

103^D CONGRESS
2^D SESSION

S. 1809

To achieve greater cooperation from allies of the United States and international organizations for the payment of the costs involved in the development and production of Theater Missile Defense systems; and to amend title 10, United States Code, to establish a Theater Missile Defense Cooperation Account.

IN THE SENATE OF THE UNITED STATES

JANUARY 28 (legislative day, JANUARY 25), 1994

Mr. SASSER introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To achieve greater cooperation from allies of the United States and international organizations for the payment of the costs involved in the development and production of Theater Missile Defense systems; and to amend title 10, United States Code, to establish a Theater Missile Defense Cooperation Account.

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

1 **SECTION 1. REPORT ON ACTIONS TO ACHIEVE INTER-**
2 **NATIONAL COOPERATION IN DEVELOPMENT**
3 **OF THEATER MISSILE DEFENSES.**

4 Not later than June 1, 1994, the Secretary of De-
5 fense shall submit to Congress a report on steps that can
6 be taken by the United States to achieve greater coopera-
7 tion from allies of the United States and international or-
8 ganizations for the payment of the costs involved in the
9 development and production of Theater Missile Defense
10 systems.

11 **SEC. 2. FUNDING THEATER MISSILE DEFENSE PROGRAMS.**

12 (a) REQUIREMENT FOR ANNUAL AUTHORIZATION OF
13 NEW OBLIGATIONAL AUTHORITY FOR TMD PRO-
14 GRAMS.—The Congress shall establish by law for each fis-
15 cal year (beginning with fiscal year 1995) the level of new
16 obligational authority (stated as a single dollar amount)
17 for research, development, test, and evaluation and for
18 procurement for Theater Missile Defense programs of the
19 Department of Defense for that fiscal year.

20 (b) LIMITATION ON UNITED STATES CONTRIBUTION
21 FOR TMD PROGRAMS.—(1) Not more than 80 percent of
22 the amount established pursuant to subsection (a) for any
23 fiscal year may be provided from amounts appropriated
24 to the Department of Defense from the general fund of
25 the Treasury, and no appropriation may be made to the
26 Department of Defense for any fiscal year which would

1 cause the total amount appropriated for that fiscal year
2 for research, development, test, and evaluation and for
3 procurement for Theater Missile Defense programs of the
4 Department of Defense to exceed 80 percent of such
5 amount.

6 (2) Any additional funds for research, development,
7 test, and evaluation and for procurement for Theater Mis-
8 sile Defense programs for any fiscal year for which an
9 amount has been established pursuant to subsection (a)
10 shall be derived from the Theater Missile Defense Co-
11 operation Account under section 2610 of title 10, United
12 States Code, as added by section 3.

13 (3) The President may waive the limitation in para-
14 graph (1) and the requirement in paragraph (2) to the
15 extent that the President determines appropriate in the
16 national security interest of the United States.

17 (c) POLICY REGARDING INCREMENTAL INCREASES
18 IN FOREIGN CONTRIBUTIONS FOR TMD PROGRAMS.—It
19 is the intent of Congress that, except as provided in sub-
20 section (d), the percentage of the cost of the development
21 and production of Theater Missile Defense systems that
22 is borne by the United States should decrease incremen-
23 tally, and the percentage that is borne by allied nations
24 and international organizations should increase incremen-
25 tally, over the fiscal years after fiscal year 1995 so that

1 the percentage actually borne by the United States in later
 2 fiscal years is significantly less than the maximum of 80
 3 percent provided for under subsection (b).

4 (d) EXEMPTION.—The financial contribution require-
 5 ments established for allied nations in the administration
 6 of this section shall not apply to any foreign nation that,
 7 as of the date of the enactment of this Act, is paying at
 8 least 20 percent of the total cost of the contracts in exist-
 9 ence under a theater missile defense interceptor system
 10 program being carried out on such date in cooperation be-
 11 tween that foreign nation and the United States.

12 **SEC. 3. THEATER MISSILE DEFENSE COOPERATION AC-**
 13 **COUNT.**

14 (a) ESTABLISHMENT.—(1) Chapter 155 of title 10,
 15 United States Code, is amended by adding at the end the
 16 following new section:

17 **“§ 2610. Theater Missile Defense: acceptance of con-**
 18 **tributions from allies; Theater Missile De-**
 19 **fense Cooperation Account**

20 “(a) ACCEPTANCE AUTHORITY.—The Secretary of
 21 Defense may accept from any allied foreign government
 22 or any international organization any contribution of
 23 money made by such foreign government or international
 24 organization for use by the Department of Defense for
 25 Theater Missile Defense programs.

1 “(b) ESTABLISHMENT OF THEATER MISSILE DE-
2 FENSE COOPERATION ACCOUNT.—(1) There is established
3 in the Treasury a special account to be known as the ‘The-
4 ater Missile Defense Cooperation Account’.

5 “(2) Contributions accepted by the Secretary of
6 Defense under subsection (a) shall be credited to the
7 Account.

8 “(c) USE OF THE ACCOUNT.—Funds in the Account
9 are hereby made available for obligation for research, de-
10 velopment, test, and evaluation, and for procurement, for
11 Theater Missile Defense programs of the Department of
12 Defense, subject to annual limitations provided by law in
13 total obligations for such purpose.

14 “(d) INVESTMENT OF MONEY.—(1) Upon request by
15 the Secretary of Defense, the Secretary of the Treasury
16 may invest money in the Account in securities of the
17 United States or in securities guaranteed as to principal
18 and interest by the United States.

19 “(2) Any interest or other income that accrues from
20 investment in securities referred to in paragraph (1) shall
21 be deposited to the credit of the Account.

22 “(e) NOTIFICATION OF CONDITIONS.—The Secretary
23 of Defense shall notify Congress of any condition imposed
24 by the donor on the use of any contribution accepted by
25 the Secretary under the authority of this section.

1 “(f) REPORTING REQUIREMENT.—Not later than 30
2 days after the end of each quarter of each fiscal year, the
3 Secretary of Defense shall submit to Congress a report
4 on the contributions accepted by the Secretary under this
5 section during the preceding quarter.

6 “(g) ANNUAL AUDIT BY GAO.—The Comptroller
7 General of the United States shall conduct an annual
8 audit of money accepted by the Secretary of Defense
9 under this section and shall submit a copy of the results
10 of each such audit to Congress.

11 “(h) REGULATIONS.—The Secretary of Defense shall
12 prescribe regulations to carry out this section.”.

13 (2) The table of sections at the beginning of such
14 chapter is amended by adding at the end the following
15 new item:

“2610. Theater Missile Defense: acceptance of contributions from allies; Theater
Missile Defense Cooperation Account.”.

16 (b) EFFECTIVE DATE.—Section 2610 of title 10,
17 United States Code, as added by subsection (a), shall take
18 effect on October 1, 1994.

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