Chemical agents and munitions destruction program (sec. 107)

The budget request included $620.7 million for the defense chemical agents and munitions destruction program, to include: $472.2 million for operation and maintenance; $82.2 million for procurement; and $66.3 million for research and development. Additionally, the budget request included $131.6 million for military construction.

The House bill contained a provision (sec. 107) that would authorize $610.7 million for the chemical agents and munitions destruction program.

The Senate amendment contained a provision (sec. 107) that would authorize $614.7 million for the chemical agents and munitions destruction program, including an increase of $4.0 million for research and development to expedite and accelerate the development and fielding of critical advanced sensors that are part of the Army's mobile munitions assessment system.
The Senate recedes with an amendment.

The conferees agree to a provision (sec. 107) that would authorize $600.7 million for the defense chemical agents and munitions destruction program, to include: $72.2 million for procurement; $462.2 million for operation and maintenance; and $66.3 million for research and development. Of the amount authorized for research and development, $4.0 million shall be available to expedite and accelerate the development and fielding of critical advanced sensors that are part of the Army's mobile munitions assessment system.

Conduct of the chemical agents and munitions destruction program

Section 152 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106), directed the Secretary of Defense to conduct an assessment of the chemical stockpile disposal program and to consider measures that could be taken to reduce program costs, while continuing to ensure the maximum protection of the public, the workers, and the environment. Section 152 also required the Secretary to report the results of the assessment to the Congress with the submission of the fiscal year 1998 defense budget request. Consideration of the use of alternative demilitarization technologies (other than incineration) was to be specifically addressed.

The conferees support the Department of Defense (DOD) position and the National Research Council recommendation that the Army proceed with the current baseline incineration program until the evaluation of alternative chemical munitions destruction technologies is concluded. The conferees note the progress made in chemical demilitarization operations at Johnston Atoll and Tooele, Utah, the approval of environmental permits, and the award of the chemical demilitarization facility construction contract at Umatilla, Oregon, and the status of the environmental permitting process for the chemical demilitarization sites at Anniston, Alabama, and Pine Bluff Arsenal, Arkansas.

The conferees support the Department's decision to continue efforts to develop chemical neutralization technologies for destruction of the chemical agents at the bulk-only chemical storage sites. The conferees urge the appropriate and expeditious pursuit of any necessary National Environmental Policy Act (NEPA) analysis of the research and development efforts to support pilot testing of these alternative technologies for use at Aberdeen Proving Ground, Maryland, and Newport Chemical Depot, Indiana.

The conferees also agree with plans by the Department to assess the feasibility of alternative technologies for destruction of lethal chemical agents associated with assembled chemical munitions and would support the demonstration of those alternatives deemed feasible for potential use at the chemical demilitarization sites at Pueblo, Colorado, and Lexington-Blue Grass Army Depot, Kentucky. As required by Section 142 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104-201), the conferees expect the Secretary of Defense to submit a report to the Congress by December 31, 1997, that identifies the status of the assessment, the technologies that appear to be feasible, the plans for further assessment and demonstration of these
technologies, and the potential impact on the cost and schedule for completion of destruction operations at Pueblo and Lexington-Blue Grass.

The conferees understand that a major aspect of the chemical non-stockpile materiel project is the development of a system for disposal of the chemical agent identification kits, which have been classified as chemical weapons/agents for the purpose of the chemical disposal program, rather than hazardous waste. The conferees direct the Secretary of Defense to conduct an assessment of its policy, which includes chemical agent identification kits in the chemical agent demilitarization program, the current plans for disposal, and the potential changes in policy and disposal alternatives that could result in significant reductions in the cost of the non-stockpile program with no reduction in overall program safety. The assessment shall be conducted in coordination with the National Research Council. The results of the assessment and the Secretary's decision should be provided to the congressional defense committees by March 31, 1998.

Chemical stockpile emergency preparedness program (CSEPP)

The conferees note the actions taken by the DOD and the Army to improve management of the chemical weapons demilitarization program and to make the program more responsive to community concerns. The conferees believe that the Army and the DOD must continue to emphasize the involvement of the communities with chemical stockpile storage sites that are part of the program's decision-making process. The conferees also note progress in improving emergency preparedness planning and preparations by both states and local communities near the chemical stockpile storage sites, but believe that continued effort is required.

Section 1076(a) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104 201) directed the Secretary of the Army to submit a report to the Congress that would assess the successful implementation of site specific integrated product and process teams (IPT) as a management tool for the chemical stockpile emergency preparedness program (CSEPP). On July 9, 1997, the Secretary of Defense advised the Congress that the Army and the Federal Emergency Management Agency (FEMA) had reached an agreement on the implementation and establishment of the site-specific IPTs, and advised the Congress of changes in the management of the CSEPP. The conferees understand that under the terms of the agreement between the Army and FEMA, the State and local community governments would be given the flexibility they need to implement the emergency preparedness program. Under the agreement, funding for, and the conduct of on-post emergency preparedness and technical support for on-post and off-post emergency preparedness will remain the responsibility of the Army. FEMA will assume responsibility and accountability for working with State and local governments to enhance the required off-site emergency preparedness capabilities within established resources. The conferees are aware that the Director of FEMA intends to empower the FEMA regional offices with the primary responsibility and accountability for working with the State and local communities, and to restructure FEMA headquarters operations to create a more efficient and cost-effective management structure.

