machine tools stored at educational institutions directly to those institutions. These tools were originally stockpiled as equipment reserves in the event of general mobilization, but are now largely obsolete. 4,843 items are stored at 671 schools in 45 states. The original acquisition cost of these items was \$35 million. The average current value of each item is \$7,000.

Current law requires that these items be transported to central locations under control of GSA, stored in government warehouses, evaluated for transfer or sale to federal or other government agencies, or sold commercially. In many cases, these tools are already in use as educational aids at their storage sites. Direct transfer as requested in the proposal will relieve the government of administrative costs for preparation, movement, storage and transfer and will directly benefit educational institutions which now house these items.

Concurrence by: Keith Hahn *KH*RECOMMENDATION

That you sign the memo at Tab I concurring with section 101.

Attachments

Tab I Concurrence Memo

Tab II Draft Language and Section Analysis

SEC. 101. DEFENSE INDUSTRIAL RESERVE ACT AMENDMENT.

Section 4(a) of the Defense Industrial Reserve Act (50 U.S.C. 453) is amended by adding at the end the following new sentence: "The Secretary may direct the transfer of property no longer needed by the Department of Defense, as determined by the Secretary, without reimbursement, to an educational institution or training school in possession of such property under a loan agreement authorized by paragraph (7) of this subsection."

**DEPARTMENT OF DEFENSE LEGISLATIVE PROGRAM
FOR THE FIRST SESSION OF THE 103d CONGRESS**

TITLE I-OPERATION AND MAINTENANCE

Section 101. Defense Industrial Reserve Act Amendment.

Section 101 amends Section (a) (4) of the Defense Industrial Reserve Act (50 U.S.C. 453) by authorizing the Secretary to donate directly to educational institutions or training schools, excess industrial property. Donations would be permitted to those institutions who are currently under a loan agreement authorized by the Defense Industrial Reserve Act (50 U.S.C. 453 (a) (7)).

217
~~6850~~
87-1000

**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503**

February 19, 1993

LEGISLATIVE REFERRAL MEMORANDUM

LRM #D-20
DRAFT #12

TO: Legislative Liaison Officer -

COMMERCE - Michael A. Levitt - (202)482-3086 - 324
EDUCATION - John Kristy - (202)401-2670 - 207
FEMA - Spence W. Perry - (202)646-4105 - 327
GSA - Gerald L. Grant - (202)501-0563 - 237
NSC - William H. Itoh - (202)456-6534 - 249

FROM: RONALD K. PETERSON (for) *Ronald K. Peterson*
Assistant Director for Legislative Reference

OMB CONTACT: MIKE GOAD (395-7301)
Secretary's line (for simple responses): 395-6194

SUBJECT: DEFENSE Draft Bill Department of Defense
Legislative Program for the First Session of
the 103d Congress (DOD 103-001)

DEADLINE: MONDAY, March 15, 1993

COMMENTS: The Department of Defense proposed draft bill (DOD 103-001) is an omnibus bill consisting of more than 80 sections that would authorize various activities. Only section 101 of DOD 103-001, as well as the transmittal letter and applicable sectional analysis, is attached.

OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

Please advise us if this item will affect direct spending or receipts for purposes of the the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

CC:

T. Stanners
K. MacIntyre
B. Thierwechter
J. Kelly

**DRAFT
FOR
OMB A-19
REVIEW**

Honorable Thomas S. Foley
Speaker of the House of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

Enclosed is a legislative proposal of the Department of Defense, "To authorize certain military activities of the Department of Defense, and for other purposes."

This proposal is part of the Department of Defense Legislative Program for the 103d Congress. The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this proposal for the consideration of Congress.

Purpose of the Proposal

The proposed legislation would provide needed authorities and revisions to existing authorities to better manage the Department of Defense. The specific purposes of the bill are explained in the enclosed sectional analysis.

Cost and Budget Data

Enactment of this proposal will cause no overall increases in the budgetary requirements of the Department of Defense. Savings made from the enactment of some proposals will offset the minimal costs of others. Specific costs are set forth in the sectional analysis.

Sincerely,

Enclosures:
Draft bill
Sectional Analysis

A BILL

To authorize certain military activities of the Department of Defense, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Department of Defense Legislative Program
5 for the First Session of the 103d Congress".