The conferees understand that the Army and FEMA believe that legislative authority is necessary to codify the agreement between the Army and FEMA. The conferees note that FEMA already possesses
considerable authority for off-site emergency preparedness under existing law and that the fiscal year 1998 budget contained no formal proposal to establish a separate defense-related activities program account for FEMA. The conferees direct the Secretary of Defense to submit any proposed legislative changes and the budget for the CSEPP in the fiscal year 1999 DOD budget request. The congressional defense committees will review any proposed legislation and the budget request for CSEPP during consideration of the fiscal year 1999 budget request, as well as progress made in emergency preparedness, the implementation of the site-specific IPT, and the working relationships among Federal, State, and local authorities involved in the CSEPP.

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

Chemical and biological defense program

The budget request included $530.9 million for the chemical and biological defense program ($320.9 million for research, development, test and evaluation activities and $210.0 million for procurement) and $61.0 million for the Defense Advanced Research Projects Agency (DARPA) biological defense program.

The House bill would authorize an increase of $16.6 million for the chemical/biological defense program in the following activities: a $10.8 million increase in PE 62384BP to continue the SAFEGUARD proof-of-concept multi-spectral sensor program; a $1.5 million increase in PE 63384BP for vaccine advanced development; a $858,000 increase in PE 64384BP for vaccine development and a $5.0 million increase in PE 63884BP to support on-going development efforts in detectors, decontamination equipment, and protective equipment for the Chemical-Biological Quick Reaction Force (CBQRF) and its components.

The Senate amendment would authorize an increase of $6.5 million for the chemical-biological defense research and development program for the following activities: $2.0 million for the development of a joint service prototype hybrid integrated sensor array for chemical and biological point detection; $4.5 million to meet unfunded requirements for biological detectors for the Chemical-Biological Incident Response Force (CBIRF); would make $1.5 million available from funds requested for PE 62383E for a study on the use of antibodies as medical defenses against biological agents; and would reduce the budget request for PE 62383E by $6.5 million. Additionally, the amendment would recommend that $16.1 million of fiscal year 1997 funds, identified by the Department of Defense as excess to the program because of the inability to execute the assembly of biological integrated defense systems (BIDS) until the end of fiscal year 1999, be used instead for unfunded research, development and procurement efforts in the chemical-biological defense program, counterproliferation and including counterterrorist efforts to protect...
against the use of weapons of mass destruction.

The conferees agree to authorize an increase of $12.4 million to meet shortfalls in the chemical and biological defense program for research and development of detection capabilities, to include the following: $10.5 million in PE 62384BP, of which $3.0 million shall be available for the SAFEGUARD program; and a $2.0 million increase in PE 61384BP to increase efforts in research and development of chemical/biological detection capabilities. The conferees also agree to a $6.5 million reduction in PE 62383E.

To close gaps and funding shortfalls in medical defenses against biological agents, the conferees direct that $1.5 million in PE 63384BP and $858,000 in PE 64384BP be made available for vaccine development efforts, and that $1.5 million in PE 62383E be made available to study the use of therapeutic human antibodies as medical defenses against biological agents. Additionally, the conferees direct the Secretary of Defense to submit the report required by the Senate report on the National Defense Authorization Act for Fiscal Year 1997 (S. Rept. 104-267) on the utility and possible benefits of this technology, by March 31, 1998.

The conferees have reviewed the Department of Defense March 1997 annual report to Congress on the nuclear, biological, and chemical defense program. The conferees understand that the Department has responded to all recommendations in the General Accounting Office's report NSIAD 96-102 "Chemical and Biological Defense: Emphasis Remains Insufficient to Resolve Continuing Problems." In addressing the recommendations of the GAO, the conferees believe that the Department is now better prepared to address the shortcomings that still exist in the U.S. armed forces' chemical-biological defense posture.

However, funding constraints in the Department's budget request could delay modernization and affect the training and readiness of the force. The conferees understand that the Joint Senior Leaders Course and the Toxic Agent Leader Training Course have been dropped from the Army Chemical School's training course list because of funding constraints. The conferees also understand that the Department lacks a mechanism to provide adequate information on the current status of chemical-biological defense training, equipment, and readiness. The conferees strongly recommend the incorporation of an assessment of chemical-biological defense training and readiness into the unit readiness reporting system and direct the Department of Defense to report to the congressional defense committees on steps that will be taken, in lieu of reinstating the training courses, to ensure that chemical-biological defense specialists maintain their expertise, and how units and senior leaders in the armed forces will maintain their proficiency in chemical-biological matters.

The Secretary of Defense recommended in the Quadrennial Defense Review that the Department increase funding by approximately $1.0 billion over the program plan on counterproliferation, particularly for protective measures against chemical weapons. In response to that recommendation, the conferees expect that increased funding provided in fiscal year 1998 for chemical and biological defenses will be utilized in accordance with requirements identified as shortfalls by the Joint Staff and the Counterproliferation Program Review Committee (CPRC).
Additionally, the conferees expect the fiscal year 1999 budget request, and subsequent budget requests, to reflect the recommendations contained in the QDR for increased funding levels for the chemical-biological defense program.

Despite congressional direction contained in the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103-160) that management and oversight of the chemical and biological warfare defense program and the chemical and biological medical defense be conducted by a single executive agent and program manager, the conferees understand from the Counterproliferation Program Review Committee's May 1997 "Report on Activities and Program for Countering Proliferation and NBC Terrorism" that "* * * beginning in FY98, [the Defense Advanced Research Projects Agency (DARPA) biological warfare defense program] will no longer be incorporated into the CBD [chemical-biological defense] Program management and oversight structure." The conferees direct the Secretary of Defense to ensure that the DARPA biological warfare defense program is coordinated and integrated under the program management and oversight of the Department's chemical-biological defense program.

The conferees understand that the Department's policies on anthrax vaccination of U.S. armed forces and support for other than U.S. armed forces are awaiting final approval, and that these decisions will affect total funding, vaccine production, and storage requirements. The conferees also note the impending award of a prime systems contract to develop new biological defense vaccines, pursue vaccine licensing, and produce stockpile vaccines to meet the Department's requirements.

The conferees understand that the Department of Defense is currently dependent upon a single source of supply for permeable chemical protective garment materials used in the joint service chemical protective suit and related chemical protective garments, and believe that the Department of Defense should consider taking those actions necessary to qualify additional sources of supply for these materials. The conferees direct the Secretary of the Army, as executive agent for the chemical-biological defense program, to report to the congressional defense committees on any plans to qualify additional sources for these materials.

The conferees direct the Secretary of Defense to address the above issues as specific areas of interest in the next annual report to Congress on the NBC defense program.

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Counterterror technical support program

The budget request included $34.8 million for the counterterror technical support program.

The House bill would authorize $41.8 million, a $7.0 million increase for safety devices and facial recognition technology.

The Senate amendment would authorize a $20.0 million increase for
research and development activities on structural response and mitigation, counterterrorist explosive research, demonstration of non-intrusive inspection technologies and facial recognition technology.

The conferees agree to authorize an increase of $3.0 million for the counterterror technical support program for efforts to develop innovative technologies to protect U.S. forces and infrastructure against acts of terrorism. The conferees note that $3.0 million is available for the facial recognition technology program within the defense tactical technology program (PE 62702E).

Collaborative efforts with allies who have demonstrated capabilities to counter terrorist acts, such as Israel and the United Kingdom, should remain a high priority for the United States. The tragic deaths of U.S. forces in Saudi Arabia as a result of terrorist attacks on structures where U.S. armed forces lived and worked highlight the urgent need for the Department of Defense (DOD) to examine options to retrofit existing structures and to develop design guidelines for new and existing structures. The conferees support recent collaborative efforts between the United States, Israel, and the United Kingdom, to strengthen existing structures against terrorist and ballistic missile attacks.

The budget request included $13.0 million in the physical security equipment program (PE 63228D) to test and evaluate commercial equipment for force protection. The conferees believe that fiscal year 1998 funds in this program should be used to evaluate commercially available technology that may provide the DOD with options to retrofit existing structures, which would provide increased protection to U.S. forces against terrorist attacks.

While Congress has supported the funding for a Pulsed Fast Neutron Analysis (PFNA) technology program in prior years, the conferees are concerned about the Department's continued failure to request funds for this activity. Based on issues raised by a recent General Accounting Office report on the PFNA system technology, the conferees agree with the recommendations in the House report (H. Rept. 105-32) that direct the Secretary of Defense and the Secretary of Treasury to conduct an assessment of the operational requirements for a PFNA cargo inspection system, and report to the Congress on the results of that assessment and the other issues raised by the House by December 31, 1997. Should there be a joint recommendation to continue the program, the conferees direct the Department to notify the congressional defense committees of its intention to use fiscal year 1998 funds in this program for that purpose.

Domestic emergency response to threats of terrorist use of weapons of mass destruction

The budget request included $170.2 million for key Department of Defense programs to counter paramilitary and terrorist threats involving weapons of mass destruction. This total included $49.5 million to improve emergency response preparedness and coordination with state and local agencies through First Responder training, interagency exercises and technical assistance.

The House bill would authorize increases of $2.0 million in the
counterterror technical support program (PE 63122D), $5.0 million in the chemical/biological defense program (PE 63884BP), and a total of $12.0 million in the counterproliferation support program (PE 65160D) for improvements in emergency response force equipment and training for response to potential terrorist use of weapons of mass destruction.

The Senate amendment would authorize the budget request. The amendment would also make available, from the verification and control technology activity of the Department of Energy budget for other defense activities, $3.0 million for training and related activities to prepare Federal, State, and local First Responders to work effectively as part of the domestic emergency response program.

The House recedes.

The National Defense Authorization Act for Fiscal Year 1997 (Public Law 104 201) directed the President to take immediate action to enhance the capability of the Federal government to prevent and respond to terrorist incidents involving weapons of mass destruction, and to provide enhanced support to improve the capabilities of state and local emergency response agencies to prevent and respond to such incidents at both the national and local levels. The President's assessment and those actions taken at the interagency level and within the Department of Defense are detailed in the President's January 1997 report to the Congress and in the Department of Defense May 1997 report to Congress, "Domestic Preparedness Program in the Defense against Weapons of Mass Destruction.''

The conferees note the actions taken to date to enhance emergency domestic preparedness and response to terrorist nuclear, biological, or chemical attacks under the Department's counterproliferation support program and the chemical-biological defense program. The conferees support the Department's budget request to continue these efforts in domestic emergency response preparedness through First Responder training and assistance to metropolitan area authorities, improvement of the Department's rapid chemical and biological response capabilities, and the conduct of preparedness exercises in coordination with Federal, state, and local agencies.

Public Law 104 201 requires the Secretary of Defense to establish and maintain at least one chemical-biological domestic terrorism rapid response team. The conferees direct the Secretary of the Army, as executive agent for the domestic emergency response program, to ensure that the plans, programs, and budget of the Chemical-Biological Quick Reaction Force (CBQRF) and its components are reviewed to ensure full coordination and integration of participating DOD assets. The conferees also direct the Assistant to the Secretary of Defense (Nuclear, Chemical, and Biological Defense Program) to ensure that all research, development, and acquisition efforts in support of the CBQRF and its components are fully integrated and coordinated within the Department's chemical and biological defense program.

The conferees note that an interagency training strategy is being developed that would initially focus training under the domestic emergency response preparedness program on professional emergency response organizations in the 27 cities and metropolitan areas identified by the Federal Bureau of Investigation as being at
particularly high risk, and would complete First Responder training for 126 major metropolitan areas and cities within three years. The training program and priorities must be coordinated with State emergency management directors. The conferees agree with the overall need to establish training priorities, but recommend that emphasis also needs to be placed on training the local volunteer emergency First Response organizations that make up the majority of the nation's emergency response forces. The conferees also believe that in addition to the "train the trainer" approach being used in the existing program, an exportable training package should be developed that is oriented toward the training of volunteer emergency First Responders.

The conferees endorse the use of training exercises to test and improve consequence management response capabilities, but believe that the exercise site requirements should be based on the training and exercise needs of the agencies to be exercised, site capabilities, frequency of use, and proximity to participating agencies. The conferees encourage the development of an overall coordinated training exercise strategy similar to that developed for training by the Senior Interagency Group.

Responding to domestic emergencies has been identified in the report of the Quadrennial Defense Review (QDR) as an appropriate mission for the National Guard. Consistent with the President's January 1997 report to the Congress and the May 1997 Department of Defense report on "Domestic Preparedness Program in the Defense against Weapons of Mass Destruction," the conferees direct the Secretary of Defense to report to the congressional defense committees on the status of any plans for assigning the National Guard a role in countering chemical and biological terrorism in the United States. The report should define any such missions of the National Guard and how that role complements other Federal, State, and local authorities with similar responsibilities; the cost for developing the capability for National Guard personnel to train State and local First Responders; the cost for chemical and biological technology and equipment; and the need to develop appropriate response plans, while avoiding unnecessary duplication.

The conferees direct the Secretary of Defense, in coordination with the Director of the Federal Emergency Management Agency and the Director of the Federal Bureau of Investigation, to provide an annual assessment of progress in the domestic emergency response preparedness program. The report should be submitted to the congressional defense committees beginning with the fiscal year 1999 budget request and extending through fiscal year 2001.

Counterproliferation support program

The budget request included $65.3 million for the counterproliferation support program (PE 63160D).

The House bill would authorize an increase of $3.0 million to continue the counterproliferation mission analysis and planning system (CAPS).
The Senate amendment would authorize an increase of $20.0 million to the budget request for the following activities: $3.0 million for the high frequency active auroral research program (HAARP), $1.0 million for development of a portable trace element detection system; $6.0 million to continue the SAFEGUARD proof-of-concept multi-spectral sensor program; and $10.0 million to continue the CAPS program. In addition, the amendment would recommend a $7.0 million increase to the budget request for U.S. Special Operations Command (USSOCOM) operations and maintenance for equipment to detect, and destroy underground facilities, and for training activities to destroy, render safe, transport or recover weapons of mass destruction from deep underground structures.

The conferees agree to authorize an increase of $10.0 million to the budget request for the counterproliferation support program (PE 63160D) to continue CAPS ($7.0 million) and HAARP ($3.0 million). The conferees also agree to a $7.0 million increase to the budget request for USSOCOM operations and maintenance for WMD equipment and training.

The conferees agree to a separate provision, described elsewhere in this report, that would allow the Secretary of Defense to reprogram up to $50.0 million from amounts authorized for fiscal year 1998 for unfunded shortfalls in key counterproliferation capabilities or other areas where more counterproliferation progress can be achieved with additional funding.

In addition to the reprogramming notifications required by law, the conferees direct the Secretary of Defense to notify the congressional defense committees 30 days in advance of its intent to obligate or expend fiscal year 1998 funds not authorized by this Act for counterproliferation activities. The notification shall include the purpose for which the funds are to be utilized, and a certification that the activity addresses a shortfall in existing and programmed capabilities to counter the proliferation of weapons of mass destruction (WMD) or their means of delivery, as identified by the Commanders in Chief (CINCs) and the Counterproliferation Program Review Committee (CPRC).

Strategic systems industrial capabilities

The Department of Defense has consistently highlighted the need to maintain certain industrial base skills and technologies unique to strategic programs. The conferees support the efforts that the Department and the services have made to ensure that these technologies and skills are maintained for future uses. The conferees support Air Force efforts with respect to specialized materials, such as 2 2 3 carbon/carbon, that may be needed for future space and other applications. The conferees urge the Secretary to review the Future Years Defense Program to ensure that Strategic Systems specialized industrial base issues are adequately funded.
TITLE II--RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

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SUBTITLE D--OTHER MATTERS

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Bioassay testing of veterans exposed to ionizing radiation during military service (sec. 244)

The House bill contained a provision (sec. 217) that would authorize $300,000 for the Nuclear Test Personnel Program conducted by the Defense Special Weapons Agency.

The Senate amendment contained a similar provision (sec. 220) that would authorize $300,000 for the Nuclear Test Personnel Program conducted by the Defense Special Weapons Agency for the third phase of bioassay testing of radiation-exposed veterans who participated in radiation-risk activities, and would direct the collection of samples by the appropriate department of agency, and the transfer under appropriate chain of custody to the Brookhaven National Laboratory.

The House recedes with an amendment that would authorize $300,000 for the Nuclear Test Personnel Program from funds authorized for the Defense Special Weapons Agency to conduct the third phase of bioassay testing of veterans exposed to ionizing radiation during their military service.

The conferees agree that neither the Brookhaven National Laboratory, nor the Defense Special Weapons Agency (DSWA), have the capability to collect the samples from the veterans who participated in the United States atmospheric nuclear testing program or the occupation of Hiroshima and Nagasaki, Japan. Therefore, the conferees direct the appropriate department or agency, with access to the veterans who participated in these activities, to collect the required bioassay samples and transfer them to Brookhaven National Laboratory under the appropriate chain of custody.

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TITLE III--OPERATION AND MAINTENANCE

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ITEMS OF SPECIAL INTEREST
Arms control implementation

The budget request included $315.1 million for arms control implementation programs in the military services and the Department of Defense. This request is based on anticipated dates of implementation of the various arms control treaties.

The House bill would authorize a decrease of $25.5 million, which would result in an $11.2 million reduction to the On Site Inspection Agency (OSIA) operations and maintenance account and a $14.3 million reduction to the Defense Special Weapons Agency (DSWA) verification demonstration technology program (PE 63711H). These reductions were due to slippage in the entry into force of the Open Skies Treaty, the Strategic Arms Reduction Treaty II, the Comprehensive Test Ban Treaty (CTBT), and non-implementation of the Bilateral Destruction Agreement (BDA).

The Senate amendment would authorize a decrease of $20.0 million, which would result in a $10.0 million reduction to the OSIA operations and maintenance account and a $10.0 million reduction to the DSWA verification technology demonstration program.

The conferees agree to authorize a decrease of $25.5 million to the budget request for arms control implementation for fiscal year 1998, as follows: $11.2 million for the OSIA operations and maintenance account; and $14.3 million for the DSWA verification technology demonstration program (PE 63711H).

The conferees direct the Department of Defense to provide the congressional defense committees with a program plan for the nuclear control technology research program (PE 63711H) in support of the CTBT, and include the estimated costs. The Department should also include in the report its assessment of recommendations by the National Research Council on research deemed to be necessary to meet nuclear test monitoring goals, and how the nuclear arms control technology activity meets congressionally mandated objectives. The conferees are willing to provide adequate funding for programs that would enable the United States to independently monitor and detect nuclear test activities worldwide and fulfill its obligations under a comprehensive test ban, if and when that treaty enters into force, and do not wish the funding reduction to nuclear control technology activities (PE 63711H) to be misconstrued.

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TITLE X--GENERAL PROVISIONS

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SUBTITLE F--PERSIAN GULF ILLNESS

Plan for health care services for Persian Gulf veterans (sec. 762)
The House bill contained a provision (sec. 752) that would require the Secretary of Defense and the Secretary of Veterans Affairs to prepare a joint plan to provide appropriate health care to Persian Gulf veterans who suffer from a Gulf War illness.

The Senate amendment contained a similar amendment (sec. 752).

The Senate recedes with a clarifying amendment.

Comptroller General study of revised disability criteria for physical evaluation boards (sec. 763)

The House bill contained a provision (sec. 753) that would require the Comptroller General to conduct a study evaluating the revisions made by the Secretary of Defense to the criteria used by Physical Evaluation Boards to set disability ratings for members of the armed forces who are no longer medically qualified for continuation on active duty.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Medical care for certain reserves who served in Southwest Asia during the Persian Gulf War (sec. 764)

The Senate amendment contained a provision (sec. 704) that would entitle a member of a reserve component who is a Persian Gulf War veteran, registers a symptom or illness in the Persian Gulf War Veterans Health Surveillance System of the Department of Defense, and is not otherwise entitled to medical and dental care from the Military Health Care System to medical and dental care to the same extent and under the same conditions as a member on active duty.

The House bill contained no similar provision.

The House recedes with an amendment that would entitle a member of a reserve component who is a Persian Gulf War veteran, registers a symptom or illness in the Persian Gulf War Veterans Health Surveillance System of the Department of Defense, and is not otherwise entitled to medical and dental care from the Military Health Care System or the Veterans Affairs medical system to medical care to the same extent and under the same conditions as a member on active duty.

The House bill contained a provision (sec. 704) that would require the Secretary of Defense to establish a system to assess the medical condition of members of the armed forces who are deployed outside the United States as part of a contingency operation.
The Senate amendment contained a similar provision (sec. 753).

The Senate recedes with a clarifying amendment.

Notice of use of investigational new drugs or drugs unapproved for their applied use (sec. 766)

The House bill contained a provision (sec. 757) that would require the Secretary of Defense to notify a member of the armed forces before the member is administered an investigational new drug or a drug unapproved for its applied use.

The Senate amendment contained a similar provision (sec. 756).

The Senate recedes with a clarifying amendment.

Sense of Congress regarding the deployment of specialized units for detecting and monitoring chemical, biological, and similar hazards in a theater of operations (sec. 768)

The House bill contained a provision (sec. 756) that would require the Secretary of Defense to submit a plan to the Congress regarding the deployment of a specialized unit of the armed forces with the capability and expertise to detect and monitor the presence of chemical, biological, and similar hazards.

The Senate amendment contained a similar provision (sec. 755).

The House recedes with an amendment that would express the Sense of Congress that the Secretary of Defense, in conjunction with the Chairman of the Joint Chiefs of Staff, should take such actions as are necessary to ensure that units of the armed forces deployed in a theater of operations for a contingency operation include specialized units with the capability to detect and monitor the presence of chemical, biological, and similar hazards.
chemical or biological agents (sec. 1078)

The Senate amendment contained a provision (sec. 1086) that would prohibit the United States government from using human subjects for chemical or biological tests or experiments. The provision would not apply to research, tests, or experiments related to medical, therapeutic, pharmaceutical, agricultural, and industrial activities, or research, tests, or experiments directly related to protection against toxic chemicals, or to protection against chemical or biological agents, U.S. military purposes not related to the use of chemical weapons, and law enforcement activities, including domestic riot control and the imposition of capital punishment. The provision would also require the Department of Defense to report to Congress annually on the conduct of chemical and biological tests involving human subjects, with a certification by the Secretary of Defense that informed consent was obtained from each subject, prior to testing, and would repeal section 808 of the Department of Defense Appropriation Authorization Act for Fiscal Year 1978 (50 U.S.C. 1520).

The House bill contained no similar provision.

The House recedes with an amendment that would prohibit the Secretary of Defense, either directly or by contract, from conducting tests or experiments using chemical or biological agents on human subjects and would require the Secretary of Defense to report to Congress thirty days prior to date that the Department of Defense intends to conduct a chemical or biological test or experiment involving human subjects.

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LEGISLATIVE PROVISIONS NOT ADOPTED

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Criminal prohibition on the distribution of certain information relating to explosives, destructive devices, and weapons of mass destruction

The Senate amendment contained a provision (sec. 1075) that would amend section 842 of title 18, United States Code, to make it a crime for a person to teach, demonstrate the making of explosives, destructive devices or weapons of mass destruction, or to distribute information on the manufacture or use of explosives, destructive devices, and weapons of mass destruction.

The House bill contained no similar provision.

The Senate recedes.
TITLE XII--MATTERS RELATING TO OTHER NATIONS

LEGISLATIVE PROVISIONS ADOPTED

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SUBTITLE B--EXPORT CONTROLS ON HIGH PERFORMANCE COMPUTERS

Export controls on high performance computers (secs. 1211 1215)

The House bill contained provisions (secs. 1231 1234) that would express concerns about recent reports that United States-origin supercomputers were obtained by countries of proliferation concern for possible use in weapons-related activities and that these countries have refused to allow the United States to conduct post-shipment verification of the supercomputers to ensure that they are not being used for military purposes. The provision would prohibit the export, or re-export, of supercomputers with a composite theoretical performance of more than 2,000 millions of theoretical operations per second (MTOPS) to any Tier III country without the prior written approval of the Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, the Secretary of State, and the Director of the Arms Control and Disarmament Agency. It would also require the President to report to Congress on all supercomputers with a computational capability of over 2,000 MTOPS that have been exported to all countries since January 1996. Finally, it would require post-shipment verification of U.S. origin supercomputers that exceed 2,000 MTOPS that have been exported to Tier III countries and require a report on the results of post-shipment verification.

The Senate amendment contained a provision (sec. 1080) that would require the General Accounting Office (GAO) to conduct a study on the national security risks of selling supercomputers with a computational capability of 2,000 7,000 MTOPS to end-users in Tier III countries and to conduct an assessment of foreign availability of supercomputers in the 2,000 7,000 MTOPS range. The provision would require the Secretary of Commerce to publish a list of military and nuclear end-users and establish procedures by which U.S. exporters may seek information on questionable end-users.

The conferees agree to a series of provisions. One provision (sec. 1211) would require that no computer with a composite theoretical performance of more than 2,000 MTOPS, or such other composite theoretical performance level established by the President, may be exported or re-exported to covered countries without a license if the sale without a license is objected to in writing by the Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, the Secretary of State, or the Director of the Arms Control and Disarmament Agency. Such objection would have to be made within ten days of receiving the notice of proposed export, or re-export. The provision would allow the President, after consultation with the same department and agency heads, to change the threshold of the composite theoretical performance levels that would require the aforementioned ten day review before being exported without license to covered countries. However, the provision would delay implementation of such a threshold adjustment for 180 days after receipt by Congress of a report that justifies the change.
of the threshold. In addition, the provision would allow the President to add or delete countries from the list of covered countries, after consultation with the same department and agency heads, but would delay implementation of deletions from the list for 120 days after receipt by Congress of a report that justifies the deletion, and would preclude the deletion of certain countries of proliferation concern from this list. Another provision (sec. 1212) would require a report to Congress on the sales of high performance computers to Tier III countries since January 1996. The conferees also agree to a provision (sec. 1213) that would require post-shipment verification of high performance computers sold to covered countries and an annual report on the results of post-shipment verification. Lastly, the conferees direct the GAO to study the national security risks of exporting high performance computers to Tier III countries and to provide an analysis of the foreign availability of high performance computers (sec. 1214).

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TITLE XIII--ARMS CONTROL AND RELATED MATTERS

LEGISLATIVE PROVISIONS ADOPTED

Presidential report concerning detargeting of Russian strategic missiles (sec. 1301)

The House bill contained a provision (sec. 1206) that would require the President to certify to Congress by January 1, 1998 whether the United States is able to verify by technical means that Russian intercontinental ballistic missiles (ICBMs) are not targeted at the United States; the length of time it would take for a detargeted Russian ICBM to be retargeted against a site in the United States; and whether a detargeted Russian ICBM would be automatically retargeted against a site in the United States in the event of an accidental launch.

The Senate amendment contained no similar provision.

The conferees note that the Secretary of Defense was directed in the House report on H.R. 3230 (H. Rept. 104-563), the National Defense Authorization Act for Fiscal Year 1997, to provide a report on the verifiability and military significance of the Moscow Declaration of January 14, 1994. On May 16, 1997, the Secretary submitted a report to Congress which stated that the United States could not independently verify that Russian intercontinental ballistic missiles were no longer targeted at the United States and that detargeted Russian ICBMs could be quickly retargeted within minutes. With regard to detargeted U.S. ICBMs, the report stated that these missiles could be retargeted in a short time.

The conferees believe that efforts between the United States and the Russian Federation to lower the threat of a massive nuclear exchange are laudable goals and encourage measures that would make a substantive contribution toward enhancing strategic stability. The conferees agree that it is important to have a full understanding of what particular agreements mean relative to achieving those goals. The conferees support a careful analysis of the advantages and limitations of the missile detargeting agreement. Therefore, the conferees agree to a provision
that would require the President to submit a report to Congress that addresses issues regarding the detargeting of Russian strategic missiles.

**Limitation on retirement or dismantlement of strategic nuclear delivery systems (sec. 1302)**

The Senate amendment contained a provision (sec. 1054) that would preclude the reduction of certain strategic delivery systems unless the START II Treaty enters into force and the President waives this prohibition. The provision would also prohibit substantial early deactivation of strategic nuclear delivery systems, such as warhead removal, unless the Secretary of Defense meets certain requirements, as specified in the provision. Finally, the provision would require the Secretary of Defense to prepare a plan for the contingency sustainment of a START I force beyond 1998, should START II not enter into force by 2004.

The House bill contained no similar provision.

The House recedes with an amendment that would prohibit the obligation of funds available to the Department of Defense during fiscal year 1998 to implement an agreement that results in substantial early deactivations of U.S. strategic forces until the President makes certain determinations.

**Assistance for facilities subject to inspection under the Chemical Weapons Convention (sec. 1303)**

The Senate amendment contained a provision (sec. 1057) that would allow the Department of Defense (DOD), through the On-Site Inspection Agency (OSIA), to provide technical assistance to companies that are subject to routine or challenge inspection under the terms of the Chemical Weapons Convention (CWC), provided that OSIA is reimbursed for such assistance by the U.S. National Authority established under the CWC.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees note that the CWC imposes new obligations on private U.S. companies that may lead them to seek assistance from DOD in preparing their facilities for inspections to be carried out under the Convention's terms. The conferees recognize that the On-Site Inspection Agency possesses the technical experience to assist companies in this process. However, this is not part of OSIA's mission and the DOD would incur significant costs in providing such assistance. To this end, the conferees agree that DOD may not provide any CWC-related assistance to private companies unless the Secretary of Defense determines that the Department will be reimbursed for the costs incurred in providing such assistance.

The conferees note that the CWC implementing legislation passed by the Senate contains a similar provision. The conferees expect DOD to adhere to the additional requirements that govern the process by which the Department is to be reimbursed.
Transfers of authorizations for high-priority counterproliferation programs (sec. 1304)

The Senate amendment contained a provision (sec. 217) that would authorize the Secretary of Defense to transfer up to $50.0 million from funds authorized in fiscal year 1998 for the Department of Defense to conduct counterproliferation programs, projects, and activities that are identified as a high priority by the Counterproliferation Review Committee.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Sense of Congress regarding the relationship between environmental laws and United States obligations under the Chemical Weapons Convention (sec. 1307)

The Senate amendment contained a provision (sec. 1058) that would express the sense of the Senate that the President should use the authority available under existing law to ensure that the United States is able to construct and operate the facilities necessary to destroy the United States stockpile of lethal chemical agents and munitions within the time allowed by the Chemical Weapons Convention (CWC) and that the President should encourage negotiations between appropriate Federal Government officials and officials of the State and local governments concerned to attempt to meet their concerns about the actions being taken to carry out the obligations of the United States under the convention.

The House bill contained no similar provision.

The House recedes with an amendment that would modify the provision to express the sense of Congress regarding obligations of the United States under the CWC and would add findings from a February 1997 General Accounting Office study regarding matters that affect the schedule and costs of the chemical demilitarization program.

Extension of counterproliferation authorities for support of United Nations Special Commission on Iraq (sec. 1308)

The House bill contained a provision (sec. 1202) that would extend the authority through fiscal year 1998 for the Department of Defense (DOD) to continue to provide support to the United Nations Special Commission on Iraq (UNSCOM).

The Senate amendment contained a similar provision (sec. 1056).

The Senate recedes with a technical amendment.

The conferees support the extension of this authority given ongoing concerns over Iraq's continued possession of weapons of mass destruction and missile delivery systems. However, the conferees are concerned that the DOD role in providing assistance has transitioned from a short-term
requirement to a semi-permanent element of the effort to contain Iraq.

Pursuant to United Nations Security Council Resolutions 986 and 1111, which took effect December 10, 1996 and June 8, 1997, respectively, Iraq is authorized to sell limited quantities of oil with most of the proceeds going to pay for humanitarian needs and to support UNSCOM activities. In addition, UNSCOM activities are also funded by frozen Iraqi assets and from direct and indirect contributions from other nations. The conferees would note that the Department of Defense is the primary source of U.S. government funding for the UNSCOM mission, providing specialized equipment and services otherwise unavailable to UNSCOM.

The conferees believe that continued vigilance is warranted to ensure that Iraq does not acquire or maintain proscribed military capabilities. However, the conferees do not believe that the costs of providing specialized support to UNSCOM should be permanently borne by the Department of Defense. To this end, the conferees support efforts by the Department to seek reimbursement for expenses incurred in providing support to UNSCOM and encourage the administration to negotiate formal agreements to this effect.

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TITLE XIV--COOPERATIVE THREAT REDUCTION WITH STATES OF FORMER SOVIET UNION

LEGISLATIVE PROVISIONS ADOPTED

Cooperative threat reduction (CTR) program (secs. 1401 1410)

The budget request included $382.2 million for the Cooperative Threat Reduction (CTR) program.

The House bill contained provisions (secs. 1101 1111) that would: authorize $284.7 million for the Cooperative Threat Reduction (CTR) program, a $97.5 million reduction to the budget request; specify CTR programs; allocate fiscal year 1998 funding for the various CTR programs and activities; prohibit the use of CTR funds for specific purposes; prohibit the obligation of CTR funds until various reports, notifications, and certifications are submitted to the Congress; make prior year unobligated CTR balances available for three fiscal years; and make fiscal year 1998 CTR funds available for three fiscal years. The House bill would also add funds for the Department of Energy (DOE) budget to carry out nuclear reactor core conversion activities in Russia under the auspices of the CTR program.

The Senate amendment contained provisions (secs. 1009 and 1085) that would authorize the budget request of $382.2 million; would make funds authorized in fiscal year 1997 for international border security activities available for three years; and would provide the Secretary of Defense authority to exceed the sublimits established in fiscal years 1996 and 1997 for CTR activities. The provisions would also limit the obligation or expenditure of certain fiscal year 1998 funds until receipt of either a certification by the President regarding Russian progress in solving outstanding compliance issues under bilateral chemical weapons agreements, or a presidential certification that U.S.
national security interests would be undermined if CTR chemical weapons destruction activities were not carried out.

The conferees agree to a series of provisions that would authorize $382.2 million for the CTR program, establish sublimits for CTR activities and would provide the Secretary of Defense with authority to exceed the established sublimits in fiscal years 1996, 1997, and 1998 for strategic elimination activities in Russia and Ukraine. The obligation of fiscal year 1998 CTR funds is contingent upon the submission of various reports, notifications, and certifications to the Congress. The use of the word "agreements" in these provisions does not preclude the possibility that the conditions set forth can be met by the implementing agreements routinely entered into between the Department of Defense (DOD) and the CTR partner for specific projects.

The conferees reiterate their traditional support for CTR assistance in the elimination of strategic nuclear weapons systems in Russia and Ukraine. However, given the economic and financial conditions in Russia, the conferees are concerned about Russia's willingness to contribute its share of the costs of eliminating its strategic offensive arms and its declared stockpile of chemical weapons. As noted in recent U.S. resolutions of ratification of arms control agreements, the U.S. believes that Russia must contribute its share of the costs of complying with its arms control commitments.

The conferees note that the Department of Defense is seeking congressional approval of fiscal year 1998 funds for certain projects where fiscal year 1997 funds have not yet been fully obligated because of the lack of the necessary implementing agreements. As a general management principle, the conferees believe that fiscal year 1998 funds should not be obligated for those projects until the fiscal year 1997 CTR funds have been obligated.

The conferees are also concerned about recent reports that Russia has applied taxes, duties, overhead charges, and other arbitrary assessments on U.S. assistance. The conferees agree to a provision that would require the Secretary of Defense to report to the Congress on the impact of these charges on the CTR program, and what can be done to reduce or eliminate such charges.

Finally, the conferees maintain their belief that the proliferation of weapons of mass destruction, delivery systems, components, materials, and related technologies, represents a growing threat to the United States and to U.S. interests. In this regard, the conferees note that section 1424 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104 201) authorized $15.0 million of CTR funds for international border security. This program would provide assistance to customs officials and border guard officials in the independent states of the former Soviet Union, such as Azerbaijan, Armenia, Georgia, the Baltic states, and other countries in Eastern Europe. The conferees understand that funds authorized for this activity have not been obligated or expended. The conferees note the continued congressional support for this activity and direct the Department to take appropriate actions to establish this activity and to obligate the funds available as soon as possible. These activities provide an early line of defense by improving the detection and interdiction of such weapons, materials, and technologies before they cross international borders.